WALNUT ISLAND SUBDIVISION AMENDMENT TO DECLARATIONS OF RESTICTIVE COVENANTS

WALNUT ISLAND PROPERTY OWNERS ASSOCIATION, INC. a North Carolina nonprofit corporation (hereafter the "Association"), as owner of certain property situated in Poplar Branch Township, Currituck County, North Carolina, located in Walnut Island Subdivision (hereafter the "Subdivision or Walnut Island"), and as successor in interest of 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 Pages 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, restriction, 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.

- 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. Each single or combined lot, located in the "Private"/" Camper Section" will be connected to the Currituck Water and Sewage sanitary 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 therefore, 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, 2022 for the fiscal year June 1, 2022 through May 31, 2023, 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, Bluefish, Shell Drive, Base Hit Drive, Sea Horse Lane, Mote Drive, Inlet Lance,

and Dolphin Ct. Beginning June 1, 2022, the road maintenance assessment due from Camper Lot Owners shall be \$1.25 per linear frontage foot of property according to the Currituck County plat maps. If property has frontage on adjoining road, then the longest frontage will be charged. 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 or \$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 days prior to the commencement of each fiscal year. The Road maintenance assessment shall be due and payable on Jun 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 office of the Association setting forth whether the road maintenance 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, personal obligation of the then owner to pay such assessment, however, shall remain their 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 past 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 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 action to foreclose the lien against the property. There shall be added to the amount of such road maintenance assessment all 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 judgement is obtained, such judgement 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 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 of 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 the annual dues became due. The dues levied by the Association for common expenses shall be used to 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 management 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 Jun 1, 2022. Once the 2022-2023 fiscal year is commenced, the dues shall be due on Jun 1 of every fiscal year thereafter. The initial assessment period shall be a one-year period from June 1, 2022 through May 31, 2023. Each member of the Association shall pay annual dues, which beginning in the year 2022 shall be a minimum of \$100.00 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 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 \$60.00 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. Golf carts may be used on non-state-owned roads. Golf carts must follow all speed limits, and observe rules of the road. Driver of golf cart must be over 16 years or adult present on the golf cart.
- 7. Any motor vehicle using non-state-owned roads must follow posted speed limit and observe rule of the roads according to NC ordnances.
- 8. Each canal front lot will have a bulkhead approved and permitted by CAMA and Currituck County. Bulkheads located around canal property shall be maintained. Any missing boards or falling down bulkheads will be repaired or replaced. Bulkheads can be replaced with rip rap, vinyl, wood or living shoreland which must be installed by a qualified contractor.
- 9. No more than two boats can be stored on property. Each boat must have a current registration.
- 10. Any motor vehicle stored, or parked on property must have current state registration. Any nonregister will be towed, after 72 hours without special permission of the Walnut Island Property Owner Association.
- 11. No disposal of yard waste, human, animal waste into the canals. No mowing debris shall be blown into the canal.
- 12. No building shall be erected or maintained on any lot and/or other than a private residence, a private mobile home, or a camper, and a private garage must be completely for the sole use of the owner or occupant, and no business, trade or enterprise of any kind or nature whatsoever shall be conducted or carried on upon any lot or lots in said Subdivision, without first receiving written approval from the Board of Directors of Walnut Island Property Owners Association, not shall any animals, birds, fowl or poultry, except household pets be kept at any time thereon.
- 13. All wharfs and piers must be built parallel to the rear property lot line, and they shall not interfere with the right of ingress and egress within the canal area for boats and other water craft, it being expressly understood that the owner of lots adjoining the canal shall have the free and unrestrictive use of all of the canal area, and that no lot owner shall do anything which will in any way block or interfere with such use of said canals.
- 14. No nuisance or offensive, noisy or illegal activity shall be done, suffered or permitted upon any lot, and no part of any lot shall be used or occupied injuriously to affect the use or value of the adjoining property of the neighborhood wherein said premises are situated. No outdoor toilet facilities or privies shall be permitted. Other than temporary contractors provided portable johns during periods of construction. Portable johns must be removed after construction has been completed.
- 15. Outside garbage and trash accumulation shall be maintained in closed, sturdy containers, as inconspicuously as practical, and they shall be emptied regularly. Thrash containers for pick up, will be placed on road side on the day of pick up, only and returned to stored area within 24 hours of pick.
- 16. No signs or advertising posters shall be permitted on any lot, except signs identifying the owner or occupant of the property, without permission of the Walnut Island Property Owners Association. No animals, livestock or poultry of any kind, other than household pets, shall be kept or maintained on any lot. No junk, wreck, or inoperative automobile, truck or boat will be permitted to remain on the property, nor shall other unsightly materials be stored thereon.
- 17. All users of the canals shall obey "No Wake Zones" signs. All canals are designated as NO Wake Zones.

- 18. Property owners shall insure a minimum of two parking spaces for each residential unit. (House, class one or class two manufactured home, camper, including any unit that is being used as a residence.)
- 19. There will be strictly no parking on WIPOA right away, vehicles parking on WIPOA Right away will be towed at owner expense. WIPOA has at least a ten-foot set back from the road. Any vehicle that remains on WIPOA right away after 72 hours will be towed at homeowner expense.
- 20. Any security lightening, flood lights or other lightening used for yard security, reflected light must remain on security light owner's property. Light must not shine into neighboring windows, house or yard.
- 21. No part of said premises shall be used for commercial and/or manufacturing purposes or storage of multiple unregistered boats and automobile or trucks, without first receiving written approval from the Board of Directors of Walnut Island Property Association.
- 22. Shell Drive, Seaward, Reef Lane, Coral, Bluefish, Dolphin, Inlet, Seahorse, Base Hit, Mallard Lane are non-state streets and belong and maintained by the WIPOA. There are to be used only by the property owners, guest of property owners, renters, guest of renters, and contractors preforming business for either the property owner or renters. All other use is forbidden and will be considered as trespassing. Anyone violated this provision will be considered trespassing and be prosecuted by civil authorities.
- 23. There will be no outside portable johns or privies, or toilets allowed on property. Other than contractors provided portable johns during periods of construction. Portable johns must be removed when construction has been completed.
- 24. In the private or camper section: Only one camper, or travel trailer, or camper, or motorhome, or park home, or 5th wheel, or any other temporary residences may be park on a lot. Whether residence is permanent or temporary.
- 25. In the private or camper section: Any camper or temporary structure older than 2000 will be removed if the structure is unoccupied.
- 26. No parking on roadways or on islands. No parking on WIPOA right of way. Vehicle will be towed after notification of unauthorized parking on islands, roadways and right of ways. Home owner will be charged for the towing.
- 27. Any Costal Area Management Act (CAMA) permits shall be reviewed and approved by the WIPOA board.
- 28. No camper, trailer, or manufactured home earlier than 2015 shall be erected or parked on property on Walnut Island. No homemade campers or trailers will be placed on property on Walnut Island.
- 29. No back filling of any lots shall exceed the height of the WIPOA maintained roads.
- 30. The duties and powers of the Association shall be those set forth in Chapter 55A and Chapter 47F 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 statues, then the order of authority shall be the General Statutes, the Declarations (as amended), the Articles of Incorporations (as amended), and the Bylaws.
- 31. 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.
- 32. 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 Lot in this Subdivision has been recorded in the Currituck County Registry, revoking or modifying one or more provisions herein.

- 33. Notices required under the Declarations (as amended) shall be in writing and shall be delivered by hand or sent by United State Mail, postage prepaid. All notices to camper Lot owners shall be delivered or sent to such address as has be 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 a=on any correspondence from the Association to an owner.
- 34. Unless a specific procedure for the imposition of fines or suspension of planned community privileges or services is provided for in the declaration, a hearing shall be held before the executive board or an adjudicatory panel appointed by the executive board to determine if any lot owner should be fined or if planned community privileges or services should be suspended pursuant to the powers granted to the association in G.S. 47F-3-102(11) and (12). Any adjudicatory panel appointed by the executive board shall be composed of members of the association who are not officers of the association or members of the executive board. The lot owner charged shall be given notice of the charge, opportunity to be heard and to present evidence, and notice of the decision. If it is decided that a fine should be imposed, a fine not to exceed one hundred dollars (\$100.00) may be imposed for the violation and without further hearing, for each day more than five days after the decision that the violation occurs. Such fines shall be assessments secured by liens under G.S. 47F-3-116. If it is decided that a suspension of planned community privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinguency is cured. The lot owner may appeal the decision of an adjudicatory panel to the full executive board by delivering written notice of appeal to the executive board within 15 days after the date of the decision. The executive board may affirm, vacate, or modify the prior decision of the adjudicatory body. (1997-456, s. 27; 1998-199, s. 1; 2005-422, s. 4.)
- 35. 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.
- 36. These covenants and restrictions shall run with the land and shall be binding on all parties claiming under them for a period of 20 (twenty) years and shall be extended for successive period of 19 (ten) years unless and prior to the expiration of any such ten-year period.
- 37. 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 it 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.