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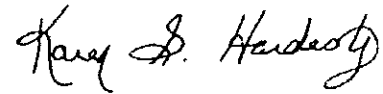
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Prepared by: John E. Tatum

604-C Cedar Point Blvd

Cedar Point NC 28539

NORTH CAROLINA

CARTERET COUNTY

CORRECTED

**DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS
AND EASEMENTS FOR SUNSET COVE SUBDIVISION**

Submitted electronically by "John E. Tatum, PA"
in compliance with North Carolina statutes governing recordable documents
and the terms of the submitter agreement with the Carteret County Register of Deeds.

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DECLARATION OF COVENANTS CONDITIONS, RESTRICTIONS AND
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CORRECTED

**DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS FOR
SUNSET COVE SUBDIVISION**

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS ("Declarations"), made this 5 day of January, 2023 by Harold R. Comer, Robin V. Comer and wife Donna H. Comer (herein referred to as "**Declarant**"); and Sunset Cove Owners Association, Inc., a North Carolina Non-Profit Corporation and all prospective Purchasers and Owners of Real Property within the planned community generally known as Sunset Cove.

WITNESSETH:

WHEREAS, Declarant is the owner of the real property described in Article 2 ("The Property") of this Declaration and desires to create a planned community pursuant to the provisions of Chapter 47F ("the Act") of the General Statutes of North Carolina and to impose upon The Property mutually beneficial restrictions under a general plan of improvement for the benefit of the owners of each portion of the property and to establish a flexible and reasonable procedure for the overall development, administration, maintenance and preservation of the property: and

WHEREAS, Declarant hereby declares that all of the property described in Article 2 and any additional property subjected to the Declaration by supplemental declaration (as defined in Article 1) shall be held, sold, used and conveyed subject to the Act and to the following Easements, Restrictions, Covenants and Conditions, which offer the purpose of protecting the desirability of and which shall run with the real property subjected to this Declaration. This Declaration shall be binding on all parties and future owners of any of the property and shall inure to the benefit of all parties having any right, title or interest in the property or any part thereof, their heirs, successors, successors-in-title, and assigns.

WHEREAS, Declarant desires to provide for the orderly development and preservation of the values of the real property described in Article 2, and to that end imposes the covenants, conditions, restrictions, and easements hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof;

NOW, THEREFORE, the Declarant declares that the real property described in Article II hereof, shall be held, transferred, sold, conveyed and occupied subject to the Covenants, Conditions, Restrictions, and Easements hereinafter set forth.

ARTICLE 1: DEFINITIONS

The following words when used in this Declaration or any Supplemental Declaration (unless the context shall prohibit) shall have the following meanings:

1.1 **"Architectural Control Committee"** shall initially mean and refer to the Declarant, or such other entity or individual as Declarant may appoint, until all Lots in the Subdivision have been fully developed, permanent improvements constructed thereon and sold to permanent residents at which time the Declarant shall appoint, and transfer the powers to three (3) Lot Owners which shall thereafter be the Architectural Control Committee. The Architectural Control Committee members shall not be entitled to compensation for their services absent Association approval, but may impose a reasonable fee, when plans and specifications are submitted, to cover the expense of any consulting fees.

1.2 **"Association"** shall mean and refer to the SUNSET COVE OWNERS ASSOCIATION, INC., a non-profit Corporation, its successors and assigns.

1.3 **"Common Area"** are those areas as on the Map of Sunset Cove and that may, in the future be titled to Sunset Cove Owners Association.

1.4 **"Declarant"** refers to Harold R. Comer, Robin V. Comer and wife, Donna Comer.

1.5 **"The Board"** shall mean the Board of Directors of the Association.

1.6 **"Lot"** shall mean and refer to any plot of land shown upon the recorded subdivision Map of Sunset Cove, with the exception of the streets, roadways, open spaces, common area, piers and walkways and includes any improvements thereon, if any.

1.7 **"Owner"** shall mean and refer to the legal or equitable owner, whether one or more persons or entities, vested with title to any Lot, whether such ownership be in fee simple title or as land contract vendee, but excluding any person or entity vested with title solely as security for the performance of an obligation of the Owner.

1.8 **"The Property"** shall mean and refer to all lands described in Article 2 hereof, as are subject to this Declaration or any Supplemental Declaration.

1.9 **"Supplemental Declaration"** An amendment or supplement to this Declaration filed pursuant to Article 23 which subjects additional property to this Declaration and identifies the common elements within the additional property.

ARTICLE 2: PROPERTY SUBJECT TO THIS DECLARATION

2.1 **"Description of Real Property"**: All that certain real property situated in White Oak Township, Carteret County, North Carolina and more particularly shown and described on a SUBDIVISION PLAT entitled "SUNSET COVE" dated April 14, 2020 and revised August 13, 2021, prepared by Prestige Land Surveying, P.A., and recorded in Map Book 34, Page 304, File #34304 in the Office of the Register of Deeds of Carteret County, North Carolina, the **"Subdivision Plat"**.

ARTICLE 3: GENERAL RESTRICTIONS

3.1 **"Residential Use"**: All lots shall be used exclusively for residential purposes of a single family (which may include separate living quarters for one or more members of the owners' family). No business, trade, garage sale, moving sale, rummage sale, or similar activity shall be conducted upon a lot without the prior written consent of the Board. An Owner or occupant residing in a dwelling on a lot may conduct business activities within the dwelling so long as (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or

smell from outside the dwelling; (ii) the business activity does not involve regular visitation of the dwelling or lot by clients, customers, suppliers, or other business invitees or door-to-door solicitation of residents of the subdivision, and (iii) the business activity is consistent with the residential character of the subdivision and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the subdivision, as may be determined in the sole discretion of the Board.

The terms “business” and “trade”, as used in this provision, shall be construed to have their ordinary, generally accepted meanings and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider’s family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required.

The leasing of a dwelling or lot shall not be considered a business or trade within the meaning of this subsection. This subsection shall not apply to any activity conducted by the Declarant or a builder approved by the Declarant with respect to its development and sale of the Properties or its use of any lots which it owns within the subdivision including the operations of a timeshare or similar program.

ARTICLE 4: ALLOWABLE/PROHIBITED STRUTURE

4.1 **“General Restrictions”:** No structure shall be erected, altered. placed or permitted to remain on any Lot other than a single, one family dwelling not to exceed three stories in height and not to exceed 45 feet high measured from average ground elevation, (which may include separate living quarters for one or more members of the owner’s family), a private garage which may contain living quarters for occupancy by domestic servants or relatives of the lot occupant only, provided that the same are constructed in line with general architectural design and construction standards used as the dwelling itself. This covenant shall not be construed as prohibiting the use of a new dwelling as a model home for sales/rental purposes.

4.2 **“Special Provision for Lots 1 and 3-7 inclusive”:** Each dwelling shall contain a minimum of 2500 heated square feet and may have an attached or detached garage.

4.3 **“Special Provisions for Lots 2 and 8-18 inclusive”:** Each dwelling shall contain a minimum of 2100 square feet and shall have an attached or detached garage.

4.4 **“Temporary Structure”:** No structure of a temporary character, trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence either temporary or permanently except for use by relatives per 4.1.

4.5 **“Mobile Home”:** No trailer, mobile home, camper or like vehicle shall be allowed on the property at any time, or any other structure which is finished or partially finished at a manufacturing unit or plant and transported for quick assembly and which is designed to be disassembled and relocated shall not be allowed. It is specifically the intention and purpose of this covenant to prohibit the location of any manufactured or modular home as defined in NCGS § 143-145 and any structure for which a “Label of Compliance” as defined in NCGS § 143-145 is issued, including but not limited to those structures which are generally referred to as mobile homes, trailers, relocatable houses, or similar type structures on the property.

4.6 **“Modular Construction”:** Modular construction is not allowed.

This covenant shall not be construed as prohibiting the use of such a structure as a sales/rental model or office or construction site facility.

4.7 **“Limitation on Building materials”:** No dwelling or other improvement shall be constructed which shall have an exterior of concrete blocks, asbestos or asphalt siding or which shall have an open ground floor (any dwelling constructed on “stilts” shall be enclosed with a siding approved by the Architectural Control Committee). Materials used and construction techniques employed shall be primarily those that are typical to the Carolina coastal plain. Low-maintenance materials are encouraged. Roof colors and textures and exterior wall materials should be compatible with the setting and reflective of Carolina coastal plain traditions. Siding shall consist of brick, cedar shakes, horizontal cementitious siding

or wood. No vinyl shall be allowed except in “peak” areas or as cedar shake style siding.

4.8 **“Roof Material”**: Roof material may be standing seam metal, cementitious tile, simulated slate or classic composite shingle, “dimensional” asphalt or fiberglass shingle similar in style to cedar shake construction. Colors that are compatible with the elevations and surroundings should be used. Roof vents and accessories should be located on the part of the roof unseen from the right-of-way and must be painted to match the roof color. Gutters shall match the fascia trim color, or they shall be seamless aluminum or copper. Downspouts shall match the exterior wall trim. Flue pipes shall be cased in a chimney enclosure that matches exterior materials. All dwellings shall be constructed of material of good grade, quality and appearance and all construction shall be performed in a good workmanlike manner and quality. Any permitted outbuilding shall be of the same material, quality, general appearance and workmanship as the dwelling.

4.9 **“Outdoor Construction”**: Outdoor, uncovered living areas should be constructed with material and colors that are compatible with the exterior materials and detailing of the house. Railings should be consistent with the architectural character of the house. Patio and terrace surfacing materials should be concrete, stone or pavers.

4.10 **“Lighting”**: Lighting sources shall not be directly seen. Illumination of surfaces such as walls, walks and decks is permissible. Porch lighting, for example, may include wall washers and recessed fixtures that illuminate the entry surface, but the source of lighting should not be in view. Floodlights are restricted to the rear of the house.

ARTICLE 5: SETBACK LINES

5.1 **“Front and Side Setbacks”**: No building shall be located on any Lot nearer to the front line or nearer to the side street line than the minimum set back lines shown on the Subdivision Plat. For the purposes of this covenant, eaves, steps and open porches shall not be a part of a building; provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot.

5.2 **“Variance of Setbacks”:** The Architectural Control Committee may vary the setbacks up to 10% if they find unusual circumstances that require such variance.

ARTICLE 6: ARCHITECTURAL CONTROL COMMITTEE

6.1 **“Purpose”:** The purpose of the Architectural Control Committee is to assure that the installation, construction, or alteration of any building, wall, fence or other structure or improvement ("Structures") on any Lot is in accordance with the standards set forth in this Declaration as interpreted and determined by the Architectural Control Committee. To the extent necessary to carry out such purpose, the Architectural Control Committee shall have all of the powers and duties to do each and everything necessary, suitable, convenient or proper for, or in connection with or incidental to, the accomplishment of such purpose, including, without being limited to, the power and duty to approve or disapprove plans and specifications for any installation, construction or alteration of any Structure on any Lot.

6.2 **“Submission of Plans and Specifications”:** Except for original and initial construction and subsequent modification of improvements by the Declarant on any Lot which such construction is and shall be exempt from the provisions of this provision, no building, wall, fence, landscaping, berm or hedge which act as a fence or privacy inducing structure, pier, dock, ornamentation, or other structure or improvements of any nature shall be erected, placed or altered on any Lot until: (i) the construction plans and specifications and a plan showing the location of the structure and landscaping as may be required by the Architectural Committee have been approved in writing by the Architectural Committee; and (ii) The owner of said Lot shall have deposited or caused to be deposited with the Association a deposit to defray the cost of repair of anything damaged by the proposed construction in the minimum amount of \$2,000.00 for home construction and \$1,000.00 for any other improvements or such higher amount as the Association may set. The deposit requirement shall not be waivable. Each building, wall, fence or other structure or improvements of any nature, together with any ornamentation or landscaping shall be erected, placed or altered upon the premises only in accordance with the plans and specifications and plot plan so approved. Any change in the appearance of any building, wall, fence or other structure or improvements and any change in the appearance of the landscaping (excepting the

planting of flowers and shrubs indigenous to the area), shall be deemed an alteration requiring approval.

6.3 **“Procedure”:** (i) The Architectural Control Committee shall make all efforts to cooperate with the owner or agent in effecting a prompt and reasonable response to any submission. Within fifteen (15) days after receipt of all required information, the Architectural Control Committee shall submit in writing to the owner of the Lot a response stating whether or not the requested improvements are approved. Unless a response is given by the Architectural Control Committee within fifteen (15) days, the plan shall be deemed approved. The Architectural Control Committee shall have the power to promulgate reasonable rules and regulations designed to carry out the provisions and intent of this paragraph. Any such rules and regulations shall be approved by the Board of Directors prior to implementation. (ii) Action of the Architectural Control Committee may be based upon any reasonable ground, including aesthetic grounds. Requirements of any governmental authority shall not be considered by the Committee. The response of the Architectural Control Committee must be: (a) An approval; or (b) An approval with conditions; or (c) An approval with conditions together with a request for additional information; or (d) A denial.

A denial is an extreme response and not to be made unless an approval with conditions cannot be made. A denial prohibits or delays construction of the proposed improvements. A request for additional information shall be deemed a determination that the information submitted was inadequate and the fifteen (15) day time period for response shall only commence upon the receipt of the requested additional information. If an approval with conditions is granted and thereafter construction begins, the construction shall be deemed an approval by the owner of the lot within the conditions imposed. (iii) The Architectural Control Committee shall make the following affirmative findings before any plans are approved: (a) That the improvements sought to be constructed will not have a negative economic impact on any other lot within the subdivision. (b) That all required specific buildings standards and other conditions contained within the Restrictive Covenants, Bylaws and other subdivision documents have been met. (c) That the improvements are architecturally compatible with proposed or constructed improvements on other lots within the subdivision. (d) That the natural features of the lot have been retained to the maximum extent possible.

In addition to the above required finding, in order to deny a submission, the

Architectural Control Committee must provide a specific and detailed response of why an approval with conditions was not a reasonable alternative to the denial.

6.4 **“Exceptions”**: The paint, coating, stain and other exterior finishing colors and roof shingles/exterior on all buildings may be maintained as that originally installed. Prior approval by the Architectural Control Committee shall be necessary before any such exterior color is changed.

6.5 **“Committee Members”**: Until such time as the sale of the last numbered lot in the subject property is evidenced by the recordation of a Deed therefore, all rights, privilege, powers and authority granted herein to the initial Architectural Control Committee, to whom the specific power to act hereunder is expressly conveyed, shall be exercised by the Declarant, its successors or assigns. The Declarant may assign its powers hereunder to an Architectural Control Committee, but so long as Declarant control shall exist, the Declarant shall appoint a majority of the Architectural Board. Thereafter, all representatives shall be appointed by the Board of Directors of the Association. Except as set out above, the Architectural Control Committee shall be composed of three (3) owners appointed by the Board and shall serve at the pleasure of the Board.

6.6 **“Committee Procedure”**: A majority of the Architectural Control Committee may take any action said Committee is empowered to take, may designate a representative to act for the Architectural Control Committee and with approval of the Association Board, may employ personnel and consultants to act for it. In the event of death, disability or resignation of any member of the Architectural Control Committee, the Board shall designate a successor. The members of the Architectural Control Committee shall not be entitled to any compensation for services performed pursuant to this covenant. The Association may establish a fee to cover the expense of reviewing plans and related data at the time plans are submitted for review in order to compensate any consulting architects, landscape architects, urban designers or attorneys.

6.7 **“Appeal of Committee Action”**: Any Owner may appeal the decision of the Architectural Committee provided that all parties involved comply with the decision of the Architectural Committee until such time, if any, as the Board of Directors amends or reverses the Architectural Committee’s decision. Appeals petitions must be legibly written, state the grounds for appeal and be submitted to the Board of Directors within

fifteen (15) days of the decision of the Architectural Committee. The Board of Directors shall act upon the appeal by amending, reversing or confirming the decision of the Architectural Committee within thirty (30) days of receipt of the petition. The Board of Directors' decision shall be by majority vote. Any owner must exhaust this avenue of appeal prior to resorting to a court of law or equity for relief.

6.8 **“Notice”:** Submissions for approval may be made to the Architectural Control Committee c/o the Association to any of the following:

(i) the address to which an owner is directed to send assessments or dues as appears on the most recent billing statement, (ii) the address of the Association Registered Agent as it is listed in the Office of the Secretary of State or (iii) at such address as may be provided in writing (on the letterhead of the Association and signed by managing agent or officer of the Association) to the applicant upon request for instructions regarding submission.

ARTICLE 7: ROADWAYS, EASEMENTS

Every Owner shall have a right and easement for ingress, egress and regress access in and over the roadways or streets shown on the Subdivision Plat, and such easement shall be appurtenant to and shall pass with the title to every Lot, whether or not specifically referenced in any deed of conveyance for such Lot. The streets shall be constructed to State standards for public streets and shall be maintained by the Declarant until such streets are accepted into the state secondary road system or other public road system, or until such time as said streets are conveyed to the Association for maintenance, if not accepted by the North Carolina Department of Transportation, or other public entity, for maintenance.

ARTICLE 8: UTILITIES AND EASEMENTS

The Declarant, or its successors or assigns, reserves the right to subject the Properties to a contract with an electric utility company for the installation of underground electric cables and/or the installation of street lighting, either or both of

which may require an initial payment and/or a continuing monthly payment to said utility company by each Lot Owner for a pro rata share of the installation and maintenance expenses. The Declarant shall be entitled to reimbursement from each Lot Owner for any water and/or sewer tap fees or meters which have been obtained at the Declarant's expense. The Declarant reserves for itself, its successors or assigns, an easement and right at any time in the future to grant to public utility companies easements, deemed necessary or desirable by the Declarant, its successors or assigns, in its sole discretion, for utilities along the front, side, and rear lines of all Lots for the construction and perpetual maintenance of conduits, pipes, poles, wires, and fixtures for electric lights, telephones, drainage, gas, water, sewer and other public and quasi-public utilities and to trim any trees which at any time may interfere or threaten to interfere with the maintenance of such services, with right of ingress to and egress from and across said premises to employees of said utilities. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat. Within these easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement areas of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

ARTICLE 9: NUISANCES, TRASH STORAGE, LOT MAINTENANCE AND DRAPERIES

No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. All Lots, whether occupied or unoccupied, shall be well maintained and no un-attractive growth of grass or other vegetation, or accumulation of rubbish or debris shall be permitted to remain on a Lot. No Lot shall be used in whole, or in part, for the storage of trash or rubbish of any character, other than as herein after provided. Trash, garbage or any other waste material shall be kept in sanitary containers. Equipment for the storage or disposal of such materials shall be kept in a clean and sanitary condition. Storage of any property or materials which detract from the appearance of the neighborhood or emit foul or obnoxious odors is prohibited. All trash

and storage shall be stored in the rear of the dwelling or within an enclosed facility and in such a manner so as not to be viewed from the streets or neighboring Lots. No elevated tanks of any kind shall be erected, placed, or permitted on any part of the Properties, except as approved by the Declarant, or the Association. Any tanks approved shall be adequately concealed from view from the streets and neighboring Lots. Declarant reserves, for itself and for the Association, the right to enter upon and cut grass, weeds or undergrowth and remove any prohibited property or materials on any Lot or Easement but shall be under no obligation to do so. The Declarant, or the Association, may contract for, and assess the Lot Owner, any maintenance or repair expenses incurred to enforce this covenant. Only draperies or blinds shall be permitted as window dressings hung at windows, or in any manner so as to be visible from the outside of any building erected upon any Lot, unless otherwise approved by the Declarant or the Architectural Control Committee.

ARTICLE 10: VEHICLES, BOATS, STORAGE, TRAVEL TRAILERS, ETC.

10.1 **“Limitations”** No vehicle without current inspection sticker, vehicle over 7100 pounds empty weight or bus used for the transportation of passengers shall be parked overnight on any lot. Such items shall be maintained on the lot on a “pad” or location constructed of the same material as the driveway and as approved by the architectural Control Committee, or the association may require that the item be maintained at designated sites within the subdivision or may be required to be maintained outside the subdivision. No automobile, other vehicle(s), motorcycle(s) or other similar items shall be repaired or placed “on blocks” or stands except in an enclosed garage.

10.2 **“Utilities”**: All dwelling connections for all utilities shall be underground. The cost of any initial connection, if paid by the Declarant prior to sale to a third party, shall be payable by the purchaser at closing.

10.3 **“Swimming pools”**: Outdoor swimming pools, hot tubs, Jacuzzis and other similar facilities may be located on a lot only after the Architectural Control Committee approval and shall be screened and fenced. All such improvements shall be subject to approval and compliance with all governmental laws and regulations.

10.4 **“Clotheslines”**: Clotheslines shall not be allowed.

10.5 **“Street Lighting Agreement”**: The developer reserves the right to subject the real property in this subdivision to a contract with an electric utility company for the installation of underground electric cables and/or the installation of street lighting, either or both which may require an initial payment and/or a continuing monthly payment to an electric utility company by the owner of each dwelling.

10.7 **“Holiday Decorations”**: Any and all holiday decorations shall be removed in a timely manner after the holiday has passed, not to exceed a maximum of thirty (30) days; i.e. all Christmas decorations shall be removed not later than January 25th.

10.8 **“Registration”**: Any motor vehicle parked on any Lot shall have a current license plate and registration.

ARTICLE 11: FENCES

Fences, not to exceed six (6) feet in height, may be constructed between a line extending from the mid-point of the side of the primary dwelling to each side Lot line and the rear property line. No chain link or wire fence is allowed. The finished sides of any fence allowed must face toward: (i) the front property line for that portion extending from the mid-point of the side of the primary dwelling to each side lot line, (ii) the side lot line for that portion on or immediately adjacent to a side lot line and (iii) the rear property line for that portion on or parallel to the rear property line. No fence shall be erected between a line extending from the mid-point of the side of the primary dwelling to each side lot line and the street right of way, provided however, a decorative fence of complimentary architectural design not exceeding a height of one (1) foot may be located nearer to the front property line than described above. On lots abutting more than one street, there shall be no fences located nearer any street right of way than the most distant portion of the wall of the dwelling facing that street right of way. All fences must be approved by the Architectural Control Committee prior to construction.

ARTICLE 12: ANIMALS

No animals, livestock or poultry of any kind shall be raised or kept on any lot except as follows: dogs, cats or other household pets, may be kept, provided that they shall not be kept or maintained for any commercial purpose, and provided they are not

allowed to run at large and are at all times are either inside the dwelling, within an enclosed fence, or are leashed and under the direct control of the owner, or family members.

ARTICLE 13: SIGNS AND MAILBOXES

No billboard, sign or advertising device of any character shall be erected, placed, permitted, or maintained on any Lot, except one sign of not more than one (1) foot square with name and address of owner, other than a framed a "for sale" or "for rent" sign by the owner or his agent of not more than three (3) square feet. Individual mailboxes may be allowed but will conform to Architectural Control Committee specifications or will be supplied by Declarant.

ARTICLE 14: SIGHT DISTANCE EASEMENTS

No fence, wall, hedge or shrub planting which obstructs sight distance lines at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area as shown by the typical sight distance at the street intersections as shown on the recorded plat. Nothing shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines.

ARTICLE 15: BOATSLIPS

15.1 **"Initial Construction"**: The **Declarant** may, but shall not be obligated, to construct a boat ramp and parking area, pier or other boat mooring facility, (boat slip). Currently the **Declarant** has indicated that there will be ten (10) boat slips available in Sunset Cove.

15.2 **"Assignment of Boat Slips"**: The Declarant shall assign each boat slip to a lot in the subdivision and the buyer of any such lot shall also acquire the designated boat slip as directed by the Declarant. No boat slip shall be owned by any person, firm or corporation or other legal entity unless that person or other legal entity owns a lot within the subdivision.

15.3 **"Common Property"**: The pier or other boating facility shall remain the common property of the subdivision and shall be maintained by the Association upon the

Declarant conveying to the association the boat mooring facility.

15.4 **“Use by non-owners”**: Boat slip facilities and the boat slips are to be used only by owners. The association may establish reasonable restrictions that will allow family members and guests to use the boat mooring facility and may designate those persons allowed to use the facility by an identification such as a "sticker" or "pass".

15.5 **“Transfer of boat slip”**: No boat slip may be transferred except as part of the transfer of a lot in the subdivision.

15.6 **“The Maintenance of Boat Slips”**: Each slip shall be the responsibility of the lot owner to which it is assigned.

ARTICLE 16: STORMWATER MANAGEMENT – GENERAL PROVISIONS

16.1 **“Purpose”**: The following covenants are intended to ensure ongoing compliance with State Stormwater Management Permit Number SW8 051235, as issued by the Division of Energy, Mineral and Land Resources under NCAC 2H.1000. Said permit is attached as Exhibit “A”.

16.2 **“Beneficiary”**: The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the Stormwater Management Permit.

16.3 **“Binding Effect”**: These covenants are to run with the land and be binding on all persons and parties claiming under them.

16.4 **“Alteration of Stormwater”**: The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the Division.

16.5 **“Alteration of Drainage”**: Alteration of the drainage as shown on the approved plans may not take place without the concurrence of the Division.

16.6 **“Maximum Built Upon Area”**: The maximum built-upon area for each lot is as follows:

Lots 1,3,4,5,6,7.....10,000 square feet

Lots 2,8,9,10,17 and 18.....6,000 square feet

Lots 11,12,13,14,15 and 16.....5,400 square feet

This allotted amount includes any built-upon area 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. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, coquina, driveways, and parking areas, but does not include raised, open wood decking, or the water surface of swimming pools.

16.7 **“CAMA”** In case of a lot within CAMA’S regulated AEC, where the Division of Coastal Management calculates a different maximum allowable built-upon area for Lot than is shown wherein the governing maximum built-upon area for that Lot shall be the most restrictive of the two.

16.8 **“Actions Prohibited”**: Filling in or piping any vegetative conveyances (ditches, swales, etc.) associated with the development, except for average driveways crossings, is strictly prohibited by any persons.

16.9 **“Buffer”**: Each Lot will maintain a minimum 50-foot-wide vegetated buffer between all impervious areas and surface waters.

16.10 **“Roof Drains”** All roof drains shall terminate at least 50 feet from the mean high-water mark of surface water.

ARTICLE 17: ASSESSMENTS AND MEMBERSHIP OF OWNER’S ASSOCIATION

17.1 **“ Purpose of Assessment”**: The Association has been or will be formed at the direction of the Declarant pursuant to the rules and requirements of the Nonprofit Association Act (Chapter 55A) of the General Statutes of North Carolina as an association of the owners of the Lots. It’s purposes are to: (1) oversee, inspect, maintain, repair and replace the Stormwater Management Facilities constructed pursuant to the Permit; (2) enforce the provisions of the Permit; (3) enforce each Lot owner's obligations with respect to the Stormwater Management Facilities pursuant to this Declaration; (4) enforce each Lot owner's obligations with respect to all applicable North Carolina Sedimentation and Erosion Control Permit’s; said authority to be exercised, if and only if, and when and only when, Declarant transfers the Permit to the Association; (5) inspect, maintain, repair and replace any improvements constructed or located upon or under the "Open Space" as shown on the Subdivision Plat, septic system easements and access

easements, including, maintain the off-site septic system lots, if any, and septic system easements and access easements in a neat and orderly manner, including clearing of undergrowth, rubbish, debris, weeds or grass, including the mowing of same; (6) inspect, maintain, repair and replace signs and landscaping located within any Sign Easement; (7) inspect, maintain, repair and replace fences located within any Fence Easement. The Association shall have no authority with respect to the Lots located in the Properties until such time as Declarant transfers such rights to the Association.

17.2 **“Membership in Association”:** Each owner of a Lot within the Properties shall be a member of the Association. The Declarant, by this Declaration, and the owners of each individual Lot, by their acceptance of a deed thereto, covenant and agree with respect to the Association:

(1) that for so long as each is an owner of a lot within the Properties, each will perform all acts necessary to remain in good and current standing as a member of the Association; and

(2) that any unpaid assessment, whether general or special, levied by the Association in accordance with this Declaration, the Articles of incorporation (herein called the "Articles") or the Bylaws of the Association (herein called the "Bylaws") shall be a lien upon the Lot upon which such assessment was levied and also shall be the personal obligation of the person who was the owner of the Lot at the time the assessment fell due.

(3) each membership in the Association shall relate to and have a unity of interest with an individual Lot which may not be separated from the ownership of said Lot. The books and all supporting documentation, the Declaration, the Articles, the Bylaws, and all amendments thereto shall be available for examination by all Lot owners, and their lenders or their lenders' agents during normal business hours at the principal office of the Association.

17.3 **“Classes of Membership”:** The Association shall have two (2) classes of voting membership, as follows:

Class A: Initially, the Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one (1) vote for each Lot owned. When more than one Person holds an interest in any Lot, all such Persons shall be members. Provided, however, the vote for such Lot shall be exercised as they among

themselves determine, but in no event shall more than one vote be cast with respect to any Lot. If multiple owners of a Lot cannot provide written verification of the authority of a designated individual to cast their vote, then no vote may be cast by that particular Lot Owner. Any Class A member may assign its voting rights to the Declarant, whether or not the Declarant owns any other Lot, which shall entitle the Declarant to ten (10) votes for such Lot as a Class B member.

Class B: The Class B member shall be the Declarant and shall be entitled to ten (10) votes for each Lot owned, or each Lot for which an assignment of voting rights has been granted from a Class A member. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events: (i) at such time as all of the Lots have been sold and are occupied by permanent residents thereof; or (ii) ten (10) years from the date of recordation of this Declaration; or (iii) when, in its discretion, the Declarant so determines.

17.5 **“Obligations for Stormwater Management Facilities”:** The Declarant shall, at its sole cost and expense initially construct all Stormwater Management Facilities required to be located upon the Lots and Properties or upon any property annexed into the Properties by the Declarant to the standards required by the applicable Permit as described on Exhibit “A” attached hereto. Upon completion of the construction of said Stormwater Management Facilities located in the Properties, the Declarant shall transfer the applicable Permit to the Association and the Association shall accept the transfer of the applicable Permit from the Declarant upon the earlier to occur of: (i) the date the North Carolina Department of Environment and Natural Resources allows such transfer to occur; or, (ii) the date upon which at least fifty percent (50%) of the Lots in the Properties are conveyed to owners, other than Declarant. Prior to any such transfer, the Stormwater Management Facilities for the Properties, including any property annexed by Declarant into the Properties, shall be certified, either by state inspection or by a licensed engineer, as being in compliance with the applicable Permit prior to such assignment or transfer. The Association shall indemnify and hold Declarant harmless from any loss, cost, claim, fee, fine, suit, damage or expense, including reasonable attorneys' fees, incurred by Declarant in the defense of any action against Declarant as the holder of the Permit occurring after Declarant tenders transfer of the Permit to the Association following the approval of such transfer by the North Carolina Department of Environment and Natural Resources and the certification of compliance as set forth

above. Further, Declarant may bring an action for specific performance of the obligations of the Association pursuant to this paragraph. From and after the transfer of the Permit from the Declarant following the approval of the North Carolina Department of Environment and Natural Resources, the oversight, supervision, management and administration of the Permit shall be the sole responsibility of the Association. The Association's duties with regard to the Permit shall be carried out in accordance with the terms and conditions of this Declaration, the Articles, the Bylaws and the Permit. The Association hereby is granted and conveyed an easement over, under and upon each Lot and future lots in the Properties for the purpose of access to and inspection, maintenance, repair and replacement of all Stormwater Management Facilities located upon each Lot and future subdivided lot. In the event, the Declarant annexes additional property into the Properties and transfers the applicable Permit to the Association, the Association shall have, and hereby is granted and conveyed, an easement over, under and upon each annexed Lot for the purpose of access to and inspection, maintenance, repair and replacement of all Stormwater Management Facilities located upon each annexed lot.

17.6 **"Expenses of the Association"**. The expenses of the Association shall include:

(1) All amounts expended by the Association in holding and being responsible for the obligations of the Permit and overseeing, supervising, administering, managing, repairing, replacing and insuring all Stormwater Management Facilities and Sedimentation and Erosion Control facilities located within the Properties as required by this Declaration.

(2) All amounts expended to maintain the "Open Space" and access easements in a neat and orderly manner, including clearing of undergrowth, rubbish, debris, weeds or grass and mowing of same.

(3) All amounts expended by the Association in enforcing the provisions of this Declaration, as may be amended.

(4) All amounts expended by the Association in the performance of its duties hereunder from and after the time Declarant transfers the Permit.

(5) All amounts expended by the Association in legal, engineering or architectural fees and all similar fees which may be incurred by the Association from time to time in performing the functions delegated to the Association by this Declaration.

(6) All amounts expended by the Association in carrying out any duty or obligation as may be required or allowed by this Declaration, the Articles or the Bylaws.

(7) All amounts expended by the Association in operating, administering, managing, repairing, replacing, improving, paying all taxes imposed on and ensuring the improvements, including landscaping, situated in any Sign Easement.

(8) All amounts expended by the Association for the maintenance, repair and replacement of any fence erected in the Fence Easement as shown on any recorded plat of the Properties.

(9) All amounts expended by the Association in repairing, replacing and Improving the force main/supply lines of a water treatment systems and/or sanitary sewer (septic system) easements, if any, dedicated for such purpose.

17.7 **"Payment of Assessments":** Each purchaser or grantee of any Lot in the Property, individually or by his/her/their tenants or assigns, by acceptance of a deed for the same (whether or not it shall be so expressed in such deed) is deemed to covenant and agree to pay to the Association annual general assessments or charges as hereinafter provided. The annual general assessments, together with interest, costs and reasonable attorneys' fees, shall be a separate charge and lien on the land and, subject to the limitations set forth herein, shall be a continuing lien upon the property against which each such assessment is made. Furthermore, each assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligations of the person who was the owner of the Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to a successor in title to a Lot, unless expressly assumed by them, but, subject to the provisions of this Declaration, delinquent assessment shall continue to be a lien upon such Lot.

1. Until December 31, 2021, the annual general assessment shall be five hundred dollars (\$500.00) per Lot, and commencing on January 1, 2022, the annual general assessment shall be not more than one thousand dollars (\$1,000.00) per Lot.

2. From and after January 1, 2022, the annual general assessment may be increased upon the vote of a majority of the Board of Directors of the Association by no more than twenty percent (20%) of the annual general assessment, for the preceding year.
3. Any increase of the annual general assessment, exceeding twenty percent (20%) of such assessment for the preceding year must be approved by the owners of at least fifty one percent (51%) of the Lots subject to such assessment, who are voting in person or by proxy at a meeting called for this purpose.
4. Once the annual general assessment has been set, notice of the annual general assessment shall be given to all Lot owners. It is provided, however, that no owner is relieved from the obligation to pay the assessment because of failure to give such notice.
5. As provided in the Bylaws, and subject to the restrictions and limitations provided herein, the Board of Directors shall establish an Annual Budget in advance for each fiscal year. Such budget shall project all expenses for the forthcoming fiscal year which may be required for the proper operation, management and maintenance of the Stormwater Management Facilities, the North Carolina Sedimentation and Erosion Control Permits, the "Entrance Signs" situated in any Sign Easement, any fence situated in any Fence Easement, and the Association, including a reasonable allowance for contingencies and reserves. The budget shall take into account any projected or anticipated income. Upon adoption of such Annual Budget by the Board of Directors, copies of the Budget shall be delivered to each owner together with a statement of the applicable assessment(s) for each Lot as provided herein, based upon such budget; however, the non-delivery of a copy of said Budget shall not affect the liability of any owner for such assessment(s). The Annual Budget for the annual general assessment shall be divided by the number of Lots subject to the annual general assessments at the time of the annual meeting of the members and the quotient shall be the annual general assessment per Lot for the succeeding fiscal year.

All monies collected by the Association shall be treated as the separate property of the Association and such monies may be applied by the Association to the payment of any expense of operating and managing the Association or the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration,

the Articles and the Bylaws. As monies for any assessment are paid into the Association by any owner, the same may be commingled with monies paid to the Association by the other owners. Although all funds and any increments thereto or profits derived therefrom shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer said owner's membership interest therein, except as an appurtenance of said owner's Lot. When the owner of a Lot shall cease to be a member of the Association by reason of said owner's divestment of ownership of such Lot, by whatever means, the Association shall not be required to account to such owner for any share of the fund or assets of the Association, including any monies which said owner may have paid to the Association, as all monies which any owner has paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Association.

6. Written notice of any meeting called for the purpose of taking any action requiring a meeting shall be sent to all members not less than twenty (20) days, or more than sixty (60) days in advance of the meeting. Notice may be made by mail or e-mail. At the first such meeting called, the presence of members or of proxies entitled to cast **ten percent (10%)** of the votes of all members **shall constitute a quorum**. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

17.8 **“Uniform Rate”**: Annual general assessments and special assessments shall, except as otherwise provided herein, be fixed at a uniform rate for all Lots except any assessments resulting from expenditure in the boat slips shall not apply to lots not assigned a boat slip.

17.9 **“Commencement of Assessments”**: The annual general assessments provided for herein shall commence as to each Lot which has not been improved by the construction of a single family residence thereon and occupied by the purchaser or grantee, individually or through his/her/their tenants or assigns, on the date of recordation of the deed for such Lot in the Office of the Register of Deeds of Carteret

County and shall be prorated on a calendar year basis through the date of such recordation. The annual general assessments shall be assessed for each calendar year thereafter and shall be payable annually, or more frequently, with the due date for such payments and payment frequency, being *as* established by the Board of Directors.

17.10 **“Purpose of Assessments”** The annual general assessment levied by the Association shall be used exclusively to oversee, inspect, maintain and repair the Stormwater Management Facilities, "Open Space", Sign Easement and Fence Easement areas, if any; to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit, the applicable North Carolina Sedimentation and Erosion Control Permit; to pay the expenses of the Association from and after the time, if ever, Declarant transfers the Permit to the Association. The Association's functions shall be to oversee, inspect, maintain and repair the Stormwater Management Facilities, Sign Easement and Fence Easement areas; to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit, the applicable North Carolina Sedimentation and Erosion Control Permits. The annual limited common assessment, if any, levied by the Association shall be used exclusively to oversee, inspect, maintain and repair the offsite septic systems and repair areas, if any. The powers of the Association may not be expanded beyond those purposes. Nothing herein relieves the owner of a Lot from said owner's obligation to maintain the areas upon said owner's Lot upon which the Stormwater Management Facilities and sanitary sewer (septic system) and access easements are located as provided herein and not to damage or allow damage to occur to said Stormwater Management Facilities, and to comply with the provisions of all applicable North Carolina Sedimentation and Erosion Control Permits.

17.11 **“Certificates of Payment”:** 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.

17.12 **“Special Assessments”:** General special assessments, and specific special assessments may be levied against Lots for such reasons as are provided in this Declaration, the Articles or the Bylaws, and on such terms as provided by the members. Upon a two-thirds (2/3) vote of the owners of Lots who are voting in person

or by proxy (written or e-mail) at a meeting duly called for this purpose, the Association may levy and impose special assessments. The purposes for which special assessments may be levied are limited to providing funds to pay for the oversight, inspection, maintenance and repair of the Stormwater Management Facilities, Sign Easement and Fence Easement areas, if any, off-site septic systems and repair areas, if any, for maintenance and repair of the boat slips, to enforce the provisions of this Declaration relating to the Stormwater Management Facilities, the Permit and all applicable North Carolina Sedimentation and Erosion Control Permits, Sign Easement and Fence Easement areas, and off-site septic systems and repairs areas, which exceed the general assessment and/or limited common assessment fund, then on hand to pay same and to provide a contingency fund for capital improvements and extraordinary expenses. General special assessments shall be levied at a uniform rate for all Lots to which such assessments may be charged as set forth in this Declaration.

Specific special assessments may be assessed against the owner of a Lot after written notice has been given by the Association to the owner of said Lot at the address of the owner appearing upon the records of the Association by United States mail, postage prepaid, that the Stormwater Management Facilities located on said Lot have been damaged by the act or negligent failure to act of said owner or that said owner has failed to comply with all applicable North Carolina Sedimentation and Erosion Control Permits and such Stormwater Management Facilities are in need of repair or replacement in order to comply with the permit or actions must be taken in order to comply with the applicable North Carolina Sedimentation and Erosion Control Permits and the owner of said Lot has not taken the necessary action to bring the Stormwater Management Facilities located on said owner's Lot into compliance with the Permit or to comply with the provisions of all applicable North Carolina Sedimentation and Erosion Control Permits within thirty (30) days after the mailing of said notice. If said owner commences the necessary action to repair or replace the Stormwater Management Facilities or septic system and/or septic system easement located on said owner's Lot and to bring the Stormwater Management Facilities into compliance with the Permit or to bring the Lot into compliance with the applicable North Carolina Sedimentation and Erosion Control Permits, within the thirty (30) day period set forth above, the imposition of a specific special assessment shall be deferred by the Association for the period during which said owner diligently pursues to completion the repair or replacement of the Stormwater Management Facilities located on said Lot or

compliance with the applicable North Carolina Sedimentation and Erosion Control Permits. Specific special assessments shall be limited to the amount of funds actually expended, or in the discretion of the Board of Directors, the amount of funds reasonably estimated by the Board of Directors will be expended, by the Association to repair or replace the Stormwater Management Facilities located upon the Lot or to comply with the applicable North Carolina Sedimentation and Erosion Control Permit upon which the specific special assessment is assessed. Special assessments, either general or specific, together with interest, costs and reasonable attorneys' fees, shall be a charge and lien on the land and, subject to the provisions set forth in this Declaration, shall be a continuing lien upon the Lot against which each such assessment is made. The personal obligation of an owner of a Lot for delinquent special assessments, whether general or specific, or limited common assessment, shall not pass to a successor in title to a Lot, unless expressly assumed by the successor, but, subject to the provisions of this Declaration, delinquent special assessments shall continue to be a lien upon such Lot.

17.13 Liens for Non-Payment of Assessments. Any annual general assessment, annual limited common assessment, general special assessment, or specific special assessment, if not paid within thirty (30) days after the date such assessment is due, shall be subject to a late payment charge of ten percent (10%) of the amount due and shall bear interest at the maximum legal rate of per annum thereafter. The Association may record a claim of lien against the Lot for such delinquent assessments and charges, together with costs of collection, court costs, and reasonable attorneys' fees in the Office of the Clerk of Superior Court of Carteret County in accordance with Section 47F-3-116 of the North Carolina General Statutes or file a suit to collect such delinquent assessments and charges. The Association may file Notice of Lis Pendens, bring an action at law against the owner personally obligated to pay the same and/or bring an action to foreclose the lien against the Property. The lien of any assessment provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to foreclosure of a first mortgage or any proceeding in lieu therefor, shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof. No owner may waive or otherwise escape liability for the assessments provided for herein.

ARTICLE 18: PROVISIONS RELATING TO WETLANDS

All of the properties subject to this Declaration shall also be subject to the following Special Provisions Relating to Wetlands. All "404 Wetlands" shown and delineated on any recorded map or physical survey of the Properties set forth in Article II hereof, shall be maintained in perpetuity in their natural or mitigated condition. Without the prior written approval of the U.S. Army Corps of Engineers, no person or entity shall perform any of the following activities on the "404 Wetlands" areas: (a) fill, grade, excavate or perform any other land disturbing activities; (b) cut, mow, burn, remove or harm any vegetation; (c) construct or place any roads, trails, walkways, buildings, mobile homes, signs, utility poles or towers or any other permanent or temporary structures, (d) drain or otherwise disrupt or alter the hydrology or drainage ways of the "404 Wetlands" area; (e) dump or store soil, trash, or other waste; (t) allow animal grazing or watering or use for any other agricultural or horticultural purpose on such "404 Wetlands" areas. This covenant may be enforced by the United States of America. This covenant is to run with the land and shall be binding on the Declarant, the owner of any lot in the Properties and all persons or entities claiming under them.

ARTICLE 19: COMPLIANCE WITH NCDOT TRAFFIC MAINTENANCE STANDARDS

Driveway headwalls, fences, mailboxes, newspaper delivery boxes or other roadside obstructions, constructed within the right of way of any street as shown on the recorded plat of the Properties in a location or out of materials determined to be a traffic safety hazard by the North Carolina Department of Transportation, the Declarant of the Architectural Control Committee, shall not be permitted. It shall be the duty of the Owner of any Lot to remove such obstruction, at the Owner's sole expense, within thirty (30) days following written notification of such objection by the North Carolina Department of Transportation or Declarant. In the event any Owner fails to remove an obstruction within the thirty (30) day period following receipt of notice of the objection, Declarant shall be entitled, but not obligated, to remove the obstruction and recover the expense and cost, including reasonable attorney's fees, incurred in the removal.

ARTICLE 20: ANNEXATION OF ADDITIONAL PROPERTY

The Declarant, for itself and its successors and assigns, hereby expressly reserves the right, but shall in no way be obligated, to expand the real property which is subject to this Declaration without the consent or joinder of any Owner or Owners of any Lot or Lots or person or entities having a lien or security interest in such Lot or Lots, by annexing, from time to time other real property into the Subdivision.

An amendment to this Declaration shall be made and recorded in the office of the Register of Deeds of Carteret County, North Carolina, to include each portion of the real property which is to be subject to this Declaration, and each such portion of the real property shall constitute an addition to the Subdivision. The right of the Declarant, or its successors and assigns, to expand the Subdivision as herein provided shall expire fifteen (15) years following the date of recordation of this Declaration.

ARTICLE 21: SUPPLEMENTAL DECLARATION(S)

The Declarant shall have the right, from time to time, to record Supplemental Declarations which may designate specific use and other restrictions within other real property annexed into the Subdivision, may create Common Areas within such other real property for the use of all owners in the Subdivision, as may be expanded, and may create a separate owners association exclusively for such other real property; and may exercise all rights reserved in this Declaration, provided however, no Supplemental Declaration shall avoid membership in the Association by Owners of Lots in said other real property, nor shall any Supplemental Declaration modify or amend the terms of this Declaration or any prior Supplemental Declaration for another tract annexed, without the required consent of owners of all tracts of land constituting the then existing Subdivision.

ARTICLE 22: ENFORCEMENT

Enforcement shall be by proceedings at law or in equity against any person or person violating or attempting to violate any covenant, either to restrain violations or to recover damages. In the event any proceeding is commenced to enforce the provisions of this Declaration, the non-prevailing party shall be obligated to pay, in addition to any monetary damages or other award granted by the court, the expenses and costs of such proceeding, including reasonable attorneys' fees of the prevailing party.

ARTICLE 23: MODIFICATION

23.1 These restrictions are subject to being altered, modified , canceled or changed at any time as to said subdivision as a whole, or as to any subdivided lot or part thereof, by written document executed by the Declarant, its successors in title, or assigns, and by the owners of Lots to which at least sixty seven percent (67%) of the vote s in the Association are allocated, and recorded in the Office of the Register of Deeds of Carteret County, North Carolina. If the Declarant is entitled to at least sixty-seven (67%) percent of the votes in the Association, the Declarant may alter or amend these covenants without the consent of any other owner.

23.2 Litigation: No judicial or administration proceeding shall be commenced or prosecuted by the Association unless approved by a vote of fifty one percent (51%) of the membership. Except the Board may authorize the following:

(i) actions brought by the Association to enforce the provisions of this Declaration (including without limitation, the foreclosure of liens), (ii) the imposition and collection of personal assessments, (iii) proceedings involving challenges to ad valorem taxation, or (iv) counterclaims brought by the Association in proceedings instituted against it.

23.3 **“Variances”**: The Board may allow reasonable variances and adjustments of the restrictions set forth in this Declaration in order to overcome practical difficulties and prevent unnecessary hardships in the application of the provisions contained herein; provided, however, that any such variance granted must be done in conformity with the intent and purposes of the general development scheme and provided also that in every instance such variance or adjustment shall not materially be detrimental or injurious to other property or improvements within the Properties.

ARTICLE 24: TERM

The covenants, easements and restrictions set forth in this Declaration, as may be amended, are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date this Declaration is recorded. After such time, said Declaration shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the

then owners of the lots has been recorded, agreeing to change or cancel this Declaration, in whole or in part.

ARTICLE 25: SEVERABILITY

Invalidation of any one of these Covenants by Judgment or Court Order shall in no way affect any of the other provisions which shall remain in full force and effect.

IN TESTIMONY WHEREOF, Declarant, has executed this instrument the day and year first above written.

By:  (SEAL)

HAROLD R COMER

By:  (SEAL)

ROBIN V COMER

By:  (SEAL)

DONNA H COMER

NOTARY PAGE FOLLOWS

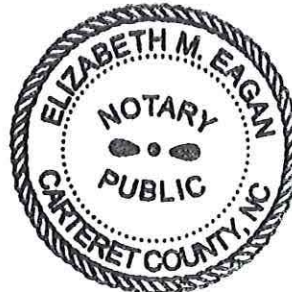
STATE OF NORTH CAROLINA

COUNTY OF Carteret

I, Elizabeth M Eagan the undersigned Notary Public of Carteret County, certify that HAROLD R. COMER 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 stamp or seal this 5 day of January, 2023.

Elizabeth M Eagan (SEAL)
NOTARY

My commission expires: 1-19-23



STATE OF NORTH CAROLINA

COUNTY OF CARTERET

I, Elizabeth M Eagan the undersigned Notary Public of Carteret County, certify that ROBIN V. COMER AND DONNA H. COMER 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 stamp or seal this 5 day of January, 2023.

Elizabeth M Eagan (SEAL)
NOTARY

My commission expires: 1-19-23



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STATE OF NORTH CAROLINA
DEPARTMENT OF ENVIRONMENTAL QUALITY
DIVISION OF ENERGY, MINERAL AND LAND RESOURCES

STATE STORMWATER MANAGEMENT PERMIT

LOW DENSITY DEVELOPMENT WITH A CURB OUTLET SYSTEM

In accordance with the provisions of Article 21 of Chapter 143, General Statutes of North Carolina as amended, and other applicable Laws, Rules and Regulations

PERMISSION IS HEREBY GRANTED TO

Robin Comer

Sunset Cove Subdivision

1272 Wetherington Landing Road, Stella, Carteret County

FOR THE

construction, operation and maintenance of a low density subdivision with a curb outlet system in compliance with the provisions of 15A NCAC 2H .1000, effective September 1, 1995 (1995 Rules) as amended on January 1, 2017 (2017 Rules) (collectively, the "stormwater rules"), and the approved stormwater management plans and specifications, and other supporting data as attached and on file with and approved by the Division of Energy, Mineral and Land Resource (the "Division" or "DEMLR") and considered a part of this permit.

The Permit shall be effective from the date of issuance until rescinded and shall be subject to the following specific conditions and limitations:

I. DESIGN STANDARDS

1. The project is permitted for 18 lots as shown on the approved plans, each limited to a maximum amount of built-upon area, as defined by the stormwater rules. The maximum BUA per lot is listed in this permit. CAMA regulations may reduce the built-upon area for those lots within the AEC.
2. The overall tract built-upon area percentage for the project must be maintained at the values established in Attachment B of this permit.
3. Each designated curb outlet must convey stormwater runoff to a vegetated conveyance or vegetated area as shown on the approved plans and specifications. The conveyance must be maintained with a dense vegetated cover at a minimum of 100' long, side slopes at 5:1 (H:V) or flatter, have a longitudinal slope no steeper than 5% to carry the peak flow from the 10-year storm at a non-erosive velocity.
4. No piping shall be allowed except those minimum amounts necessary to direct runoff beneath an impervious surface such as a road or under driveways to provide access to lots.
5. Runoff conveyances other than the curb outlet system swales, such as perimeter ditches, must be vegetated with side slopes no steeper than 3:1 (H:V).

6. The permittee is responsible for compliance with all permit conditions until such time as the Division approves the transfer request. Neither the sale of the project, in whole or in part, nor the conveyance of common area to a third party constitutes an approved transfer of the stormwater permit.

II. SCHEDULE OF COMPLIANCE

1. The facilities shall be constructed, operated and maintained in accordance with the provisions of this permit, the approved plans and specifications, and the supporting documents attached to this permit and on file with the Division.
2. Curb outlet swales, vegetated areas and other vegetated conveyances shall be constructed in their entirety, vegetated, and be operational for their intended use prior to the construction of any built-upon surface, per the approved plans
3. During construction, erosion shall be kept to a minimum and any eroded areas of the swales or other vegetated conveyances will be repaired immediately.
4. The permittee shall at all times provide the operation and maintenance necessary to operate the permitted stormwater management systems at the design condition to include:
 - a. Inspections
 - b. Sediment removal.
 - c. Mowing, and revegetating of the side slopes.
 - d. Immediate repair of eroded areas.
 - e. Maintenance of side slopes in accordance with approved plans and specifications.
 - f. Cleaning and repair of catch basin grates, flumes, piping, and the flow spreader mechanism.
5. No person or entity, including the permittee, shall alter any component shown in the approved plans and specifications. Prior to the construction of any modification to the approved plans, the permittee shall submit to the Director, and shall have received approval for modified plans, specifications, and calculations including, but not limited to, those listed below. For changes to the project or SCM that impact the certifications, a new or updated certification(s), as applicable, will be required and a copy must be submitted to the appropriate DEQ regional office upon completion of the modification.
 - a. Any modification to the approved plans and specifications, regardless of size including the SCM(s), BUA, details, etc.
 - b. Redesign or addition to the approved amount of BUA or to the drainage area.
 - c. Further development, subdivision, acquisition, lease or sale of any, all or part of the project and/or property area as reported in the approved plans and specifications.
 - d. Altering, modifying, removing, relocating, redirecting, regrading, or resizing of any component of the approved SCM(s), the stormwater collection system and/or vegetative conveyance shown on the approved plan.
 - e. The construction of any allocated future BUA.
 - f. Adding the option to use permeable pavement or #57 stone within the lots as a permeable surface. The request may require a proposed amendment to the deed restrictions and protective covenants for the subdivision to be submitted and recorded.
 - g. The construction of any permeable pavement, #57 stone area, public trails, or landscaping material to be considered a permeable surface that were not included in the approved plans and specifications.
 - h. Other modifications as determined by the Director.

6. The permittee is responsible for verifying that the proposed built-upon area does not exceed the allowable built-upon area. Once the lot transfer is complete, the built-upon area may not be revised without approval from the DEMLR and responsibility for meeting the built-upon area limit is transferred to the individual property owner, provided that the permittee has complied with the requirements of Section II.12 of this permit.
7. The permittee must certify in writing that the project's stormwater controls, and impervious surfaces have been constructed within substantial intent of the approved plans and specifications. Any deviation from the approved plans must be noted on the Certification. A modification may be required for those deviations. The permittee shall submit the Certification to the Division within 30 days of completion of the project.
8. The permittee shall submit all information requested by the Director or his representative within the time frame specified in the written information request.
9. Each lot in the subdivision covered by this permit will maintain a minimum 30-foot-wide vegetative buffer between all impervious areas and surface waters.
10. All roof drains must terminate at least 30' from the Mean High Water mark.
11. Deed restrictions are incorporated into this permit by reference and must be recorded with the Office of the Register of Deeds prior to the sale of any lot.
12. Recorded deed restrictions must include, at a minimum, the following statements related to stormwater management:
 - a. The following covenants are intended to ensure ongoing compliance with State Stormwater Management Permit Number SW8 051235, as issued by the DEMLR under NCAC 2H.1000.
 - b. The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the Stormwater Management Permit.
 - c. These covenants are to run with the land and be binding on all persons and parties claiming under them.
 - d. The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the State of North Carolina, DEMLR.
 - e. Alteration of the drainage as shown on the approved plans may not take place without the concurrence of the DEMLR.
 - f. The maximum built-upon area per lot is as summarized in Attachment B. This allotted amount includes any built-upon area 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. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, coquina, driveways, and parking areas, but does not include raised, open wood decking, or the water surface of swimming pools.
 - g. Filling in, piping or altering any 3:1 vegetated conveyances (ditches, swales, etc.) associated with the development except for average driveway crossings, is prohibited by any persons.
 - h. Lots within CAMA's Area of Environmental Concern may have the permitted built-upon area reduced due to CAMA jurisdiction within the AEC.
 - i. Filling in, piping or altering any designated curb outlet swale or vegetated area associated with the development is prohibited by any persons.
 - j. A 30' vegetated buffer must be maintained between all built-upon area and the Mean High Water line of surface waters.
 - k. All roof drains shall terminate at least 30' from the Mean High Water mark.

- I. Each designated curb outlet swale or 100' vegetated area shown on the approved plan must be maintained at a minimum of 100' long, maintain 5:1 (H:V) side slopes or flatter, have a longitudinal slope no steeper than 5%, carry the flow from a 10 year storm in a non-erosive manner, maintain a dense vegetated cover, and be located in either a dedicated common area or a recorded drainage easement.
13. The permittee must submit a copy of the recorded deed restrictions within 30 days of the date of recording.
14. The Director may notify the permittee when the permitted site does not meet one or more of the minimum requirements of the permit. Within the time frame specified in the notice, the permittee shall submit a written time schedule to the Director for modifying the site to meet minimum requirements. The permittee shall provide copies of revised plans and certification in writing to the Director that the changes have been made.
15. Prior to transfer of the permit, a file review and site inspection will be conducted by Division personnel to ensure the permit conditions have been met and that the project and the on-site stormwater system complies with the permit conditions. Any items not in compliance must be repaired, replaced restored, or resolved prior to the transfer. Records of maintenance activities performed to date may be requested.
16. The final plats for the project will be recorded showing all required swale easements and common areas, in accordance with the approved plans.

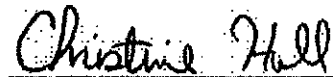
III. GENERAL CONDITIONS

1. Any individual or entity found to be in noncompliance with the provisions of a stormwater management permit or the requirements of the stormwater rules is subject to enforcement procedures as set forth in NCGS 143 Article 21.
2. The issuance of this permit does not preclude the permittee from complying with and obtaining any other permits or approvals that are required for this development to take place, as required by any statutes, rules, regulations, or ordinances, which may be imposed by any other Local, State or Federal government agency having jurisdiction. Any activities undertaken at this site that cause a water quality violation or undertaken prior to receipt of the necessary permits or approvals to do so are considered violations of NCGS 143-215.1, and subject to enforcement procedures pursuant to NCGS 143-215.6.
3. If the facilities fail to perform satisfactorily, the permittee shall take immediate corrective actions. This includes actions required by this Division and the stormwater rules such as the construction of additional or replacement on-site stormwater systems. These additional or replacement measures shall receive a permit from the Division prior to construction.
4. Permit Transfer: This permit is not transferable to any person or entity except after notice to and approval by the Director. The permittee shall submit a completed and signed "Permit Transfer Application Form" (available on the Division website) accompanied by the required fee and supporting documentation as listed on the form, to the Division at least 60 days prior to any one or more of the following events:
 - a. The sale or conveyance of the project area in whole or in part, except in the case of an individual lot sale that is made subject to the recorded deed restrictions and protective covenants;
 - b. The assignment or conveyance of declarant rights to another individual or entity;
 - c. The sale or conveyance of the common areas to a Homeowner's or Property Owner's Association, subject to the requirements of NCGS 143-214.7(c2);

- d. Dissolution of the partnership, corporate, or LLC entity, subject to NCGS 55-14-05 or NCGS 57D-6-07 and 08;
 - e. Bankruptcy;
 - f. Foreclosure, subject to the requirements of Session Law 2013-121;
5. Current Permittee Name or Address Changes: The permittee shall submit a completed "Permit Information Update Application Form" (available on the Division website) to the Division within 30 days to making any one or more of the following changes:
- a. A name change of the current permittee;
 - b. A name change of the project;
 - c. A mailing address change of the permittee;
6. The permittee is responsible for compliance with all terms and conditions of this permit until the Division approves the transfer request. Neither the sale of the project, in whole or in part, nor the conveyance of common area to a third party constitutes an approved transfer of the permit.
7. The permittee grants Division Staff permission to enter the property during normal business hours to inspect all components of the permitted project.
8. The permit issued shall continue in force and effect until the permittee files a request with the Division for a permit modification, transfer, renewal, or rescission; however, these actions do not stay any permit conditions.
9. Approved plans, application documents, supplements, calculations, operation and maintenance agreement, and specifications for this project are incorporated by reference and are enforceable parts of the permit. A copy of this permit, application, supplements, operation and maintenance agreement, and approved plans and specifications shall be maintained on file by the permittee.
10. Unless specified elsewhere, permanent seeding requirements for the on-site stormwater system must follow the guidelines established in the North Carolina Erosion and Sediment Control Planning and Design Manual.
11. The issuance of this permit does not prohibit the Director from reopening and modifying the permit, revoking and reissuing the permit, or terminating the permit for cause as allowed by the laws, rules, and regulations contained in Title 15A NCAC 2H.1000 and NCGS 143-215.1 et.al.

Permit modified and reissued this the 6th day of May 2021

NORTH CAROLINA ENVIRONMENTAL MANAGEMENT COMMISSION



For Brian Wrenn, Director
Division of Energy, Mineral and Land Resources
By Authority of the Environmental Management Commission

SW8 051235 - Attachment B

5/29/18

				ft ²
Project Area, 1995 Rule	728,323	728,323	728,323	ft ²
Project Area, 2017 Rule	0	0	5,285	ft ²
				ft ²
Impervious Area Max, 25%, 1995 Rule:	182,081	182,081	182,081	ft ²
Impervious Area Max, 12%, 2017 Rule:	0	0	634	ft ²
				ft ²
Onsite Buildings (Lot # Below):	128,400	128,400	128,400	ft ²
1	10,000	10,000	10,000	ft ²
2	6,000	6,000	6,000	ft ²
3	10,000	10,000	10,000	ft ²
4	10,000	10,000	10,000	ft ²
5	10,000	10,000	10,000	ft ²
6	10,000	10,000	10,000	ft ²
7	10,000	10,000	10,000	ft ²
8	6,000	6,000	6,000	ft ²
9	6,000	6,000	6,000	ft ²
10	6,000	6,000	6,000	ft ²
11	5,400	5,400	5,400	ft ²
12	5,400	5,400	5,400	ft ²
13	5,400	5,400	5,400	ft ²
14	5,400	5,400	5,400	ft ²
15	5,400	5,400	5,400	ft ²
16	5,400	5,400	5,400	ft ²
17	6,000	6,000	6,000	ft ²
18	6,000	6,000	6,000	ft ²
Onsite Streets	40,625	40,625	42,924	ft ²
Onsite Parking/Boat Ramp	4,977	4,977	4,977	ft ²
Onsite Sidewalks	0	0	0	ft ²
Other Onsite	0	0	0	ft ²
Future	0	8,079	6,414	ft ²
Offsite	0	0	0	ft ²

¹2007 Calculations on file show that 182,081sf of impervious was the maximum allowed, but only 174,002sf was claimed in the application. The 2007 permit could have claimed 8,079sf of "future" impervious.

Attachment C - Permitting History
Sunset Cove Subdivision
SW8 051235

Approval Date	Permit Action	BIMS Version	Description of the Changes
3/7/2007	Original Approval	1.0	LD subdivision with curb outlet system permitted with 1995 rules; 25% BUA; Inactive since 05/28/2018
5/29/2018	Minor Modification	-	<p>The project permitted in 2007 was not constructed. The County is requiring the permittee to increase the cul-de-sac radii of two subdivision cul-de-sacs from 35ft to 40ft. Minor lot line changes resulted from expanding the cul-de-sac. No impervious area per lot changes were made. This original project area is still permitted under 1995 rules at 25%.</p> <p>The project area increased from 728,323 sf to 733,608 sf. Attachment A of permit (2018 05 Excel_BUA 051235) shows the impervious area allocation has also increased. This new project area and associated BUA increase is permitted under 2017 rules at 12%.</p>
5/6/2021	Major Modification	1.2	After the 2018 permit a contractor was used that did not follow SW plans so this major mod permit is to bring the project into compliance; a swale and curb and gutter are permitted; Existing offsite runoff from Wetherington Landing Rd will bypass the project by a piped conveyance through the project area.