

STATE OF NORTH CAROLINA

COUNTY OF BEAUFORT

These covenants made this 19th day of February, 1993, by EVA B. KORNEGAY, of Beaufort County, North Carolina, hereinafter referred to as OWNER; and GURGANUS BUILDERS, INC., a North Carolina Corporation, hereinafter referred to as DECLARANT, being the developer of all the property situated in Long Acre Township, Beaufort County, North Carolina, consisting of Lots One (1) through Ten (10) - Edgewater Estates Section One Subdivision as platted on Subdivision Map dated February 6, 1993 of record in Plat Cabinet E, Slide 97-4, Beaufort County Registry.

Now, therefore, Owner and Declarant do hereby establish these covenants, conditions, reservations and restrictions applicable upon which and subject to which all of the above mentioned lots and any portion thereof shall be improved or sold and conveyed by the aforesaid Owner. Each of these covenants, conditions, reservations and restrictions is for the benefit of the owner of any lot or lots in such subdivision, or interest therein and shall inure and pass with each and every parcel of such subdivision and shall forever run with and be appurtenant thereto and shall bind the respective successors in interest of the present or future lot owners thereof, forever, subject to the limitations thereon as hereinafter provided. These covenants, conditions, reservations and restrictions are imposed upon such lots for the purpose of enhancing and protecting the value, desirability and attractiveness of said real property and every part thereof, and all of which are to be construed as restrictive covenants running with the title of such lots and with each and every parcel thereof.

No property other than that described above shall be deemed subject to this declaration until specifically made subject hereto.

The Owner and Declarant may, from time to time, subject additional real property to the protective covenants and restrictions herein set forth by appropriate reference hereto.

1. PROPERTY CONTROL

A. All plans and specifications for any structure or improvement whatsoever to be erected on any lot, and the proposed location and orientation in relation to streets, lot, or lots, the construction material, the roofs and exterior color schemes, shall require prior written approval of the Declarant. Further, any later exterior changes or additions after initial approval thereof and any exterior remodeling, reconstruction, alterations, or additions thereto on any lot shall also be subject to, and shall require the prior written approval of the Declarant.

B. There shall be submitted to the Declarant two (2) complete sets of the final plans and specifications for any and all proposed improvements, the erection or alteration of which is desired. No structures or improvements of any kind shall be erected, altered, placed or maintained upon any lot unless and until the final plans, elevations, and specifications thereof have received written approval as herein provided. Such plans shall include fully dimensioned plot plans showing the location on the lot of the building, wall, fence or other structure proposed to be constructed, altered, placed or maintained, together with the proposed construction material, color schemes, roof design and material, and landscape planting.

C. No trade, commerce or other activity which may be considered a nuisance to the neighborhood shall be carried on upon any lot. No trade materials or inventories may be stored upon any lot.

D. The Declarant shall approve or disapprove plans, specifications and details within thirty (30) days from the receipt thereof. One (1) set of said plans and specifications and details with the approval or disapproval endorsed thereon shall be returned to the person submitting them and the other copy thereof shall be retained by the Declarant for its permanent files.

E. The Declarant shall have the right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with any of the provisions of these Restrictions; if the design or color scheme of the proposed building or other structure is not in harmony with the general surroundings of such lot or with the adjacent buildings or structures; if the plans and specifications submitted are incomplete; if plans and specifications do not conform to building standards established under these Restrictions; or in the event the Declarant deems the plans, specifications or details, or any part thereof, to be contrary to the interests, welfare or rights of all or any part of the real property subject hereto, or the owners thereof. The decisions of the Declarant shall be final and not subject to appeal or review.

F. Neither the Declarant nor any agent thereof shall be responsible in any way for any defects in any plans or specifications submitted, revised or approved in accordance with the foregoing provisions, nor for any structural or other defects in any work done according to such plans and specifications.

G. The Declarant or its agents shall have the right to inspect all construction to insure that the structure is in accordance with the approved plans, specifications and details. If the finished building or other structure does not comply with the submitted plans and specifications, the Declarant retains the right to make the necessary changes at lot owner's expense, and the further right to file under the North Carolina lien laws notice of liens for any costs incurred. Any lien obtained will be subordinate to any first deed of trust on the property.

H. Declarant, at its option, may appoint an Architectural Control Committee to oversee property control functions as outlined herein and the Committee will have the same power and authority as the Declarant.

2. USE, SIZE AND PLACEMENT OF RESIDENCES AND STRUCTURES

A. Dwelling - Only single family residential structures will be erected or placed on any lot in the property herein described. No building or structure intended for or adapted to business purposes, charitable or religious organizations and no apartment house, double house, lodging house, rooming house, hospital, sanitarium, or doctor's office or other multiple family dwelling shall be erected, placed, permitted, or maintained upon such premises or any part thereof. No improvement or structure of any kind, other than an approved private dwelling house, patio walls, swimming pool, garage, storage buildings or pump houses may be erected, placed, or maintained on any lot.

Any garage, or other outbuildings shall be of the same design and color scheme as the dwelling house. In addition, the Declarant requires that the aforementioned buildings be of the same material and design as the residence.

No single story residential structure which has an area of less than 1,200 square feet exclusive of porches, breezeways, steps and garages, shall be erected or placed or permitted to remain on any lot, and no story and one-half, two-story (2) or two and one-half (2 1/2) story residential structure which has a ground floor area of less than 700 square feet, exclusive of porches, breezeways, steps and garages, shall be erected or placed or permitted to remain on any lot.

B. No more than thirty (30%) percent of the area 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 insure continued compliance with storm-water runoff rules adopted by the State of North Carolina and therefore, benefits may be enforced by the State of North Carolina as the State is specifically designated beneficiary of this covenant.

C. The Declarant, its successors or assigns, shall have the authority to establish regulations pertaining to the height and size requirements of all other types of structures, including but not limited to fences, walls, pump houses, copings and mailboxes. Such regulations shall, in the Declarant's sole discretion, conform with the general development scheme.

D. Setbacks for lots: No building or other structures on any lot shall be located nearer to any property line than sixty (60) feet from the front line, fifteen (15) feet from the rear line, and ten (10) feet from side lines, and twenty (20) feet from abutting side streets. In order to insure, however, that the location of structures will be staggered where practical and appropriate, so that the maximum amount of view and attractiveness will be available to each

structure; the structures will be located with regard to the topography of each individual lot, taking into consideration the location of large trees, lot elevations and similar considerations. Declarant reserves unto itself, its successors and assigns, the right to control absolutely and solely to decide the precise site and location of any house or dwelling or other structure upon all properties; provided, however, that such location shall be determined only after reasonable opportunity is afforded the owner to recommend a specific site. Exact location of the dwelling and outbuildings shall be shown on the site plan for each lot and approved by the Declarant.

E. Fences - In order to preserve the natural quality and aesthetic appearance of the existing geographic areas within Edgewater Estates Section One, all property lines shall be kept free and open. No fences shall be permitted on any lot or lot line unless in the sole opinion of the Declarant, a fence or other enclosure will contribute to and be in keeping with the character of the area. In general, approved fences must be made of wood, not exceeding five (5) feet in height and be attached to and located directly behind the dwelling.

3. GENERAL PROHIBITIONS AND REQUIREMENTS

A. Plumbing - All plumbing fixtures shall be connected to a sewage system approved by the appropriate governmental authority. No outside toilet shall be constructed or permitted on any lot except during construction of the main residence.

B. Temporary Structures - No temporary residence mobile home, trailer, camper, tent, or other building shall be placed on or erected on any lot, provided, however, that the Declarant may grant permission for any such temporary structure

for storage of materials during construction. Any such temporary structures as may be approved shall not be used at any time as a dwelling place.

C. Construction Schedule - Construction on any lot must commence within six (6) months following deed delivery and the improvements must be substantially completed in accordance with plans and specifications as approved, within nine (9) months from commencement. Extensions, if required, must be approved by Declarant.

D. Occupancy - No residence shall be occupied either temporarily or permanently until completed in accordance with plans and specifications.

E. Animals and Pets - No animals, birds, or reptiles shall be kept or maintained on any part of any lot except house pets which must be kept thereon for the pleasure and use of the owners of any lot, but not for any commercial use or purpose. All pets must remain within the confines of the lot owner's property.

F. Trucks, Vans, Trailers, School Buses, Etc. - No commercial trucks or buses of any nature shall be parked overnight on any street or lot. A pleasure boat on its trailer and recreational vehicles may be parked or stored no closer than five (5) feet of the lot sideline. Any stored boat or recreational vehicle must be fully operational and functional. Major repair or rebuilding of a boat or recreational vehicle is prohibited.

G. Junk Cars - No stripped, partially wrecked, or junk motor vehicle, or parts thereof, shall be permitted to be parked or kept on any street or lot.

H. Lot Access - No motor vehicle, cart, or the like shall enter any lot except from the street or streets to which

any such lot is adjacent.

I. Trash Containers and Fuel Tanks - Every storage tank, including but not limited to fuel storage tanks, and every outdoor receptacle for ashes, trash, rubbish or garbage shall be installed underground, screened or placed and kept so as not to be visible from any street except as permitted by the Declarant.

J. Clotheslines - Placement of outdoor clotheslines on any lot must be approved by Declarant. Screening of clothesline may be required.

K. Maintenance - All lots, whether occupied or unoccupied, shall be well maintained and no unattractive growth or accumulation of rubbish or debris shall be permitted.

L. Neighborhood Nuisance - No noxious, offensive or illegal activities shall be allowed on any lot nor shall anything be done on any lot that shall be or become an unreasonable annoyance or nuisance to the neighborhood.

M. New Materials - All structures constructed or placed on any lot shall be built of substantially new material and no used structures shall be relocated or placed on any such lot.

N. Antenna and Satellite Dishes - Only one radio or television (T-V) antenna shall be permitted not to exceed fifteen (15) feet above the highest ridge of the house to which it is attached. Such antenna must be attached to the house. No tower or satellite dish will be permissible.

O. Wetlands - Areas designated as Wetlands are protected from certain activities by the United States Army Corps of Engineers. These areas may be shrubbed, mowed, planted and utilized by owners as long as fill material is not placed on designated wetlands. Prohibited activity in Wetlands

include construction of a structure requiring footings and the placing of any fill material, whether generated on site or imported.

Questions concerning utilization of Wetland areas may be directed to the Declarant or the United States Army Corps of Engineers, Wilmington District Office.

P. Dwellings Destroyed - Any dwelling or outbuilding on any lot which is destroyed in whole or in part in fire, windstorm or for any other cause or act of God, must be rebuilt or all debris removed and the lot restored to a slightly condition with reasonable promptness; provided, however, that in no event shall such debris remain longer than ninety (90) days.

Q. Trash Dumpings, Burning, Etc. - No trash, ashes, garbage or other refuse shall be dumped or stored or accumulated on any lot. No outside burning of garbage or household refuse shall be permitted.

R. Signs - All signs such as builders' signs, realty signs, etc., shall be approved by the Declarant. These signs shall be placed in the center of the lot six (6) feet behind the road right-of-way. Such signs may be used only on a temporary basis. Under no circumstances may signs be nailed to trees.

S. Driveways - All driveways and walkways must be approved by Declarant before construction begins.

T. Mailboxes - No mailbox or paperbox or other receptacle of any kind for the use in the delivery of mail or newspapers shall be erected or located on any lot unless and until the size and design and type of material for said box shall have been approved by Declarant.

4. EASEMENTS

A. Declarant reserves for itself, its successors

and assigns, for purposes it deems incident to its development of the real property subject to these Restrictions, in addition to those shown on the recorded plat, the following easements and/or rights-of-way:

(1) Declarant reserves a perpetual easement in, on, over and under all streets, lanes, drainage and utility easements as shown on the subdivision plats on the individual sections to be developed by it and in, on, over and under a strip of land ten (10) feet in width (unless otherwise indicated on the plat) along the side and rear and fifteen (15) feet along all front yard property lines of each lot and area, with the full right of entry by it or its licensees for the purpose of establishing, constructing and maintaining underground utility, conduits, and wires for telephone, television, electric power and other purposes, to lay, install and maintain facilities for sewage, potable and non-potable water, gas, storm drainage and other utilities therein, as well as the maintenance of the bulkheads and an earth dam. This reservation shall not be construed as an obligation of Declarant to provide and maintain any such activity or service.

(2) Declarant also reserves the right to trim, cut and remove any trees and brush for the installation, operation and maintenance of utility lines, gas, water and sewer mains and other services for the convenience of the property owners and appurtenances thereto.

B. Declarant reserves for itself, its successors and assigns an exclusive easement for the installation and maintenance of radio and television transmission cables within the rights-of-way and easement areas reserved and defined above.

C. On each lot, the rights-of-way and easement areas reserved by Declarant or dedicated to public utilities purposes shall be maintained continuously by the lot owner but no structure, plantings or other material shall be placed or permitted to remain, or other activities undertaken which may damage or interfere with the installation or maintenance of utilities; which may change the direction of flow of drainage channels in the easement; which may obstruct or retard the flow of water through drainage channels in the easements; or which damage or interfere with established slop ratios or create erosion problems; provided, however, that where the existing location of an easement or drainage channel reserved in these restrictions or shown on the recorded map would hinder the orderly development of the lot on which the easement is located, the easement or drainage channel may be relocated by Declarant. Improvements within such areas shall also be maintained by the respective lot owner except for those which a public authority or utility is responsible.

Any person, firm, or corporation acquiring title to two or more continuous lots shall be allowed to erect a residence or other allowable structure across the interior lot lines. The easements reserved herein and those shown on the recorded map that would be relative to such interior lot lines shall be withdrawn and not constitute an encumbrance on such lot.

Any relocation or withdrawal shall be first approved by Declarant and a recorded plat showing the easement as originally located and as withdrawn or relocated shall be recorded in the Office of the Register of Deeds of Beaufort County.

5. DECLARANT'S RIGHT TO PERFORM CERTAIN MAINTENANCE

In the event an owner of any lot shall fail to maintain the premises and/or the improvements situated thereon in a manner in keeping with other property in the neighborhood or community, Declarant shall have the right, through its agents and employees, to enter upon said lot and clear, clean, repair, maintain and restore the lot and the exterior of any building and any other improvements erected thereon. The cost of such maintenance shall be considered a legal obligation of the lot owner for which Declarant may maintain an action in a court having jurisdiction, but shall not constitute a lien on said lot unless and until a final judgment of such court shall be entered in the Office of the Clerk of Court of Beaufort County. Any lien obtained will be subordinate to any first deed of trust.

6. REMEDIES

A. Declarant or any lot owner or any party to whose benefit these restrictions inure may proceed at law and in equity to prevent the occurrence, continuation or violation of any of these Restrictions.

B. The remedies hereby specified are cumulative, and this specification of them shall not be taken to preclude an aggrieved party's resort to any other remedy at law, in equity, or under any statute. No delay or failure on the part of Declarant, or an aggrieved party to invoke an available remedy in respect of a violation of any of these Restrictions shall be held to be a waiver by that party of (or an estoppel of that party to assert) any right available to him upon the reoccurrence or continuation of said violation or the occurrence of a different violation.

7. GRANTEE'S ACCEPTANCE

A. The grantee of any lot subject to coverage

of these Restrictions by acceptance of a deed conveying title thereto, or the execution of a contract of the purchase thereof, whether from Declarant or a subsequent owner of such lot, shall accept such deed or contract upon and subject to each and all of these Restrictions and the agreements herein contained, and also the jurisdiction, rights and power of Declarant, and by such acceptance shall for

himself, his heirs, personal representatives, successors and assigns, covenant, consent and agree to and with Declarant, and to and with the grantees and subsequent owners of each of the lots within the Subdivision to keep, observe, comply with and perform said Restrictions and agreements.

B. Each such grantee also agrees, by such acceptance, to assume, as against Declarant, its successors or assigns, all the risks and hazards of ownership or occupancy attendant to such lot, including but not limited to its proximity to any dedicated areas.

C. Each such grantee whose lot is adjacent to available underground electrical service, if any, also agrees to complete the underground secondary electrical service to his residence.

D. All lot grantees in this Subdivision will become members of the Edgewater Estates Homeowners Association.

8. SEPARABILITY

Every one of the Restrictions is hereby declared to be independent of, and severable from, the rest of the Restrictions and of and from every other one of the Restrictions and from every combination of the Restrictions. Therefore, if any of the Restrictions shall be held to be invalid or to be unenforceable or to lack the quality of running with the land, that holding shall be without effect upon the validity, en

forceability, or "running" quality of any other one of the Restrictions.

9. VARIANCES

Declarant may allow reasonable variances and adjustments of these Restrictions in order to overcome practical difficulties and prevent unnecessary hardships in the application of the provisions contained herein; provided, however, that such is done in conformity with the intent and purpose of the general development scheme and provided also that in every instance such variance or adjustment will not be materially detrimental or injurious to other property or improvements in the neighborhood of the Subdivision. Any such variance shall be approved by Declarant in writing and delivered to the lot owner.

10. CAPTIONS

The captions preceding the various paragraphs and subparagraphs of the Restrictions are for convenience of reference only, and none of them shall be used as an aid to the construction of any provision of the Restrictions. Wherever and whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or the neuter.

11. DURATION OF COVENANTS

These covenants are to run with the land and shall be binding on all parties and all persons claiming under them. All of the covenants, conditions and restrictions herein contained shall continue and remain in full force and effect at all times against the owner of any lot in such subdivision, regardless of how such owner acquired title, until the commencement of the calendar year 2015, on which date all of such covenants, conditions and restrictions shall terminate and end and thereafter

be of no further legal or equitable effect on such premises or any owner thereof; provided, however, that these covenants, conditions and restrictions shall be automatically extended for a period of ten (10) years and thereafter in successive ten year periods of the base period, until the owners of a majority of lots in the subdivision shall, by written instrument duly recorded, declare a termination of the same. Each and every of the covenants, conditions and restrictions and servitudes contained herein shall be considered to be an independent and separate covenant and agreement, and in the event of any one or more of such covenants, conditions and restrictions and servitudes shall for any reason be held to be invalid or unenforceable, all remaining covenants, conditions and restrictions, and servitudes shall nevertheless remain in full force and effect.

IN TESTIMONY WHEREOF, EVA B. KORNEGAY hereinabove referred to as Owner, has hereunto set her hand and seal and GURGANUS BUILDERS, INC., hereinabove referred to as Declarant, has caused this instrument to be executed by its President, attested by its Secretary and its Corporate Seal to be hereunto affixed all by proper corporate authority duly given this the day and year first above written.

Eva B. Kornegay (SEAL)
EVA B. KORNEGAY

GURGANUS BUILDERS INC.
[Signature]
PRESIDENT

ATTEST:

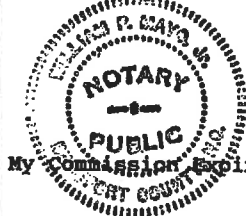
Betty L. Gurganus - Sec
SECRETARY

MAYO & MAYO
ATTORNEYS AT LAW
WASHINGTON, N. C.

NORTH CAROLINA
BEAUFORT COUNTY

I, William P. Mayo, Jr., a Notary Public in and for the County and State aforesaid, do hereby certify that BETSY R. GURGANUS, personally appeared before me this day and acknowledged that she is SECRETARY of GURGANUS BUILDERS, INC., and that by authority duly given and as the act of the corporation, the foregoing was signed in its name by its President, sealed with its corporate seal and attested by herself as its Secretary.

Witness my hand and Notarial Seal, this the 19th day of February, 1993.



William P. Mayo, Jr.
NOTARY PUBLIC

NORTH CAROLINA
BEAUFORT COUNTY

I, William P. Mayo, Jr., a Notary Public in and for the County and State aforesaid, do hereby certify that EVA B. KORNEGAY, personally appeared before me this day and acknowledged the due execution of the foregoing instrument for the purposes therein expressed.

Witness my hand and Notarial Seal, this the 18th day of February, 1993.



William P. Mayo, Jr.
NOTARY PUBLIC

MAYO & MAYO
ATTORNEYS AT LAW
WASHINGTON, N. C.

NORTH CAROLINA: BEAUFORT COUNTY

The foregoing certificate of William P. Mayo, Jr.
Notary Public/Notaries Public is/are certified to be correct.

Filed for registration and recorded in this office in Book 973 Page 457

This 19th day of February, 19 93 at 4:10 o'clock

KIRK W. MIZELLE, Register of Deeds

By Kirk W. Mizelle
Deputy Register of Deeds