

Karen S. Hardesty

Carteret County, NC

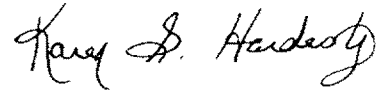
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NORTH CAROLINA

CARTERET COUNTY

Prepared By: *Wyatt Early Harris Wheeler, LLP*--304 N. 35th Street, Morehead City, NC 28557

DECLARATION OF CONDITIONS, RESTRICTIONS AND COVENANTS
OF 1809 LIVE OAK SUBDIVISION

THIS DECLARATION, dated for reference only, May 20, 2025, by 1809, LLC, a North Carolina limited liability company hereinafter referred to as "Declarant," who do hereby covenant and agree to and with all other persons, firms or corporations now owning or hereafter acquiring as owners any tract or parcel of land in the area designated.

W I T N E S S E T H:

**THIS DOCUMENT REGULATES OR PROHIBITS THE DISPLAY OF THE FLAG OF
THE UNITED STATES OF AMERICA OR STATE OF NORTH CAROLINA**

WHEREAS, 1809, LLC is the owner of certain property in Beaufort Township, Carteret County, North Carolina; and,

WHEREAS, Declarant desires to provide for the maintenance and upkeep of the common area located within 1809 Live Oak Subdivision (the "Subdivision") and to provide for enforcement of covenants and restrictions applicable to the Subdivision, and desires to subject all of the property within the Subdivision to the covenants, conditions, restrictions, easements, charges, and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and

WHEREAS, Declarant has deemed it advisable to create an organization to own, maintain and administer the Common Area (as herein after defined), to administer and enforce covenants

and restrictions applicable to the Subdivision, and to collect and disburse the assessments and charges hereinafter created, and Declarant has therefore incorporated under North Carolina law as a nonprofit corporation, 1809 Live Oak Homeowners Association, Inc. for the purpose of exercising the aforesaid functions; and,

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, owned, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of same, and which shall run with the real property and be binding on all parties having any right, title, or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I DEFINITIONS

Any defined term used in this Declaration shall have the meaning set forth below or, if not specifically defined in this Article I, the meaning of such term as set forth in the Act or in any other provision of this Declaration.

Section 1: "Act" shall mean Chapter 47F of the North Carolina General States, known as the North Carolina Planned Community Act.

Section 2: "Association" shall mean 1809 Live Oak Homeowners Association, Inc. and its successors and assigns.

Section 3: "Owner" shall mean the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Property, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 4: "Property" shall mean that certain real property herein described in Article II, Section 1, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 5: "Common Area" shall mean all real property (including any improvements thereto) and personal property owned or maintained by the Association for the common use and enjoyment of Owners. Common Area shall also include, for purposes of maintenance, operation, repair and improvements, all utilities, drainage easements and storm water detention facilities located on or connected with the Property and any additions thereto as provided in this Declaration.

Section 6: "Lot" shall mean any plot of land shown upon any recorded subdivision plat of the Property with the exception of the Common Area and any public street rights-of-way shown on said plat. In the event that any Lot is increased or decreased in size by recombination or resubdivision through recordation of a new subdivision plat, any newly-platted Lot shall thereafter constitute a Lot hereunder.

Section 7: "Member" shall mean every person or entity who holds membership in the Association as the Owner of a Lot.

Section 8: "Unit" shall mean any building or portion thereof within the Property which is designated and intended for use and occupancy as a residence by a single family, whether by the Owner of such Unit or by tenants or lessees of such Owner.

Section 9: "Declarant" shall mean and refer collectively to 1809, LLC and their successor and/or assigns.

ARTICLE II PROPERTY SUBJECT TO DECLARATION

Section 1: Existing Property. The real property which is and shall be held, transferred, sold, conveyed, used and occupied subject to this Declaration as of the date of recording hereof, which is within the jurisdiction of the Association, is described as follows:

Lying and being in Beaufort Township, Carteret County, North Carolina and being more particularly described as follows:

All of that property, including lots and common area as shown on that plat entitled "Final Plat Phase 1, 1809 LIVE OAK, Lots 48-84, 101-135" prepared by The Cullipher Group, P.A. dated 4/15/2025 and recorded in Book 35, page 078, (file # 35078) Carteret County Registry.

Section 2: Annexation of Additional Property. At any time prior to May 10, 2055, additional land may be annexed by 1809, LLC without the consent of the Members and therefore shall become subject to this Declaration by the recording by 1809, LLC of a plat showing such property to be annexed and of a supplementary declaration extending the operation and effect of this Declaration to the property to be annexed. Furthermore, during any time in which Declarant owns a Lot within the Property, additional land may be annexed by 1809, LLC without requirement of the consent of the Members and therefore become subject to this Declaration by the recording by 1809, LLC of a plat showing such property to be annexed in a supplementary declaration extending the operation and effect of this Declaration to the property to be annexed. Any property annexed must be contiguous to property already subject to this Declaration. Any property annexed pursuant to this subsection may be annexed and subjected to this Declaration as one parcel or as several parcels at different times. The addition of such property pursuant to this Section may increase the cumulative number of Lots within the Property and, therefore, may alter the relative maximum voting strength of the various types of Members.

A supplementary declaration may contain such complementary additions to and modifications of the covenants and restrictions contained in this Declaration, including, without limitation, different voting rights and different annual and special assessments for the Lots so annexed, as Declarant, in its sole discretion, may deem necessary or appropriate to reflect the different character or use of the property added. Except as provided otherwise herein, in no event, however, shall any supplementary declaration revoke, modify or add to the covenants and restrictions established by

this Declaration so as to materially and adversely affect any portion of the Property already subject to this Declaration, except for the dilution of voting strength that occurs as a result of the inclusion of additional Members of the Association. A supplementary declaration annexing additional property need only be executed by the Declarant, and if applicable, by the owner of the property being annexed, and shall not require the joinder or consent of the Association or any of its Members. Nothing contained in this Article shall be construed to obligate or require Declarant to make any additions to the Property.

Section 3: Merger. Additional property may also be made subject to this Declaration by merger or consolidation of the Association with another non-profit corporation formed for the same or similar purposes. The surviving or consolidated association shall administer the covenants and restrictions established by this Declaration within the Property and the covenants and restrictions established upon property owned by the other association as one scheme. No such merger or consolidation shall cause any revocation, change or addition to this Declaration.

Section 4: Withdrawal of Property. Declarant reserves the right to amend this Declaration so long as it has a right to annex Additional Property pursuant to this Article for the purpose of removing any portion of the Property then owned by Declarant from the coverage of this Declaration, to the extent originally included in error or as a result of changes whatsoever in the plans for the Property, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the Subdivision. Notwithstanding the above, Declarant shall not withdraw any portion of the Property that is reasonably utilized or intended to be utilized by the Lots subject to the Declaration as a means of ingress, egress and regress to the Lots and Common Area, including utility services, without reserving suitable easement rights for the benefit of the Owners and Association.

Section 5: Good Faith Lender's Clause. Any violation of these covenants, conditions or restrictions shall not affect any lien or deed of trust of record held in good faith, upon any Lot or commercial Unit, which liens may be enforced in due course, subject to the terms of this Declaration.

ARTICLE III PROPERTY RIGHTS

Section 1: Owner's Easement of Enjoyment. Except as otherwise provided herein any by the rules and regulations adopted by the Board of Directors of the Association, each Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to suspend the voting rights of an Owner, subject to a hearing or opportunity to present evidence in accordance with NCGS Section 47F-3-107.1 for any period during which any assessment against his or her Lot remains unpaid, or for a period not to exceed sixty (60) days for any infraction of the published rules and regulations of the Association.

(b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public or quasi-public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. After Class B Lots cease to exist, no such dedication or transfer shall be effective unless the Members entitled to at least 80% of the vote of the entire membership of the Association agree to such dedication, sale, or transfer and signify their agreement by a signed document recorded in the applicable public registry for Carteret County, North Carolina. Nothing herein shall be deemed to prohibit the Board of Directors of the Association, without the consent of the Members, from granting easements over and across the Common Area to any public or quasi-public agency, authority or utility for the installation and maintenance of sewage, utility (including cable television or internet) or drainage facilities when, in the opinion of the Board of Directors of the Association, such easements are necessary for the convenient use and enjoyment of properties within the Subdivision. Notwithstanding anything herein to the contrary, the Common Area shall be preserved for the perpetual benefit of the owners of Lots within the Subdivision and shall not be conveyed except to a governmental entity or another non-profit corporation organized for similar purposes.

(c) the right of the Association to borrow money, and, after Class B Lots cease to exist, with the assent of Members' entitled to at least 80% of the votes of the entire membership of the Association, mortgage, pledge, deed of trust or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, provided that the rights of any such lender shall be subordinate to the property rights of the Members and the Association.

(d) the right of the Association to exchange all or part of the Common Area for other property and consideration of like value and utility, provided, however, that after Class B Lots cease to exist, any such dedication shall require the consent of the Members as set forth in Section (b) above, and further provided that, if the Board of Directors of the Association determines, in its sole discretion, that such exchange is necessary to cure an encroachment or setback violation on any Lot, the Board may effect such exchange without the consent of or approval by the Members.

(e) the right of the Association to expand or add to the Common Area and to improve, maintain and operate the Common Area.

(f) the right of the Association to adopt, promulgate and enforce rules and regulations concerning the use of the Common Area.

Section 2: Conveyance of Common Area. No later than the time during which there are no Class B Lots, the Declarant shall convey and transfer to the Association, and the Association shall accept, fee simple title to the Common Area, subject to any easements, reservations, and restrictions of record. Notwithstanding the foregoing, if the Declarant owns one or more Lots at the time of said conveyance, the Declarant reserves an easement over and across any Common Area for the purpose of construction and maintaining any improvements on the Common Area as the Declarant deems necessary or advisable.

Section 3. Regulation and Maintenance of Common Area. It is the intent of the Declarant that the Common Area be preserved to the perpetual benefit of the Owners within the Subdivision.

The board of directors of the Association may adopt and promulgate rules and regulations governing the use of the Common Area by the Owners and their family, guests, and invitees. No Owner or family, guest or invitee thereof shall use the Common Area in violation of any such rules or regulations or in any manner that in any way interferes with the rights of the other Owners. The Association shall be responsible for the management and control of the Common Area and shall keep the Common Area in good condition, order and repair, at its expense. The Association and its employees, agents, contractors and subcontractors shall have a nonexclusive right and easement at all times to enter upon any portion of a Lot to the extent necessary to gain access and maintain improvements and facilities within a Common Area and no such entry shall be deemed a trespass.

Section 4. Insurance. The Association shall obtain and at all times maintain adequate liability insurance covering the Association itself and the Common Area and other property owned by the Association, including but not limited to officers' and directors' liability insurance.

Section 5. Declarant's Reserved Rights. Until such time as Declarant does not own a Lot in the Subdivision, the Declarant shall have the right to alter the boundaries of the Common Area, whether or not it has been previously deeded to the Association, subject to NCGS §47F-3-112; provided that such alteration does not substantially, materially and adversely affect the function and use of the Common Area. The Association and each Owner hereby irrevocably be deemed to appoint the Declarant as his, her or its attorney-in-fact to execute and/or deliver any documents, plats, deeds or other written matters necessary or convenient to accomplish the addition of the Common Area or Property or both, to create easements as deemed necessary by Declarant, and to adjure the boundary or boundaries of the Common Area. During all such times as there are multiple parties comprising the Declarant, all rights of the Declarant hereunder shall be exercised only jointly by the Declarant, or as otherwise determined by the parties comprising the Declarant, with the exception of voting rights a Declarant may have by virtue of lot ownership, which may be exercised by each party comprising the Declarant individually.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

Section 1: Membership. Every Owner of a Lot which is subject to assessment shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. The bylaws of the Association are attached as Exhibit A to this Declaration.

Section 2: Classes of Membership. The Association shall have two classes of voting membership. The voting rights of the membership shall be appurtenant to the ownership of the Lots and may not be separated from ownership of any Lot.

(a) Class A Lots. Class A Lots shall consist of all Lots except Class B Lots. Ownership of a Class A Lot shall entitle the Owner of such Lot to one (1) vote. When more than one person holds an interest in any Lot (other than a leasehold or security interest), all such persons shall be Members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot. Fractional voting shall not be allowed.

(b) Class B Lots. Class B Lots shall be all Lots owned by Declarant which have not been converted to Class A Lots as set forth below. Declarant shall be entitled to twenty (20) votes for each Class B Lot it owns. Class B membership shall cease and Class B Lots shall be converted to Class A Lots upon the earlier to occur of the following: (i) Declarant does not own a Lot within the Property; or (ii) upon written waiver of the Class B membership by the Declarant, which waiver shall apply only to such Lots as may be designated by Declarant. When the Class B Lots cease to exist and are converted to Class A Lots, Declarant shall have the same voting rights as other Owners of Class A Lots.

(c) Declarant's Voting Rights. Until the Class B Lots cease to exist, as provided above, Declarant shall be vested with the sole voting rights of the Association on all matters (including but not limited to election and removal of directors and officers of the Association), except such matters to which the Declaration, the Articles of Incorporation of the Association or the Bylaws of the Association specifically require a vote of the Class A Members.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1: Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association annual assessments and special assessments, such assessments to be established and collected as hereinafter provided. All assessments which are unpaid when due, together with interest and late charges set forth in Section 9 of this Article V and all costs of collection, including reasonable attorneys' fees, shall be a charge against and a continuing lien upon the Lot against which such assessment is made subject to NCGS § 47F-3-116, as amended. Each such assessment or charge, together with interest and costs of collection, including reasonable attorney's fees, subject to notice provided in NCGS § 47F-3-116(e), shall also be the personal or corporate obligation of the person, firm or corporation owning such Lot at the time when such assessment fell due, but such personal obligation shall not be imposed on such Owner's successors in title unless expressly assumed by them. Although unpaid assessments and charges are not the personal obligation of such Owner's successors in title unless expressly assumed by them, the unpaid assessments and charges shall continue to be a lien upon the Lot against which the assessment or charge was made.

It is the intent of the Declarant that any monetary fines imposed against an Owner pursuant to the Bylaws of the Association or in this Declaration and, subject to NCGS §47F-3-107.1, shall constitute a lien against the Lot of such Owner to the same extent as if such fine were an assessment against such Lot.

Section 2: Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents of the Subdivision and, in particular, for the acquisition, improvement and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, including but not limited to, maintenance, reconstruction and repair of water and sewer lines and detention ponds located within the Common Area, restoration of party walls in the event of

destruction or damage, landscaping maintenance, the cost of repairs, electricity, utilities, replacements and additions, the cost of labor, and equipment, the payment of taxes assessed against the Common Area, the procurement and maintenance of insurance in accordance with the By-Laws, garbage and trash collection services, street lighting, the employment of attorneys to represent the Association when necessary, and such other needs as may arise.

Section 3: Basis and Maximum of Annual Assessments.

(a) No assessments shall be made on any Lot except as provided herein. The maximum initial annual assessment shall be One Thousand Two Hundred Dollars (\$1,200.00) per Lot. For so long as Class B Lots exist, the Board of Directors, in its sole discretion, shall have the authority to adopt an annual budget without a vote of the membership. Once Class B Lots cease to exist, the annual assessment may be increased by the Board of Directors effective January 1 of each year without a vote of the Members, but subject to the limitation that the percentage of any such increase shall not exceed 15% of the annual assessment for the previous year unless such increase is approved as set forth in Section 3(b) of this Article V.

Except as otherwise provided in the Declaration, until the Association makes a common expense assessment, the Declarant shall pay all common expenses. After any assessment has been made by the Association, assessments thereafter shall be made at least annually.

(b) Annual Assessments and Ratifications by Budgets. After Class B Lots cease to exist, the Board of Directors shall adopt a proposed budget at least annually. Within 30 days after adoption of the proposed budget, the Board of Directors shall send a copy of the proposed budget and shall give written notice to the Members of a meeting of the Members to consider ratification of the budget, such meeting to be held not sooner than 10 days nor more than 60 days after the mailing of such notice. Such meeting may, but need not be, combined with the annual meeting of Members. Except as required by Section 7 below, there shall be no requirement that a quorum be present in order to vote on ratification of the budget (although a quorum must be present to vote on other matters). The budget shall be deemed ratified unless, at that meeting, Members having a majority of the votes of the entire membership cast votes to reject the budget. Notwithstanding the foregoing, if the budget provides for annual assessments not larger than 10% of the assessment in effect for the immediately preceding year, such budget shall be deemed ratified unless Members having at least 80% of the votes of the entire membership vote to reject the budget. If the proposed budget is rejected, the budget last ratified by the Members shall be continued until such time as the Members ratify a subsequent budget proposed by the Board. Any annual assessment ratified by the Members shall continue thereafter from year to year as the annual assessment until changed by the Board of Directors and ratified by the Members as set forth herein.

Section 4: Special Assessments. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment for the purpose of defraying, in whole or in part, the current or future cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, including but not limited to water and sewer lines and the detention ponds,

for the repayment of any indebtedness and interest thereon, or for any other purpose provided that any such assessment shall have the same consent of the Members as provided in Section 3(b) of this Article.

Section 5: Assessment Rate and Collection Period. Except as provided in Section 6 of this Article V, the annual and special assessments shall be fixed at a uniform rate for all Lots within each subclass of Lots and may be collected on a yearly, semi-annually, quarterly or monthly basis, as determined by the Board of Directors.

Section 6: Declarant's Assessments. Notwithstanding any other provision of this Declaration or the Bylaws of the Association, the Declarant shall not be obligated for, nor subject to, any annual or special assessment for any Lot or other property that it owns within the Property. Notwithstanding the foregoing, in this Article V, any Lot owned by Declarant which contains a dwelling with a final certificate of occupancy issued will be assessed at the rate applicable to Class A Lots.

Section 7: Notice and Quorum for Any Action Authorized Under Sections 3(a) and 4. After Class B Lots cease to exist, written notice of any meeting called for the purpose of taking any action authorized under Section 3(a) or 4 shall be sent to all Members not less than ten (10) days nor more than sixty (60) days prior to the meeting. At such meeting, the presence of Members, in person or by proxy, entitled to cast sixty (60%) percent of the votes of the entire membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and if called for a date not later than sixty (60) days after the date of the first meeting, the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

Section 8: Date of Commencement of Annual Assessment; Amount of Initial and Subsequent Annual Assessments; Certificate of Payment. Unless a different commencement date is set by the Board of Directors, the annual assessments provided for herein shall commence as to each Lot in any phase on the first day of the month following the conveyance of a Lot within that phase to an Owner. However, until the Association makes a common expense assessment, the Declarant shall pay all common expenses. After any assessment has been made by the Association, assessments thereafter shall be made at least annually. Unless a lower amount is set by the Board of Directors and ratified by the Members, the first annual assessment shall be the "Maximum Annual Assessment" set forth in Section 3 of this Article and shall be prorated according to the number of days remaining in the calendar year. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 9: Remedies for Nonpayment of Assessment. Any assessment not paid within ten (10) days after the due date shall bear a late charge as the Board of Directors may from time to time establish, and, if not paid within thirty (30) days after the due date, shall also bear interest from the due date at the lesser of the annual rate of eighteen percent (18%) or the maximum amount permitted by law. The Association may bring an action at law against the Owner personally

obligated to pay the same, and/or foreclose the lien against the Lot for which such assessment is due subject to NCGS §47F-3-116, as amended. Interest, late payment charges, reasonable attorneys' fees and the costs of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape or deny liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10: Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage encumbering a Lot. Sale or transfer of any Lot shall not affect the assessment lien except as otherwise provided by law. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided herein shall continue to be subordinate to the lien of any first mortgage.

Section 11. Exempt Property. All property dedicated to and accepted by a public authority and all property owned by a charitable or non-profit organization exempt from taxation by the laws of the State of North Carolina shall be exempt from assessments created herein. Notwithstanding the foregoing, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE VI MAINTENANCE OF LOTS AND UNITS

Section 1. Association's Responsibility. In addition to maintenance of the Common Area and the improvements and facilities located thereon, the Association shall be responsible for maintaining the grass, plants, shrubs, trees, landscaping, walks and parking areas ("Yard Improvements") installed by Declarant or the Association on a lot, and any Yard Improvements installed by an Owner with the prior written consent of the Association (but only to the extent that such consent specifically provides that the Association will maintain such added landscaping). The Association shall also be responsible for certain exterior maintenance of the Units, including the painting, repair, replacement, and care of exterior building surfaces (including exterior doors installed as part of the initial construction of the Unit), roofs, gutters and down spouts, sidewalks, stoops and parking area. The Association shall not be responsible for maintenance or repair of glass surfaces or for any improvements not part of the original construction unless the architectural approval granted by the Association for subsequent improvements specifically provides that the Association will maintain such improvements. Furthermore, (i) the Association shall not be responsible for repair or replacement of any Yard Improvements or the exterior of any Unit when such repair or replacement is necessitated by work done by or at the request of any Owner or any utility company or governmental entity; and (ii) the Association shall not be responsible for repairing any damage caused by the negligent or willful act or omission of the Owner of such Unit or such Owner's tenants, subtenants, or family members or the guests or invitees of any of them. In order to enable the Association to perform the maintenance and repairs which are its responsibility, there is hereby reserved to the Association the right to unobstructed access over and upon each Lot at all reasonable times to perform maintenance.

In the event that the need for maintenance, repair or replacement is caused through the willful or negligent act of the Owner, his family, guests or invitees, or is caused by fire, lightening, windstorm, hail, explosion, riot, attending a strike, civil commotion, aircrafts, vehicles, and smoke, as the foregoing are defined and explained in the North Carolina Standard Fire and Extended Coverage insurance policies and the Association chooses to undertake such maintenance, repair or replacement, the cost of such performance, replacement or repairs shall be added to and become a part of the assessment to which such Lot is subject.

Section 2. Maintenance of Detention Ponds. The Association shall be responsible for maintaining and repairing the detention ponds located on the Common Area in accordance with the standards required by the Town of Beaufort and the State of North Carolina.

Section 3. Maintenance of Water and Sewer Lines. The water and sewer lines and all appurtenances thereto located within the Common Areas shall be properly maintained and operated by the Association in accordance with all applicable state and local laws. It is anticipated that the lines shall be dedicated to the Town of Beaufort and once accepted by the Town all responsibilities shall be on the Town and shall no longer be a common expense of the Association.

Section 4. Owner's Responsibility; Remedy for Owner's Failure to Maintain. Any maintenance on a Lot that is not the responsibility of the Association, whether by the terms of this Declaration or by written acceptance of same, shall be the responsibility of the Owner of such Lot. Each Owner shall keep his Lot and Unit in an orderly condition and shall keep the improvements thereon in a suitable state of repair, except for those improvements that the Association is responsible for maintaining as provided in this Declaration. If an Owner does not make any repair or perform any maintenance required of such Owner, the Association shall have the right (but not the obligation), through its agents and employees, by the affirmative vote of a majority of the board of directors of the Association, to enter upon such Lot and to repair, maintain and restore the Lot or exterior of the Unit erected thereon, and the cost of such exterior maintenance, plus a surcharge of 15% for administration, shall be assessed in accordance with Section 3 of this Article. Prior to such entry, the Association shall give written notice to the Owner stating: (i) the specific item(s) needing maintenance; (ii) the corrective action to be taken; (iii) a time, not less than 15 calendar days from the date of notice, in which the Owner is to perform the necessary maintenance; and (iv) a statement that, if the Owner fails to perform the maintenance within such time period, the Association will exercise its right to perform the maintenance and that the Owner will be assessed with the costs thereof as provided in this Article VI.

Section 5. Assessment of Cost. In the event that the Association performs maintenance on any Lot as provided in Section 4 of this Article VI, the cost of any such maintenance, replacement or repairs (including the administration fee) shall be assessed against the Lot upon which such maintenance is done and shall be added to and become a part of the assessments to which such Lot is subject, enforceable under the terms thereof.

Section 6. Insurance. Every Owner shall maintain in full force and effect at all times fire and hazard insurance in an amount equal to the full replacement value of his or her Unit, including the value of excavations and foundations. An Owner shall provide a copy of his or her

insurance certificate or declaration page, as evidence that such insurance is in effect to the Association within ten (10) day of purchasing a Lot, within ten (10) days of any change of insurance, and upon request by the Association.

ARTICLE VII COMMITTEES

The Board of Directors of the Association shall appoint an Architectural Review Committee, which shall have authority to review and approve any Improvements, as hereinafter defined, to a Lot after occupancy of a dwelling as a residence on said Lot pursuant to a certificate of occupancy or other similar certificate issued by the appropriate governmental authority. The Architectural Review Committee shall be composed of three or more persons appointed by the Board of Directors of the Association. No Improvements to the Lot, including without limitation the replacement of any previously existing Improvements shall be commenced or maintained upon the Property nor shall any exterior addition to or change or alteration thereof be made nor shall a building permit for such Improvements be applied for or obtained until plans and specifications showing information required by the Architectural Review Committee have been submitted to and approved in writing by the same. The Association shall have the right to charge a reasonable fee for receiving and processing each application. The Declarant and, after the Declarant no longer owns any Lot within the Property, the Association, shall have the right to promulgate and from time to time amend written architectural standards and construction specifications ("Architectural Guidelines") which may establish, define and expressly limit the standards and specifications which will be approved, including but not limited to, architectural style, exterior color or finish, roofing material, siding material, driveway material, landscape design and construction technique. Neither the Declarant, the Association, the Board of Directors or the Architectural Review Committee, nor any member or employee of any of them, shall have liability to any person or entity by reason of any acts taken or omitted by them, or any of them, in good faith pursuant to this Article.

The Board of Directors may, by the vote or written consent of a majority of the members thereof, allow reasonable variances as to the covenants, conditions or restrictions contained in the Declaration, on such terms and conditions as it shall require; provided that all such variances shall be in keeping with the general plan of the improvements and development of the Property. Variances contained in plans that are inadvertently approved by the Architectural Review Committee as part of the proposed improvements shall not be considered as having been approved unless specifically approved by the Board in accordance with this paragraph.

ARTICLE VIII PARTY WALLS

Section 1: Rules of Law. All common party walls as between individual Units shall confirm to the requirements of the North Carolina State Building Code. The general rules of law regarding party walls, lateral support, and liability for property damage due to negligence or willful acts or omissions shall apply to each wall which is built as a part of the original construction of the Units within the Property and which is placed on the dividing line between Lots, and to all reconstruction or extension of such walls, to the extent not inconsistent with the provisions of this Article.

Section 2: Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3: Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who or which uses the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owner to call for a larger contribution from the others under any rule of law regarding liability for willful acts or omissions.

Section 4: Easement and Right of Entry for Repair, Maintenance and Reconstruction. Every Owner shall have an easement and right of entry upon the Lot of any other Owner and the Common Area to the extent reasonably necessary to perform repair, maintenance or reconstruction of a party wall and those improvements belonging to his Lot which encroach on an adjoining Lot or Common Area. Such repair, maintenance, or reconstruction shall be done expeditiously, and upon completion of the Work, the Owner shall restore the adjoining Lot(s) and Common Area to as nearly the same condition as that which existed prior to commencement of the work as is reasonably practicable. Except in an emergency situation, an Owner entering upon another Owner's Lot as provided herein shall give reasonable oral or written notice to the Owner of the Lot on which such entry is to be made.

Section 5: Weatherproofing. Notwithstanding any other provision of this Article, an Owner who, by his negligence or other willful act or omission, causes the party wall to be exposed to the elements, shall bear the entire cost of furnishing the necessary protection against such elements and of repairing any damages resulting from such Owner's failure to timely and adequately provide such protection.

Section 6: Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 7: Certification by Adjoining Property Owner That No Contribution is Due. If any Owner desires to sell his Lot, such Owner, in order to assure a prospective purchaser that no Owner of an adjoining Lot has a right of contribution as provided in this Article, may request that the adjoining property Owner make a certification that no right of contribution exists, whereupon it shall be the duty of each adjoining property Owner to make such certification immediately upon request, and without charge; provided, however, that where the adjoining property Owner claims a right of contribution, the certification shall contain a recital of the amount claimed. If an adjoining Owner fails to give a certification within ten (10) days of actual receipt of such request, such failure shall be conclusively deemed a certification that no such contribution is due.

ARTICLE IX USE RESTRICTIONS

Section 1: Use. No Lot shall be used except for townhome residential purposes. No Lot shall be subdivided by any Owner except with Declarant's prior written permission. No structure shall be erected, placed or permitted to remain on any Lot other than one attached single family townhome dwelling not to exceed two and one-half (2 ½) stories in height. The number of bedrooms in a Unit shall not be increased without the approval of the Association. Notwithstanding the foregoing, the Declarant reserves the right for itself and its assigns to use any Lot or Unit as a sales office and/or model which may be shown to prospective purchasers of Lots.

Section 2. Rental Restrictions. Residences located upon the lots may be rented under the following conditions:

Definition – “Rental” shall mean and refer to any agreement, oral or written, between an Owner and another person or entity which allows a third party, other than the property owner, to occupy Owner’s residence, or any portion of it, on the lot for any consideration or compensation.

It is specifically provided that Owners who rent their residence or part thereof, must comply with the following provisions:

- a. Owners shall not rent or exchange their residence, nor a room or rooms, in whole or in part, for any rental term less than 30 days. The Owner should have a personal knowledge of the character of the person(s) leasing their residence and upon request shall provide references to the Association, if requested.
- b. The Owner of any residence that is rented to others in accordance with this Section must ensure that their tenants have a written copy of Declaration, and Rules and Regulations set out by the Association, including parking restrictions and use of common areas of the subdivision, and such owner must ensure that all tenants agree to follow them. Each Owner will be liable for their tenants’ non-compliance as if the owner him/herself had committed the violation.
- c. Violation of this Section, the Declaration and the rules and regulations by Tenants will subject the Lot owner to fines and suspension of subdivision privileges or services. The fines and suspension shall be levied in accord with N.C. Gen. Stat. §47F-3-102 and N.C. Gen. Stat. §47F-3-107.1, and this remedy shall be in addition to all others remedies given to the Association under the Declaration.

Section 3: No commercial use. Except as otherwise specifically provided herein, no business, trade, industry, profession, or commercial enterprise may be carried on, maintained or permitted upon any Lot. The restrictions contained herein shall not apply to the development or marketing of Lots in the Subdivision or construction of same. An Owner or occupant of a Unit may conduct business activities within such Unit so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from the outside of the Lot; (b) the business activity conforms to all applicable zoning requirements, without the need for a

variance or special or conditional use permit; (c) the business activity does not involve door-to-door solicitation of the residents of the Subdivision; (d) the business activity does not, in the reasonable judgment of the board of directors of the Association, general a level of vehicular or pedestrian traffic or a number of vehicles parked in the Subdivision which is noticeably greater than which is typical of Lots in which no business activity is being conducted; (e) the business activity is consistent with the residential character of the Subdivision, does not create a hazardous or dangerous condition or threaten the security or safety of other occupants of the Subdivision, and is not a nuisance or an unreasonable annoyance or offensive use, all as may be determined in the sole discretion of the Board of Directors of the Association.

The terms "business," "trade," "industry," "occupation" and "profession" as used in this Section shall be construed to have their ordinary, generally-accepted meanings and shall include without limitation, any occupation, work or activity which involves the provision of goods or services to persons other than the provider's immediate family and for which the provider receives a fee, compensation or other form of consideration, regardless of whether such activity is engaged in full or part-time, such activity is intended to or does generate a profit, or whether a license is required. The leasing of a Lot in accordance with this Declaration shall not be considered a business or trade within the meaning of this Section.

Section 4: Plan approval. The Declarant shall have the sole and absolute right to determine the style and appearance of the dwellings, including, but not limited to, flags, subject to NCGS §47F-3-121, flag poles, flag staffs, fences, walls, buildings, outbuildings, garages, storage sheds, lawn decorations, structure of any type or color thereof, grading, landscaping, patio covers and trellises, plans of off-street parking of vehicles, utility layout and any other improvements (the "Improvements") to be built or constructed on any Lot.

No site preparation or initial construction, erection or installation of any improvement, including, but not limited to, dwelling units, outbuildings, driveways, fences, walls, signs, or other structures shall be undertaken upon any Lot or parcel of land on the Property without the prior written approval of the building plans, exterior paint or color schemes and exterior materials by the Declarant or its successors or designees (including the Architectural Review Committee once Declarant assigns such rights and obligations to the Association). A dumpster is to be placed on each Lot at the commencement of any construction for debris. A detailed landscaping plan must be approved by the Declarant or its successors or designees. All landscaping plans shall reflect and include a minimum of one (1) tree to be planted in the front yard area and shrubbery covering the entire front elevation of the structure. Landscaping shall be completed by the time of occupancy, unless an extension is given by the Declarant. All driveways must be constructed of concrete materials. It is the intent of the Declarant that all exteriors of the structures shall be harmonious with all of the other structures in the Subdivision. No any structure of any type shall be started on any Lot until a plot plan showing the location of such structure has been approved in writing by the Declarant or its successors or designees. If no approval or rejection has been given for such planned use or for such plans which have been hand-delivered to the Declarant, its successors or designees within sixty (60) days after written application, the plan shall be deemed to have been approved.

Section 5: Driveways and Parking. Paved driveways are required for each Unit. Designated off street parking areas will be made available for guests and invitees, but all Unit residents are prohibited from using said areas for long term parking. There shall be no parking allowed within any street right of way.

Section 6: Minimum Square Footage. Any residence constructed on a Lot must have a minimum square footage as set out on the plat.

Section 7: Structure Type. All homes placed on any Lots shall be attached single-family townhomes. No mobile home, pre-fab, modular home, package home or other pre-built home shall be placed on any Lot. Any residence built on any Lot shall be "stick built" except that prefabricated roof trusses and pre-fabricated fireplaces and chimneys may be utilized.

Section 8: Setbacks. No buildings shall be located on any Lot nearer to any lot line than as shown on the recorded plat. No buildings other than the Unit may be placed on any Lot.

Section 9: Nuisance. No noxious or offensive trade or activity shall be carried on upon any Lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

Section 10: Temporary structures. No trailer, basement, tent, shack, garage, barn or other outbuilding erected in the tract shall at any time be used as a residence temporarily or permanently nor shall any structure of a temporary character be used as a residence.

Section 11: Livestock and Pets. No barns, stables, and outbuildings for the purpose of maintaining horses or other livestock type animals shall be permitted on any Lot. No animals, livestock, poultry, or reptiles of any kind shall be raised, bred or kept on any portion of the Property, except that domesticated dogs and cats and small non-offensive household pets may be kept by the Owner, provided that they are not kept or used for breeding or maintained for any commercial purpose. Pets may not constitute a danger or nuisance including, but not by way of limitation, excessive barking or causing property damage to other Owners or to the Property. When outside, no animal may be staked out, and all pets must be kept on a leash. No animal pens, runs, housing or like enclosure shall be kept or placed on any Lot.

Section 12: Parking. There shall be no parking allowed within any street right of way. No trucks, tractors or trailers may be regularly stored or parked upon the Property. This provision shall not, however, be interpreted to prohibit the owner of a pick-up truck, up to 2 ton in size, being used by any Owner for his personal conveyance, and such truck may be parked upon the Owner's Lot. No boat, trailer, mobile home, camper or recreational vehicle shall be permitted to remain upon any street or any Lot. No vehicle required by the State of North Carolina to have a current license may be kept on the Property or any Lot for more than 10 days without a current valid license plate.

Section 13: Clotheslines. No outside clotheslines shall be erected or kept on any Lot.

Section 14: Satellite dishes. No satellite dish or comparable communication device having a size larger than eighteen (18) inches in diameter may be located on any Lot; further any such satellite dish or comparable communication device must be located in the back yard of any Lot. No transmitting tower or antenna exceeding a height of twenty (20) feet from ground level shall be placed, used or erected on any Lot, either temporarily or permanently. No solar panel shall be placed on the Lot or the structure without approval of the Declarant.

Section 15: Fencing. No wire fencing shall be permitted on any lot or portion thereof. A lot owner may install a fence in its lot, but the type of material, location and size must be approved by the ARCHITECTURAL REVIEW COMMITTEE as provided for in Article VII. All fencing materials and the location of the same shall be required to be approved in advance by the ARCHITECTURAL REVIEW COMMITTEE before being used or installed. The maximum height or style for fencing may be set by the Committee but all such design standard will be uniform throughout the development. The cost of installation and maintenance of such fence shall be born solely by the Lot owner that installed it or its successors and assigns. The Lot owner also agrees to maintain and mow the landscaping and yard within the fenced off area in a neat and orderly appearance and the Association shall not be responsible for maintenance of any area located inside of the fence. Failure of a lot owner to maintain the fence or the area within the fence shall be a violation of this Declaration and subject the lot owner to fines and injunctive relief.

Section 16: Signs. No sign of any kind shall be displayed to the public view on any Lot or the Common Area except (a) one sign of not more than eight (8) square feet advertising a Lot for sale, or signs used by a builder, developer, Realtor or Owner to advertise the Lot during construction and then for sale and (b) one sign with the maximum dimensions of 24 inches by 24 inches expressing support of or opposition to political candidates or other issues which will appear on the ballot of a primary, general or special election; provided that such political signs shall not be placed on a Lot earlier than forty-five (45) days before such election and shall be removed within seven (7) days after such election. No yard or lawn ornaments of any kind will be permitted to be placed on any Lot, except in the rear portion of the yard, said rear portion of the yard being defined as that particular area of the yard located between the rear corner of the residence and the back or rear lot line.

Section 17: Lot Maintenance and Patios and Decks. All Lots, whether occupied or unoccupied, shall be well maintained and kept free of rubbish and debris. Rubbish, trash, debris, garbage and other waste must be kept only in sanitary containers which are in a screened area not generally visible from the road. All containers, or other equipment for storage of disposal of such waste materials shall be kept in a clean and sanitary condition and shall be disposed of on a regular basis. Burning of trash or debris is not permitted. Patio and deck areas are to be kept in good order and condition with only patio furniture, outdoor grills, and house plants located thereon. No drying or airing of any clothing or bedding shall permitted outdoors on any Lot, including but not limited to on any patio or deck.

Section 18: Entertainment Structures. No bicycle, skateboard or other entertainment ramps or other temporary or permanent recreational structures may be erected or placed on any Lot. No above ground swimming pools shall be located on any Lot.

Section 19: Lighting. Following the installation of residential street lighting by means of mercury vapor or sodium vapor lighting units on the Property, any party or person who may then own, or who may hereafter own, any interest in any Lot, shall be obligated to pay to Duke Power, the monthly rate per Lot (plus applicable North Carolina sales tax) that is normally charged by the utility for subdivision lots. The obligation to pay such a monthly rate, as it may change from time to time, shall continue until such time as the Subdivision on the Property is annexed into the corporate limits of a city, town or village, and responsibility for the cost of street lighting is assumed by, or transferred to, a governmental unit.

Section 20: Water Detention Ponds. No docks or other structures shall be erected in water detention ponds. All other uses of the water retention areas are prohibited without the express consent of the Association.

ARTICLE X EASEMENTS

Section 1: Access and Utility Easements. Easements for installation and maintenance of roadways, driveways, walkways, water, gas, telephone, sewer facilities, electric power and cable transmission lines, utilities, storm water drainage facilities and for other public and private utility installations are reserved as shown on the recorded plat of the Property. The Association may grant or reserve easements over the Common Area as provided herein. In addition, easements for installation and maintenance of utilities and drainage facilities not shown on the recorded plats including, water lines, sewer lines, gutter lines, gas lines and that area used for French drains are reserved. Within these easements no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage pipes or channels constructed in in the easements.

For a period of thirty (30) years from the date hereof, Declarant shall have and reserves unto itself and its employees, agents, contractors, successor and assigns, an easement upon and right of ingress, egress, and regress on, over and under the Property for the purposes of constructing and maintaining water, sewer, gas, storm water drainage and retention, telephone, cable television, electric and other utility facilities and roadways to the extent required by an governmental entity or determined by the Declarant to be necessary or convenient for the development, use and enjoyment of the Property and Common Area and the conduct of construction, sales and marketing activities. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any grading of the soil, relocate utility facilities within said easement and take any other similar actions that it deems necessary or appropriate. After such action has been completed, Declarant shall grade and seed the affected property and otherwise restore the affected property to its original condition to the extent practicable but shall not be required to replace any trees, bushes or shrubbery necessarily removed. Declarant shall give reasonable notice of its intent to take such action to each Owner whose Lot is affected.

Section 2: Easements for Governmental Access. An easement is hereby established over the Common Area and every lot within the Property for the benefit of applicable governmental agencies and utilities for installing, removing, reading water meters, maintaining and replacing

water and sewer facilities and acting for other purposes consistent with public safety and welfare, including without limitation, law enforcement, fire protection, garbage collection and the delivery of mail.

Section 3: Unintentional Encroachments. If any portion of the Common Area encroaches upon any Unit or any Unit encroaches upon any other Unit or upon any portion of the Common Area as a result of settling or shifting of a building, an easement for the encroachment and for the maintenance of same shall exist so long as the building stands. If the building, the Unit, an adjoining Unit or any adjoining part of the Common Area shall be partially or totally destroyed as a result of fire or other casualty or as a result of eminent domain proceedings, and then rebuilt, encroachments on parts of the Common Area of any Unit or of any Unit upon any other Unit or upon any portion of the Common Area due to such rebuilding shall be permitted and valid easements for such encroachments and the maintenance thereof shall exist so long as the subject building shall stand.

Section 4. The Rosemyr Corporation Access Easement Agreement. 1809, LLC and The Rosemyr Corporation have a Reciprocal Access Easement Agreement recorded in Carteret County Register of Deeds File # 1813058. This Declaration is specifically subject to the terms and conditions of such easement and the lots owners have the right to utilize the easement subject to such terms. The agreement provides that an annual maintenance fee shall be paid and such fee shall be considered a common expense of the Association.

ARTICLE XI STORMWATER RESTRICTIONS

The following Covenants are intended to ensure ongoing compliance with State Storm Water Management Permit Number SW8 240712, as issued by the Division of Water Quality under NCAC 2H.1000:

- a. The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the stormwater management permit.
- b. These covenants are to run with the land and be binding on all persons and parties claiming under them.
- c. The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the Division.
- d. Alteration of the drainage as shown on the approved plans may not take place without the concurrence of the Division.
- e. The maximum built-upon area (BUA) per lot is as shown on the plat and incorporated herein by reference. The maximum built-upon area per lot, in square feet, is as listed below:

Lots 9-32, 55-76 and 116-135	1,600 sf;
Lots 1-8, 33-54, and 77-115	1,900 sf.

This allotted amount includes any BUA constructed within the lot property boundaries, and that portion of the right-of-way between the front lot line and the edge of the pavement not shown on the approved plans. BUA has the same meaning as G.S. 143-214.7, as amended. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, and coquina, but does not include raised, open wood decking, or the water surface of swimming pools.

- f. All runoff from the built-upon areas on the lot must drain into the permitted system. This may be accomplished through a variety of means including roof drain gutters which drain to the street, grading the lot to drain toward the street, or grading perimeter swales to collect the lot runoff and directing them into a component of the stormwater collection system. Lots that will naturally drain into the system are not required to provide these additional measures
- g. The Operation and Maintenance agreement attached to the State Stormwater Management Permit listed above is attached as Exhibit B to this Declaration.
- h. Stormwater Control Systems and Permits. Upon a sale of a majority of the lots within the subdivision, the Declarant shall convey to the Association any and all storm water control systems and permits, including those described in this herein, located within the subdivision. After such conveyance, the maintenance of those systems and the compliance with such permits shall be the responsibility of the Association. Storm water control systems are allowed to accommodate individual lots but must be approved by the ACC.

ARTICLE XI GENERAL PROVISIONS

Section 1: Enforcement. The Declarant, the Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2: 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 3: Amendment. For so long as Declarant owns any Lot within the Subdivision, this Declaration may be amended by the Declarant without the consent or joinder of any other Owner or the Association. Any such amendment shall be effective upon recording of the same in the applicable public registry for Carteret County, North Carolina. No amendment shall be binding upon any Lot or Owner until fifteen (15) days after a copy of such amendment has been provided to such Owner. The covenants and restrictions of this Declaration shall run with and bind the land, 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 often (10) years. After Class B Lots cease

to exist, Declaration may be amended during the first twenty year period by an instrument signed by the Owners of not less than seventy-five (75%) of the Lots and thereafter amended by an instrument signed by the Owners of not less than sixty-seven percent (67%) of the Lots; provided, however, that so long as there is Class B membership, no amendment adopted by the Owners shall be effective unless and until such amendment is approved in writing by the Declarant. Any amendment shall be by written instrument signed by the appropriate persons and recorded in the public registry for Carteret County, North Carolina, and upon recordation, shall be binding on all Lots within the Property and the Owners thereof, without regard to whether the Owner of such Lot voted for or against or signed or did not sign the amendment.

Section 4: Entire Agreement. Nothing herein contained shall be construed as imposing any covenants or restrictions on any property of the owners of this tract of land other than those properties to which this Declaration specifically applies. No provision contained in this Declaration shall be deemed to have been waived, abandoned, and abrogated by reason of failure to enforce them on the part of any person as to the same or similar future violations, no matter how often the failure to enforce is repeated.

Section 5. Interpretation. Headings used herein are for reference purposes only and shall not be used to interpret or construe any provision hereof. Unless the context requires otherwise, the use herein of the singular shall include the plural and vice versa; the use of one gender shall include all genders; and the use of the work "including" shall mean "including, without limitation." This Declaration shall be construed and enforced in accordance with the laws of the State of North Carolina.

[The remainder of this page has been left intentionally blank.]

[Signature Page]

IN WITNESS WHEREOF, the Declarant has executed this document, with authority duly given, the day and year first above written, intending it to be a sealed document.

This the 22 day of May, 2025.

1809, LLC

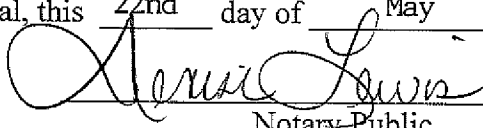
By:  (SEAL)

R. Dale Britt, Member/Manager

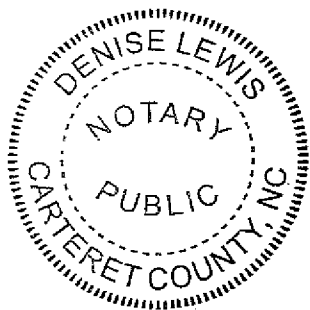
NORTH CAROLINA
CARTERET COUNTY

I, Denise Lewis, a Notary Public of the County and State aforesaid, certify that R. Dale Britt, personally appeared before me this day in the capacity of Manager of 1809, LLC and acknowledged the execution of the foregoing instrument.

Witness my hand and official stamp or seal, this 22nd day of May, 2025.


Notary Public

My commission expires: 7/17/2029



CONSENT OF LIEN HOLDER

DAVIS FURNITURE INDUSTRIES, INC., a North Carolina corporation ("Lender") is the holder of the beneficial interest under that certain deed of trust dated given by Declarant for the use and benefit of Lender, covering all or portions of the Property, and recorded in Book 1814, at Page 491 (FILE #1814491) in the office of the Register of Deeds of Carteret County, North Carolina (said deed of trust, together with all amendments, modifications, extensions and supplements thereto and any and all other documents given to or made by the Declarant in connection with said deed of trust are hereinafter collectively called the "Security Agreement"). Lender hereby joins in the execution of this Declaration to consent to the terms hereof, and to all restrictions, covenants, terms, easements, obligations and other matters set forth in this Declaration, as the same may hereafter be amended, modified, supplemented, or changed.

Dated: May 19, 2025

DAVIS FURNITURE INDUSTRIES, INC.

BY: _____

Name and title: _____

STATE OF North Carolina

COUNTY OF Gulfard

I certify that the following person(s) personally appeared before me this day, each acknowledging to me that he or she signed the foregoing document:

Daniel K. Davis, President of Davis Furniture Industries, Inc.

principal(s).

Date: 5/19/2025

R. Andrew Harris
Official Signature of Notary

R. Andrew Harris
Notary's printed or typed name,

My Commission expires: 11/20/2028

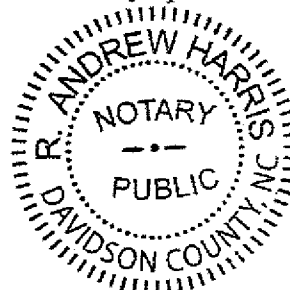


EXHIBIT A

**BYLAWS
OF
1809 LIVE OAK HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I.
BUSINESS ADDRESS**

The initial business address of 1809 Live Oak Homeowners Association, Inc. (the "Association") shall be 710 Arendell Street, Morehead City, North Carolina 28557. The business address may be changed by the Board of Directors if required by the U.S. Postal Service, or, upon approval of the membership, for any other reason.

**ARTICLE II.
MEMBERSHIP IN THE ASSOCIATION**

Every person or entity who is a record owner of a fee or undivided fee interest in any separate parcel of land designated for separate ownership or occupancy and residential use (the "Lots") in the Community shall be a member of the Association. Ownership of such interest shall be the sole qualification for membership, and membership shall be appurtenant to and may not be separated from such ownership. All references herein to the "Community" shall mean and refer to all areas encompassed by the boundaries of those parcels of land located in Carteret County, North Carolina, and described in the plat recorded in file # 35078 and the Declaration of Conditions, Restrictions and Covenants for 1809 Live Oak Subdivision to be recorded at the Carteret County Registry (the "Declaration"). A copy of the filed articles of Incorporation are attached to these bylaws as Attachment A.

**ARTICLE III.
PURPOSES OF THE ASSOCIATION**

The powers, purposes and duties of the Association shall be:

A. To operate, maintain and preserve all Common Areas, the signs, landscaping and other entrance features, and all roads, streets, decorative and protective structures (including but not limited to entry monuments and buffer walls), ponds, lakes, utilities, landscaped areas and other improvements located on the Common Areas, if any;

B. To enforce the provisions of these Bylaws, the Declaration, any Supplemental Declaration, the Articles of Incorporation, the Architectural Guidelines, and any rules and regulations promulgated by the Association, as the same may be amended from time to time;

C. To have all rights and powers and to perform all duties and obligations under the Declaration that may be assigned to it by Declarant;

D. To have all rights and powers and to perform all duties and obligations of an owner's association as provided by Article 3 of Chapter 47F of the North Carolina General Statutes, the terms of which are incorporated herein, as they may be amended from time to time;

E. To promote and protect the enjoyment and beneficial use and ownership of the Lots; and

F. To promulgate and enforce the rules and regulations and administrative rules and regulations for use of the Common Areas.

No part of the net earnings of the Association shall inure to the benefit of its members, Directors or officers, or to any other person, except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the above stated purposes.

ARTICLE IV. ASSESSMENTS

The Association shall have the power to make and collect assessments against the Lots as stated in the Declaration, the terms of which are incorporated herein, and as provided by Article 3 of Chapter 47F of the North Carolina General Statutes, the terms of which are incorporated herein, as they may be amended from time to time.

ARTICLE V. MEETINGS OF MEMBERS

Section 1. Place of Meetings. All meetings of members shall be held at such place in North Carolina, as shall be designated on the notice of the meeting or agreed upon by a majority of the members entitled to vote thereat.

Section 2. Annual Meetings. The annual meeting of the members for the election of officers and the transaction of the other business shall be held at least once a year on any day (except a legal holiday) determined by the Board of Directors for the following purposes:

1. to fix the amount of the annual assessment against each lot pursuant to Article IV above;
2. to elect members of the Board of Directors of the Association; and
3. to transact any other business that may come before the membership, including but not limited to the adoption, modification and/or repeal of any rules and regulations governing the Community.

Section 3. Substitute Annual Meeting. If the annual meeting shall not be held on the day designated by these Bylaws, a substitute annual meeting may be called in accordance with the provisions of Section 4 of this Article V. A meeting so called shall be designated and treated for all purposes as the annual meeting.

Section 4. Special Meetings. Special meetings of the members may be called at any time by the President, a majority of the Board of Directors of the Association, or by petition of the Lot owners having not less than ten percent (10%) of the votes in the Association.

Section 5. Notice of Meetings. Written notice stating the time and place of the meeting shall be delivered not less than ten (10) nor more than fifty (50) days before the date of any members' meeting, either personally or by mail, by or at the direction of the President or the Secretary of the Association, to each member of record. If mailed, such shall be deemed to be delivered when deposited in the United States Mail, addressed to the member at his/her address as it appears on the record of members of the Association, with postage thereon prepaid. It shall be the responsibility of the individual members to keep the Secretary informed of their current addresses. In the absence of instructions from an individual member as to his/her address, the Secretary shall be entitled to rely on the most recent records of the Carteret County Tax Collector to determine the addresses of the owner(s) of a Lot.

The notice of any meeting shall state the time and place of the meeting and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any proposed changes to the budget or any proposal to remove a Director or officer. Notice of consideration of a proposed annual budget for the Association shall be given as provided by Section 47F-3-103 of the North Carolina General Statutes, as the same may be amended from time to time.

Section 6. Voting Rights. On matters of Association business submitted to vote of the membership, there shall be two classes of membership as provided for in Section 3.3 of the Declaration.

Except for as otherwise provided for in these Bylaws, in the Declaration or by Chapter 47F of the North Carolina General Statutes, as the same may be amended from time to time: (i) Lot owners entitled to cast at least ten percent (10%) of the votes in the Association (represented either in person or by proxy) shall constitute a quorum for the purposes of submitting any matter to a vote, and (ii) all matters submitted to a vote at any meeting held in accordance with these Bylaws shall be decided by a simple majority of the total votes cast.

Section 7. Voting by Proxy. Votes may be cast either in person or by one or more agents authorized by a dated, written proxy executed by the member or his/her attorney-in-fact. A proxy terminates eleven (11) months after its date, unless it specifies a shorter term. Any form of proxy which is sufficient in law may be used, but the following form of proxy shall be deemed sufficient:

The undersigned hereby irrevocably constitute and appoint _____ their attorney-in-fact and proxy for the sole purpose of casting the vote allocated to Lot _____, on all matters submitted to vote at that meeting of 1809 Live Oak Homeowners Association, Inc. to be held on _____, 20_____. The undersigned hereby ratify and confirm all such votes cast on behalf of said lot at that meeting, and certify that they are fully authorized to execute this instrument of proxy on behalf of all owners of any fee interest in said lot.

This the _____ day of _____, 20_____.

Section 8. Voting List. At least ten (10) days before each meeting of members, the Secretary of the Association shall prepare an alphabetical list of the members entitled to vote at such meeting or any adjournment thereof, with the address of each, which list shall be kept on file with the book of records of the Association. This list shall be produced and kept open at the time and place of the meeting and shall be subject to inspection by any members during the whole time of the meeting.

Section 9. Waiver of Notice. Any member may waive notice of any meeting. The attendance by a member at a meeting shall constitute a waiver of notice of such meeting, except where a member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

ARTICLE VI. BOARD OF DIRECTORS

Section 1. Purpose, Number and Term of Office. The business and affairs of the Association shall be managed by a Board of Directors which shall initially consist of one (1) Initial Director. The Initial Director shall be named in the Articles of Incorporation of the Association. The Initial Director shall be appointed by the Declarant during the Declarant Control Period. However, at the first annual meeting of the membership of the Association following the end of the Declarant Control Period, the number of Directors of the corporation may be increased to consist of three (3) members (or representatives of corporate or other non-human members). At this first annual meeting, the Members may elect one director to serve for a term of two years, and two directors to serve for a term of three years, should they elect to increase the number of directors to three (3). At subsequent annual meetings thereafter, the Members shall elect the number of directors needed to fill the vacancy or vacancies created by the director or directors whose term(s) is (are) expiring to serve for a term of three (3) years. Directors need not be Members of the Association.

Section 2. Election and Term. Except as provided in Section 6 of this Article V, the members of the Board of Directors of the Association shall be elected by the membership of the Association at each annual meeting of Association members, and those persons who receive the highest number of votes at a meeting shall be elected. If any Member so demands, the election of Directors shall be by ballot. Members or representatives of corporate or other non-human members may also serve as Directors of the Association. Cumulative and fractional voting are

prohibited. Each Director shall hold office until his/her death, disability, resignation or removal, or until the expiration of his/her term and election of his/her successor.

Section 3. Removal. Any Director may be removed at any time with or without cause by a vote of the members at a meeting held in accordance with these Bylaws.

Section 4. Vacancies. In the event of the death, disability, resignation or removal of a Director, his/her successor shall be selected and appointed by the Board of Directors to serve until the next annual meeting of the members.

Section 5. Powers and Duties. The Board of Directors shall have all the powers and duties of an executive board of a homeowners association as provided by Section 47F-3-102 and 103 of the North Carolina General Statutes and related provisions of Article 3 of Chapter 47F of the North Carolina General Statutes, as the same may be amended from time to time. The Board of Directors shall also serve as an architectural approval committee for the Subdivision on an "as needed" basis. The Board of Directors may not assign any of its powers, except that: (a) the officers of the association shall have the powers and perform the duties and functions assigned to them by these Bylaws and by the Board of Directors from time to time, and (b) the Board of Directors may appoint three members, who need not be Directors, to serve as an architectural committee in lieu of the Board.

Section 6. Compensation. No Director shall receive compensation for any service he or she may render to the Association in the capacity of Director. However, any Director may be reimbursed for actual expenses incurred in the performance of his or her duties.

ARTICLE VII. MEETINGS OF DIRECTORS

Section 1. Called Meetings. Meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors.

Section 2. Notice of Meeting. The person or persons calling a meeting of the Board of Directors shall, at least ten (10) days before the meeting, give notice thereof by any usual means of communication. Such notice need not specify the purpose for which the meeting is called.

Section 3. Waiver of Notice. Any Director may waive notice of any meeting. The attendance by a Director at a meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 4. Quorum. A majority of the number of Directors fixed by these Bylaws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 5. Manner of Acting. Except as otherwise provided in these Bylaws, the act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 6. Informal Action by Directors. Action taken by a majority of the Directors without a meeting is nevertheless Board action if written consent to the action in question is signed by all the Directors and filed in the book of records of the Association, whether done before or after the action so taken.

Section 7. Participation in Meetings by Means of Conference Telephone. Members of the Board of Directors, or any committee of the Board, may participate in a meeting of the Board or of such committee by means of a conference telephone or similar communications device by means of which all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such meeting.

Section 8. Committees of the Board. The Board may establish either standing or ad hoc committees of the members to assist it in its work. The Board may appoint any number of members, who need not be Directors, to serve on a committee, and said members may be removed from the committee for any reason or no reason at all by the Board.

ARTICLE VIII. OFFICERS

Section 1. Designation. The officers of the Association shall consist of a President, a Vice-President, a Secretary, and a Treasurer, and such other officers as the membership may from time to time elect. The offices of Secretary and Treasurer may be held by the same person; otherwise, no two offices may be held by the same person.

Section 2. Election and Term. The initial officers of the Association shall be elected by the initial Directors of the Association. Subsequently, the officers of the Association shall be elected by the Board of Directors. Immediately after each annual meeting of the members of the Association and the election of a Board of Directors at that meeting, the Board of Directors shall meet to elect officers. The officers shall be elected to one-year terms, and each officer shall hold office until his/her death, disability, resignation or removal, or until the expiration of his/her term and the election of his/her successor.

Section 3. Removal. Any officer may be removed at any time with or without cause by the Board of Directors upon the affirmative vote or action by a majority of the Directors.

Section 4. Vacancies. In the event of the death, disability, resignation or removal of an officer, his/her successor shall be selected and appointed by the Board of Directors to serve until the next annual meeting of the members of the Association.

Section 5. President. The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. He/she shall, when present, preside at all meetings of the members. He/she shall sign, with the Secretary, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer of the Association, or shall be required by law to be otherwise signed or executed; and in general he/she shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. The President, together with the Secretary, shall execute any amendments to the Declaration or these Bylaws approved by the membership of the Association.

Section 6. Vice-President. In the absence of the President or in the event of his/her death, inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President, and shall perform such other duties as from time to time may be assigned to him/her by the President or Board of Directors.

Section 7. Secretary. The Secretary shall: (a) keep minutes of the meetings of members, of the Board of Directors and of all Executive Committees in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Association and see that the seal of the Association is affixed to all documents the execution of which on behalf of the Association under its seal is duly authorized; (d) be authorized to certify and oversee the recordation of amendments to the Declaration or these Bylaws on behalf of the Association; (e) keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and (f) in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

Section 8. Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the Association; (b) receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such depositories as shall be selected in accordance with the provisions of Section 4 of Article IX of these Bylaws; (c) in general perform all of the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors, or by these Bylaws.

ARTICLE IX.
CONTRACTS, LOANS, CHECKS, AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any officer or officers to enter into any contract or execute and deliver any instrument in the name of and on the behalf of the Association, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks and Drafts. All checks, drafts or other orders for the payment of money, issued in the name of the Association, shall be signed by the President or the Treasurer of the Association.

Section 4. Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such depositories as the Board of Directors may select.

ARTICLE X.
INDEMNIFICATION

Any person who at any time serves or has served as a Director or officer of the Association shall have a right to be indemnified by the Association to the fullest extent permitted by law against (a) reasonable expenses, including attorneys' fees, incurred by him/her in connection with any threatened, pending, or completed civil, criminal, administrative, investigative, or arbitral action, suit, or proceeding (and any appeal therein), whether or not brought by or on behalf of the Association, seeking to hold him/her liable by reason of the fact that he/she is or was acting in such capacity, and (b) reasonable payments made by him/her in satisfaction of any judgment, money decree, fine, penalty or settlement for which he/she may have become liable in any such action, suit or proceeding.

Upon request for payment, the President of the Association shall promptly call a special meeting of the Board of Directors to obtain approval to pay the indemnification required by these Bylaws. Such approval may be general or confined to specific instances, and shall not be unreasonably withheld. Upon approval by the Board of Directors, the President shall promptly cause the indemnification to be paid to the requesting party.

Any person who at any time after the adoption of these Bylaws serves or has served as a Director or officer of the Association shall be deemed to be doing or to have done so in reliance upon, and as consideration for, the right of indemnification provided herein. Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of these Bylaws.

ARTICLE XI. DISSOLUTION

In the event of dissolution of the Association, the residual assets of the Association will be distributed to a nonprofit organization with purposes similar to those of the Association, or to any other organization eligible under the provisions of Chapter 55A of the North Carolina General Statutes.

ARTICLE XII. GENERAL PROVISIONS

Section 1. Seal. The corporate seal of the Association shall consist of two concentric circles between which is the name of the Association and in the center of which is inscribed SEAL; and such seal, as impressed on the margin hereof, is hereby adopted as the corporate seal of the Association.

Section 2. Fiscal Year. The fiscal year of the Association shall be the calendar year.

Section 3. Amendments. The members of the Association may amend these Bylaws, repeal these Bylaws and/or adopt new Bylaws at any regular or special meeting of the members pursuant to the then effective Bylaws of the Association. Any such amendment to these Bylaws, repeal of these Bylaws and/or adoption of new Bylaws shall only be effective if approved by a majority of a quorum of Members present at a meeting duly called for such purpose, in person or proxy. Any such amendment shall be prepared and executed by the President or Vice President on behalf of the Association and shall be certified and entered into the record book of the Association by the Secretary of the Association.

Section 4. Definitions. Except for the terms specifically defined herein, the definitions set forth in the Declaration shall apply to the capitalized terms used in these Bylaws.

Section 5. Conflicts. In the event of any conflict between the terms and provisions of these Bylaws and the terms and provisions of the Declaration, the terms and provisions of the Declaration shall control.

Section 6. References to Statutes. All references herein to any statutory provisions shall be construed to include and apply to any subsequent amendments to or replacements of such provisions.

This instrument is hereby approved, accepted and adopted by the undersigned as the Bylaws of **1809 Live Oak Homeowners Association, Inc.** In witness whereof, the initial director of the Association has executed this instrument, to be effective May 22, 2025.



Director

ATTACHMENT A TO BYLAWS OF 1809 LIVE OAK SUBDIVISION

**ARTICLES OF INCORPORATION
OF
1809 LIVE OAK HOMEOWNERS ASSOCIATION, INC.**

Pursuant to Section 55A-2-02 of the General Statutes of North Carolina, the undersigned does hereby submit these Articles of Incorporation for the purposes of forming a nonprofit corporation.

1. **NAME.** The name of the corporation is

1809 LIVE OAK HOMEOWNERS ASSOCIATION, INC.

2. **PURPOSE.** The purposes and powers for which the Corporation is organized are as follows:

a. To operate and manage the residential subdivision, 1809 Live Oak Subdivision, located in Beaufort Township, Carteret County, North Carolina as shown on the plat recorded in Plat Book 35 page 078, File#35078, Carteret County Registry;

b. To undertake the performance of, and carry out the acts and duties incident to the administration of the operation and management of the Corporation as set out and contained in these Articles and the DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR 1809 LIVE OAK SUBDIVISION to be recorded in the Carteret County Registry (the "Declaration");

c. To make, establish and enforce reasonable rules and regulations governing the use of the Common Areas (as described in the Declaration), and other real and personal property which may be owned by the Corporation;

d. To make, levy and collect assessments against Owners of Lots (as described in the Declaration); to provide the funds to pay for the common expenses of the Corporation as provided in the Declaration and to use and expend the proceeds of assessments in the exercise of the powers and duties of the Corporation; to use said assessments to promote the recreation, acquisition, improvement and maintenance of the Common Areas, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Areas, including but not limited to the cost of repair, replacement and additions thereto, the cost of labor, equipment, materials, management, supervision thereof, the maintenance of insurance in accordance with the By-Laws, including the employment of attorneys and other professionals to represent the Corporation when necessary for such other needs as may arise;

e. To own, maintain, repair, replace, and operate the common properties for which the Corporation is responsible;

f. To enforce by any legal means, the provisions of the Declaration, the By-Laws, and the rules and regulations for the use of the Corporation's properties;

g. To have all of the common law and statutory powers of a non-profit corporation under NCGS Chapters 55A and 47F and also those powers as set out in the Declaration and all powers reasonably necessary to implement the purposes of the Corporation;

3. **MEMBERS.** The Corporation shall have as its members those persons defined in the Declaration.

4. **REGISTERED OFFICE AND AGENT.** The street address and county of the initial registered office of the corporation is 710 Arendell Street, Suite 201, Morehead City, North Carolina 28557, Carteret County, and the name of the registered agent is Dale Britt. The mailing address of the initial registered office is the same as above.

5. **PRINCIPAL OFFICE.** The street address and county of the principal office 710 Arendell Street, Suite 201, Morehead City, North Carolina 28557, Carteret County;

6. **INITIAL DIRECTORS.** The number of directors of the corporation may be fixed in the By-Laws. The number of persons constituting the initial board of directors shall be One (1). The names and addresses of the person who are to serve as the initial director until their successors are elected and qualified are:

NAME	ADDRESS
R. Dale Britt	710 Arendell Street, Suite 201, Morehead City, NC Carolina 28557

7. **INDEMNIFICATION OF OFFICERS AND DIRECTORS.** To the fullest extent permitted by North Carolina General Statutes Section 55A-8-57(a) and all other applicable provisions of the NORTH CAROLINA NONPROFIT CORPORATION ACT, as the same now exists or may hereafter be amended, the Corporation shall indemnify all persons serving as officers or directors of the Corporation, or in both such capacities, against all liability and litigation expense, including but not limited to reasonable attorneys' fees, arising out of their status as such or their activities in any of the foregoing capacities, regardless of when such status existed or activity occurred and regardless of whether or not they are officers or directors of the Corporation at the time such indemnification is sought or obtained. Without limiting the generality of the foregoing indemnity, such persons may also recover from the Corporation all reasonable costs, expenses, and attorneys' fees in connection with the enforcement of rights to indemnification granted by this Paragraph. The provisions of this paragraph are in addition to and not in limitation of the power of the Corporation with respect to, and the rights of any officer, director, employee or agent of the Corporation to receive the benefits of, any other or further indemnification, insurance, elimination of liability or other right or benefit which is either required by the NORTH CAROLINA NONPROFIT CORPORATION ACT or permitted thereby and duly adopted by the Corporation in accordance therewith.

8. **PERSONAL LIABILITY OF DIRECTORS.** The personal liability of each director of the Corporation is hereby eliminated to the fullest extent that elimination thereof is permitted by North Carolina General Statutes Section 55A-2-02(b)(4) and all other applicable provisions of the NORTH CAROLINA NONPROFIT CORPORATION ACT, as the same now exists or may hereafter be amended.

9. **EFFECTIVE TIME OF FILING.** Pursuant to North Carolina General Statutes Section 55A-1-23(a)(2), this document shall be effective at 12:00:01am on the date on which it is filed by the Office of the Secretary of State of North Carolina.

10. **TAX STATUS; DISTRIBUTIONS.**

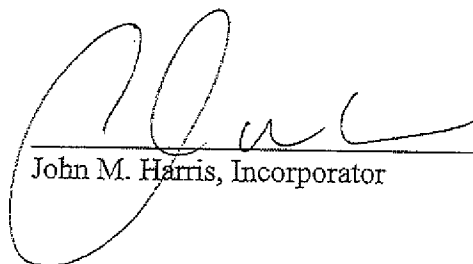
a. The Corporation shall have all of the powers granted non-profit corporations under the laws of the State of North Carolina. Notwithstanding any other provision in these Articles, the Corporation hereby elects tax exempt status under § 528 of the Internal Revenue Code of 1986, as amended.

b. No Director, Officer or employee of or member of a committee of or person connected with the Corporation, or any other private individual, shall receive at any time any of the earnings or pecuniary profit from the operations of the Corporation. This shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Corporation in effecting any of its purposes as may be fixed by the Board of Directors from time to time. Further, no such person or persons shall be entitled to share in the distribution or winding up of the affairs of the Corporation, whether voluntary or involuntary.

In the event of a dissolution of the Corporation, whether voluntary or involuntary, the assets of the Corporation, after all debts have been satisfied, shall be distributed, transferred, conveyed, delivered and paid over, in such amounts as the Board may determine or as may be determined by a Court of competent jurisdiction, exclusively to an association organized for similar purposes as the Corporation.

11. **INCORPORATOR.** The incorporator shall perform the ministerial function of signing and submitting the Articles of Incorporation to the Office of the Secretary of State. The incorporator shall have no other power or duty regarding the corporation. The name and address of the incorporator is: John M. Harris, 304 North 35th Street, Morehead City, Carteret County, North Carolina 28557.

This the 15th day of May, 2025.

 (SEAL)
John M. Harris, Incorporator

Operation & Maintenance Agreement

Project Name: The Towns at Live Oak
Project Location: 1809 Live Oak Street, Beaufort NC 28516

Cover Page

Maintenance records shall be kept on the following SCM(s). This maintenance record shall be kept in a log in a known set location. Any deficient SCM elements noted in the inspection will be corrected, repaired, or replaced immediately. These deficiencies can affect the integrity of structures, safety of the public, and the pollutant removal efficiency of the SCM(s).

The SCM(s) on this project include (check all that apply & corresponding O&M sheets will be added automatically):

Infiltration Basin	Quantity:		Location(s):	
Infiltration Trench	Quantity:		Location(s):	
Bioretention Cell	Quantity:		Location(s):	
Wet Pond	Quantity:	1	Location(s):	Northern property line
Stormwater Wetland	Quantity:		Location(s):	
Permeable Pavement	Quantity:		Location(s):	
Sand Filter	Quantity:		Location(s):	
Rainwater Harvesting	Quantity:		Location(s):	
Green Roof	Quantity:		Location(s):	
Level Spreader - Filter Strip	Quantity:		Location(s):	
Proprietary System	Quantity:		Location(s):	
Treatment Swale	Quantity:		Location(s):	
Dry Pond	Quantity:		Location(s):	
Disconnected Impervious Surface	Present:	No	Location(s):	
User Defined SCM	Present:	No	Location(s):	
Low Density	Present:	No	Type:	

I acknowledge and agree by my signature below that I am responsible for the performance of the maintenance procedures listed for each SCM above, and attached O&M tables. I agree to notify NCDEQ of any problems with the system or prior to any changes to the system or responsible party.

Responsible Party: R. Dale Britt
 Title & Organization: Managing Member, 1809 LLC
 Street address: 710 Arendell Street, Suite 201
 City, state, zip: Morehead City, NC 28557
 Phone number(s): 252-725-5375
 Email: dale@brittdevelopment.com

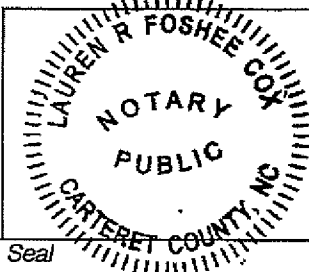
Signature: _____

Date: 28 May 2024

I, Lauren R. Foshee Cox, a Notary Public for the State of NC
 County of Carteret, do hereby certify that R. Dale Britt
 personally appeared before me this 28 day of May, 2024 and

acknowledge the due execution of the Operations and Maintenance Agreement.

Witness my hand and official seal, Lauren R. Foshee Cox



Seal

My commission expires

11/20/2024

Wet Pond Maintenance Requirements

Important operation and maintenance proced

- Immediately after the wet detention basin is established, the plants on the vegetated shelf and perimeter of the basin should be watered twice weekly if needed, until the plants become established (commonly six weeks).
- No portion of the wet pond should be fertilized after the initial fertilization that is required to establish the plants on the vegetated shelf.
- Stable groundcover will be maintained in the drainage area to reduce the sediment load to the wet pond.
- If the pond must be drained for an emergency or to perform maintenance, the flushing of sediment through the emergency drain will be minimized as much as possible.
- At least once annually, a dam safety expert will inspect the embankment. Any problems that are found will be repaired immediately.
- The measuring device used to determine the sediment elevation shall be such that it will give an accurate depth reading and not readily penetrate into accumulated

After the wet pond is established, it will be inspected **quarterly and within 24 hours after every storm event greater than 1.0 inches (or 1.5 inches if in a Coastal County)**. Records of operation and maintenance shall be kept in a known set location and shall be available upon request.

ction activities shall be performed as follows. Any problems that are found shall be repaired immedi

SCM element:	Potential problem:	How to remediate the problem:
The entire wet pond	Trash/debris is	Remove the trash/debris.
The perimeter of the wet pond	Areas of bare soil and/or erosive gullies have formed.	Regrade the soil if necessary to remove the gully, plant ground cover and water until it is established. Provide lime and a one-time fertilizer application.
The inlet device	The inlet pipe is clogged (if	Unclog the pipe. Dispose of the sediment off-site.
	The inlet pipe is cracked or otherwise damaged (if	Repair or replace the pipe.
	Erosion is occurring in the swale (if applicable).	Regrade the swale if necessary and provide erosion control devices such as reinforced turf matting or riprap to avoid future problems with erosion.
The forebay	Sediment has accumulated to a depth greater than the original design depth for sediment	Search for the source of the sediment and remedy the problem if possible. Remove the sediment and dispose of it in a location where it will not cause impacts to streams or the SCM.
	Erosion has occurred.	Provide additional erosion protection such as reinforced turf matting or riprap if needed to prevent future erosion problems.
	Weeds are present.	Remove the weeds, preferably by hand. If pesticide is used, wipe it on the plants rather than spraying.

Wet Pond Maintenance Requirements (Continued)

SCM element:	Potential problem:	How to remediate the problem:
The main treatment area	Sediment has accumulated to a depth greater than the original design sediment storage	Search for the source of the sediment and remedy the problem if possible. Remove the sediment and dispose of it in a location where it will not cause impacts to streams or the SCM.
	Algal growth covers over 50% of the area.	Consult a professional to remove and control the algal growth.
	Cattails, phragmites or other invasive plants cover 50% of the basin surface.	Remove the plants by wiping them with pesticide (do not spray).
The vegetated shelf	Best professional practices show that pruning is needed to maintain optimal plant health.	Prune according to best professional practices.
	Plants are dead, diseased or dying.	Determine the source of the problem: soils, hydrology, disease, etc. Remedy the problem and replace plants. Provide a one-time fertilizer application to establish the ground cover if a soil test
	Weeds are present.	Remove the weeds, preferably by hand. If pesticide is used, wipe it on the plants rather than spraying.
The embankment	Shrubs have started to grow on the embankment.	Remove shrubs immediately.
	Evidence of muskrat or beaver activity is	Consult a professional to remove muskrats or beavers and repair any holes or erosion.
	A tree has started to grow on the	Consult a dam safety specialist to remove the tree.
	An annual inspection by an appropriate professional shows that the embankment needs repair.	Make all needed repairs immediately.
The outlet device	Clogging has occurred.	Clean out the outlet device and dispose of any sediment in a location where it will not cause impacts to streams or the SCM.
	The outlet device is damaged.	Repair or replace the outlet device.
Floating wetland island (if applicable)	Weeds or volunteer trees are growing on	Remove the weeds or trees.
	The anchor cable is damaged, disconnected or	Restore the anchor cable to its design state.

Wet Pond Maintenance Requirements (Continued)

SCM element:	Potential problem:	How to remediate the problem:
The receiving water	Erosion or other signs of damage have occurred at the outlet.	Repair the damage and improve the flow dissipation structure.
	Discharges from the wet pond are causing erosion or sedimentation in the receiving water.	Contact the local NCDEQ Regional Office.

Wet Retention Pond Design Summary

Wet Pond Diagram

WET POND ID		FOREBAY		MAIN POND	
POND		Permanent Pool El.	8	Permanent Pool El.	8
		Temporary Pool El:	8.65	Temporary Pool El:	8.65
		Clean Out Depth:	3	Clean Out Depth:	8
		Sediment Removal E	5	Sediment Removal E	0
		Bottom Elevation:	4	Bottom Elevation:	-1
Pretreatment other than forebay?	No				
Has Veg. Filter?	Yes				

ATTACH ADDITIONAL SHEETS IF NECESSARY