
 Doc ID: 009186700039 Type: CRP
 Recorded: 09/13/2011 at 04:13:56 PM
 Fee Amt: \$128.00 Page 1 of 39
 Onslow County, NC
 Rebecca L. Pollard Reg. of Deeds
 BK **3650** PG **449-487**

PREPARED BY: DONALD G. WALTON, JR., Attorney at Law

NORTH CAROLINA
ONSLow COUNTY

AMENDMENT TO RESTRICTIVE
COVENANTS OF LIVE OAK SUBDIVISION

THIS AMENDMENT TO THE DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS OF THE RESTRICTIVE COVENANTS FOR
LIVE OAK SUBDIVISION, made this 9th day of ~~August~~, 2011, by Live Oak Cove
Homeowners' Association, hereinafter called "Association" ~~September~~

WITNESSETH:

THAT WHEREAS, Live Oak Cove is a subdivision of real property located in Onslow
County, North Carolina and being more particularly described on Map Book 36, Page 59, Map Book
51, Page 19, Map Book 53, Page 77, and Map Book 60, Page 188, Onslow County Registry; and

WHEREAS, the aforesaid property was subjected to Declaration of Covenants, Conditions,
and Restrictions for Live Oak Cove Subdivision recorded in Deed Book 2670, Page 373, as
amended in Deed Book 3377, Page 654, Deed Book 3537, Page 841, and Deed Book 3610, Page
203, Onslow County Registry and Supplemental Covenants for Live Oak Cove Subdivision in Deed
Book 2869, Page 893, Onslow County Registry (hereinafter collectively referred to as "Restrictive
Covenants"); and

WHEREAS, the Section Four (4) of the Declaration of Covenants, Conditions and
Restrictions for Live Oak Cove Subdivision recorded in Deed Book 2670, Page 373, as amended in
Deed Book 3377, Page 654, Onslow County Registry, allowed Amendment to the Declaration by
affirmative vote of at least sixty-seven percent (67%) of the allocated votes in the Association; and

WHEREAS, by joinder of their signatures herein, at least sixty-seven percent (67%) of the
allocated votes of the homeowners and boat slip owners in Live Oak Cove approve and are desirous
of making this amendment to those covenants for Live Oak Subdivision; and

1

NOW THEREFORE, the homeowners and Live Oak Cove Homeowners' Association declare that the Property described above shall be held sold and conveyed subject to the North Carolina Planned Community Act set forth in Chapter 47F of the North Carolina General Statutes (the "Act"), as well as the following easements, restrictions, covenants, and conditions.

ARTICLE 1

DEFINITIONS

In addition to other terms defined herein, the following capitalized terms shall have the following meanings as used herein:

SECTION 1. Additional Property shall mean and refer to any lands, in addition to the above-described Property, annexed to and made a part of the Planned Community, whether such lands are now owned or hereafter acquired by Declarant or others, and whether developed by Declarant or others and whether contiguous with existing phases or not contiguous thereto.

SECTION 2. Allocated Interest shall mean the Common Expenses Liability and votes in the Association allocated to each lot.

SECTION 3. Association shall mean and refer to LIVE OAK COVE HOMEOWNERS' ASSOCIATION, a North Carolina non-profit corporation, its successors and assigns, the owners association organized pursuant to the Act for the purposes set forth herein.

SECTION 4. Common Elements shall mean and refer to all lands and easements within or appurtenant to the Planned Community which are owned or enjoyed by the Association, other than a Lot, and intended for the common use and enjoyment of the Declarant, Owners, and their terminate including, without limitation, any private roads, piers, docks, boat launch facilities, (excluding privately owned boat slips), perimeter fencing for the Property (but not privacy fences located on or within a Lot), and storm water retention ponds within the Planned Community. Common Elements shall also include any areas designated on any plats for the Planned Community as "Open Space", Common Are, Common Element, Recreation Area, Amenity Area, or any roads shown on such plats or any other area designated or described by any other similar designation. Common Elements need not be contiguous to or butting the Property or any Additional Property.

SECTION 5. Common Expenses means expenditures made by or financial liabilities of the Association, together with any allocations to reserves, all of which shall be the responsibility of the Owners (as that term is defined herein)

SECTION 6. Common Expense Liability means the liability for Common Expenses allocated to each Lots as permitted by the Act, this Declaration or otherwise.

SECTION 7. Declarant shall be used interchangeable with Developer (which designations shall include singular, plural, masculine and neuter as required by the context) and shall mean and refer to **LIVE OAK COVE HOMEOWNERS' ASSOCIATION**, its successors and assigns, if such successors or assigns should acquire undeveloped property from Declarant or a Lot not previously disposed of for the purpose of development and reserves or succeeds to any Special Declarant Right.

SECTION 8. Declarant Control Period or Period of Declarant Control. Shall have the meaning set forth in Article III hercof.

SECTION 9. Declaration shall mean this instrument and as it may be from time to time amended or supplemented.

SECTION 10. Executive Board or Board shall be used interchangeably with the Board of Directors and means the body, regardless or name, designed in this Declaration or otherwise to act on behalf of the Association.

SECTION 11. Lots shall mean and refer to any portion of the Planned Community designated for separate ownership by a Lot Owner and shown on a recorded subdivision plat which has been approved by the applicable planning board or other governmental authority.

SECTION 12. Boat Slip shall mean and refer to either of those nine (9) boat slips located in the Planned Community designated for ownership by a Lot Owner in the community as shown the recorded subdivision plat.

SECTION 13. Lot Owner or Owner shall mean any Person, except the Declarant who owns a fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. Declarant is not an Owner or Lot Owner.

SECTION 14. Boat Slip Licensee or Licnsec shall mean any Person, except the Declarant, who owns a fee simple Boat Slip in the form of a Boat Slip License Agreement, but excluding those having such interest merely as security for the performance of an obligation. Declarant is not a Boat Slip Licensee.

SECTION 15. Master Association means a master association as defined in the Act.

SECTION 16. Member shall mean any member of the Association, including Declarant.

SECTION 17. Persona means a natural person, corporation, business trust, estate, trust, partnership, association, joint venture, government, governmental subdivision or agency or other legal or commercial entity.

SECTION 18. Planned Community shall mean and refer to the Property plus any Additional Property made a part of the Planned Community by the exercise of any Special Declarant Right.

SECTION 19. Purchaser means any Person, other than the Declarant or a Person in the business of selling real estate for the purchaser's own account , who by means of a voluntary transfer acquires a legal or equitable interest in a Lot, other than (i) a leasehold interest (including renewal options of less than 20 years, or (ii) as security for an obligation.

SECTION 20. Reasonable Attorney's Fees. Mean attorney's fees reasonably incurred without regard to any limitations on attorney's fees which otherwise may be allowed by law.

SECTION 21. Sewer or Sewer/Septic shall mean any public or private wastewater disposal system,

3

including private septic systems, lines and related equipment and improvements. These terms shall be construed broadly.

SECTION 22. Special Declarant Rights means rights reserved for the benefit of the Declarant including, without limitation the right (i) to complete improvements intended or planned by Developer for the Property or Additional Property; (ii) to exercise any development or other right reserved to the Declarant by this Declaration or otherwise, (iii) to maintain with the Planned Community sales offices, management offices, construction offices/trailers, signs, advertising the Planned Community, and models; (iv) to use the Common Elements for the purpose of making improvements within the Planned Community; (v) to make the Planned Community part of a larger planned community or group of planned communities; (vi) to make the Planned Community subject to a Master Association; (vii) to appoint or remove any officer or executive Board Member of the Association or any Master Association or any member of the Architectural Review Committee during the Declarant Control Period or (viii) to permit other land to be annexed to and made a part of the Planned Community in accordance with the terms of this declaration.

SECTION 23. Utilities shall mean any and all improvements that provide cable, water, electricity, sewer, sewer/septic or wastewater disposal, telephone lines and equipment, Internet, security systems, refuse disposal and related services to the Lots or Common Elements. This term shall be construed as broadly as possible to include all services that could apply to the development as intended herein.

ARTICLE II PROPERTY RIGHTS AND EASEMENTS

SECTION 1. Owners' Property Rights and Easement of Enjoyment. Every Owner and Declarant shall have and is hereby granted a right and easement of enjoyment in and to the Common Elements, which shall be appurtenant to and shall pass with the title to every Lot (and, if applicable, Boat Slip), subject to the following provisions:

(a) The Association may make and amend reasonable rules and regulations governing use of the Common Elements by the Owners;

(b) Without modifying the Declarant's rights as set forth herein, the Association may grant a security interest in or convey the Common Elements, or dedicate or transfer all or part of the Common Elements, for such purposes and subject to such conditions as may be approved by 67% of the Members (including Declarant) present at a Meeting (which must have a quorum and meet the other requirements set forth in the Act, these Declaration and the Associations By-Laws called to authorize the same All members, including the Declarant, shall be entitled to vote pursuant to the Voting Rights process set forth in Article III. However, that the Association, if it has the Declarant's written consent which is necessary during the Period of Declarant Control), may, without the consent of the Owner's grant easements, leases (including conservation easements), licenses and concession through or over the Common Elements. No conveyance or encumbrance of Common Elements shall deprive any Lots of its rights of access or support.

SECTION 2. Easements in Favor of Declarant and the Association. The following easements are reserved to Declarant and the Association, their agents, contractors, employees, successor and assigns:

4

(A) easements as necessary in the Common Elements and fifteen feet on the rear and front of all Lots and fifteen feet along all roads and ten feet on each side of all Lots (except for sides which front a road where the fifteen foot easement applies) for the installation of a Sewer/Septic, utilities, and drainage facilities (including the right to go upon the ground with men and equipment to erect, maintain, inspect, repair and use electric and telephone lines, wires, cables, conduits, sewers, septic lines and related equipment water mains and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, septic, water or other public conveniences (including cable, telephone, Internet and security systems) or utilities on, in or over each Lot and such other areas as are shown on the plat of the Property or any Additional property recorded or to be recorded in the Office of the Register of deeds of Onslow County; the right to cut drain ways, swales and ditches for the surface water whenever such action may appear to the Developer or the Association to be necessary in order to maintain reasonable standards of health, safety and appearance; the right to make any grading of the soil, or to take any other similar action reasonable necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance; and the right to locate wells, pumping stations, septic tanks, and equipment and utilities within Common Elements, or upon any easement area (including the aforementioned 15 foot and 10 foot easements on the Lots). No structures or planting or other material shall be placed or permitted to remain upon such easement areas or other activities undertaken thereon which may damage or interfere with the installation of maintenance of utilities or other services, or which may retard, obstruct or reverse the flow of water or which may damage or interfere with established slope ratios or create the erosion. Declarant reserves the right to grant easements/curb cuts over all private or public streets and all Common Elements within the Planned Community to itself or others for the purpose of providing access and utilities to the other lands, whether owned by the Declarant or others and whether or not part of the Planned community. These easement areas (whether or not shown on the recorded plats for the Planned Community) but not the improvements within such areas shall be maintained by the respective Owner except those for which a public authority or utility company is responsible.

(B) easements over and under all Roads and streets, access easements, and Common Elements within the Planned Community as necessary to provide access, ingress and egress, to and the installation of Utilities for any Additional Property.

(C) the Association and the Owner of Lot 11 Live Oak Cove hereby increase the 5' easement on the southern waterfront portion of the lot by 5' (to the north of the property) for the sole purpose of running underground water and electrical service to the community dock constructed there, and does not increase the access easement except for the purposes of utilities and maintenance thereof.

(D) an easement of unobstructed access over, on upon , through and across each Lot and the Common Elements located thereon, if any, at all reasonable times to perform any maintenance and repair to the Common Elements and Utilities.

(E) a temporary construction easement of twenty-five (25) feet in width along both sides and running parallel to streets or roads, which easement shall expire twelve (12) months after the particular road construction commences, or upon the acceptance of such streets or roads for maintenance by governmental authority, whenever first occurs.

5

(F) the right to erect and maintain Utilities, drain ways and other public conveniences in the common lands or the aforementioned 10 and 15 foot easements on the Lots, including the right to cut any trees, bushes, or shrubbery, make any grading in the soil or take any similar action reasonable and necessary or desirable to provide economical and safe installation or service.

(G) the right to contract and with a third-party service contractor to construct, own, and maintain cable, Internet, telephone, and security system equipment and facilities on Common Elements and through any easement area described in subparagraph (a) above. This specifically includes the right to allow third-party service provider to construct, own, and maintain a "bunker" that houses the equipment (which the third-party service provider may or may not own) it deems necessary to integrate a wiring system for cable, telephone, Internet and security systems for the entire Planned Community. In addition to this bunker, related equipment, including satellite dishes, may be erected, owned and maintained by third-party service providers. The third party shall be allowed to provide service to other person and land owners who live outside the planned Community from this bunker.

(G) unless specifically stated therein, nothing in these restrictions, nor in the recording of any plat or deed pursuant hereto, shall dedicate (or be deemed to dedicate) to public use of any of the Roads, streets, bridges, common lands or other grounds within the Property.

SECTION 3. Other Easements. The following additional easements are granted by Declarant.

(A) an easement to all police, fire protection, ambulance and all similar persona, companies, or agencies performing emergency service, to enter upon all Lots, Boat Slips and Common elements in the performance of their duties.

(B) in case of emergency originating in or threatening any Lot, Boat Slip or Common Elements, regardless of whether any Lot Owner or Boat Slip Licensee is present at the time of such emergency, the Association or any other person authorized by it, shall have the immediate right to enter any Lot or Boat Slip for the purpose of remedying or abating the causes of such emergency and making any other necessary repairs not performed by the Lot Owners or Boat Slip Licensees.

(C) the Association is granted an easement over each Lot or Boat Slip for the purpose of providing Lot or Boat Slip maintenance when an Owner or Boat Slip Licensee fails to provide maintenance and upkeep in accordance with this Declaration.

SECTION 4. Nature of Easements. All easements and rights described herein are perpetual easements appurtenant, running with the land, and shall inure to the benefit of and be binding on the Declarant and the Association, their successors and assigns, and any Owner, Boat Slip Licensee, purchaser, mortgagee and other person having an interest in the Planned Community, or any part or portion thereof, regardless of whether or not reference is made in the respective deeds or conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Declaration.

SECTION 5. Septic Fields shall revert to the Declarant. Any area that is designated as a septic field or proposed septic field or is used as a septic field for an off site Lot shall revert the Declarant upon the availability of Public Sewer Service which must be utilized by all Lots and Lot Owners. Upon reversion, Declarant may sell such former Septic Fields as Lots. Declarant, at its sole discretion, may reject to receive such reversion.

6

SECTION 6. The Declarant makes no representation in these covenants as to the type, quality, or amount of common areas and improvements other than shown on the Final Plat.

ARTICLE III HOMEOWNERS ASSOCIATION

SECTION 1. Formation of Association. The Association shall be incorporated no later than the date the First Lot in the Planned Community is conveyed. The association is a nonprofit corporation organized pursuant to the nonprofit Corporation Act of the state of North Carolina for the purpose of establishing an association for the Declarant and Owners of Lots to operate and maintain the Common Elements and any Limited Common Elements, including but not limited to the Dock and Boat Ramp in accordance with this Declaration, its Charter and Bylaws. The Association shall be empowered to perform and/or exercise those owners set forth in the Act as it may be amended from time to time, in addition to any powers and authority otherwise granted to it.

SECTION 2. Membership. Every lot owner and boat slip licensee under a Boat Slip Licensing Agreement, and Declarant shall be a member of the Association. Except for the Declarant, membership shall be appurtenant to and may not be separated from Lot ownership.

SECTION 3. Membership Classes. The Association shall initially have two classes of voting membership (but the Declarant by amendment to this Declaration without the consent of any Lot Owners may add other membership classes for each limited Common Element Development or other type development which may be annexed by the Planned Community)

Class A. Class A Members shall be Owners and Boat Slip Licensees who have not been assigned to another membership class pursuant to this Declaration.

Class B. The Declarant and its successors shall be a Class B. Member.

SECTION 4. Voting Rights. The voting rights of each class of membership shall be as follows:

(A) The Class A Members shall be entitled to vote for each Lot (and, if applicable, Boat Slip License) owned. When more than one person holds and interest in any Lot (and, if applicable, Boat Slip), all such persons shall be members. The vote for such Lot (and, if applicable, Boat Slip License) shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any one Lot or Boat Slip License. Fractional voting with respect to any Lot (and, if applicable, Boat Slip License) is hereby prohibited. Only certain classes of members may vote on certain issues as hereinafter provided.

(B) The Class B Member shall be entitled to ten (10) votes for each Lot (and, if applicable, Boat Slip License) owned. The Class B Membership shall cease and be converted to a Class A Membership on the happening of any of the following events, whichever occurs earlier:

(I) when the total vote outstanding in all Classes of Membership, other than Class B Membership, constitutes a representation of eighty percent (75%) of the total Lots and Boat Slip Licenses; or

(ii) on December 31, 2020

(iii) upon the voluntary surrender of all Class B Membership by the holder .

1

The period during which there is Class B Membership is sometimes referred herein as the Declarant Control Period or Period of Declarant Control. If the Declarant loses Class B Membership, it shall re-acquire Class B Membership for the Planned Community upon adding Additional Property or reacquiring septic fields as set forth herein. During the Declarant Control Period, the Declarant shall have the right to designate and select the Executive board of the Association from Members or Non-Members and the right to remove any person or persons designated and selected by the Declarant so serve on the Executive Board, and to replace them for the remainder of the term of any person designated and selected by the Declarant to service on the Executive Board who may resign, die, or be removed by the Declarant.

SECTION 5. Governmental Permits. After completion of construction of any facilities required to be constructed by Declarant pursuant to permits, agreements, and easements for the Planned Community, all duties, obligations, rights and privileges of the Declarant under any water, sewer, septic, Stormwater and utility agreements, easements, and permits for the Planned Community with municipal or governmental agencies or public or private utility companies, shall be the duties, rights obligations, or privileges and the responsibility of the Association, notwithstanding that such agreements, easements or permits have not been assigned or the responsibilities thereunder specifically assumed by the Association. There are additional provision made in this Declaration or prior Declarations concerning Stormwater facilities and the Stormwater Permit.

SECTION 6. Common Elements. The Association shall at its sole cost and expense be responsible for the operation and maintenance of each Common Element with the Planned Community after such Common Element has actually been deeded or turned over to the Association and such transfer may be made by the Declarant to the Association at any time after the Common Element is constructed and the Association must accept ownership of the same upon tender by the Declarant. This responsibility shall specifically include an obligation to maintain in passable condition all roads and streets within the subdivision that may hereinafter be transferred to the Association, until and unless the streets are dedicated and accepted by the North Carolina Department of Transportation. In the event dedication is not allowed or accepted, the Association shall maintain streets within the subdivision. The obligation of the Homeowners Association to maintain the streets and roads in the subdivision shall continue until such time as the North Carolina Department of Transportation has accepted said roads into its statewide system.

The Association agrees to levy a Special Assessment to cover the amount of any specific performance required by a governmental agency to provide any operation and maintenance pursuant to this section. The Association shall levy and collect such Special Assessments and shall be entitled to receive its attorneys fees and costs associated with any action it takes to collect said sums.

SECTION 7. Architectural Review Committee. The Executive Board shall perform all duties of the Architectural Review Committee if no such committee is appointed by it, subject, however, the Special Declarant Rights. During the Period of Declarant Control, the Declarant shall appoint all members of the Architectural review Committee by appointing any person it deems fit (Owners or Non-Owners). Any Architectural review Committee appointed by the Executive Board shall consist of at least 3 members.

**ARTICLE IV
INSURANCE AND BONDS.**

8

SECTION 1. Individual Home Insurance. All Owners shall purchase at their individual expense individual policies covering each Lot and Lot Owner individually.

SECTION 2. Common Element Insurance. The Board of Directors on behalf of the Association, as a Common Expense of all Lot (and, if applicable Boat Slip License) Owners, shall at all times keep the Common Elements and other assets of the Association insured against loss or damage by fire or other hazards and such other risks, including public liability insurance, upon such terms and for such amounts as may be reasonably necessary from time to time to protect such property, which insurance shall be payable in case of loss to the Association for all Members. The Association shall have the sole authority to deal with the insurer in the settlement of claims. In no event shall the insurance coverage obtained by the Association be brought into contribution with insurance purchase by Members or their mortgages. The association at minimum shall maintain with regard to the Common Elements the insurance coverage required by the Act.

SECTION 3. Fidelity Bond, Directors and Officers Insurance and General Liability Insurance. The Association may maintain, as a Common Expense paid by the Owners (and if applicable, Boat Slip Licensees), blanket fidelity bonds for all officers, director, employees and all other persons handling or responsible for funds of the Association, provided, however, that if the Association shall delegate some or all of the responsibility for the handling of its funds to a management agent, such fidelity bonds shall be maintained by such management agent for this officer, employees and agent handling or responsible for fund of or administer on behalf of the Association. Similarly, the Association may maintain Director and Officers Insurance and General Liability Insurance in order to protect the Association, its members, Board and Officers and the same shall also be considered Common Expense of the Lot (and, if applicable, Boat Slip License) Owners.

ARTICLE V COVENANTS FOR ASSESSMENTS

SECTION 1. Creation of the Lien and Personal Obligation of Assessments. Each Lot Owner and Boat Slip License Holder (which term specifically exclude the Declarant) covenants and agrees to pay to the Association the following assessments, as applicable (collectively, the "Assessments")

- A. Annual Common Element Assessments
- b. Special Assessments
- c. Insurance Assessments
- d. Ad Valorem Tax Assessments
- e. Working Capital Assessments

The Assessments, together with interest, costs and reasonable attorney's fees, shall be charge on the land and Boat Slip License and shall be a continuing lien upon the respective Lot and Boat Slip License against which the Assessments are made. Each such assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the Person who was the owner of such Lot and Boat Slip License at the time when the Assessment fell due. The personal obligation for delinquent Assessments shall pass to the Owner's successors in title. However, to such event that the delinquent obligation passes to subsequent Owners, the successor in title are hereby granted a right to indemnify the previous Owner who allowed the assessments to become delinquent and such right of indemnification shall cover all sums paid to satisfy the delinquent assessments.

9

SECTION 2. Purpose of Annual Assessments. The Annual Common Element Assessments levied by the Association shall be used, as applicable, exclusively to promote the recreations, health, safety and welfare of the Owners, Declarant and residents of the Planned Community and for the maintenance, repair and replacement of the Common Elements including the roads, roadways and ditches. This responsibility shall specifically include an obligation to maintain in passable condition all roads and streets within the subdivision that may hereinafter be transferred to the Association, until and unless the streets are dedicated and accepted by the North Carolina Department of Transportation. In the event dedication is not allowed or accepted, the Association shall maintain streets within the subdivision. The obligation of the Homeowners Association to maintain the streets and roads in the subdivision shall continue until such time as the North Carolina Department of Transportation has accepted said roads into its statewide system. The funds arising from said assessments or charges, may be used for any or all of the following purposes: Operations maintenance and improvement of the Common Elements, including payment of Utilities; enforcing this Declaration; paying taxes, insurance premiums, legal and accounting fees and governmental charges; establishing working capital; paying dues and assessments to any organization or Master Association of which the Association is a member; and in addition, doing any other things necessary or desirable in the opinion of the Association to keep the Common Elements in good operating order and repair.

SECTION 3. Annual Assessments. At least 30 calendar days before or after the beginning of each fiscal year, the Executive Board shall adopt the proposed annual budgets, as follows:

- (i) a budget for the Annual Common Element Assessments consisting of the annual cost of operating and maintaining the Common Elements.
- (ii) such other budgets as the Executive Board deems appropriate.

Within 30 days after the adoption of the proposed budget for the Planned Community, the Executive Board shall provide to all of the Lot (and, if applicable Boat Slip License) Owners and Declarant a summary of the budgets and notice of a meeting to consider ratification of the budgets, including a statement that the budgets may be ratified without a quorum. Each budget is ratified unless at a Meeting (which must have a quorum and meet other requirements set forth in the Act, these Declaration and the Association's By-Laws) a majority of all of the Members of the Association entitled to vote at that Meeting on the particular budget rejects the budget. All Members, including the Declarant, shall be entitled to vote on the budget for the Annual Common Elements Assessments pursuant to the voting Rights process set forth in Article III herein. If an interment a proposed budget is rejected, the periodic budget shall be continued until such time as the Members ratify a subsequent budget proposed by the Executive Board pursuant to the voting Rights process set forth in Article III herein. The Annual Assessments for each Lot and Boat Slip shall be established based on the annual budgets thus adopted, with all Lot and Boat Slips funding the budget for the Annual Common Element Assessments, provided, however, that the first Annual Assessment shall be set by the Declarant prior to the conveyance of the first Lot to an Owner. The due date for payment shall be established by the Executive Board. The Executive Board shall have the authority to require the Assessments to be paid in full or in periodic installments. The Association shall,

10

upon demand, and for a reasonable charge furnish a certificate signed by an office of the Association setting forth whether the Assessments on a specific Lot and Boat Slip have been paid.

The initial annual assessment is hereby established by the Declarant as \$300.00 per year per Lot owned. Lot owners that also own an individual boat slip will be assessed an additional \$200.00 per boat slip owned. These annual assessments may be increased by the Executive Board without Member approval, if such increase shall not exceed twenty percent and the Declarant consents. If the Executive Board desires to increase the annual assessment by an amount greater than 20% of the previous annual assessment amount, then such increase must have the assent of a majority of the Members who vote at a Meeting, which must have a quorum and meet the other requirements set forth in the act, these Declarations and the Association's.

SECTION 4. Special Assessments. In addition to the Annual Assessments authorized above, the association may levy, in any assessment year, a Special Assessment applicable to the year only for the following purposes;

A. To defray, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Elements, including fixtures and personal property related thereto, provided that any such Special Assessment shall be approved by a majority of all of the Members of the Association, including the Declarant who votes at a Meeting, which must have a quorum and meets the other requirements set forth in the Act, these Declaration and the Association's By-Laws. All members, including the Declarant, shall be entitled to vote on the Assessments pursuant of the voting Rights process set forth in Article III herein. Written notice of any Special Meeting called for the purpose of approving such Special Assessment shall be sent to all Members, including Declarant, not less than ten (10) days not more than sixty (60) days in advance of the Meeting.

B. To comply with the terms of any contract with a third-party service provider of integrated telephone, cable, Internet and or security systems, the Association may issue special assessments for the costs thereof. These costs may be in the form of a special assessment or may be part of the annual assessment or may be a combination for the two. The costs of the third-party service provider may be allocated to the Lot and Boat Slips as a Common Expense for the "basic plan" and any upgrades desired by a Lot and Boat Slip Owner may be added to such assessment.

SECTION 5. Insurance Assessments. All premiums on insurance policies purchased by the Board of Directors or its designees and any deductibles payable by the Association upon loss shall be a Common Expense, and the Association may at any time levy against the Members to which is applied an "insurance Assessment", in addition to the Annual Assessments, which shall be in an amount sufficient to pay the cost of all such deductibles and insurance premiums not included as a component of the Annual Assessment.

SECTION 6. Ad Valorem Tax Assessments. All ad Valorem taxes levied against the Common Elements, if any, shall be a common expense and the association may at any time levy against the Owners equally an

11

"Ad Valorem Tax Assessment", in addition to the Annual Assessments, which shall be in an amount sufficient to pay ad valorem taxes not included as a component of the annual Assessment.

SECTION 7. Working Capital Assessment. At the time title to a Lot is conveyed to an Owner by Declarant, the Owner shall pay the sum of \$200.00 to the Association as working capital to be used for operating and capital expenses of the Association. No capital Assessment shall be assessed to a Lot Owner upon acquiring a Boat Slip License. Such amounts paid for working capital are not to be considered as advance payment of the annual or any other Assessments.

SECTION 8. Commencement of Assessments. Assessments for each Lot and Boat Slip shall commence upon the date of acceptance by an Owner of a deed from Declarant, pro-rated from the time of the closing to the end of the year.

SECTION 9. Effect of Nonpayment of Assessments and Remedies of the Association. Assessments or installment thereof not paid within thirty (30) days after the due date shall bear interest from the due date at the highest rate allowable by law. The association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Owner's Lot and/or Boat Slip. No Owner may waive or otherwise escape liability for the Assessments provided for herein by the non-use of the Common Elements or abandonment of his Lot and/or Boat Slip. All unpaid installment payments of Assessments shall become immediately due and payable if an Owner fails to pay any installment with the time permitted. The Association may also establish and collect late fees for delinquent installments.

SECTION 10. Lien for Assessments. The Association may file a lien against a Lot and/or Boat Slip when any Assessment levied against Lot and Boat Slip remains unpaid for a period of 30 days or longer.

A. the lien shall constitute a lien against the Lot and/or Boat Slip when and after the claim of lien is filed or recording the office of the Clerk of Superior Court of the county in which the Lot and/or Boat Slip is located. The association may foreclose the claim of lien in like manner as a mortgage on real estate under power of sale under Article 23A of Chapter 45 of the General Statutes. Fees, charges, late charges, fines, interest, and other charges imposed pursuant to the Planned Community Act are enforceable as Assessments.

B. the lien under this section shall be prior to all liens and encumbrances on a Lot and/or Boat Slip exception (i) liens and encumbrances specifically including, but not limited to, a mortgage or deed of trust on the Lot and/or Boat Slip recorded before the docketing of the claim of lien in the Office of the Clerk of Superior Court, and (ii) liens for real estate taxes and other governmental assessments and charges against the Lot and/or Boat Slip.

C. The lien for unpaid assessments is extinguished unless proceedings to enforce the lien are instituted within three years after docketing of the claim of lien in the office of the Clerk of Superior Court.

12

D. Any judgments, decree, or order in any action brought under this section shall include costs and reasonable attorney's fees for the prevailing party.

E. Where the holder of a first mortgage or deed of trust of record obtains title to the Lot and/or Boat Slip as a result of foreclosure of a first mortgage or first deed of trust, such purchaser and its heir, successor and assigns shall both be liable for the Assessments against the Lot and/or Boat Slip which become due prior to the acquisition of title to the Lot and/or Boat Slip by such purchase. The unpaid Assessments shall be deemed to be Common Expenses collectible from all of the Lot and/or Boat Slip Owners including such purchaser, its heirs, successors and assigns. This exclusion shall not be construed to apply to any other successor in title.

F. A Claim of lien shall set forth the name and address of the association, the name of the record Owner of the Lot and/or Boat Slip at the time the claim of lien is filed, a description of the Lot and/or Boat Slips, and the amount of the lien claimed.

G. In no instance, whatsoever, shall the Declarant, or the Declarant's Lot and/or Boat Slips be subject to any assessments or liens.

ARTICLE VI RIGHTS OF DECLARANT

The Declarant shall have, and there is hereby reserved to the Declarant, the Special Declarant Rights as herein defined and the following rights, powers and privileges which shall be in addition to the special Declarant Rights and any other rights, powers and privileges reserved to the Declarant herein.

SECTION 1. The Architectural Review Committee/Executive Board. The Declarant shall be entitled, during the period of Declarant Control, to appoint and remove the members of the Architectural Review Committee. The Declarant shall be entitled during the Declarant Control Period to appoint and remove the Directors, Officers and Members of the Executive Board. These appointments may be made from Members of Non-Members.

SECTION 2. Plan of Planned Community. The right to change, add to, delete, alter or re-designate the allocated planned, platted, or recorded use or designation of any of the lands constituting the Planned Community including, but not limited to, the right to change, alter or re-designate road, Utility and drainage facilities and easements and to changes, later, add to, delete or re-designate such other present and proposed amenities, Common Elements, Limited Common Elements, or facilities as may in the sole judgment and discretion of Declarant be necessary or desirable. The Declarant shall have the right, but shall not have the obligation, of installing an integrated wiring system throughout the Planned Community, on common area and otherwise, which will facilitate a uniform service of telephone, cable Internet, and security systems and this may be undertaken by and through a third-party service provider. The Declarant may allow for the erection of a bunker and related equipment including satellite dishes that will facilitate the supply of such services. The Declarant hereby expressly reserves unto itself, its successor and assigns,

13

the right to re-plat any one (1) or more Lots shown on the plat of any subdivision of the Property or Additional Property in order to create one or more modified Lots; to further subdivide tracts or Lots shown on any such subdivision plat into two or more Lots; to recombine one or more tracts or Lots or a tract and Lots to create a larger tract or Lot (any Lots resulting from such recombination shall be treated as one Lot for purposes of Assessments); to eliminate from this Declaration or any plats of the Planned Community Lots that are not otherwise buildable or are needed or desired by Declarant for access or are needed or desired by Declarant for use as public or private roads or access areas, or boat slip parking, whether serving the Planned Community or the property owned by the Declarant or to others, or which are needed for the installation of Utilities, Common Elements or amenities, and to take such steps as are reasonably necessary to make sure re-platted Lots or tract suitable and fit as a building site, access area, roadway or Common Element. The Declarant need not develop, or develop in any particular manner, and lands now owned or hereafter acquired by the Declarant, include any lands shown on plats of the Planned Community as "Future Development" or potential lots in planned future sections of the Planned Community. Any such lands shall not be subject to this Declaration unless Declarant expressly subjects them hereto by filing of a supplemental declaration in the Register of Deeds office of Onslow County. Declarant is required by the Division of Water Quality (DWQ) to state herein the maximum allowed built-upon area for all lots which Declarant has planned to develop within the planned Community. By listing the maximum built-upon herein for all such lots. Declarant does not obligate itself to develop in any particular manner or for any particular uses any lands now owned or hereinafter acquired by Declarant which are not shown on the recorded plats referenced herein.

SECTION 3. Amendments of Declaration by the Declarant. This Declaration may be amended without Member approval by the Declarant, or the Executive Board, as the case may be, as follows:

A. In any respect, prior the sale of the first lot.

B. To the extent this Declaration applies to additional Property, including, but not limited to, amendment to add additional classes of Membership to the Association, to add, delete, or alter Common and Limited Common Elements and to establish minimum square footages and other standards for structures.

C. To correct any obvious error or inconsistency in drafting, typing, or reproduction or to clarify the Declarant's intentions. This right shall be broadly construed.

D. To qualify the Association or the Property and Additional Property, or any portion thereof, for tax-exempt status.

E. To incorporate or reflect any platting change as permitted by this Article or otherwise permitted herein.

F. To conform this Declaration to the requirements of any law or governmental agency having legal jurisdiction over the Planned Community or to qualify the Planned Community or any Lot and/or Boat

14

Slips and improvements thereon for mortgage or improvement loans made, insured, or guaranteed by a governmental agency or to comply with the requirements of law or regulations of any corporation or agency belonging to, sponsored by, or under the substantial control of the United States Government or the State of North Carolina, regarding purchase or sale of such Lot and/or Boat Slips and improvements, or mortgage instruments therein, as well as any other law or regulation relating to the control of property including, without limitation, ecological controls, storm water regulations, construction standards, aesthetic, and matters affecting the public health, safety and general welfare. A letter from an official or any such corporation or agency, including, without limitation, the North Carolina Department of Environment and Natural Resources, the Department of Veteran's Affairs, US Department of Housing and Urban Development, the Federal Home Loan Mortgage Corporation, Government National Mortgage Corporation, or the Federal National Mortgage Association, requesting or suggesting an amendment necessary to comply with the requirements of such corporation or agency shall be sufficient evidence of the approval of such corporation or agency, provided that the changes made substantially conform to such request or suggestion. The Declarant may at any time amend the Declaration to change the maximum built-upon area permitted by the DENR/DWQ. Notwithstanding anything else herein to the contrary, only the Declarant, during the Declarant Control Period, shall be entitled to amend this Declaration pursuant to this Section.

G. To file covenants limiting usage of property still owned by Declarant or Common Elements and granting enforcement rights to the United States of America in order to preserve mitigation property in an effort to ensure continue compliance with any Clean Water Act authorization issued by any District of the US Army Corps of Engineer. These additional restrictions may be in the form of an amendment to the Declarations or a new set of Restrictions, all of which shall be binding on all Lot and/or Boat Slips Owners and Members.

SECTION 4. Annexation of Additional Property. Declarant may annex to and make a part of the Planned Community any other real property, whether now owned or hereafter acquired by Declarant or others, and whether developed by Declarant or others, (the "Additional Property") and brought within the scheme of these Declarations and the Bylaws of the Association and the jurisdiction of the Association, in the following ways:

A. Declarant intends to and therefore, reserves the right to develop and subject to these Declarations and Restrictions and the Bylaws any or all of the Property described in Schedule A, which is attached hereto and incorporated herein by reference. Each, any, or all of this Property may be annexed to the properties by Declarant at its sole and absolute discretion, and brought within the scheme of these Restrictions and the bylaws and within the jurisdiction of the Association, in future stages of development without the consent of the Association or its Members; provided however that said annexations must occur within 20 years after the date of this instrument.

B. The additions authorized under the preceding subsections (A) shall be made by filing of record Supplementary Declarations with respect to the additional properties which shall extend the scheme of the Declaration and By-Laws and thereby subject such addition to the Association's jurisdiction. Such

15

Supplementary Declarations may contain such complementary addition and modification of these Declaration and the By-Laws as may be necessary to reflect only the difference character and density of the housing planned on the added properties and are not inconsistent with the provision of this Declaration.

C. Declarant is not required to annex any land to the Planned Community.

SECTION 5. Sales Model/Parking. So long as the Declarant or its designee shall retain ownership of any Lot, it may utilize any such Lot for Offices, models or other purposes relating to the development, construction, sale or rental of Lots and dwellings, including the right to place "For Sale" or "For Rent" signs on any Lots. In addition, in connection with any of the above activities, the Declarant and its agents shall have the right to park vehicles and materials on any street or within the right of way thereof.

SECTION 6. Transfer of Declarant and Special Declarant Rights. Without limiting Declarant's general authority to transfer its rights hereunder, the Declarant specifically reserves the right to transfer without the approval of any Lot and/or Boat Slip Owners, any Declarant or Special Declarant rights contained herein or which shall be hereinafter imposed or reserved by Declarant, to any other Person. Upon such transfer, the transferee shall have all of the rights of the Declarant hereunder except to the extent any such rights are limited in the document of transfer.

SECTION 7. Use of Infrastructure and Amenities. Declarant may allow other owners' associations, and their owners, to use the amenities and infrastructure (including all Utilities) within the Planned Community so long as such other owners' associations pay a portion of the cost or the operation and maintenance of such amenities and infrastructure, the exact amount of such payment to be in the sole discretion of the Declarant. However, with respect to any bunker that houses Internet, telephone, cable and/or security system equipment, such other persons shall not be required to share in the cost of supplying such services to the Planned Community.

SECTION 8. Declarant Shall Grant Rights of Ingress, Egress and Regress to Others. Declarant for itself and the Association, reserves the right to grant onto property owners of properties adjacent to or near Live Oak Cove, the right of ingress, egress and regress through Live Oak Cove as it now exist or as it may be expanded as set forth herein. The Declarant and/or the Association, may cause any and all road constructed in this Live Oak Cove development, or which may be constructed, to become a servient estate to other real property for the purpose of ingress, egress and regress to said dominate estate property. The Declarant may grant said easements without the consent of the Association, except these easements must be granted within 20 years after the date of this instrument. For example, certain easement rights have been or will be granted by Declarant to the adjacent property owners. All Members shall abide by and will not interfere with any easement rights granted by Declarant to others. Declarant hereby creates no obligation to grant any easement rights but merely reserves the ability to do so.

SECTION 10. Street Lighting Agreement. The Declarant and the Association with approval of the Declarant during the Period of Declarant Control shall have the right to subject the Property to a contract with an electric utility company for the installation of underground electric cables and/or the installation of

14

street lighting, either or both of which may require an initial payment and/or continuing monthly payment to an electric company or Association by Lot and/or Boat Slip Owners and/or the Association. If the monetary obligation is required of the Association, then the same shall be a Common Expense.

**ARTICLE VII
USE RESTRICTION, ARCHITECTURAL CONTROL
AND MAINTENANCE**

SECTION 1. Approval of Plans for Building and Site Improvements. No dwelling, wall, tent or other structure shall be commenced, erected, or maintained upon any Lot. Nor shall any exterior addition to or change in or alteration therein (including painting or repainting of exterior surfaces) be made until the plans and specifications showing the nature, kind, shape, heights, materials, colors and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by Architectural Review Committee. If the Architectural review Committee fails to approve or disapprove such design and location within forty-five (45) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with. Refusal or approval of any such plans, location or specification may be based upon any ground, including purely aesthetic and environmental considerations, that, in the sole and uncontrolled discretion of the Architectural Review Committee shall be deemed sufficient. One copy of all plans and related data shall be furnished to the Architectural Review Committee for its records. The Architectural Review Committee shall not be responsible to any structural or other defects in plans and specifications submitted to it or in any structure erected according to such plans and specifications.

SECTION 2. Minimum Standards for Site Improvements.

A. Each dwelling on the Lots shown on the above referenced plats shall have a minimum of 1300 finished square feet enclosed heated dwelling are (not including heated storage or garages).

The term "enclosed heated dwelling area" shall mean the total enclosed area within a dwelling which is heated by a common heating system; provided, however, that such term does not include garages, terraces, decks, open porches and like areas. The Declarant, as provided above, shall be entitled to amend this Declaration to establish different square footage minimum for any Additional Property annexed to the Planned Community for the types of homes that could be included in these future phases.

17

B. Setbacks: All improvements to all Lots must comply with Onslow County setback requirements for a development of this type. The establishment of inflexible building setback lines for location of houses on Lots tends to force construction of houses directly to the side of other homes with detrimental effects on privacy, view, preservation of important trees and other vegetation, ecological and related considerations. In order to assure, however, that foregoing consideration are given maximum effect, the site and location of any house or dwelling or other structure upon any Lot shall be controlled by and must be approved absolutely by the Architectural Review Committee; provided, however, that no structure shall be constructed closer to a Lot line than is permitted by applicable governmental regulations. In the event that due to locations of septic areas, setbacks, wetlands delineation or any physical combination of such physical restraints makes it impossible to construct a home of the minimum square footage above, the Architectural Review Committee shall have the authority and the obligation to waive or alter the minimum square footage to allow the lot to be built upon.

The Architectural Review Committee shall have the right to approve deviations from each of these setback requirements upon application of an individual lot owner if, for reasons of topography or septic approvals, strict compliance creates a hardship if such approval does not violate the applicable governmental regulations or approvals. If required by Onslow County, each plot plan must receive zoning approval prior to the commencement of any construction.

C. All service utilities, garbage receptacles, fuel tanks, and heating ventilation and air conditioning units are to be enclosed within a wall or plant screen of a type and size approved by the Architectural Review Committee, so as to preclude the same from causing an unsightly view from any highway, street, or way within the subdivision, or from any other residents within the Planned Community. All mail and newspaper boxes shall be uniform in design within each type development within the Planned Community. Design for mail and newspaper boxes shall be furnished by the Architectural Review Committee. Fences shall be permitted on any Lot; provided however, that the design, placement, and materials of any fence are approved by the Architectural Review Committee. Clothes lines are not permitted on any Lot.

D. Off street parking for not less than two (2) passenger automobiles must be provided on each Lot prior to the occupancy of any dwelling constructed on said Lot which parking areas and the driveways thereto shall be constructed of previous or impervious concrete, brick, asphalt, or turf stone, or any other material approved by the Architectural Review Committee. Garages must be included as part of any plans submitted to Architectural Review Committee. As with all other provisions, this restriction may be amended for future plans.

E. All light bulbs or other lights installed in any fixture located on exterior of any building or any Lot for the purpose of illumination shall be clear and/or white. No colored bulbs of any type are permitted.

F. If the Architectural Review Board requires grass on a particular Lot, then such requirement shall be accomplished by seeding or sodding such area.

G. Construction activity on a Lot shall be confined within the boundaries of said Lot. Each Lot Owner shall have the obligation to repair damage to Common Elements or other property and to collect and dispose of all rubbish and trash resulting from the construction on his Lot. Upon a Lot Owner's failure to repair such damage within thirty (30) days after receipt of a written notice from Association, the Association may repair the damage or collect and dispose of such rubbish and trash at the Lot Owner's expense. Any expense incurred by the Association in repair or clean-up of the Lot shall be billed to the Owner of the Lot and if not paid within 30 days, the amount thereof shall become a lien against the Lot which shall be enforceable pursuant to the provisions of this Declaration as is the case for delinquent assessments.

H. More than one lot may be combined to form one or more lots by (or with the written consent of) Declarant, its successors or assigns. If a Person or other than Declarant combines two Lots into One Lot, and elects to notify the Association to treat the combined Lots as one Lot it may do so but by doing so, the Owner waives any right or ability to thereafter have the lots divided back into two Lots as before and the Association is entitled to demand a proper fitting be made with the Onslow County Registry showing that the Lots shall thereafter be treated as a single Lot. If the Owner does not make such an election and make such a filing, then the two lots shall continue to be treated as two Lots by the Association despite their being owned by one Owner. No lot may be subdivided by sale or otherwise, except by written consent of Declarant, its successors and assigns. Upon combination or subdivision of Lots, the building line requirements prescribed herein shall apply and the easements reserved herein shall be applicable to the rear, side, and front lot lines of such lot as combined or subdivided. The resulting building site and structures erected thereon must otherwise comply with these Restrictions and the new property line of the resulting building site shall be used to compute the setback lines as set forth herein.

I. All connections of private driveways to the Live Oak Cove road system shall be constructed, by the Lot Owner, and maintained, by the Lot Owner, in accordance with the rules, regulations and specifications of the Committee. However, in order to insure emergency vehicle access to all lots, all driveways which connect residences or other structures that are more than fifty (50) feet from the subdivision road must be at least eleven (11) feet in width, with a clearance of no less than eleven (11) feet in height.

J. The exterior materials used in the construction of a house shall be subject to Architectural Review Board approval. The Architectural Review Board shall establish general guidelines for acceptable construction materials and may alter and revise the same at their discretion.

SECTION 3. Use Restrictions.

A. Land Use and Building Type. No Lot or parcel of land shall be used for any purpose except for residential purposes, subject, however, to the rights of Declarant contained herein. All Lots are restricted for construction of one single family dwelling (plus, a detached garage, if there is not one attached to the residence, and such other accessory buildings as may be approved by the Architectural Review Committee). Notwithstanding the foregoing, the Declarant may develop any parcel of land annexed to the Planned

19

Community as multifamily so long as the parcel is restricted only to residential use.

B. Nuisances. No noxious or offensive activity shall be carried on upon any Lot or Boat Slip, nor shall anything to be done thereon which may be or may become any annoyance or nuisance to the neighborhood. There shall not be maintained any plants or animals, nor device or thing of any sort whose normal activities or existence are in any way noxious, dangerous, unsightly, unpleasant or other nature as may diminish or destroy the enjoyment of other Lots or Boat Slips by the Owners thereof or Declarant's development and sales activities. It shall be the responsibility of each Owner and Boat Slip Licensee to prevent the development of any unclean, unsightly, or un-kept condition of buildings or grounds on the Owner's Lot or Boat Slip which would tend to decrease the beauty of the neighborhood as a whole or the specific area. Each Lot and Boat Slip shall keep neat and in good condition and repair. All shrubs, trees, grass and planting shall be kept neatly trimmed and properly cultivated.

C. Temporary Structures. No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot any time as a residence either temporarily or permanently without the written consent of the Association or its designee; provided, however, that this shall not prevent the Declarant, its designees or assigns from maintaining a construction trailer or office or any part of the Planned Community until the construction and sale of dwellings on all Lots and the Common Elements improvements are completed.

D. Modular Homes. Modular homes and Manufactured Homes are prohibited in the Planned Community. It is the intent of this restriction to only allow "site-built" homes within the Planned Community.

E. Vehicles/Boats. No boat, motor boat, camper, trailer, motor or mobile homes, tractor/trailer, or similar type vehicle, shall be permitted to remain on any street at any time, without the written consent of the Association. No inoperable vehicle or vehicle without current registration and insurance will be permitted on any Lot, street or Common Element. The Association shall have the right to have all such vehicles towed away at the owner's expense. No repairs to any vehicle may be made on streets or in driveways but only in garages or other areas and not visible from the street.

F. Animals. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes and provided further that they are not allowed to run free, are at all times kept properly leashed and personally escorted and do not become a nuisance.

G. Stationary TV Satellite Dishes and Outside Antennas. No yard stationary or TV Satellite signal receiving dishes are permitted on any Lot and no outside radio or television antennas shall be erected on any Lot or dwelling unit unless and until permission of the same has been granted by the Architectural Review Committee; provided, however, satellite dishes not over 18" in diameter which cannot be seen from the street are permitted.

26

H. Construction in Common Elements. No person shall undertake, cause, or allow any alteration or construction in or upon any portion of the Common Elements except at the direction or with the express written consent of the Association.

I. Signs. Except as provided herein for Declarant, no signs (including "For Sale" or "For Rent" signs) shall be permitted on any Lot or in the Common Elements. Again, Declarant shall be allowed to erect and maintain whatever sign it desires, at its sole and absolute discretion, including signs on Common Elements. Prior to the expiration of the Declarant Control Period, Declarant shall have the authority to establish sign rules and regulations that will be permitted after the end of Declarant Control Period. For example, Declarant may establish a standard "For Sale" sign that will be allowed to be displayed after the expiration of the Declarant Control Period.

J. Subdivision. Subject to any rights reserved to the Declarant herein, no Lot shall be subdivided, or its boundary lines changed except with the prior written consent of the Declarant during the Declarant Control Period and thereafter by the Board of Directors.

K. Leases. No rental or Lease for any Lot shall be for a term of less than six months. All leases must be in writing and must contain a provision requiring the tenant to comply with all the restrictions of this declaration and any rules and regulations adopted by the Association. Transient rentals are strictly prohibited.

L. Trees. Except for trees located within ten feet of an approved "house foot print", no trees on any Lot 6 inches in diameter or greater may be removed without the approval of the Architectural Review Committee.

ARTICLE VIII STORMWATER PERMIT/FACILITIES

SECTION 1. Stormwater Permit. The Association and each of its Members agree that at anytime after (i) all work required under the Stormwater Permit has been completed (other than operation and maintenance activities) and (ii) the Developer is not prohibited under DENR regulations from transferring the Stormwater Permit for the Planned Community to the Association, the Association Officers without any vote or approval of Lot and/or Boat Slip Owners, and within 10 days after being requested to do so, will sign all documents required by DENR for the Stormwater Permit to be transferred to the Association provided, however, that at the time the Developer requests that the Association accept transfer of the Stormwater Permit, the Developer has delivered to the Association a certificate from an engineer licensed in the State of North Carolina, dated no more than 45 days before the date of the request, that all Stormwater retention ponds, swales, and related facilities are constructed in accordance with the plans and specifications therefor. If the Association fails to sign the documents required by this paragraph, the Developer shall be entitled to specific performance in the courts of North Carolina requiring that the appropriate Association officers sign all documents necessary for the Stormwater Permit to be transferred to the Association. Failure of the officers to sign

21

as provided herein shall not relieve the Association of its obligations to operate and maintain the Stormwater facilities covered by the Stormwater Permit.

SECTION 2. Stormwater Facilities and Operation and Maintenance.

Any Stormwater retention ponds and related facilities for the Planned Community which have or are to be constructed by or on behalf of Declarant constitute Common Elements and, subject only to the provisions of Section 3 of this Article, the Association at its sole cost and expense is responsible of the operation and maintenance of such facilities. Such Operation and Maintenance shall include, but not be limited to, compliance with all terms and obtaining any renewals of the Stormwater Permit. Except as provided from any obligations and costs under the Stormwater Permit for operation and maintenance of the Stormwater retention ponds and related facilities.

SECTION 3. Damage to Storm Water Facilities. The Declarant at its sole cost and expense shall be responsible for repairing any damage to storm water facilities which Declarant determines is caused by the Developer's development activities. The Developer shall not be responsible for damages to Stormwater retention ponds and related facilities caused by any other cause whatsoever, including but not limited to, construction of residences or other activities by Owners, their agents and contractors, upon their Lots, acts of God, and the negligence of others.

Lot Owners shall be responsible for damages to such Stormwater facilities caused by construction of buildings and other activities upon the Owner's Lot and/or Boat Slip. Each Owner shall, within 30 days after receipt of notice of damage to Stormwater facilities, repair the damage at the Owner's sole cost and expense to return them to the state required by the storm water plans and specifications for the Planned Community. If the Lot and/or Boat Slip Owner fails to do so within said 30-day period, the Association shall perform the work and the cost of the work shall be added to the Annual Assessment due from the Lot and/or Boat Slip Owner.

SECTION 4. Enforcement of Storm Water Runoff Regulations.

A. The following covenants are intended to ensure ongoing compliance with State Stormwater Management Permit Number SW8050305 (project # Onsl0-2005-256), as issued by the Division of Water Quality under NCAC 2H. 1000.

B. The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the Stormwater management permit.

C. The covenants are to run with the land and be binding on all persons and parties claiming under them.

D. The covenants pertaining to Stormwater may not be altered and rescinded without the express written consent of the State of North Carolina, division of Water Quality.

g d

E. Alteration of the drainage as shown on the approved plan may not take place without the concurrence of the Division of Water Quality.

F. The maximum allowable built-upon area per Lot is as follows (this data is for Lots shown on the above referenced plat plus lots for which the Declarant has an approved Stormwater plan but which Declarant is under no obligation to subdivide or develop in any particular fashion or for any particular use):

<u>Lot Numbers:</u>	<u>Built-upon Area:</u>
1 - 6 and 9	3600 square feet
10 & 11	10,300 square feet (represents a total allocation for the two
	lots, and may be allocated between the two lots at the discretion of Lot Owner)
12	7300 square feet
14-18	3600 square feet
.48 acres	3600 square feet
(Portion of DB 3349, PG 749)	

These allotted amounts include any built-upon area construction within the lot property boundaries and that portion of the right of way between the front lot line and the edge of the pavement, but does not include those areas defined as Common Elements as defined in those above. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slat, concrete and parking areas, but does not include raised, open wood decking, or the water surface of swimming pools. The Association reserves the right to recalculate and reallocate the maximum allowable built-upon area assigned to each lot if desired and allowed by applicable DENR regulations.

Except as specifically amended herein, the remaining provisions contained in the Declaration of Covenants, Conditions, and Restrictions for Live Oak Cove Subdivision as recorded in Deed Book 3377, Page 654, Onslow County Registry, and their subsequent amendments thereto shall continue to remain in full force and effect.

G. Built-upon area in excess of the permitted amount will require a permit modification.

H. Filling in or piping of any vegetative conveyances (ditches, swales, etc.) associated with the development except for average driveway crossings, is strictly prohibited by any persons.

**ARTICLE IX
LOTS SUBJECT TO DECLARATION/ENFORCEMENT**

SECTION 1. Lots and Boat Slips Subject to Declaration. The covenants and restrictions contained in this Declaration are for the purpose of protecting the value and desirability of the Planned Community and the Lots and Boat Slip License Holders. All present and future Owners, tenants and occupants of Lot and Boat Slip Owners, if applicable, and their guests or invitees, shall be subject to, and shall

23

comply with the provisions of the Declaration, and as the Declarants may be amended from time to time. The acceptance of a deed of conveyance or the entering into of a lease or the entering in to occupancy of any shall constitute an agreement that the provisions of the Declaration are accepted and ratified by such Owner, tenant or occupant. The covenants and restrictions of this Declaration shall run with and bind the land and shall bind any person having at any time any interest or estate in any Lot (and, if applicable Boat Slip), their heirs, successors and assigns, as though such provisions were made a part of each and every deed of conveyance or lease, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated by the Lot Owners (and, if applicable, Boat Slip Licensee).

SECTION 2. Enforcement and Remedies. The covenants and restrictions of this Declaration shall inure to the benefit of and be enforceable (by proceedings at law or in equity) by the Association, the Declarant or the Owner of any Lot or Boat Slip, their respective legal representatives, heirs, successors and assigns. The Executive Board shall be entitled to enforce its Articles of Incorporation, Bylaws and rules and Regulations. In addition to the remedies otherwise provided for herein concerning the collection of Assessments, the following remedies shall be available:

A. Association to Remedy Violation. In the event an Owner or Boat Slip Licensee (or other occupant of a Lot or Boat Slip) is in violation of or fails to perform any maintenance or other activities required by this Declaration, the Association's Bylaws, Charter or Rules and Regulations, the Executive Board, after 30-day notice, may enter upon the Lot or Boat Slip and remedy the violation or perform the required maintenance or other activities, all at the expense of the Licensee/Owner. The full amount of the cost of remedying the violation or performing such maintenance or other activities shall be chargeable to the Lot or Boat Slip, including collection costs and reasonable attorney's fees. Such amounts shall be due and payable within 30 days after Licensee/Owner is billed. If not paid within 30 days period, the amount thereof may immediately be added to and become a part of the Annual Assessment levied against said Licensee/Owner's Lot or Boat Slip. In the event that any maintenance activities are necessitated to any Common Elements by the willful act or active or passive negligence of any Licensee/Owner, his family, guests, invitees or tenants, and the cost of such maintenance, repair or other activity is not fully covered by insurance, then at the sole discretion of the Board of Directors, the cost of the same shall be the personal obligation of the Licensee/Owner and if not paid to the Association upon Demand, may immediately be added to and become a part of the Annual Assessments levied against said Owners Lot or Boat Slip.

B. Fines. The Association may in accordance with the procedures set forth in the Act establish a schedule of and collect fines for the violation of this Declaration or of the Associations' Articles of Incorporation, Bylaws or Rules and Regulations. If an Owner does not pay the fine when due, the fine shall immediately become a part of and added to the Annual Assessment against the Owner's Lot and may be enforced by the Association as all other Assessments provided for herein.

C. Suspension of Services and Privileges. The Association may in accordance with the procedures set forth in the Act suspend all services and privileges provided by the Association to an

24

Owner/Licensee (other than rights of access to Lots) for any period during which any Assessments against the Owner's lot or boat slip remain unpaid for at least 30 days or for any period that the Licensee/Owner or the Owner's Lot or Boat Slip is otherwise in violation of this Declaration or the Association's Charter, Bylaws, or Rules and Regulations.

SECTION 4. Miscellaneous. Failure by the Association, the Declarant, or by an Owner/Licensee to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The remedies provided herein are cumulative and are in addition to any other remedies provided by law.

**ARTICLE X
COMPLIANCE WITH WETLANDS AND BUFFER REGULATIONS**

SECTION 1. Deed Restrictions. In accordance with Title 15 a NCAC 2H, 0500, the following Deed Notification shall restrict the following Lots 6,7,8,9,10,11,12, and 13 "a portion of these Lots have been determined to meet the requirements for designation as a wetland, stream or protected stream buffer. Any subsequent fill or alteration of this area shall conform to the requirements of the state rules adopted by the State of North Carolina in force at the time of the proposed alteration. The intent of this provision is to prevent additional wetland, stream or buffer filling or draining, so the property owners should not assume that a future application for filling or draining would be approved. The property owner shall report the name of the subdivision on any application pertaining to said rules. This covenant is intended to ensure continued compliance with all rules adopted by the State of North Carolina and therefore the State of North Carolina may enforce benefits. This covenant is to run with the land and shall be binding on all Parties and all persons claiming under them"

**ARTICLE XII
GENERAL PROVISIONS**

SECTION 1. Rights of Institutional Note Holders. Any institutional holder of a first lien on a Lot will, upon request, be entitled to (a) inspect the books and records of the Association during normal business hours, (b) receive an annual financial statement of the Association within ninety (90) days following the end of the fiscal year, (c) receive written notice of all meetings of the Association and right to designate a representative to attend all such meetings (d) receive written notice of any condemnation or casualty loss that affect whether a material portion of the Planned Community or the property securing its loan (e) receive written notice of any sixty-day (60) delinquency in the payment of Assessments or charges owned by any Owner of any property which is security for the loan. (F) receive written notice of a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association (g) receive written notice of any proposed action that requires the content of a specified percentage of mortgage holders, and (h) be furnished with a copy of any master insurance policy.

SECTION 2. Utility Services. Declarant reserves the right to subject the Property to contracts for

25

the installation of utilities, cable TV and street lighting, which may require an initial payment and/or a continuing monthly payment by the Owner of each Lot or Boat Slip. Each Lot Owner (and, if applicable, Boat Slip Licensee) will be required to pay for any water connections, sewer connections (if any), impact fees or any other charges imposed by entitle furnishing water, sewer or other utility service to the Lots or Boat Slips. In the alternative, the Association may collect such connection, impact and other fees, and charge directly from the Lot Owners (and, if applicable, Boat Slip Licensees). All Lot Owners/Licensees shall be required, for household purposes, to use water and sewer supplied by the companies/governmental units servicing the Planned Community, if and when available.

SECTION 3. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

SECTION 4. Amendment of Declaration. Except in cases of amendments that may be executed by the Declarant under this Declaration or by certain Members under the Act, this Declaration may be amended by affirmative vote or written agreement signed by Owners of Lots and Boat Slip Licenses to which at least sixty-seven percent (67%) of the votes in the Association are allocated, or by the Declarant if necessary for the exercise of any Special Declarant Right or development or other right reserved to the Declarant herein.

SECTION 5. North Carolina Planned Community Act. It is the intent of the Declarant to comply with the requirements imposed on the Planned Community by the Act and to the extent any of the terms of his Declaration violate the Act, the terms of the Act shall control.

SECTION 6. Liability Outside Class. By virtue of this Declaration, the Associations Articles and Bylaws, certain actions by the Association are required to be taken for only a particular Class of Members. The Members of any Class of Membership outside of a Class for which the Association is required or elects to take any action shall have no liability, through assessments or otherwise, for the Association' failure to take or mismanage any such action.

SECTION 7. Boat Slips. Declarant intends to construct a boat dock and boat slips, with the dock and pier being community property or for common use, and private boat slips to be conveyed by Boat Slip Licensing Agreements. All private slips shall be conveyed only as appurtenant to the ownership of a Lot in the Planned Community Live Oak Cove and/or any additional adjacent lands added to the Development, and can convey Slips only to Owners in Live Oak Cove. It is not necessary that any boat slip be appurtenant to any specific lot, but said Boat Slip License Agreements shall state that said property and rights can only be later conveyed as appurtenant to land property deeds, but that said Owner may convey slips separately to any other Owner in Live Oak Cove. By Deed Restriction and/or licensing agreement, slips cannot be conveyed to any party not having ownership of Real Property in Live Oak Cove. All Owners of Boat Slips under a Boat Slip Licensing Agreement shall be a Lot Owner and shall be a mandatory member of the Association, together with all of the obligations and privileges thereof, subject to being assessed and

26

subject to any and all other terms of this Declaration.

- A. In order to minimize the impact of the presence of the Dock on neighboring landowners:
1. All lights installed on the dock will be controlled by 15 minute timers;
 2. The dock shall not be lighted except by returning or leaving boat owners as needed to load and unload;
 3. No boat repairs except for minor maintenance shall be performed at the dock;
 4. No amplified music, radio or television will be allowed at the dock;
 5. No parties allowed unless sanctioned by the Association and owners of Lots 10 and 11 will be allowed.
- B. No commercial boats may operate from the dock.
- C. No Boats over 24 feet in length are allowed to be kept in any slip.
- D. No one may spend the night or live in a boat which is kept in any slip.
- E. Any Boat Slip Owner may obtain a permit and construct a boat lift and connect to the common electrical power at the dock.
- F. No boats may be docked that are not in working order, properly licensed and in good operating condition.
- G. Any boats docked in the water must have bottom paint in good working condition.
- H. There is no parking anywhere in the subdivision for Members or their guests except the lot(s) owned by the Member. Vehicles and trailers will be immediately returned to the Member's lot after unloading.
- I. No Members can give blanket authorization for any non-Member to use the dock or ramp privileges to use the facilities.
- J. The Dock and Boat ramp and utilities shall be maintained out of the General Fund of the Association. In the event of an uninsured disaster, flood or fire, the facilities shall be reconstructed by special assessment with slip owner paying 9% each of costs, and the remainder of the Membership paying the remaining 19%.

IN TESTIMONY WHEREOF, 67% of the lot owners of Live Oak Cove Subdivision have caused this Amendment to Declaration to be signed in their name and Live Oak Cove Homeowners' Association signed in its corporate name by Walter D. Giese, as president of the corporation, and attested by its Secretary and its corporate seal to be hereunto affixed, by authority of its Board of Directors duly given, on the 27th day of September, 2011.

27

LIVE OAK COVE HOMEOWNERS' ASSOCIATION

Walter D. Giese (SEAL)
By: Walter D. Giese
Title: President

Attest:

J.R. Rogers (SEAL)
TR Rogers, Secretary

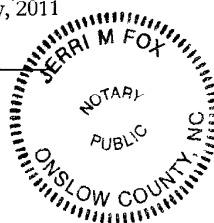
NORTH CAROLINA
ONSLow COUNTY

I, Jerri M Fox, a Notary Public of the County of Onslow, State of North Carolina, certify that **TR Rogers**, personally came before me this day and acknowledged that he is Secretary of **Live Oak Cove Homeowners' Association**. a North Carolina non-profit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by **Walter D. Giese**, its President, and attested by **TR Rogers** as its Secretary and was signed on the authority given by Lot Owners through their written assent to their foregoing Amendment.

Witness my hand and official stamp or seal, this the 9th Day of September, 2011

My Commission expires:
March 4, 2014

Jerri M Fox
NOTARY PUBLIC



Walter D. Giese (SEAL)
WALTER D. GIESE

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

(SEAL) Laura Nelson _____ (SEAL)
Laura Nelson Stephen Nelson

(SEAL) Rachele Parente _____ (SEAL)
Rachele Parente Matthew Parente

Michael Kinsel _____ (SEAL)
Michael Kinsel

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

_____ (SEAL)

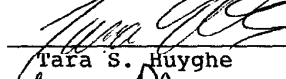
_____ (SEAL)


_____ (SEAL)

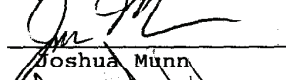
_____ (SEAL)

_____ (SEAL)


Jason L. Huyghe (SEAL)


Tara S. Huyghe (SEAL)


Tessa Munn (SEAL)


Joshua Munn (SEAL)


Jared Siebrecht (SEAL)


Kaitlyn Siebrecht (SEAL)

(SEAL)

(SEAL)

(SEAL)

(SEAL)

(SEAL)

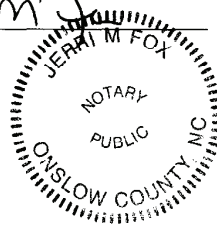
STATE OF NC
COUNTY OF Onslow

I, Jerri M Fox, a Notary Public of the State of NC,
County of Onslow do hereby certify that
Laura Nelson & Stephen Nelson personally appeared before me this day and
acknowledged that (s)he/they voluntarily executed this instrument for the purposes stated therein.

Witness my hand and official seal, this the 9th day of September, 2011.

(Official Seal)

Jerri M Fox
Notary Public



My Commission Expires: March 4, 2014

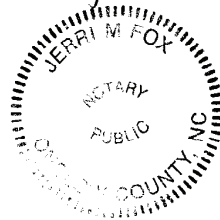
STATE OF NC
COUNTY OF Onslow

I, Jerri M Fox, a Notary Public of the State of NC,
County of Onslow do hereby certify that
Rachelle Parente & Matthew Parente personally appeared before me this day and
acknowledged that (s)he/they voluntarily executed this instrument for the purposes stated therein.

Witness my hand and official seal, this the 9th day of September, 2011.

(Official Seal)

Jerri M Fox
Notary Public



My Commission Expires: March 4, 2014

STATE OF NC
COUNTY OF Onslow

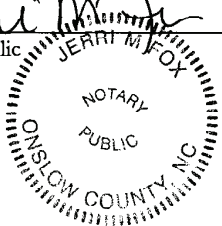
I, Jerri M Fox, a Notary Public of the State of NC,
County of Onslow do hereby certify that
Michael Kinscl personally appeared before me this day and
acknowledged that (s)he/they voluntarily executed this instrument for the purposes stated therein.

Witness my hand and official seal, this the 9th day of September, 2011.

(Official Seal)

Jerri M Fox
Notary Public

My Commission Expires: March 4, 2014



STATE OF NC
COUNTY OF Onslow

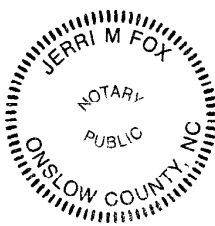
I, Jerri M Fox, a Notary Public of the State of NC,
County of Onslow do hereby certify that
Walter D. Grese personally appeared before me this day and
acknowledged that (s)he/they voluntarily executed this instrument for the purposes stated therein.

Witness my hand and official seal, this the 9th day of September, 2011.

(Official Seal)

Jerri M Fox
Notary Public

My Commission Expires: March 4, 2014



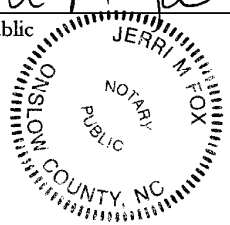
STATE OF NC
COUNTY OF Onslow

I, Jerrri M Fox, a Notary Public of the State of NC,
County of Onslow do hereby certify that
Jared Siebrecht & Karlyn Siebrecht personally appeared before me this day and
acknowledged that (s)he/they voluntarily executed this instrument for the purposes stated therein.

Witness my hand and official seal, this the 4th day of September, 2011.

(Official Seal) Jerrri M Fox
Notary Public

My Commission Expires: March 4, 2014



STATE OF
COUNTY OF

I, _____, a Notary Public of the State of _____,
County of _____ do hereby certify that
_____ personally appeared before me this day and
acknowledged that (s)he/they voluntarily executed this instrument for the purposes stated therein.

Witness my hand and official seal, this the _____ day of _____, 20_____.

(Official Seal) _____
Notary Public

My Commission Expires: _____

34

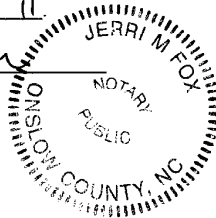
STATE OF NC
COUNTY OF Onslow

I, Jerri M Fox, a Notary Public of the State of NC,
County of Onslow do hereby certify that
Jason L. Huyghe & Tara S Huyghe personally appeared before me this day and
acknowledged that (s)he/they voluntarily executed this instrument for the purposes stated therein.

Witness my hand and official seal, this the 4th day of September, 2011.

(Official Seal)

Jerri M Fox
Notary Public



My Commission Expires: March 4, 2014

STATE OF NC
COUNTY OF Onslow

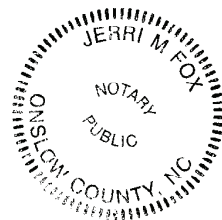
I, Jerri M Fox, a Notary Public of the State of NC,
County of Onslow do hereby certify that
Tessa Munn & Joshua Munn personally appeared before me this day and
acknowledged that (s)he/they voluntarily executed this instrument for the purposes stated therein.

Witness my hand and official seal, this the 4th day of September, 2011.

(Official Seal)

Jerri M Fox
Notary Public

My Commission Expires: March 4, 2014



35

[Signature] (SEAL)
 Lawrence R. Matthews
[Signature] (SEAL)
 Rose W. Matthews

STATE OF NC
 COUNTY OF Pender

I, Kelly Jacobson, a Notary Public of the State of North Carolina,
 County of Pender do hereby certify Lawrence R Matthews and Rose W
 Matthews personally appeared before me this day and acknowledged that (s)he (they) voluntarily
 executed this instrument for the purposes stated therein.

Witness my hand and official seal, this the 7th day of Sept, 2011.

(Official Seal)

[Signature]
 Notary Public

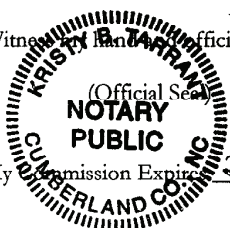
My Commission Expires: 9/2/2011

Donald Owings (SEAL)
Donald Owings
Donna C. Owings (SEAL)
Donna C. Owings

STATE OF North Carolina
COUNTY OF Cumberland

I, Kristy B. Tarrant, a Notary Public of the State of North Carolina,
County of Cumberland do hereby certify Donald Owings and Donna C. Owings
personally appeared before me this day and acknowledged that ~~(s)he~~ (they) voluntarily executed this
instrument for the purposes stated therein.

Witness my hand and official seal, this the 7th day of September, 2011.



Kristy B. Tarrant
Notary Public

My Commission Expires 2/19/2016

Thomas R. Rogers (SEAL)
Thomas R. Rogers
Bonnie Rogers (SEAL)
Bonnie Rogers

STATE OF NC
COUNTY OF Onslow

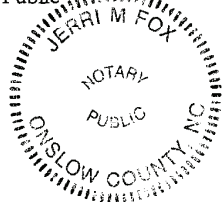
I, Jerri M Fox, a Notary Public of the State of NC
County of Onslow do hereby certify Thomas R. Rogers and Bonnie Rogers
personally appeared before me this day and acknowledged that (s)he/they voluntarily executed this
instrument for the purposes stated therein.

Witness my hand and official seal, this the 9th day of September, 2011.

(Official Seal)

Jerri M Fox
Notary Public

My Commission Expires: March 4, 2014



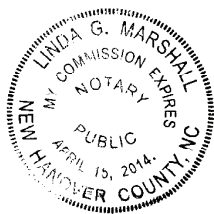
Long Term Ventures, LLC

Wayne Beagle (SEAL)
By: Wayne Beagle
Title: Manager

North Carolina
Onslow County

I, Linda G Marshall, the undersigned a Notary Public for the county and state aforesaid, certify that Wayne Beagle, personally came before me this day and acknowledged that (s)he is the Manager/Member of Long Term Ventures, LLC, and that (s)he as Manager/Member, being authorized to do so, executed the foregoing on behalf of Long Term Ventures, LLC.

Witness my hand and official seal, this the 9 day of September, 2011.



Linda G Marshall
Notary Public
My Commission Expires:


 Doc ID: 009455990005 Type: CRP
 Recorded: 01/04/2012 at 04:16:04 PM
 Fee Amt: \$26.00 Page 1 of 5
 Onslow County, NC
 Rebecca L. Pollard Reg. of Deeds
 BK **3704** PG **936-940**

PREPARED BY: DONALD G. WALTON, JR., Attorney at Law

**NORTH CAROLINA
ONSLow COUNTY**

**AMENDMENT TO RESTRICTIVE
COVENANTS OF LIVE OAK SUBDIVISION**

**THIS FIRST AMENDMENT TO THE DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS OF THE RESTRICTIVE COVENANTS FOR
LIVE OAK SUBDIVISION, made this 31st day of December, 2011, by Live Oak Cove
Homeowners' Association, hereinafter called "Association"**

WITNESSETH:

THAT WHEREAS, Live Oak Cove is a subdivision of real property located in Onslow County, North Carolina and being more particularly described on Map Book 36, Page 59, Map Book 51, Page 19, Map Book 53, Page 77, and Map Book 60, Page 188, Onslow County Registry; and

WHEREAS, the aforesaid property was subjected to Declaration of Covenants, Conditions, and Restrictions for Live Oak Cove Subdivision recorded in Deed Book 2670, Page 373, as amended in Deed Book 3377, Page 654, Deed Book 3537, Page 841, and Deed Book 3610, Page 203, and Deed Book 3650, Page 449, Onslow County Registry and Supplemental Covenants for Live Oak Cove Subdivision in Deed Book 2869, Page 893, Onslow County Registry (hereinafter collectively referred to as "Restrictive Covenants"); and

WHEREAS, the Section Four (4) of Article XII of the Declaration of Covenants, Conditions and Restrictions for Live Oak Cove Subdivision recorded in Deed Book 3650, Page 449, allowed Amendment to the Declaration by affirmative vote of at least sixty-seven percent (67%) of the allocated votes in the Association; and

WHEREAS, by affirmative vote, at least sixty-seven percent (67%) of the homeowners in Live Oak Cove approve and are desirous of making an amendment to Article VIII Section 4 Enforcement of Stormwater Runoff Regulations to alter the maximum built-upon area allocated to each lot in the subdivision; and

WHEREAS, additionally, by affirmative vote, at least sixty-seven percent (67%) of the homeowners in Live Oak Cove approve and are desirous of making an amendment to Article XII Section 7 (C) Boat Slips to alter the length of the maximum boat length allowed to be kept in a Boat Slip; and

WHEREAS, either a copy of the voting ballot and record being is attached hereto and incorporated herein by reference or the homeowner's written consent is attached; and

NOW THEREFORE, Article VIII, Section 4, Paragraph F of the Declaration of Covenants, Conditions, and Restrictions for Live Oak Cove Subdivision as recorded in Deed Book 3650, Page 449 is amended to replace the same with the following:

F. The maximum built-upon area in the subdivision is as follows (this data is for Lots shown on the above referenced plat plus lots for which the Declarant has an approved Stormwater plan but which Declarant is under no obligation to subdivide or develop in any particular fashion or for any particular use):

<u>Lot Numbers:</u>	<u>Built-upon Area:</u>
1 - 6 and 9	3600 square feet
10 & 11	10,300 square feet (represents a total allocation for the two lots, and may be allocated between the two lots at the discretion of Lot Owner)
12	7,300 square feet
15-18	3600 square feet
14 & .48 acres (Prtn of DB 3349, PG 749)	7,200 square feet (represents a total allocation for the two lots, and may be allocated between the two lots at the discretion of Lot Owner)

These allotted amounts include any built-upon area construction within the lot property boundaries and that portion of the right of way between the front lot line and the edge of the pavement, but does not include those areas defined as Common Elements as defined in those Declaration of Covenants, Conditions and Restrictions for Live Oak Cove Subdivision recorded in Book 3377, Page 654, Onslow County Registry. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slat, concrete and parking areas, but does not include raised, open wood decking, or the water surface of swimming pools. The Association reserves the right to recalculate and reallocate the maximum allowable built upon area assigned to each lot if desired and allowed by applicable DENR regulations.

Except as specifically amended herein, the remaining provisions contained in the Declaration of Covenants, Conditions, and Restrictions for Live Oak Cove Subdivision as recorded in Deed Book 3377, Page 654, Onslow County Registry, and their subsequent amendments thereto shall continue to remain in full force and effect.

FURTHER, Article XII Section 7, Paragraph C of the Declaration of Covenants, Conditions, and Restrictions for Live Oak Cove Subdivision as recorded in Deed Book 3650, Page 449, is amended to replace the same with the following:

C. No Boats over 25 feet in length are allowed to be kept in any slip.

IN TESTIMONY WHEREOF, the lot owners of Live Oak Cove Subdivision have caused this Amendment to Declaration to be signed in their name and/or by Walter D. Giese, as president of the Live Oak Cove Homeowners' Association, in its corporate name and attested by its Secretary and its corporate seal to be hereunto affixed, by authority of its Board of Directors duly given, on the 8th day of December, 2011.

LIVE OAK COVE HOMEOWNERS' ASSOCIATION

Walter D. Giese (SEAL)
By: Walter D. Giese
Title: President

NORTH CAROLINA
ONSLow COUNTY

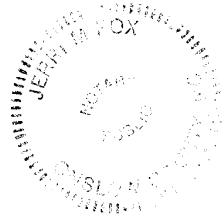
I, Jenni M Fox, a Notary Public of the County of Onslow, State of North Carolina, certify that **Walter D. Giese**, personally came before me this day and acknowledged that he is the President of **Live Oak Cove Homeowners' Association**, a North Carolina non-profit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by **Walter D. Giese**, its President, and was signed on the authority given by Lot Owners through their written assent to their foregoing Amendment.

Witness my hand and official stamp or seal, this the 8th Day of December, 2011

My Commission expires:

March 4, 2014

Jenni M Fox
NOTARY PUBLIC



Walter D. Giese (SEAL)
Lot 12, Slip 6

_____ (SEAL)

FR Rogers (SEAL)
Lot 14, Slip 1 and 3

~~Lot #7~~
Jared Sigbrecht (SEAL)

Laura Nelson (SEAL)
Lot 13 Slip 8

Tessa Munn (SEAL)
Lot #4

Lawrence Matthews (SEAL)
Lot 1, 16 Slip #7

_____ (SEAL)

Jason Huyghe (SEAL)
Lot 7

_____ (SEAL)

Rachelle Parente (SEAL)
Lot 18 Rachelle Parente

_____ (SEAL)

John Mitchum (SEAL)
Slip 4 Lot 5

_____ (SEAL)

14

20 Required

STATE OF NORTH CAROLINA
COUNTY OF ONSLOW

I, Jerry M Fox, a Notary Public of North Carolina, County of Onslow do hereby certify that WALTER D. GIESE, TR ROGERS, LAURA NELSON, LAWRENCE R. MATTHEWS, JASON HUYGHE, RACHELLE PARENTE, JOHN MITCHUM, JARED SIEBRECHT, AND TESSA MUNN personally appeared before me this day and acknowledged that she voluntarily executed this instrument for the purposes stated therein.

Witness my hand and official seal, this the 8th day of December, 20 11

(Official Seal)

Jerry M Fox
Notary Public

My Commission Expires: March 4 2014

