

NORTH CAROLINA
CURRITUCK COUNTY

WALNUT ISLAND SUBDIVISION
AMENDMENT TO DECLARATIONS OF RESTRICTIVE COVENANTS

WALNUT ISLAND PROPERTY OWNERS ASSOCIATION, INC. a North Carolina nonprofit corporation, (hereinafter the "Association"), as owner of certain property situated in Poplar Branch Township, Currituck County, North Carolina, located in Walnut Island Subdivision (hereinafter the "Subdivision" or "Walnut Island"), and as successor in interest to the rights of the declarant and developer of Walnut Island, Baum & Woodhouse Enterprises, Inc., hereby declares that pursuant to paragraph 7 of the Declaration of Restriction Covenants filed in Book 115, Page 45, Currituck County Registry, and paragraph 7 of the Declaration of Restrictive Covenants filed in Book 119, Page 275, Currituck County Registry, all lots in Block D of Section 1, and all of Sections 5, 6 and 7 of Walnut Island as delineated on plats filed in Map Book 3, Page 47E, Map Book 4, Pages 45 and 46, Map Book 4, Page 68, Map Book 5, Pages 6, 7 and 8, and Plat Cabinet A, Slide 64, Currituck County Registry, together with any and all property deeded subject to the Restrictive Covenants in Book 115, Page 45 and/or Book 119, Page 275 (hereinafter collectively known as "Camper Lots"), and all property owned by the Association for the benefit of lot owners in the Subdivision, together with any additional property which may hereafter be added by amendment to this Amendment to Declarations of Restrictive Covenants (hereinafter this "Amendment"), shall be held, transferred, conveyed, occupied and used subject to the following easements, covenants, conditions, restrictions, liens, and charges which shall run with the title to the real property described herein and which shall be binding upon and inure to the benefit of all of the parties having any right, title or interest in the above described properties, their heirs, successors, and assigns.

1. Notwithstanding anything to the contrary in the Declarations of Restrictive Covenants filed in Book 115, Page 42, Book 115, Page 45, and Book 119, Page 275, Currituck County Registry (hereinafter the "Declarations"), all lots in the Subdivision shall be used and occupied in accordance with the Currituck County Unified Development Ordinance (hereinafter the "UDO"), as amended from time to time, or any successor Ordinance.
2. Any dwelling and/or camping trailer located on a Camper Lot must be connected to the sanitary sewer system.
3. Except as hereinafter more fully provided, each owner of any Camper Lot adjacent to any roads in the Subdivision which have not been accepted by the State of North Carolina for maintenance, by acceptance of a deed therefor, whether or not it was so expressed in the particular deed of conveyance, became bound by the Declarations which pursuant to said Declarations are being amended herein, shall be deemed to have covenanted and agreed to pay a road maintenance assessment beginning June 1, 1992 for the fiscal year June 1, 1992 through May 31, 1993, and each such fiscal year thereafter, in an amount established by the Camper Lot Owners as provided in the Bylaws of the Association, as recommended to the Owners by the Board of Directors of the Association, for the repair, improvement, and maintenance of the said roads. At the time of the filing of this Amendment, the roads which were not maintained by the State of North Carolina, and which must be maintained by the Association, were Mallard Lane, Seaward Court, Coral Lane, Reef Lane, Shell Drive, Base Hill Drive, Sea Horse Lane, Mote Drive, Inlet Lane, and Dolphin Lane. Beginning June 1, 1992, the road maintenance assessment due from Camper Lot Owners shall be \$25.00 for each lot located on such a street or road not being maintained by the State of North Carolina at that time. In the event any assessment amount is legally invalidated, the minimum of \$25.00 per lot per fiscal year shall nevertheless be collectible.

In addition to the annual road maintenance assessment authorized, the Camper Lot Owners may authorize, as provided in the Bylaws of the Association, and as recommended by the Board of Directors, in any fiscal year a special road maintenance assessment applicable only to that fiscal year, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of all or any part of the road system not being maintained by the State of North Carolina. The due date of any special road maintenance assessment shall be fixed in a resolution authorizing such assessment.

The Board of Directors of the Association shall prepare a roster of Camper Lot owners and road maintenance assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Camper Lot owner. Written notice of the road maintenance assessment for each fiscal year shall be sent to every Camper Lot owner subject thereto at least thirty (30) days prior to the commencement of each fiscal year. The road maintenance assessment shall be due and payable on June 1 of each new fiscal year. The Association shall, upon demand at any time, furnish to any Camper Lot owner or the owner's designated agent a certificate signed by an officer of the Association setting forth whether the road maintenance assessment has been paid. The certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

If a road maintenance assessment is not paid on the date when due, then it shall be delinquent and shall, together with interest thereon, become a continuing lien on the property which shall bind such property in the hands of the then owner, his heirs, devisees, personal representatives, and assigns. Each Camper Lot owner expressly covenants, by acceptance of a deed, that liens may be placed against the Camper Lot owner's lot for nonpayment of the road maintenance assessment. The personal obligation of the then owner to pay such assessment, however, shall remain his personal obligation for the statutory period. Provided, however, unless the owner obtains from appropriate officers of the Association at closing a certificate attesting to the fact that all assessments are paid and presents such certificate to the purchaser at closing, a purchaser of a lot shall be conclusively presumed to have assumed such past due assessments and shall become forthwith liable therefor. If the assessment for any fiscal year is not paid by July 1 of said fiscal year, the road maintenance assessment shall bear interest from July 1 at the rate established by the Board of Directors not to exceed the maximum legal rate of interest, and the Association may bring an action at law against the Camper Lot owner personally obligated to pay the outstanding road maintenance assessment and/or bring an action to foreclose the lien against the property. There shall be added to the amount of such road maintenance assessment all costs of collection including, but not limited to, the cost of preparing and filing the complaint in such action, and the cost of any and all attorneys' fees incident to collection whether or not suit is brought, including attorneys' fees on appeal. In the event a judgment is obtained, such judgment shall include interest on the assessment as provided above and a reasonable attorneys' fees to be fixed by the court, together with costs incident to the action. In addition to the foregoing remedies, the Board of Directors may assess a "Late Fee" as may have been theretofore established by the Board of Directors for each annual or special road maintenance assessment which is more than thirty (30) days delinquent, for the purpose of helping to defray collection costs.

The lien for the road maintenance assessments provided by this Amendment shall be subordinate to the lien of any mortgage or deed of trust now or hereafter placed upon a Camper Lot owner's lot subject to assessment, unless such assessment is secured by a claim of lien that is recorded prior to the recording of such mortgage or deed of trust.

4. Each Camper Lot owner shall be a member of the Association and thus shall pay to the Association annual dues to be fixed, established, and collected from time to time as hereinafter provided. The annual dues shall also be the personal obligation of the person who was the owner of such lot at the time when the annual dues became due. The dues levied by the Association for common expenses shall be used exclusively for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the owners and occupants of the Subdivision and maintaining the Subdivision and improvements therein, all as may be specifically authorized from time to time by the Board of Directors. The common expenses to be funded by the annual dues may include but shall not necessarily be limited to the following: (a) management fees and expenses of administration; (b) utility charges for utilities serving the common areas and charges for other common services for the Subdivision if such services or charges are in fact paid by the Association; (c) the cost of insurance coverage as the Board of Directors shall determine to be in the interest of the owners; (d) the expenses of maintenance, operation and repair of the common areas (except the roads and streets referred to in Section 3 above); (e) any real or personal property taxes assessed or levied against the common areas; (f) the establishment and maintenance of a reasonable reserve fund for maintenance, repair, and replacement of the common areas (except the roads and streets referred to in Section 3 above), to cover emergency repairs as a result of casualties which are not covered by insurance and to cover unforeseen operating contingencies or deficiencies arising from unpaid dues, and (g) such other expenses as may be determined from time to time by the Board of Directors of the Association to be common expenses.

The annual assessment for dues shall commence on June 1, 1992. Once the 1992-93 fiscal year is commenced, the dues shall be due on June 1 of every fiscal year thereafter. The initial assessment period shall be a one year period from June 1, 1992 through May 31, 1993. Each member of the Association shall pay annual dues, which beginning in the year 1992 shall be a minimum of \$20.00 without regard for the number of lots owned. The Association's members shall have the right to assess a lesser or greater amount per fiscal year based upon the estimated cost in carrying out the above stated purposes for each fiscal year. In the event any amount of dues assessed is legally invalidated, the minimum of \$20.00 per fiscal year shall nevertheless be collectible. Nonpayment of Association dues shall cause an owner to be removed from the list of members in good standing, and such owners shall not be permitted to use Association common areas, buildings, or to participate in Association functions or events except as may be provided by the Association Bylaws or by resolution of the Board of Directors.

5. The Board of Directors of the Association may establish such additional rules and regulations as may be deemed for the best interest of the owners in the Subdivision, and may be amended from time to time by the Board of Directors of the Association.

6. The duties and powers of the Association shall be those set forth in Chapter 55A of the North Carolina General Statutes as it applies to nonprofit corporations, the Declarations (as amended), the Bylaws, and the Articles of Incorporation of the Association. Should there be any conflicts or inconsistencies between any of these documents or statutes, then the order of authority shall be the General Statutes, the Declarations (as amended), the Articles of Incorporation, and the Bylaws.

7. Invalidation of any one or of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

8. The Declarations, as amended herein, shall affect and run with the land described herein and shall exist and be binding upon all parties and persons claiming under them for a period of twenty years from the date hereof and shall extend for successive periods of ten years thereafter unless prior to the expiration of any such ten year period an instrument signed

by a simple majority of the owners of record of all Camper Lots in this Subdivision has been recorded in the Currituck County Registry, revoking or modifying one or more provisions herein.

9. Notices required under the Declarations (as amended) shall be in writing and shall be delivered by hand or sent by United States Mail, postage prepaid. All notices to Camper Lot owners shall be delivered or sent to such address as has been designated in writing to the Association, or if no such address has been so designated, to such address as may be determined by the Association from County public ad valorem tax records. Notices to the Association shall be such address as set forth in the Bylaws or on any correspondence from the Association to an owner.

10. Except as specifically amended herein, the Declarations filed in Book 115, Page 45, and Book 119, Page 275, Currituck County Registry shall remain in full force and effect.

11. Attached hereto as Exhibit A and incorporated by reference herein are the signatures of a majority of the lot owners in the Subdivision so authorizing this Restated Declaration, which is the number required by the Declarations filed in Book 115, Page 45, and Book 119, Page 275, Currituck County Registry.

IN WITNESS WHEREOF, the Association has caused this instrument to be signed in its corporate name by its duly authorized officers and its seal to be hereunto affixed by authority of its Board of Directors, pursuant to the approval of the Association membership, the day and year first above written.

WALNUT ISLAND PROPERTY OWNERS ASSOCIATION, INC.

BY: Nancy L. Umstad
President

(AFFIX CORPORATE SEAL)

ATTEST:

Grace D. Curry
Secretary

SEE ALSO ATTACHED EXHIBIT A

STATE OF NORTH CAROLINA
COUNTY OF CURRITUCK

I, a Notary Public of the County of Currituck, and State aforesaid, certify that Grace D. Curry personally came before me this day and acknowledged that 5 he is Secretary of WALNUT ISLAND PROPERTY OWNERS ASSOCIATION, INC., a North Carolina Corporation, and that by authority duly given and as the act of the Corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by (him) (her) as its Secretary.

Witness my hand and official stamp or seal, this 4 day of September 19 92.

Sara Roney Cramer
Notary Public

My commission expires: 8-14-95

(AFFIX NOTARY SEAL)

