

STATE OF NORTH CAROLINA

COUNTY OF CARTERET

RESTATEMENT AND CORRECTION OF
AMENDMENT TO
RESTRICTIVE COVENANTS

This Restatement and Correction of Amendment to Restrictive Covenants is made by PIKSCO CORPORATION on behalf of the property owners listed on the schedules attached as if originally dated June 30, 1992.

Between November 1991 and April 1992, PIKSCO CORPORATION submitted for approval to the owners of properties listed below in paragraph 1. (a) a draft of proposed amendments to restrictive covenants said draft bearing the date 11/16/91 Rev.1. This draft contained proposed amendments to the Amendment to Restrictive Covenants recorded in Book 461, Page 414, Carteret County registry. The proposed amendments submitted to the vote are set out hereinafter in this instrument under the heading "Amendment to Restrictive Covenants."

The proposed amendments were approved by written ballot by a majority of owners of property subject to the Amendment to Restrictive Covenants recorded in Book 461, Page 414, Carteret County Registry. Thereupon the 11/16/91 Rev. 1 draft was retyped in preparation for signature, such amendment was executed by the officers of PIKSCO CORPORATION on June 30, 1992, and the instrument was recorded in Book 690, Page 378, Carteret County Registry. This instrument is referred to as the "June 30, 1992 Instrument."

It was thereafter discovered that in typing the June 30, 1992 Instrument, certain text from the 11/16/91 Rev. 1 draft was inadvertently omitted and other typographical errors made. The result is that the June 30, 1992 Instrument does not in all respects contain the provisions approved by the owners.

PIKSCO CORPORATION executes this instrument to correct the typing errors by restating the provisions approved by the majority of owners. The correction and restatement are as follows:

STATE OF NORTH CAROLINA

COUNTY OF CARTERET

AMENDMENT TO
RESTRICTIVE COVENANTS

This Amendment, made by the property owners on the schedules attached hereto, acting through PIKSCO CORPORATION, a North Carolina Corporation (referred to herein as "PIKSCO") chartered to administer the common areas and enforce the Restrictive Covenants hereinafter referenced.

WHEREAS by restrictive covenants recorded in the Office of the Register of Deeds of Carteret County, North Carolina, in Book 174, Page 643; Box 233, Page 265; Book 246, Page 61; Book 251, Page 378; and Book 269, Page 411, (all as amended by instrument recorded in Book 461, Page 414) a uniform set of restrictive covenants were imposed upon the property hereinafter described in paragraph 1 (a); and

WHEREAS in accordance with the terms and conditions of said covenants, a majority of the property owners owning within the subdivision, can alter and amend said covenants effective JANUARY 1, 1992; and after which time said covenants shall be automatically extended for successive periods of five years unless a majority of the then owners of the land described in the maps hereinafter referred to shall sign and record an agreement to change said covenants in whole or in part.

WHEREAS the owners of a majority of properties subject to the Restrictive Covenants above described (as recorded in the records of PIKSCO) have determined that this amendment to the covenants is necessary in order to protect the property values of the owners in the subdivisions, to promote better maintenance and care of the common facilities administered for the benefit of the property owners, in order to simplify and clarify the administration of the common properties; and

WHEREAS property owners in adjacent subdivisions not subject the restrictive covenants described above have requested to join PIKSCO and submit their properties to this Amendment to Restrictive Covenants (realizing that such action does not extinguish or amend any other restrictive covenant to which their properties are subject) so as to enjoy the benefits of membership including access to park areas and protection of property values as described above; and

WHEREAS the existing members of PIKSCO have by a majority vote (as recorded in the records of PIKSCO) accepted as new members the owners of the properties identified in paragraph 1(b) below with the understanding that the new members and their properties will be fully responsible for paying all dues and assessments levied by PIKSCO to the same extent as members owning lots originally subject to PIKSCO jurisdiction;

NOW, THEREFORE, a majority of the property owners in said subdivision as hereinafter defined, have, after due notice, voted to impose the following covenants, easements and restrictions on the property hereinafter described, said covenants, easements, and restrictions to remain in full force and effect until JANUARY 1, 1997, and thereafter unless amended in accordance with the terms of these restrictions:

1. PROPERTY: The covenants, restrictions, and easements set out within this document shall be binding upon, and run with the title of, all of the following lots in the Town of Pine Knoll Shores (number in parenthesis are Map Book and Page numbers in the Carteret County Registry):

- (a) Properties originally subject to the above described restrictive covenants):
- (6/8) Lots 1 through 14, Block A
 - (6/8) Lots 1 through 12, Block B
 - (6/8) Lot 1, Block C
 - (6/8) Lots 1 through 17, Block D
 - (6/8) Lots 1 through 6, Block E
 - (6/8) Lots 1 through 10, Block F
 - (6/8) Lot 1, Block G
 - (6/31) Lots 2 through 12, Block G
 - (6/8) Lots 1 through 3, Block H
 - (6/8) Lots 1 through 3, 15 through 17, Blk I
 - (6/8) Lots 1 through 3, 15 through 17, Blk J
 - (6/8) Lots 24 and 28, Blk J
 - (6/8) Lots 1 through 16, 26, Blk K
 - (6/8) Lots 1 through 26, Blk L
 - (6/8) Lots 1 through 15, Blk M
 - (6/8) Lots 1 through 3, Blk N
 - (6/8) Lots 1 through 3, Block O
 - (6/8) Lot 1, Blk P
 - (6/8) Lots 1 through 10, Block Q
 - (6/8) Lots 1 through 18, Blk R
 - (6/8) Lots 1 through 18, block S
 - (6/8) Lots 1 through 18, Blk T
 - (6/8) Lots 1 through 18, block U
 - (6/8) Lots 8, 9, 10, Blk V
 - (6/8) Lots 2 through 22 & 24 through 30, blk W
 - (6/8) Lots 1 through 9, Blk Z
 - (6/72) Lots 1 through 13, Block A
- (b) (Properties not originally subject to the above described restrictive covenants but hereafter subjected to the requirement of this Amendment to Restrictive Covenants as may be amended from time to time):
- (7/95A) Lots 3 through 9, 11 through 21 & 24, Blk A
 - (7/95A) Lots 1 through 15, 17, 18, 22 & 23, Blk B
 - (21/9) Lots 1, 2, 4, 5, 9 & 10 Bogue Pines Subdivision
 - (25/67) Lots 1, 2, 3, Fairways Subdivision
 - (21/21) Lots 4, 5, 6, 9, & 10 Fairways Subdivision
 - (28/86) Lots 1 through 22 live Oak Forest Subdivision
 - (17/73) Lots 1, 3 through 7 & 9 Bill Christian Subdivision
 - (659/350) Lot 6, Bogue Pines Subdivision
 - (21/82) Revised Lot 8, Fairways Subdivision
 - (17/73) Lot 8, Bill Christian Subdivision

2. RESIDENTIAL USE: All of the lots subject to these covenants shall be utilized only for single family residential purposes. No residence or structure shall be erected or permitted to remain on any lot other than one detached, single

family dwelling not to exceed two and one-half stories in height and an attached garage or carport.

No mobile home or trailer, whether permanently affixed to a foundation or otherwise, shall be allowed on any lot.

3. BUILDING SIZE REQUIREMENTS: Each residence constructed shall comply with the more stringent of the requirements as set out within these covenants, or the requirements imposed under the zoning and subdivision ordinances of the Town of Pine Knoll Shores:

(a) all houses fronting on the ocean or Bogue Sound shall be a minimum of 1500 square feet of heated space.

(b) all residences located on lots other than those fronting the water noted above shall maintain a minimum of 1,000 square feet of heated space.

4. SIDE SETBACKS: No structure may be erected or constructed closer than ten feet of any side lot line.

5. FENCES: No fence or wall shall be erected or be allowed to remain on any lot which is higher than five feet above the general elevation of the ground upon which it is located. No fence, barricade or obstruction may be erected or placed as extensions of the north/south lines on any waterfront lots which prevent ingress or egress along the ocean side or sound side of said lots to pedestrians, or others lawfully thereon.

6. SIGNS: No sign or billboard of any kind shall be erected or allowed to remain on any lot other than a "four sale" or "for rent" sign not larger than two square feet in size. Additionally, this sign restriction shall conform to the Town of Pine Knoll Shores ordinance on the use of temporary signs on private property.

7. OUTBUILDINGS: No outbuilding of any kind, including, but not limited to, a tent, shack, barn or storage shed shall be erected, placed or maintained on any lot.

8. ANIMALS; No animals or poultry of any kind, other than house pets, shall be kept or maintained on any lot.

9. ARCHITECTURAL CONTROL COMMITTEE: PIKSCO Corporation, as hereinafter described, shall at all times maintain an architectural control committee, in accordance with the By-Laws of said Corporation. All plans for construction or alteration of any structure on any of the lots governed by these covenants must be submitted to said architectural control committee at or prior to the time an application for a building permit is made. Such submission shall show by plot plans, elevations and prospective sketches all improvements proposed, location, materials, architectural features and landscaping. In the event said committee fails to approve or reject a submission within thirty days after

sufficient plans have been submitted to it, this paragraph will be deemed to have been fully complied with.

The committee will review and shall approve the plans for the proposed improvements if the plans meet all the requirements of covenants, and if, in the opinion of the committee, the exterior appearance of the proposed structure will be compatible with other development on the properties, or, at a minimum, will not be detrimental to future property values or sales for the subdivision. All materials, features, styles must be, in the opinion of the committee, professionally and aesthetically acceptable. Particular attention shall be given to the exterior appearance of the proposed improvements, its site placement, its environmental impact on the natural contours of the land, and its impact upon existing mature vegetation.

Each property owner agrees to be bound by the decision of the Architectural Control Committee, acknowledging that it is acting in the best interest, and to protect the property values, of all residents in the subdivision. Failure of any owner to so abide shall give a right of action for injunction, restraint or damages at the option of the committee or PIKSCO, or any other property owner in the defined area of the subdivision.

10. SEWAGE: The disposal of sewage and all waste matter which includes garbage, rubbish, and other waste materials shall be in compliance with the regulations of the State Board of Health of North Carolina, the Board of Health of Carteret County, and all other governing authorities which have jurisdiction thereover. It is expressly prohibited that any sewage, rubbish, garbage, or other waste shall be placed or permitted to drain in any water way.

11. FUEL TANKS: Fuel oil tanks shall be buried, placed in the basement of the dwelling house or enclosed in such manner that a harmonious blending of the structure with the dwelling house shall be effectuated.

12. PARK AREAS: On the maps referenced above in Paragraph 1, certain areas are designated "common areas" or "park areas". These properties were deeded to an owners' association known as PIKSCO Corporation, said owners' association consisting, as voting members, of the lot owners in the property described in Paragraph 1. In order to effectively provide for the maintenance, upkeep, and safety of said common areas, it is hereby understood and agreed that each lot owner in the subdivision, as described above, shall be required to become a member of PIKSCO Corporation as deemed reasonably necessary by the membership of said corporation, on an annual basis, and said dues and assessments being those deemed necessary to sufficiently allow the proper maintenance, improvements, and safety of said common properties.

13. MEMBERSHIP IN PIKSCO CORPORATION; PAYMENT OF REGULAR DUES: Beginning with the fiscal year commencing July 1, 1992, the regular membership dues shall be \$45.00 per year as described in paragraph 1 above. At the end of fiscal year 1992-1993, and subsequent, the Board of

Directors shall have the right to increase said annual dues in any one year without the approval of the membership in the amount not to exceed ten percent (10%) of the dues established for the previous year. The regular dues may be increased or decreased by a vote of fifty-one (51%) of the regular members of PIKSCO who are voting in person or by proxy in a regular annual or special meeting. Votes not cast before or during said meetings shall not count toward the totals.

The Board of Directors of the Corporation, in establishing the annual budget for operation, management and maintenance of the common areas, shall designate a portion of the annual dues to be collected and maintained as a reserve fund for replacement of , capital improvements to, the common areas, which shall be for the purpose of enabling the Corporation to replace structural elements and mechanical equipment constituting a part of the common areas, held for the joint use and benefit of the members of PIKSCO

As used herein, PIKSCO is specifically authorized to administer annual regular dues and make expenditures in furtherance of the objectives of these covenants for:

- (a) Normal maintenance, upkeep, and safety of certain areas designated “common areas” or “Park areas” on the maps referenced above in paragraph 1 which have been previously deeded to PIKSCO and any other area subsequently deeded to PIKSCO including:
 - (i) construction, repair and maintenance of boardwalks, walkways, parking areas, and driveways;
 - (ii) maintenance of existing docks;
 - (iii) landscaping maintenance;
 - (iv) trash pick up;
 - (v) proper posting of signs;
 - (vi) employment of personnel to control park areas in order to make certain that only those allowed to use said park areas are actually utilizing the same;
 - (vii) any other expenditure reasonably necessary for the administration of the corporation, maintenance and control of the common property;
 - (viii) the cost of labor, equipment and materials expended on the common areas;
 - (ix) water and electric service for the common areas;

- (b) The payment of taxes assessed against the common areas, facilities and PIKSCO;
- (c) The procurement and maintenance of liability and hazard insurance coverage;
- (d) The enforcement of these restrictive covenants.

However, notwithstanding anything contained within this paragraph, membership in PIKSCO and assessment as above and in the following paragraph is binding and mandatory upon: (1) owners (and their properties) who have previously subjected their lots to the Amendment to Restrictive Covenants dated December 31, 1981, recorded in book 461, Page 414, (referred to hereinafter as "ARC's) as noted on attachments to said recorded document captioned "Properties Subject to Lien Assessment January 1, 1982"; (2) owners (and their properties) who acquired title to their lots subsequent to January 1, 1982 from an owner identified on the attachments to the ARC's as "Properties Subject to Lien Assessment Upon Conveyance"; (3) owners not in either or the two previous categories who voluntarily agree to be bound hereby; and (4) owners in none of the three previous categories (and their properties) who acquire title subsequent to July 1, 1992 by any means. Any property owner who has not become a mandatory member of PIKSCO and who does not agree to submit his lot to mandatory membership in the corporation, and may be charged a reasonable maintenance fee for utilization of any common facilities.

14. SPECIAL ASSESSMENTS: In addition to the regular annual dues, PIKSCO Corporation may request authorization to levy, in any calendar year, a special assessment for the purpose of defraying in whole or in part, the cost of any construction, reconstruction, repair or replacement of capital improvements upon the common areas. Authorization of this assessment shall have the assent of fifty-one percent (51%) of the members of PIKSCO who are voting in person or by proxy in a regular annual meeting or during a meeting solely called for this purpose at which a quorum of the membership is present. Additionally, this special assessment may be made for any purpose consistent with the Articles of Incorporation and By-laws of PIKSCO and these restrictive covenants. Two months prior to a vote on authorization of a special assessment, the membership shall be provided by PIKSCO justification for, costs estimates and proposed schedules for projects to be authorized by funds raised through the special assessment.

15. LIENS: All dues and special assessments imposed by the PIKSCO Corporation, in accordance with its Articles of incorporation and By-Laws, and these restrictive covenants, once mandatory on any lot owner, shall be a charge against the land of such owner and shall be a continuing lien upon the property upon which such dues or assessments are made when filed of record in the manner provided by Article 8 of Chapter 44 of the General Statutes of North Carolina. PIKSCO's lien may be foreclosed in a like manner as a mortgage on real estate under power of sale as under Article 2A of Chapter 45 of the General Statutes. Interest, a reasonable late payment penalty, and PIKSCO's actual

attorney fees incurred in collecting the dues or assessments under paragraphs 13 and 14 above, are deemed to be covered by the security of the lien. The liens described above run with the land.

There shall be no time limit for the filing of a claim of lien, or for the bringing of an action to enforce said lien.

16. PIKSCO CORPORATION: PIKSCO Corporation is an existing corporation, chartered in November 1st, 1972, and chartered and operated for the benefit of the administration and maintenance of the common facilities within the subdivision, and the enforcement of the restrictive covenants imposed upon the lots in the subdivision. Said Corporation shall have the power and authority to enact By-Laws, to promulgate rules and regulations designed to protect the interest of the members of the Corporation, and to protect the property values of the common areas, and lots in the subdivision. Compliance with the rules and regulations and By-Laws of said Corporation shall be mandatory on the members, and the Corporation shall be entitled to procure in the appropriate courts of the State of North Carolina, Carteret County, injunction against any violating member, or other legal remedy. The legal expense, including attorney’s fees, of pursuing legal action shall be a lien on the land just as is nonpayment of dues or assessments as set out hereinbefore. Each owner or member is responsible for all actions and conduct of his family, guest, employees, and contractors.

PIKSCO Corporation shall have the right, if the membership (by vote) deems such appropriate, to accept as potential members of the Association, other property owners within the Town of Pine Knoll Shores, upon the payment of appropriate fees and charges, as determined by the Board of Directors, to utilize the common areas governed by the Association.

THIS AMENDMENT OF COVENANT, executed by PIKSCO Corporation, acting by and through its duly elected President and Secretary, with its seal attached, is executed this 11 day of February, 1993. Attached hereto are a list of property owners voting affirmatively for these amendments, in accordance with the originally covenants above referenced, each of the attached owners, by voting affirmatively hereto, acknowledging their voluntary submission of their lot to membership in PIKSCO Corporation, which membership shall be binding upon the heirs and successors and assigns of said lot owner.

THIS RESTATEMENT is executed this 1st day of January, 2018.

PIKSCO CORPORATION

By: _____
President

ATTEST:

Secretary

RECORDED: BOOK 709 PAGE 898