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DECLARATION OF PELICAN POINTE, A PLANNED COMMUNITY

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**PLATS OF PELICAN POINTE VILLAGE ARE RECORDED IN
MAP BOOK 31, PAGES 41, 42, 43 AND 44,
PASQUOTANK COUNTY REGISTRY**

NORTH CAROLINA
PASQUOTANK COUNTY

THIS DECLARATION OF PELICAN POINTE, A PLANNED COMMUNITY is made this the 9 day of January, 2003 by PAGE DEVELOPMENT COMPANY, LLC, a Virginia Limited Liability Company, hereinafter referred to as "Declarant."

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RECITALS

Declarant is the Owner of certain real property located in Pasquotank County, North Carolina, and which is described as follows: All of those Lots and Common Elements described on the recorded Plats of Pelican Pointe Village (refer to Page 1 of this Declaration for the recording information for the Plats) (the "Property").

Declarant desires to subject the property to the provisions of this Declaration and to develop the Property under the name of Pelican Pointe and desires to create thereon a planned community (the "Planned Community") pursuant to the North Carolina Planned Community Act, Chapter 47F of the North Carolina General Statutes (the "Act"), together with streets, roads, footways, open spaces, entrances, drainage facilities, access easements, signage, and any other property located within the Planned Community for the benefit of the Planned Community; and

Declarant desires to provide for the preservation of the values and amenities in the Planned Community and for the maintenance of the Planned Community and, to this end, desires to subject the real property described above to the covenants, conditions, restrictions, easements, charges and liens, hereinafter set forth, each and all of which is, and are, for the benefit of each real property and each owner of a portion thereof; and

Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the Planned Community, to create an association to which should be delegated and assigned the powers of maintaining and administering the Planned Community and facilities, administering and enforcing the covenants, conditions and restrictions, and collecting and disbursing the assessments and charges hereinafter created; and

Declarant has caused or will cause to be incorporated under the laws of the State of North Carolina, Pelican Pointe Association, Inc. (the "Association"), for the purpose of exercising the functions contained in this Declaration and its Articles of Organization and Bylaws; and

Declarant anticipates that the Common Elements shown on all of the recorded plats of the Planned Community subject to this Declaration will be conveyed by Declarant to the Association.

NOW, THEREFORE, Declarant does hereby declare that all of the property described above, together with any additional property which it may hereafter add by supplement to this Declaration, shall be held, transferred, conveyed, occupied and used subject to the following easements, covenants, conditions, restrictions, liens and charges which shall run with the title to the real property and which shall be binding upon and inure to the benefit of all of the parties having any right, title or interest in the above described properties, their heirs, successors and assigns.

ARTICLE 1 DEFINITIONS

Section 1.1. Definitions. The definitions contained in Section 47F-1-103 of the Act shall apply to this Declaration and to the Planned Community.

Section 1.2. Additional Definitions. The following words when used in this Declaration shall have the following meaning:

1.2.1 "Architectural Review Committee" or "Committee" means the Architectural Review Committee provided for in Article 8 of this Declaration.

1.2.2. "Articles" means the Articles of Incorporation of the Association.

1.2.3. "Assessment" shall have the same meaning as "Common Expense Liability" as defined in Section 47F-1-103 of the Act.

1.2.4 "Building" shall mean any single or multi-story structure constructed by an Owner on a Lot for permanent occupancy for residential, business, office, restaurant, or retail purposes. The term "Building" shall include Dwellings.

1.2.5. "Bylaws" shall mean the Bylaws of the Association.

1.2.6. "Dwelling" shall mean any single family residential dwelling quarters in a detached building located on a Lot.

1.2.7. "Occupant" shall mean any person including, without limitation, any Owner, family member, guest, invitee, lessee, or tenant of an Owner occupying or otherwise using a Dwelling within the Planned Community.

1.2.8. "Owner" shall have the same meaning as "Lot Owner" as defined in Section 47F-1-103 of the Act.

1.2.9. "Rules" shall mean any and all regulations of the Association promulgated by the Executive Board pursuant to its power under this Declaration or any other land use document.

1.2.10. "Supplemental Declaration" shall mean a Declaration filed by Declarant which describes one or more additional parcels of property which may be (but which is not required to be) located within the Planned Community, and which establishes covenants, conditions and restrictions for that particular parcel of property. Supplemental Declarations will be filed to add additional real property to the Planned Community not covered by this Declaration.

ARTICLE 2
MEMBERSHIP, VOTING RIGHTS AND
GOVERNANCE OF THE ASSOCIATION

Section 2.1 Membership. Membership in the Association is defined in Section 47F-3-101 of the Act.

Section 2.2. Voting Rights.

2.2.1. Except as otherwise provided herein, voting rights of Lot Owners shall be those rights provided by Section 47F-3-110 of the Act.

2.2.2. The Association shall have two (2) classes of voting membership.

2.2.2.1. Class A Members shall be Lot Owners. Each Class A Member shall be entitled to one vote for each Lot owned.

2.2.2.2. The Class B member shall be the Declarant which shall be entitled to three votes for each lot or dwelling unit owned by it until the Turnover Meeting.

Section 2.3. Governance. The Association shall be governed pursuant to Section 47F-3-103 of the Act.

ARTICLE 3
PROPERTY RIGHTS IN THE COMMON ELEMENTS

Section 3.1. Owners' Easements Of Enjoyment In The Common Elements. Subject to the provisions of the Section herein entitled "Easement For Governmental, Health, Water, Sewage Disposal, Sanitation And Emergency Services" and any additional provisions of this Declaration, every Owner, members of the Owner's household, guests of the Owner, agents, and licensees, shall have a permanent and perpetual easement for the use and enjoyment of the Common Elements and each easement shall be appurtenant to and shall pass with a title to every Lot. Such easements of enjoyment shall include but not be limited to the Owners' right of ingress and egress over the streets, roadways and walkways over the Common Elements for the purpose of access to the Owners' Lot. All interior streets within the subdivision shall be private and are not dedicated to public use.

Section 3.2. Limitation Of Owners' Easements. The rights of easement, use and enjoyment created hereby shall be subject to the following:

3.2.1. The right of the Association to adopt and enforce, at any time, Rules governing the use of the Common Elements and all facilities situated thereon. Any Rules so adopted shall apply until rescinded or modified the same as if originally set forth at length in this Declaration.

3.2.2. The right of the Association to set specific charges for the use and maintenance of the Common Elements.

3.2.3. The right of the Association as provided in its Articles and Bylaws to suspend the enjoyment rights of any Owner for any period during which any Common Expense Liability remains unpaid, or for a period that may be determined by the Executive Board for any violation of this Declaration, the Association's Articles, Bylaws, or published rules and regulations; provided however, that the right of a member of ingress and egress over the streets shall not be abrogated.

3.2.4. The right of the Declarant and the Association to dedicate or transfer all or any part of the Common Elements to any public agency, authority or utility for such purpose.

Section 3.3. Easement For Utilities. There is hereby reserved for the benefit of the Declarant, the Association, any public utility or governmental unit providing services in the Planned Community, and their respective successors and assigns, an easement upon, over, under and across all of the Common Elements and all land located within ten (10) feet of any Lot line as shown on all plats of record, for the purpose of installing, replacing, maintaining and operating all utilities.

Section 3.4. Easement For Governmental, Health, Water, Sewage Disposal, Sanitation And Emergency Services. A non-exclusive easement is hereby granted to the appropriate governmental authorities and to the appropriate private organizations supplying health, sanitation, police services and emergency service such as fire, ambulance and rescue services, for purpose of ingress and egress over the Common Elements. Declarant further reserves an easement over the Common Elements as needed for the installation, maintenance and operation of any central water and sewage disposal systems which may serve the Planned Community.

Section 3.5. Maintenance Easement. The Declarant reserves for itself and the Association and their respective agents and employees an easement to enter upon any unimproved areas in the Planned Community for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds, stumps or other unsightly growth and removing trash therefrom so as to maintain reasonable standards of health, fire safety and appearance within the Planned Community. This reservation shall not impose any duty or obligation upon the Declarant or the Association to perform any such action.

Section 3.6. Environmental Easements. Declarant reserves for its benefit and the Association and their respective agents and employees an easement on, over and across any and all unimproved areas in the Planned Community for the purpose of taking any action necessary to effect compliance with environmental rules, regulations, procedures promulgated or instituted by the Executive Board or by any governmental entity.

ARTICLE 4
RESERVATION OF SPECIAL DECLARANT RIGHTS

Section 4.1. Declaration of Special Declarant Rights. In addition to other Special Declarant Rights reserved by the Declarant in this Declaration, the Declarant reserves the following additional Special Declarant Rights:

Section 4.1.1. Rights Listed in the Act Declarant reserves all Special Declarant Rights enumerated in Section 47F-1-103(28) of the Act.

Section 4.1.2. Addition To Or Deletion From Common Elements; Easements. Declarant reserves the right, without approval of the Association or any Owner, to add to or delete part of the Common Elements and to dedicate easements and rights-of-way over the Common Elements in accordance with the terms of this Declaration.

Section 4.1.3. Easement For Declarant. The Declarant reserves to itself, its successors and assigns the right of temporary roads, utility services and drainage systems as are necessary in its sole discretion for the proper development and administration of the Planned Community. Such right shall extend over, through, under and across the Common Elements.

Section 4.1.4. Changes In Boundaries; Additions To Designated Common Elements. Declarant expressly reserves for itself and its successors and assigns the right to change and realign the boundaries of any designated Common Property within the Planned Community, and to make additions thereto.

Section 4.1.5. Development Right. The Declarant reserves as a Development Right the right and option to create additional Lots in the Planned Community. The Development Right herein reserved may be exercised with respect to different portions of the Property submitted herein at different times. No assurances are made as to the boundaries of those portions or the order in which those portions may be subjected to the exercise of each Development Right. No assurances are given that if a Development Right is exercised with regard to one portion of the submitted Property subject to a Development Right, that a Development Right will be exercised in all or in any other portion of the remainder of the submitted Property.

Section 4.1.6 . Planned Improvements. With regard to improvements shown on the unrecorded preliminary plats and the final recorded plats of the Planned Community, which have not been completed as of the date of filing for record of such plat, such improvements NEED NOT BE BUILT, and the Declarant hereby reserves the right to refrain from the development and construction of such improvements. In the event the Declarant chooses not to develop and construct any of the improvements shown on the preliminary or final recorded plats, the area where such improvements were to be constructed shall be deemed part of the Common Elements of the Planned Community.

Section 4.1.7. Docks, Bulkheads and Piers. The Declarant hereby reserves unto itself, its agents, employees, successors and/or assigns, as a Development Right, the right, license, privilege and easement to construct docks, piers, bulkheads, and other related improvements on the Property. Any docks, piers and related improvements constructed by the Declarant shall be a part of the Common Elements of the Planned Community unless otherwise indicated on the plats or recorded Supplemental Declaration of the Planned Community.

Section 4.1.8. Sales And Construction. The Declarant, its agents, employees, successors and assigns may maintain such facilities and carry on such activities as may be reasonably convenient or incidental to the completion, improvement and sale of Lots within the Planned Community, including without limitation, the right to (a) install and operate construction trailers, sales offices, signs and model Dwellings, and (b) maintain such facilities and carry on such activities.

Section 4.2. Turnover. The Special Declarant Rights reserved by Declarant in this Declaration shall not automatically expire by a certain date or by the action or inaction or any Person except by affirmative action taken by the Declarant. The Declarant may transfer the Declarant's Special Declarant Rights (as defined in this Declaration and in Section 47F-1-103 of the Act) at any time in the Declarant's sole and absolute discretion.. If such transfer of Special Declarant Rights is a transfer to the Association, the Association shall conduct a special meeting of the membership, hereinafter called the Turnover Meeting, for the purpose of assuring the transition of the Association to Owners other than the Declarant. Prior to or at the time of the Turnover Meeting, the Declarant shall convey the title of the Common Elements to the Association by Non-Warranty Deed, at no cost to the Association, free and clear of all liens and encumbrances except this Declaration and any supplements and amendments thereto. The Association covenants that it will accept a conveyance of all of the Common Elements.

ARTICLE 5 COVENANT FOR ASSESSMENT OF COMMON EXPENSES

Section 5.1. Creation Of The Lien And Personal Obligation Of Common Expenses. Except as hereinafter more fully provided, the Declarant, for each Lot owned by it which is subject to this Declaration, hereby covenants and each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in the particular deed of conveyance, shall be deemed to covenant and agree to all the Covenants and Restrictions of this Declaration and to pay the Association: (1) Periodic Assessments and (2) Special Assessments for capital improvements and other assessments to be fixed, established, and collected from time to time as hereinafter provided.

Section 5.2. Assessment and Lien for Assessment. The assessment, lien for such assessment, and remedies to the Association for nonpayment of such assessment shall be as provided by Sections 47F-3-115 and 47F-3-116 of the Act, with the following additional provisions:

5.2.1. The Executive Board may appoint a Trustee to foreclose the lien of the assessment as provided by Section 47F-3-116 of the Act and Article 2A of Chapter 45 of the North Carolina General Statutes.

5.2.2. The Association may enter one or more bids at the foreclosure sale and may purchase the property at the foreclosure sale, even if the foreclosure sale is conducted by or at the direction of the Association.

Section 5.3. Basis And Amount Of The Periodic And Special Assessments. Periodic and special assessments shall be divided equally among the Lots made subject to this Declaration.

Section 5.4. Special Assessments. In addition to the periodic assessment authorized by this Article, the Executive Board may levy in any assessment period a special assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Elements including the necessary fixtures and personal property related thereto, or for other purposes deemed appropriate by the Association. The due date of any special assessment under this Article shall be fixed in a resolution of the Executive Board authorizing such assessment.

Section 5.5. Subordination Of The Lien To Mortgages. The lien for the assessments provided for in this Declaration shall be subordinate to the lien of any mortgage now or hereafter placed upon an Owner's property subject to assessment, unless such assessment is secured by a Claim of Lien that is recorded prior to the recording of such mortgage.

ARTICLE 6 MAINTENANCE OF THE PLANNED COMMUNITY

Section 6.1. Maintenance of Exterior of Buildings and Landscaping.

6.1.1. Lots in Pelican Pointe Village. The Association is responsible for maintaining the grounds of all Lots and the exterior appearance of all Dwellings in Pelican Pointe Village, including upkeep and care of exterior walls, roofs, gutters and downspouts, The Association shall have the right to impose on each Owner in Pelican Pointe Village a separate assessment for the prorata cost of such exterior maintenance in all of Pelican Pointe Village.

Section 6.2. Maintenance Action By The Association. Where the Executive Board determines that an Owner has failed or refused to carry out their duties under this Article, the Executive Board shall take such action as is necessary to restore the property to the standards of the Planned Community. Entry upon any property for this purpose by the Association, its agents or employees shall not be deemed a trespass. Except in emergency situations, however, the Association shall give such Owner fifteen (15) days notice prior to its entry on the premises to perform such work.

Section 6.3. Assessment For Association Maintenance Of Owner's Lots Or Dwellings. Where the Association, in the interest of the Planned Community, authorizes maintenance on individual Lots, the work shall be performed in a cost efficient manner and the Association shall have the right to assess the Owner. In the case of failure to pay the charges or assessment, the Executive Board shall place a lien on the Lot which shall be a personal obligation of the Owner and shall be due and payable in all respects.

ARTICLE 7 COMMON ELEMENTS

Section 7.1. Management. The Association, subject to the rights of the Declarant and the rights and duties of the Owners as set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Elements and all improvements located thereon. As provided by Section 47F-3-103 of the Act, the Executive Board may act in all instances on behalf of the Association except as provided in this Declaration, the Bylaws, or the Act.

Section 7.2. Duties And Powers. The duties and powers of the Association shall be those set forth in this Declaration, the Bylaws, and in Section 47F-3-102 of the Act. Should there be conflicts or inconsistencies between any of these documents then the order of authority shall be this Declaration, the Bylaws, and the Act.

Section 7.3. Restraint On Transfer. The shares of the Owners in the funds and assets of the Association cannot be individually assigned, hypothecated or transferred in any manner except to the extent that a transfer of ownership of a Lot or Dwelling also transfers the membership in the Association which is an appurtenance to such Lot or Dwelling.

Section 7.4. Limited Common Elements. The Declarant may identify as Limited Common Elements those portions of the Common Elements identified on the recorded Plats of the Planned Community, or by a recorded Supplemental Declaration. The Common Expense associated with such Limited Common Elements shall be assessed to those Owners to whom the Limited Common Elements are allocated.

Section 7.5. Storage Facilities. If Declarant elects to construct in the Planned Community one or more storage facilities for boats and recreational vehicles, the Declarant may delete from the Common Elements the property on which such facilities are located. No Owner shall have any property right, privilege or easement in or to such storage facilities. Declarant, and Declarant's successors and assigns may lease space in such storage facilities on a first-come, first-served basis, and may charge storage fees for such space. Declarant may sell or transfer to a third party such storage facilities and the property on which such facilities are constructed, and such grantee or transferee may continue to lease storage space to Persons for such fees as may be determined by the then-owner of such storage facilities. In the alternative, the Declarant may, but is not required to, transfer the storage facilities to the Association if the Association agrees to accept a deed therefor.

ARTICLE 8
AFFIRMATIVE ARCHITECTURAL AND LANDSCAPING CONDITIONS;
ARCHITECTURAL REVIEW COMMITTEE

Section 8.1. Purpose. In order to preserve the natural setting and beauty of the Planned Community, to establish and present a harmonious and aesthetically pleasing design for the Planned Community, to protect and promote the value of the Planned Community, the Lots made subject to this Declaration, and all improvements located therein or thereon, including landscaping, shall be subject to the restrictions set forth in this Article. Every Grantee of any interest to any property subject to this Declaration, by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article.

Section 8.2. Architectural Review Committee An Architectural Review Committee consisting of three or more persons may be appointed by the Executive Board and shall be responsible to the Executive Board. Unless and until the Executive Board has appointed an Architectural Review Committee, the Executive Board shall exercise all of the powers and perform all of the duties of that committee, and references in this Declaration to the "Architectural Review Committee" or the "Committee" shall be construed as references to the Executive Board acting as the Architectural Review Committee.

Section 8.3. Authority of the Committee. Subject to the rights of the Declarant, the Committee shall regulate the location of improvements on Lots, the external design and appearance of Dwellings, buildings and improvements on Lots, and the construction of Dwellings, buildings and improvements, so as to (a) promote those qualities in the environment that bring value to the Planned Community and the Lots, and (b) foster the attractiveness and functional utility of the Planned Community, including a harmonious relationship among structure, vegetation and topography. Notwithstanding the foregoing, during the period during which the Declarant holds Special Declarant Rights, the Declarant shall have the exclusive power to regulate the location of improvements on Lots, the external design and appearance of Dwellings, buildings and improvements on Lots, and the construction of Dwellings, buildings and improvements, and neither the Association nor the Committee shall have any authority over or responsibility for such regulation.

Section 8.4. Aesthetic Considerations. No Dwellings, building, improvements, swimming pools, walls, fences, driveways, parking areas, projections or other structures, and no walls, patios, planters or other similar items shall be commenced, improved, constructed, maintained, erected, altered (as, for example, by painting or staining the exterior of any Dwelling or building or glazing or tinting of any glass surface) or remodeled, nor shall any grading, excavation, tree removal, planting and/or exterior addition, change or alteration thereon be made, until plans and specifications accurately showing the nature, kind, shape, dimensions, materials, color (including color of paint or stain) and locations of the same shall have been submitted to and approved in writing by the Committee. The Committee shall also have the right to review and approve landscaping plans.

Section 8.5. Building Standards. Construction or alteration of all Dwellings, buildings and other improvements shall meet the standards established by the Committee in the Architectural Rules.

Section 8.6. Criteria for Review. The Committee shall review all applications for alterations or improvements, considering:

8.6.1. the purpose of such design review as provided in this Declaration;

8.6.2. the harmony, integrity and conformity of exterior design, color, and location relating to surrounding structures and topography;

8.6.3. relation of the proposed improvements to the natural topography, grade and finished ground elevation;

8.6.4. relation of the structure to that of neighboring structures and to natural features of the Property;

8.6.5. relation to the overall community design of the Planned Community;

8.6.6. the character of the exterior materials, and the quality of the exterior workmanship to be employed;

8.6.7. conformity of the plans and specifications to the purpose and general plan and intent of this Declaration; and

8.6.8. maintenance responsibilities and duties of the Association as specified in this Declaration.

The Committee shall not arbitrarily or unreasonably withhold its approval of proposed improvements or alterations. The Committee may, however, condition its approval of proposals or plans and specifications for any improvement (1) upon the applicant's furnishing the Association with security acceptable to the Association against any mechanic's lien or other encumbrance which may be recorded against the Property as a result of such work; (2) on such changes therein as it deems appropriate; (3) upon the agreement by the applicant to grant appropriate easements to the Association for maintenance purposes, or (4) upon the agreement of the applicant to reimburse the Association for the costs of maintenance, or all of the above. Additionally, the Committee may require submission of additional plans and specifications or other information prior to approving or disapproving any proposal.

Section 8.7. Review Procedures. The Committee shall adopt rules or guidelines setting forth procedures for the submission and review of plans for improvements or alterations. Such procedures shall be consistent with the following:

8.7.1. The Committee may require that each application for approval be accompanied by a reasonable fee, which may be uniform or may be based upon any other reasonable criteria such as the estimated cost of the construction, alteration or addition contemplated.

8.7.2. The Committee may require such detail in plans and specifications submitted for its review as it deems proper, including, without limitation, floor plans, site plans, drainage plans, elevation drawings and descriptions or samples of exterior material and colors. Review of any plan submitted for approval may be postponed until the Committee has received any plans, specifications or other materials referred to in this subsection.

8.7.3. Decisions of the Committee and the reasons for the decisions shall be transmitted to the applicant at the address set forth in the application. If the Committee fails to approve or disapprove such plans and specifications within 60 days after they have been submitted, then such plans and specifications shall be deemed to have been denied as submitted; provided, that for purposes of this subsection, such plans and specifications shall not be deemed to have been submitted until any additional information or detail requested by the Committee has been received by the Committee.

8.7.4. In the case of a decision made by the Committee (as opposed to the Executive Board acting as the Committee), the applicant may appeal an adverse decision to the Executive Board, which may reverse or modify such decision by a two-thirds (2/3) vote of those directors present and voting at a meeting at which a quorum is present.

Section 8.8. Compliance with Legal Requirements. Approval by the Committee of any proposed alteration or improvement shall not be construed as a determination that the proposed work complies with the provisions of any building or zoning code or other governmental requirement. The Owner proposing to undertake such construction or alteration shall be solely responsible for complying with all applicable governmental requirements and obtaining all necessary permits and approvals, and shall submit evidence of such compliance to the Committee on request.

Section 8.9. Diligence in Completion. After obtaining approval by the Committee and satisfying all applicable governmental requirements, the Owner proposing any alteration or improvement shall proceed diligently with construction and shall notify the Committee of the completion of construction within ten days after such completion.

Section 8.10. Noncompliance. The Committee shall have power to enforce compliance with this Article in accordance with the following provisions:

8.10.1. The Committee may request that the Executive Board exercise its right to impose sanctions for violations of this Declaration and other rules and regulations of the Association, and, acting in the name of the Association, may apply to any court of competent jurisdiction injunctive or other equitable relief against any Owner who undertakes or threatens to undertake any alteration or improvement that has not been approved by the Committee.

8.10.2. With the approval of the Executive Board, the Committee may, at the initial cost of the Association, take such action as is reasonably necessary to remedy any noncompliance. Upon completion of any such action, the Committee shall notify the Owner responsible for the noncompliance of the cost (including attorneys' fees and other professional fees, if any) of the remedial action, and such Owner shall reimburse the Association for such cost within 15 days after the date of such notice. If such Owner fails to make such reimbursement within such 15-day period, the Committee shall notify the Board of such failure, and the Board shall assess such cost against all Lots owned by such Owner in the manner and with the effect specified in Section 47F-3-115 of the Act.

8.10.3. The Committee or its duly authorized representative may at any time inspect any improvement for which approval of plans is required, except that the Committee's right to inspect improvements or alterations for which plans have been submitted and approved shall terminate 180 days after completion of such improvements or alterations. The Committee's right to make inspections shall not terminate pursuant to this subsection if plans for such improvements or alterations were not approved by the Committee.

8.10.4. If, as a result of an inspection conducted pursuant to this Section, the Committee finds that an improvement or alteration was done without obtaining the Committee's approval or was not done in substantial compliance with plans approved by the Committee, it shall notify the Owner in writing of the failure to comply, specifying the particulars of noncompliance.

8.10.5. If the Owner disputes the Committee's determination of noncompliance, he may, within 30 days after the date of the Committee's notice, request a hearing before the Executive Board. If such a hearing has been timely requested, no action to enforce compliance shall be taken until the hearing has been held and the Executive Board has announced its determination.

8.10.6. Any Owner who is determined to have made alterations or improvements in violation of the provisions of this article shall remedy such violation within 30 days after the Committee has given notice of such violation or, if such Owner has requested a hearing before the Executive Board pursuant to this Section, within 30 days after the date of any notice that the Executive Board has found such violation to exist.

Section 8.11. Variances. The Committee shall have power to authorize variances from compliance with any of the architectural provisions of this Declaration and the Architectural Rules, including restrictions on size, floor area or placement of structures, or similar restrictions, when circumstances such as topography, natural obstructions, hardship, aesthetic or environmental considerations may require. Any such variance must be evidenced by a document signed by a majority of the members of the Committee and recorded in the Pasquotank County Registry. The granting of such a variance shall not operate to waive any of the terms and provisions of this Declaration for any purpose except as to the particular property and particular provision hereof covered by the variance, nor shall any such variance limit any Owner's independent obligation to comply with all applicable governmental requirements.

Section 8.12. Approvals Set no Precedents. The approval by the Committee of any plans, specifications, drawings or other proposal for any alteration or improvement, or any variances from the Architectural Rules, shall not constitute approval of, or require the Committee to approve, any similar plans, specifications, drawings, variances, or other proposal pending concurrently or subsequently submitted for approval.

Section 8.13. Meetings. The Committee shall meet from time to time as necessary to perform its duties hereunder, and shall meet whenever instructed by the Board to do so. The quorum for any meeting of the Committee shall be a simple majority of the members of the Committee. The Committee may from time to time by unanimous resolution designate a representative (who may, but need not, be one of its members) to take any action or perform any duties on behalf of the Committee, except that the Committee's power to grant variances pursuant to this Article may not be so delegated. In the absence of such a designation, the vote of a majority of the members of the Committee at a meeting at which a quorum is present, or the unanimous written consent of the members of the Committee taken in lieu of a meeting, shall constitute the act of the Committee.

Section 8.14. Compensation of Members. The members of the Committee shall receive no compensation for their services as such, other than reimbursement for actual expenses incurred by them in the performance of their duties hereunder. Any representative designated pursuant to Section 8.13 may be compensated in such manner and amount as may be approved by the Board.

Section 8.15. Address. Unless the Committee shall otherwise specify by notice to all Owners, all requests for approval under this Article shall be submitted in person or by registered or certified mail to the principal office of the Association, directed to the attention of the Committee.

Section 8.16. Construction and Completion. The construction of any Dwelling or other improvements shall be completed within one (1) year after the date of commencement of such construction, unless provided otherwise in the Committee's approval letter or permit. No bulkhead, pier, dock, storage shed, storage building, carport or garage shall be constructed on a Lot until construction has commenced on a Dwelling on the Lot. The Declarant or, after Turnover, the Association, may permit an extension of this period in extenuating circumstances. Otherwise, the Executive Board may take whatever action is appropriate and necessary to stabilize and remedy the appearance of the property and Lot in accordance with the Section herein entitled "Maintenance Action By the Association."

Section 8.17. Lots Fronting on a Creek or River. Owners of Lots located on a creek or river are encouraged to bulkhead their Lot on each side that fronts the creek or river. No Owner of a Lot located on a creek may construct any improvements into the creek itself. Owners of Lots on a river may construct docks and piers after first obtaining approval for such dock or pier from the Committee.

Section 8.18. Landscaping. No tree, shrub, bush or other vegetation having a trunk diameter of six (6) inches or more at a point of four (4) feet above ground level shall be cut, removed or

mutilated without the prior approval of the Declarant or the Association, provided this does not apply to dead or diseased trees or shrubs. If any such healthy tree, bush or shrub is removed with approval of the Declarant or the Association, the Owner shall replace it with a tree, bush, or shrub of comparable value approved by Declarant or the Association. In the event the Owner fails, within thirty (30) days, to satisfactorily replace the tree, bush or shrub removed, the Owner shall pay the Association a damage fee as established by the Declarant or the Association. The Association through its agents and employees, shall have the right to enter the property for the purpose of replacing the tree, bush or shrub. Damages provided for herein shall become a lien on the property of the Owner.

Section 8.19. Placement of Improvements and Setback Lines.

8.19.1 The setback lines for each Lot shall be those shown on the recorded Plat of the Planned Community, or if none, the following building setback lines shall apply to each Lot:

Lot Type	Front	Side	Side Street	Rear
River front	35 feet	10 feet	15 feet	35 feet
Creek front	50 feet	10 feet	15 feet	50 feet
Land side	50 feet	10 feet	15 feet	25 feet

8.19.2. The maximum Building height shall be approved by the Committee, but in no case shall the Committee approve the height of a Building that exceeds 40 feet.

8.19.3 Variances of the setback lines listed above or as depicted on the recorded plats may be approved at the discretion of the Declarant or, after Turnover, the Association.

Section 8.20. Stormwater Runoff Rule Compliance. No more than thirty percent (30%) of any Lot shall be covered by structures and/or paved surfaces, including walkways or patios of brick, stone, slate, or similar materials. This covenant is intended to ensure continued compliance with stormwater runoff rules adopted by the State of North Carolina and therefore may be enforced by the State of North Carolina.

**ARTICLE 9
RESTRICTIONS ON USE AND RIGHTS OF
THE ASSOCIATION AND OWNERS**

Section 9.1. Permissible Uses.

9.1.1 Pelican Pointe Village. No Lot in Pelican Pointe Village shall be used except for single family residential purposes. A Dwelling may contain a home office used by the Owner

of such Dwelling. Notwithstanding the foregoing, however, the Owner's employees, customers or clients shall not meet with Owner in Owner's Dwelling or work in Owner's Dwelling on a regular basis.

Section 9.2. Division of Lots. No Lot shall be further subdivided, or its boundary lines changed by its Owner, except with the written consent of the Declarant (or by the Association after Turnover). The Declarant may create a modified Lot by the sale of two or more adjacent Lots to one party, followed by the construction thereon of a Dwelling in such a manner as to require the total Lots to be treated as one modified Lot in order to meet the setback and side line requirements, without the necessity of replatting. The restrictions and covenants herein apply to each Lot so created.

Section 9.3. Architectural Rules. The Architectural Rules adopted by the Executive Board shall establish standards for all aesthetic matters in the Planned Community, including but not limited to the following: Minimum square footages of Dwellings and other improvements, exterior antennas, satellite dishes, temporary structures, fences, garbage and storage receptacles, and signs.

Section 9.4. Other Rules. The Rules adopted by the Executive Board shall establish standards for all other matters in the Planned Community, including but not limited to the following: animals and pets, offensive and illegal activities, outside burning, discharge of firearms, motor vehicles, and boats.

Section 9.5. Utilities and Easement. All utility lines of every type, including, but not limited to, water, electricity, telephone, television cables or sewage must be underground.

Section 9.6. Time Shares.

9.6.1. No Dwelling or Lot may be subdivided to permit the creation of a time share or time shares as same is defined by Chapter 93A, Article 4 of the North Carolina General Statutes, or any subsequent legislation affecting time shares, unless such creation of a time share or time shares is approved as described below.

9.6.2. The Declarant must approve such creation of a time share or time shares in its sole discretion; provided, however, that after Turnover, the creation of a time share or time shares must be approved by both a seventy-five percent (75%) majority vote of the Directors of the Association, and by the agreement of Owners to which at least eighty percent (80%) of the votes in the association are allocated.

9.6.3. If the creation of a time share or time shares is approved as outlined above, an appropriate supplement or amendment to this Declaration shall be executed and filed with the Pasquotank County Registry, designating both the approval and the property or properties which are affected by said approval.

Section 9.7. Leases. Leaseholds of any Dwelling may be granted or be conveyed by an Owner only in accordance with the following restrictions:

9.7.1 Any lease, assignment, or sublease must be for the entire Dwelling unless Declarant (or after Turnover, the Association) gives prior written consent to leasing of a portion of a Dwelling;

9.7.2 No Dwelling may be rented for a period of less than six (6) months; and

9.7.3 Each tenant, by becoming a tenant, agrees to be bound by this Declaration. If any Owner or tenant violates any of the provisions of this Declaration, the Declarant Association may bring an action in its own name or in the name of the owner, or both, to have the tenant evicted or to recover damages, or both. These remedies are not exclusive and are in addition to other remedies available. The cost of such action shall be recovered by the Association which shall be a continuing lien on the Dwelling, binding on the Owner, his heirs, successors and assigns. The Association shall give the tenant and the owner written notice of the nature of the violation(s) and 20 days from the mailing of the notice in which to cure the violation before the Association may file an action for eviction or damages or both.

Section 9.8. Aircraft Noise. The Planned Community is located adjacent to a United States Coast Guard Base. The Coast Guard conducts military aircraft flights at the Base. The Elizabeth City-Pasquotank County Airport Authority leases facilities on the Coast Guard Base which allows civil aviation aircraft to utilize the runways at the Base. Military and civil aviation aircraft operate at the Base and the Airport twenty-four hours a day. The noise created by such aircraft can sometimes be heard in Pelican Pointe. Each Owner of property in Pelican Pointe, by acceptance of a deed for such property, whether or not it shall be so expressed in the particular deed of conveyance, acknowledges that aircraft noise from operations at the Coast Guard Base and the Airport does not constitute an interference with the reasonable use and enjoyment of the property by such Owner.

ARTICLE 10 GENERAL PROVISIONS AND ENFORCEMENT

Section 10.1. Duration. This Declaration shall affect and run with the land and shall exist and be binding upon all parties and all persons claiming under them in perpetuity, unless the Planned Community is terminated pursuant to Section 47F-2-118 of the Act.

Section 10.2. No Trespass. Whenever the Association, the Declarant, and their respective successors, assigns, agents or employees are permitted by this Declaration to enter upon or correct, repair, clean, maintain, preserve or do any other action within any portion of the Planned Community, the entering thereon and the taking of such action shall not be deemed a trespass.

Section 10.3. Interpretations. In all cases, the provisions of this Declaration shall be construed together and given that interpretation or construction which, in the opinion of the Declarant or the Executive Board, will best effect the intent of the general plan of the Planned Community. The provisions of this Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive.

Section 10.4. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such a manner as to be effective and valid. However, if the application of any provision to any person or property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application and to this end the provisions of this Declaration are declared to be severable.

Section 10.5. Notices. Notices required under this Declaration shall be in writing and shall be delivered by hand or sent by United States mail, postage prepaid. All notices to Owners shall be delivered or sent to such address as have been designated in writing to the Association or if no such address has been so designated by the Owner, at the address of the Owner's Lot or Dwelling. All notices to the Declarant shall be delivered or sent to the Declarant's main office in Richmond, Virginia, or to such other address as the Declarant from time to time may notify the Association.

Section 10.6. Amendments. The Declarant reserves the right to modify or amend this Declaration at any time and for any reason without prior notice and without the consent of any Owner, Person, or the Association for any purpose whatsoever, provided any such amendment or modification may not materially alter the basic plan of development. Once the Declaration has been amended or modified, such amendment or modification shall extend to and be automatically applicable to the Lots that were sold prior to or subsequent to the recordation of such amendment. Any such amendment of the Declaration by the Declarant shall not require the joinder of the Association or any Lender. The Declarant, by itself, shall not have the right to modify or amend this Declaration after Turnover. The Executive Board of the Association, after Turnover, as herein provided may modify or amend this Declaration pursuant to Section 47F-2-117 of the Act.

IN WITNESS WHEREOF, this Declaration together with Covenants, Conditions and Restrictions has been signed and executed by the Declarant the day and year first above written.

DECLARANT:

PAGE DEVELOPMENT COMPANY, LLC, a
Virginia Limited Liability Company

BY: Kenneth P. Henshaw, Manager

Recorded on April 15, 2003 at 04:41:46 PM in Book 754, Page 195, Pasquotank County Registry

Space Above This Line For Recording Data

**FIRST SUPPLEMENTAL DECLARATION OF
PELICAN POINTE, A PLANNED COMMUNITY**

Prepared by and return to Robert B. Hobbs, Jr., Attorney
Hornthal, Riley, Ellis & Maland, L.L.P., Post Office Box 310, Nags Head, North Carolina 27959

**PLATS OF PELICAN POINTE SUBDIVISION ARE RECORDED IN
MAP BOOK 32, PAGES 25, 26, 27, 28 AND 29,
PASQUOTANK COUNTY REGISTRY**

NORTH CAROLINA
PASQUOTANK COUNTY

THIS FIRST SUPPLEMENTAL DECLARATION OF PELICAN POINTE, A PLANNED COMMUNITY is made this the 13 day of March, 2003 by PAGE DEVELOPMENT COMPANY, LLC, a Virginia Limited Liability Company, hereinafter referred to as "Declarant."

RECITALS

Declarant filed a Declaration of Pelican Pointe, a Planned Community on January 9, 2003, in Book 742, Page 812, in the Pasquotank County Registry (the "Declaration").

Pursuant to the provisions of Section 4.1.5 of the Declaration, Declarant has reserved a development right to add additional property to the Planned Community and to place restrictions, covenants and conditions on such additional property.

Declarant is the Owner of certain real property located in Pasquotank County, North Carolina, and which is described as follows: All of those Lots and Common Elements described on the recorded Plats of Pelican Pointe Subdivision (refer to Page 1 of this Declaration for the recording information for the Plats) (the "Property").

Declarant desires to subject the property to the provisions of this Declaration and to develop the Property under the name of Pelican Pointe as a portion of the Planned Community created pursuant to the North Carolina Planned Community Act, Chapter 47F of the North Carolina General Statutes (the "Act"), together with streets, roads, footways, open spaces, entrances, drainage facilities, access easements, signage, and any other property located within the Planned Community for the benefit of the Planned Community.

NOW, THEREFORE, Declarant does hereby declare the following:

1. Submission of Additional Property to the Declaration. All of the property described above, shall be held, transferred, conveyed, occupied and used subject to the easements, covenants, conditions, restrictions, liens and charges of the Declaration and this Supplemental Declaration, which shall run with the title to the real property and which shall be binding upon and inure to the benefit of all of the parties having any right, title or interest in the above described properties, their heirs, successors and assigns.

2. Permissible Uses. No Lot in Pelican Pointe Subdivision shall be used except for single family residential purposes. A Dwelling may contain a home office used by the Owner of such Dwelling. Notwithstanding the foregoing, however, the Owner's employees, customers or clients shall not meet with Owner in Owner's Dwelling or work in Owner's Dwelling on a regular basis.

3. Duration. This Supplemental Declaration shall affect and run with the land and shall exist and be binding upon all parties and all persons claiming under them in perpetuity, unless the Planned Community is terminated pursuant to Section 47F-2-118 of the Act.

4. Interpretations. In all cases, the provisions of this Supplemental Declaration shall be construed together and given that interpretation or construction which, in the opinion of the Declarant or the Executive Board, will best effect the intent of the general plan of the Planned Community. The provisions of this Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive.

5. Severability. Whenever possible, each provision of this Supplemental Declaration shall be interpreted in such a manner as to be effective and valid. However, if the application of any provision to any person or property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application and to this end the provisions of this Supplemental Declaration are declared to be severable.

6. Amendments. The Declarant reserves the right to modify or amend this Supplemental Declaration at any time and for any reason without prior notice and without the consent of any Owner, Person, or the Association for any purpose whatsoever, provided any such amendment or modification may not materially alter the basic plan of development. Once the Declaration has been

amended or modified, such amendment or modification shall extend to and be automatically applicable to the Lots that were sold prior to or subsequent to the recordation of such amendment. Any such amendment of this Supplemental Declaration by the Declarant shall not require the joinder of the Association or any Lender. The Declarant, by itself, shall not have the right to modify or amend this Supplemental Declaration after Turnover. The Executive Board of the Association, after Turnover, as provided in the Declaration, may modify or amend this Supplemental Declaration pursuant to Section 47F-2-117 of the Act.

IN WITNESS WHEREOF, this Declaration together with Covenants, Conditions and Restrictions has been signed and executed by the Declarant the day and year first above written.

DECLARANT:

PAGE DEVELOPMENT COMPANY, LLC, a
Virginia Limited Liability Company

BY: Kenneth P. Henshaw, Manager