

**AMENDED
DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS
AND LIMITATIONS FOR RIVERSOUND**

THIS AMENDED DECLARATION, made this 16th day of July, 2007, by Waterfront Group NC, LLC, with its principal place of business in Mecklenburg County, North Carolina, hereinafter referred to as "Declarant", recites and provides:

RECITALS

A. Declarant is the owner of that certain real property (the "Real Property") located in Chowan County, North Carolina, and more particularly described in Exhibit "A" attached hereto and made a part hereof. The Declarant desires to maintain the beauty of the Real Property, to assure high quality standards for the enjoyment of the Real Property and to promote the health, safety, and social welfare of each owner of any portion of the Real Property.

B. It is the intention and desire of Declarant to develop upon the Real Property a residential subdivision of single family residential lots, to be known as RiverSound, which shall be occupied and maintained as a residential development of superior quality and condition for the mutual and common advantage of all occupants and owners thereof who shall occupy and own all or any part of the Real Property, subject to the provisions of the Declaration and all other rules and regulations applicable to the Real Property.

C. Declarant desires to further provide for the preservation and enhancement of the Real Property, and for the maintenance of the Real Property and the improvements thereon. In order to accomplish such objectives, Declarant desires to subject the Real Property, together with such additional property as may hereafter be added thereto, to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Real Property and each owner of a portion thereof.

D. Declarant deems it desirable to create and has created the RiverSound Property Owners Association, Inc., a nonprofit association of members with the power and duty of administering and enforcing the protective covenants, conditions, restrictions and limitations hereinafter set forth, of maintaining and administering the Common Property, as hereinafter defined, and collecting and disbursing the assessments and charges hereinafter created.

E. This amended declaration is made for the purpose and intent of clarifying and correcting certain provisions and references erroneously made in the original declaration, to bring the declaration into compliance with the North Carolina Planned Communities Act, and to eliminate conflicting provisions that may have existed. The original declaration referenced above is hereby withdrawn as to all real property not included within Exhibit A attached hereto, and amended as to the remaining real property.

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DECLARATION

NOW THEREFORE, prior to the conveyance of lots in the subdivision, and pursuant to Article X section 9 of the recorded Declaration of Covenants and Restrictions, Declarant amends the said existing Declaration recorded in Book 379 at pages 246-262 of the Chowan County Registry, by substituting in lieu thereof these amended Declarations which shall replace and supercede such prior declaration, and hereby declares that the Real Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which shall run with the Real Property and be binding on all parties having any right, title or interest in the Real Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of the Declarant and each Owner of any portion of the Real Property.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to the RiverSound Property Owners Association, Inc., a North Carolina nonprofit corporation, or its successors and assigns. The Association shall have and exercise all of the powers specifically set forth in Section 3-102 of the North Carolina Planned Community Act.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the Real Property. Each such person or entity other than the Declarant shall hold a Class A voting membership in the Association. Owners shall not include those persons having such interest merely as security for the performance of an obligation, such as the holder of a deed to secure debt secured by any portion of the Real Property.

Section 3. "Property" or "Real Property" shall mean and refer to that certain real property hereinbefore described and such additional property as may be added thereto in accordance with the provisions hereof.

Section 4. "Lot" shall mean and refer to any plot of land intended as a site for a single family residence and shown upon the duly recorded subdivision plat of the Real Property.

Section 5. "Accessory Building" shall mean any roofed structure excluding a principal single family residence.

Section 6. "Building" shall mean any roofed structure including a single family residence, garage or accessory building.

Section 7. "Building Envelope" shall mean the area within the setback limitation for the Lot available for development.

Section 8. "Common Property", "Common Area" or "Common Properties" shall mean and refer to all real property included within the Real Property, including common streets and rights-of-way in the Real Property, designated on the plat of RiverSound, which is not dedicated as a public street, and the cul-de-sac interior circle area, but not including any Lot, together with any and all personal property, fixtures and improvements thereon, which property is hereby declared to be for the common use and enjoyment of the Owners. The Common Properties are not dedicated for use by the general public.

Section 9. "Declarant" shall mean and refer to Waterfront Group NC, LLC a North Carolina limited liability company. The Declarant may also be an Owner for as long as the Declarant shall be record owner of any Lot as defined herein.

Section 10. "Declaration" shall mean and refer to this Declaration of Covenants, Conditions, Restrictions, and Limitations for RiverSound.

Section 11. "Architectural Review Board" shall mean and refer to Declarant, or that person, or persons, from time to time appointed or designated by Declarant, its successors and designated assigns, as long as Declarant is the Class B Member of the Association, and to that person, or persons, from time to time appointed or designated by the Association, thereafter, for the purpose of exercising the right of approval of plans for improvement of any portion of the Real Property.

Section 12. "Design Guidelines" shall mean and refer to design guidelines developed by the Declarant which will be used by the Architectural Review Board in approving the construction or development of a Lot in the Real Property.

Section 13. "Member" shall mean and refer to those persons entitled to membership in the Association as provided in this Declaration.

Section 14. "Mortgage" shall mean any bona fide mortgage, deed to secure debt or other instrument conveying a lien upon or security title to any portion of the Real Property.

Section 15. "Board of Directors" shall mean and refer to the Board of Directors of the Association.

Section 16. "Bylaws" shall mean and refer to the Bylaws of the Association.

Section 17. "Supplemental Declaration" shall mean any declaration of covenants, conditions and restrictions which may be recorded by the Declarant, which extends the provisions of this Declaration to additional real property and contains such complimentary provisions for such additional real property as are required by the Declaration.

Section 18. "Common Expenses" shall mean refer to and include all charges, costs and expenses incurred by the Association for and in connection with the administration of the Subdivision, including, without limitation thereof, operation of the Subdivision, maintenance, repair, replacement and restoration (to the extent not covered by insurance) of the common areas; the costs of any additions and alterations thereto; all labor, services, common utilities, materials, supplies, and equipment therefore; all liability for loss or damage arising out of or in connection with the Common Areas and their use; all premiums for hazard, liability and other insurance with respect to the Subdivision; all costs incurred in acquiring a Lot pursuant to judicial sale; and all administrative, accounting, legal, and managerial expenses. "Common Expenses" shall also include the cost of operation, maintenance, improvement, and replacement of any recreational facilities presently existing or hereafter established in the common areas, including establishing reserves therefore. "Common Expenses" shall also include amounts incurred in replacing or substantially repairing capital improvements within the Common Areas of the Subdivision, including but not limited to private road and parking lot resurfacing. "Common Expenses" shall be construed broadly to promote the recreation, health, safety and welfare of the residents of the Real Property and for the improvement, maintenance and operation of the Common Properties, and for the construction, maintenance and operation of the entryway described in Section 3, Article VIII, hereof. "Common Expenses" shall not include any Special Assessment levied against one or more Lots or individual Owners as a fine or penalty, or as result of a Default under the terms hereof.

Section 19 "Assessment" shall mean and refer to any charge or charges assessed upon any Lot, and the Owner or Owners of any Lot under the terms of this Declaration. "Assessment" shall include, without limiting the generality thereof, annual general Assessments for maintenance and common expenses created under Article V hereof, Special Assessments for capital improvements or for other common purposes created under Article V hereof, Special Fine Assessments for fines and penalties assessed against any Lot or Owner under Article V, or

Special Fine Assessments created under any of the Articles hereof as result of Default in the obligations of any Owner or Owners, or as result of violation of the rules and regulations for use and maintenance of the Lots or of the Common Areas included within this Declaration or created by authority granted to the Association hereunder. To the full extent allowed by the Planned Community Act, and for all purposes of collection, and creation of liens upon the individual lots for "Assessments", and as further permitted by this Declaration, the term shall also include all costs, interest, penalties, attorney's fees or other supplemental charges mentioned herein as having application to such Assessment.

Section 20 "Default" shall mean failure of any Lot Owner to comply with any of the rules or regulations included in this Declaration or created by the Association under authority granted herein.

Section 21 "North Carolina Planned Community Act", or "Planned Community Act" shall mean and refer to Chapter 47F of the North Carolina General Statutes, as the same may be amended from time to time. The provisions thereof are specifically incorporated herein by reference as if set forth in full, and may be incorporated into the specific provisions hereof by general reference, provided however, to the extent the specific terms of this Declaration vary from or conflict with said Act, then to the extent allowed by law the terms of this Declaration, without reference to such Act, shall apply.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND ADDITIONS THERETO

Section 1. Existing Property. The Real Property which is and shall be held, transferred, sold, conveyed and occupied according to this Declaration consists of Phase I of RiverSound in Chowan County, North Carolina, and is more particularly described in Exhibit "A" hereto.

Section 2. Additional Property. The Declarant shall have the right, for a period of ten (10) years after the date hereof, from time to time and within its sole discretion, to annex to the Real Property additional properties, including properties now or hereinafter acquired by it and property of others which is either abutting the Real Property (including additions thereto) or so situated that its addition will be consistent with the uniform scheme for development set forth in the Declaration.

Section 3. Supplemental Declaration. Any such additions authorized in Section 2 hereinabove shall be made by the filing of record on one or more Supplemental Declarations with respect to the additional property. A Supplemental Declaration may contain such additions to or modifications of the provisions hereof applicable to the additional property as may be necessary to reflect the different character, if any, of the additional property, that is the subject of the Supplemental Declaration, including but not limited to a provision for assessment of such property calculated on a different basis than is set forth in this Declaration. Any such Supplemental Declaration shall become effective upon being recorded in the Office of the Register of Deeds, Chowan County, North Carolina.

Section 4. Effect of Annexation. In the event that any additional property is annexed to the Real Property pursuant to the provisions of this Article II, such additional lands shall be considered within the definition of the Real Property for all purposes of this Declaration, and in the event of annexation of property or merger of the Association all voting of each class of the membership of the Association, and all voting by the Owners hereunder, shall be aggregated, it being intended that any voting requirements need not be fulfilled separately for the property described in a Supplemental Declaration.

ARTICLE III.

MEMBERSHIP AND VOTING RIGHTS

Section 1. Members. Every person or entity who is a record Owner of a fee or undivided fee interest in any Lot shall be a mandatory Member of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation. Membership in the Association shall be appurtenant to title to any Lot.

Section 2. Voting Rights, Membership Classes. The Association shall have two classes of membership:

1. Class A. Class A Members shall be all Owners, with the exception of Declarant, and shall be nonvoting Members except on such matters and in such events hereinafter specified. Class A Members shall be entitled to full voting privileges at such time as the Class B Member so designates in writing to the Association. Until the Class B Member so designates, Class A Members shall be entitled to vote only on:

- a) Any proposal or change of method of calculating the maximum amount of the annual assessment delivered by the Association;
- b) Any proposal that special assessments for capital improvements or other common purposes be levied by the Association except as otherwise provided;
- c) Any proposal not to repair or reconstruct any damage or destruction to the Common Properties;
- d) Any proposal to amend the Articles of Incorporation of the Association;
- e) Any other matter for which it is specifically provided that approval of all classes of membership is required, including, but not limited to, the election of the Board of Directors.

When entitled to vote, a Class A Member shall be entitled to one vote for each Lot owned by said Member.

Every Class A Member shall at all times keep the Association apprised of such Member's permanent mailing address. Such address shall be used by the Association in all notices given to either the individual Member or to all Members in general, and notice to such address shall be conclusive proof that such notice has been given to such Member.

When more than one person holds an interest in any Lot, all such persons shall be Members; however, the vote for such a 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. When title to a Lot is in a corporation, limited liability company, partnership, association, trust or other entity (with the exception of Declarant as long as Declarant is a Class B Member), such entity shall be subject to the specific applicable rules and regulations as contained in the Bylaws or Articles of Incorporation of the Association.

2. Class B. Declarant shall be the sole Class B Member. Class B membership shall be a full voting membership and the Class B Member shall be entitled to vote on all matters and events. The Class B Member shall be entitled to three votes for each Lot owned by said Member. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events whichever occurs earlier:

- (i) The date Declarant no longer owns a Lot; or

At such time as Declarant shall waive in writing its right to Class B membership.

OWNER'S RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Properties which specifically include an easement of ingress and egress over any streets comprising a part of such Common Properties, which shall be appurtenant to and shall pass with the title to every Lot, subject to the provisions of this Declaration, the Articles of Incorporation, the Bylaws, and the following provisions:

- a. The right of the Association to charge Assessments and other fees for the maintenance of the Common Properties and facilities and services provided Owners as described herein;
- b. The right of the Association to adopt rules and regulations governing the use of the Common Properties and the personal conduct of the Owners and their guests thereon and to enforce such regulations under the provisions hereof, and, subject to the provisions of the Planned Community Act, to adjudicate and determine the facts giving rise to any violation, infraction or course of conduct;
- c. The right of the Association to assess fines and suspend the voting rights of any Member for any period for which any assessment against his or her Lot remains unpaid, provided, however, that the Association shall not suspend the right to use the street which is a part of the Common Properties, or otherwise take any action which might be construed to unreasonably impair or modify an Owner's right of ingress and egress to his or her property;
- d. The right of the Association to dedicate or transfer all or any part of the Common Properties to any public agency, authority or utility (public or private) for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument signed by the Owners of seventy-five (75%) percent of the Lots authorizing the dedication or transfer has been recorded; and,
- e. The right of the Declarant and the Association to grant and reserve easements and right-of-way through, under, over and across the Common Properties, for the installation, maintenance, and inspection of the lines and appurtenances for public or private water, sewer, drainage, gas, electricity, telephone, and other utilities.

Section 2. Damage or Destruction of Common Property by Owner. In the event any Common Property or personal property of the Association or of the Declarant serving the Association, is damaged or destroyed by an Owner or any of his or her guests, tenants, licensees, agents, employees or members of his or her family as a result of negligence or misuse, such Owner does hereby authorize the Association to repair the damaged areas. The Association shall repair the damaged area in a good and workmanlike manner in conformance with the original plans and specifications of the area involved or as the area may have been modified or altered subsequently by the Association. The cost of such repairs shall be the responsibility of such Owner and shall become a special Lot Assessment payable by said Owner.

Section 3. Title to Common Properties. Declarant hereby covenants that it shall convey the Common Properties to the Association, free and clear of all liens and financial encumbrances, other than prorated taxes for the year of conveyance, if any, not later than the date of termination of Class B membership.

Section 4. Common Properties. The Association, subject to the rights and duties of the Owners and of the Declarant set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Properties and all improvements thereon and shall keep the same in good, clean and attractive condition, order and repair.

Section 5. Insurance. The Association shall provide for insurance coverage in accordance with the provisions of Article VIII and the costs therefore shall be included within the general assessment.

ARTICLE V
COVENANTS FOR ASSESSMENTS

Section 1. Creation of Lien and Personal Obligation for Assessments. Declarant hereby covenants, and each Owner of a Lot, by acceptance of a deed or other transfer document therefore, whether or not it shall be so expressed in such deed or transfer document, is deemed to covenant and agree to pay the Association the following:

- a. Annual general Assessments or charges;
- b. Special Assessments for capital improvements or other common purpose; and
- c. Special Fine or Penalty Assessments against any Lot or any Owner, or charges levied by or under the terms of this declaration.

All such assessments, together with interest thereon and costs of collection thereof as hereinafter provided, shall without notice or filing, be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made. Each such assessment, together with interest thereon and costs of collection thereof, when delinquent, shall also be the personal obligation of the person or entity who was the Owner of such Lot at the time when the assessment fell due.

Section 2. General Assessment.

- a. Purpose of Assessment. The general assessment levied by the Association shall be used exclusively for Common Expenses
- b. Basis of Assessment. Each Lot, whether improved or otherwise, shall be assessed at a uniform rate. For the purpose of assessment, the term "Owner" shall not include the Declarant.
- c. Method of Assessment. By a majority vote of the Board of Directors, the Association shall fix the annual assessment upon the basis provided herein. The annual general assessments shall be sufficient to meet the obligations imposed upon the Association by the Declaration. The Board of Directors shall set the date or dates such assessments shall become due. The Board of Directors may provide for collection of assessments annually or in monthly, quarterly or semiannual installments; provided, however, that upon the default in the payment of any one or more installments, the entire balance of such assessment may be accelerated at the option of the Board of Directors and be declared due and payable in full.

Section 3. Special Assessment for Capital Improvements or other common purpose. In addition to the annual general assessments authorized above, the Association may levy in any assessment year a special assessment applicable to that year and not more than the next four succeeding years for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Property, including fixtures and personal property related thereto, and provided that any such assessment shall have the assent of the Class B Member and a majority (51%) of the votes of the Class A Members voting in person or by proxy at a regular meeting or special meeting duly called for that purpose. In addition, the Association may levy a special assessment at any time, by a majority vote of the Board of Directors, for the purpose of defraying, in whole or in part, the cost of any unusual or emergency matters that affect any of the Common Properties or all of the

Members of the Association. Any such "emergency assessment" shall be due and payable at the time and in the manner specified by the Board of Directors.

Section 4. Special Fine or Penalty Assessments The Board of Directors, either directly or acting through a duly appointed committee or other designated authority, may levy upon any Lot, or upon any individual or collective Owner of one or more lots, a Special Fine or Penalty Assessment as for any Default complying with the terms of this Declaration or of the rules and regulations duly promulgated by the Association. Such Special Fine or Penalty Assessment shall be assessed after notice to any Defaulting Owner, or Owners of any Lot alleged to constitute a Default, and an opportunity for any such Owner to be heard. After hearing and determining the existence of Default, such authority may assess a Special Fine or Penalty Assessment, or take such other action as is allowed by Article X herein. Any such Special Fine or Penalty Assessments shall be due and payable immediately upon being assessed. Such Assessments may in the discretion of the Board or its designated authority, be levied on the basis of a single assessment, an assessment for each day of a continuing violation, or upon any other rational basis, in order to serve the purpose of insuring compliance with the terms of this Declaration by all Owners.

Section 5. Annual Assessments. The annual general assessments provided herein shall commence with respect to Lots conveyed by the Declarant, on the day of conveyance of the first Lot to an Owner who is not the Declarant. During the initial year of ownership, each such Owner shall be responsible for the pro rata share of the annual general assessment of \$600.00 charged to each Lot. In addition, at the closing and transfer of title to the initial Owner, such Owner shall contribute an amount equal to two monthly assessment payments to the Association. The contribution shall be used by the Association for the purpose of initial and nonrecurring capital expenses of the Association. Such contribution shall not be considered a prepayment of assessments.

Section 6. Effect of Nonpayment of Assessment; Remedies of the Association. Any assessment not paid within fifteen (15) days after the due date shall, absent resolution of the Board of Directors, bear interest from the due date at a percentage rate equal to the highest rate allowed by law and shall from the due date, without notice or filing, together with interest thereon and costs of collection, including reasonable attorney's fees, become a lien on every Lot to which any such Assessment is applicable. The Association may, but is not required to file a notice of lien in the office of the Clerk of Superior Court of Chowan County. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot in the manner provided for foreclosure of a deed of trust under power of sale, or both. In either case interest, costs, and reasonable attorneys' fees of such action will be added to the amount of such Assessment. Each such Owner, by his acceptance of title to a Lot, hereby expressly vests in the Association the right and power to bring all actions against such Owner personally for the collection of such assessments as a debt and to enforce the aforesaid lien by all methods available for the enforcement of such liens, including foreclosures by an action brought in the name of the Association by suit, judgment and foreclosure in any manner allowed by law. The lien provided for in this Section shall be in favor of the Association and shall be for the benefit of all Owners. The Association, acting on behalf of the Owners, shall have the power to bid on the property interest foreclosed at any foreclosure sale and to acquire and hold, lease, encumber and convey the same. No Owner may waive or otherwise escape liability for the assessment provided for herein by failure to use the Common Properties or by the abandonment of his or her Lot.

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Section 7. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall take priority over any lien or encumbrance subsequently arising or created, except liens for real estate taxes, and assessments and liens of bona fide first mortgages which have been filed of record before a claim of lien hereunder has been docketed in the office of the Clerk of Superior Court of Chowan County. Sales or transfers of any Lot shall not affect the Assessment lien, however when any lot is foreclosed, the Board of Directors is authorized to compromise the amount of the lien or the method of payment thereof if such is deemed to be in the best interests of the Association..

Section 7. Notice and Quorum for any Action Authorized Under Section 3 Hereof. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 of Article IV shall be sent to all Members not less than fifteen (15) days and not more than thirty (30) days in advance of the meeting. At such meeting, the presence of Members or of proxies entitled to cast 51% of all the votes of the membership qualified to vote shall constitute a quorum. If the required quorum is not present, another meeting may be called, at which meeting the quorum shall be reduced to 25%. If the required quorum is still not present, subsequent meetings may be called which shall halve the quorum requirement for each subsequent meeting.

Section 8. Certificate of Payment. The Secretary/Treasurer of the Association, upon demand of any Owner liable for an assessment, shall furnish to such Owner a certificate in writing signed by the Secretary/Treasurer, setting forth whether such assessment has been paid. Such certificate, when signed by the Secretary/Treasurer of the Association, shall be conclusive evidence of payment of any assessment therein stated to have been paid.

Section 9. Exempt Property. The following properties subject to this Declaration shall be exempt from the assessments, charges and liens created herein: (a) all properties dedicated to and accepted by a governmental body, agency or authority; (b) all Common Properties; and (c) all properties either owned by the Declarant, or not yet offered for sale to the public.

Section 10. Real Estate Taxes. In the event the Common Properties owned by the Association are taxed separately from the Lots deeded to Owners, the Association shall include such taxes as part of the general assessment. In the event the Common Properties owned by the Association are taxed as a component of the value of the Lot owned by each Owner, it shall be the obligation of each Owner to promptly pay such taxes prior to them becoming a lien on the Real Property.

ARTICLE VI

ARCHITECTURAL CONTROL

Section 1. Architectural Control. Except as expressly permitted herein, without the prior written consent of the Architectural Review Board, no permanent improvements other than as initially developed by the Declarant shall be constructed on the Real Property and no substantial or material alterations of the exterior of any residential unit or the topography of the Real Property shall be effected. For the purposes of this Section, a dock shall be deemed to be a permanent improvement. In addition, nothing shall be erected, constructed, planted or otherwise placed in such a position subsequent to the initial construction of improvements on the Real Property by the Declarant, so as to create a hazard upon or block the vision of motorists upon the street in the Real Property or at any intersection thereof. The Declarant shall also have the reasonable right of ingress and egress to the Real Property for the purpose of preserving, maintaining or improving any streets, or easements (whether within or without the Real Property).

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Section 2. Procedures. The plans submitted to the Architectural Review Board for approval shall include: (i) plot plan indicating location of all proposed structures and improvements; (ii) construction floor plans and elevations; (iii) landscape architectural drawings; and (iv) items required by the Design Guidelines; and (v) such other items as the Architectural Review Board may deem appropriate or are required by the Design Guidelines. No construction on any Lot on the Real Property shall be commenced and no residential dwelling shall be modified except in accordance with such plan or modification thereof that has also been approved by separate application. No submission for approval shall be considered by the Architectural Review Board unless and until such submission is in compliance with the provisions of this Article.

Approval shall be granted by the Architectural Review Board based upon compliance with the provisions of this Declaration, the quality of workmanship and materials, harmony of external design with surrounding structures, the effect of the construction on the outlook from surrounding property and residential houses, and all other factors, including purely aesthetic considerations, which in the sole opinion of the Architectural Review Board will affect the desirability or suitability of the construction.

The Architectural Review Board shall establish uniform procedures to be set out in the Design Guidelines for the review of the applications submitted to them. These procedures shall provide (i) the time and place of meetings; (ii) the submission and review procedures; and (iii) the review costs and fees, if any, to be paid by the applicant to the Association or the Architectural Review Board.

Approval or disapproval of applications to the Architectural Review Board shall be given to the applicant in writing within thirty (30) days of receipt thereof by the Architectural Review Board in accordance with the procedures adopted by the Board. In the event that the approval or disapproval is not forthcoming within thirty (30) days, unless an extension is agreed to by the applicant, the application shall be deemed approved and the construction of the applied for improvements may be commenced provided that all such construction is in accordance with the submitted plans and provided further that such plans conform in all respects to the other terms and provisions of this Declaration.

Section 3. Liability. Approval by the Architectural Review Board of an application by an Owner shall not constitute a basis for liability of the members of the Architectural Review Board, the Declarant, or the Association as regards: (i) failure of the plans to conform to any applicable building codes or (ii) inadequacy or deficiency in the plans resulting in defects in the improvements.

ARTICLE VII USE OF PROPERTY

Section 1. Protective Covenants. In order to keep the Real Property a desirable place to live for all Owners, the following protective covenants are made a part of this Declaration.

- a. Residential Use. All Lots shall be used, improved and devoted exclusively to single family residential use, provided, however, that Declarant's use of any residential unit as a model for sales purpose shall not be deemed a violation of the provision. Nothing herein shall be deemed to prevent an Owner from renting or leasing a single family residence on a Lot, subject to all of the provisions of the Declaration, Articles of Incorporation, Bylaws and Rules and Regulations adopted by the Association, as the same may be amended from time to time by the Board of Directors.

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- b. Restriction on Further Subdivision. No Lot shall be subdivided or separated into smaller lots by any Owner; provided that this shall not prohibit corrective deeds, or similar corrective instruments; and, provided, further, that this shall not prohibit Declarant from modifying subdivision plats of the Property (i) in the event that no Lot shown on the plat to be modified has been conveyed to an Owner or (ii) in the event that any Lot(s) shown on the plat to be modified has been conveyed to an Owner, if any such Owner consents to such modification, which consent an Owner shall not unreasonably withhold.
- c. Occupancy of Residence. No single family residence may be lived in at any time by a number of persons, including adults and minors, which said number is in excess of three (3) persons per bedroom.
- d. Construction of Improvements. The construction of all improvements of any Lot shall be completed within twelve (12) months from that date such construction is commenced. No mobile home, trailer, or non-site built or modular home shall be placed or shall be permitted to remain on any lot.
- e. Signs. No sign, advertisement or notice of any type or nature whatsoever shall be erected or displayed upon any Lot except where express prior written approval of the size, shape, content and location thereof has been obtained from the Board of Directors, which approval may be arbitrarily withheld. Notwithstanding the foregoing, the Declarant shall be permitted to post and display advertising signs on the Property.
- f. Vehicles and Boats. The parking of any automobile upon any portion of the Real Property is prohibited except in areas of the Lots expressly provided for the same or as may be approved in writing by the Board of Directors. Each Lot shall have a minimum of two or more spaces for guest parking. Only automobiles bearing current license and registration tags, as required pursuant to state law, shall be permitted to be parked on any of the Real Property. All parking within the Real Property shall be in accordance with rules and regulations adopted by the Association. Boats, recreational vehicles, or utility or travel trailers shall be parked completely within a garage and shall be obscured from view from the outside of such garage or at the designated boat storage area. No vehicles shall be parked upon the Common Properties without the prior written consent of the Association, except that while an owner is actually using a boat placed in the water from the common boat ramp, such owner may temporarily park a vehicle and the boat trailer for such boat in the boat ramp parking area for a period of no more than 48 hours.
- g. Driveways. The location and materials of all driveways shall be approved by the Architectural Review Board. The driveway must be paved with an acceptable surface material such as paved concrete, exposed concrete aggregate, asphalt, shell or gravel. Shell or gravel driveways will need to have a 25 foot paved concrete or asphalt apron extending from the road before the use of shell or gravel on the remainder of the driveway. Parking areas will be paved with the same material as the driveway.
- h. Clotheslines. No clothesline or other clothes-drying facility shall be permitted in any of the Common Properties, or on any Lot.
- i. Garbage and Trash Containers. All garbage and trash containers will be screened from view and must be placed and maintained in accordance with such rules and regulations adopted by the Board of Directors. All containers shall be stored in an area within the building setback and in pest resistant containers. No garbage or trash shall be placed anywhere except as aforesaid and no portion of the Property shall be used for dumping refuse. If the Association has provided notice to an Owner of the accumulation of trash

or refuse on his or her Lot, and the Owner has not immediately removed said trash or refuse, the Association may cause its representatives to enter upon said Lot to remove any trash or refuse which has collected upon said Lot without such entrance and removal being deemed a trespass, all at the expense of the Owner of said Lot. This provision shall not be construed as an obligation on the part of the Association to provide garbage or trash removal services.

- j. Antennas. No exterior radio, television or other electronic antenna or aerial may be erected or maintained anywhere within the Real Property except upon the prior written approval of the Board of Directors, which approval the Board of Directors may grant or deny in its discretion, but which it shall not unreasonably withhold if the antenna is a satellite dish having a diameter of less than twenty-five (25) inches, permanently attached to the main residential building, and not visible from the street.
- k. Utilities and Equipment. All equipment areas, i.e., pool equipment, air conditioning equipment, water treatment equipment, etc., shall be screened in a manner compatible with the design of the Buildings and/or buffered with suitable landscaping. No through-wall or window "unit" air conditioners shall be permitted.
- l. Temporary Structures. No accessory structure of a temporary character, trailer, tent, shack, barn, shed, or other out-building shall be permitted on any Lot at any time, except by Declarant during the initial construction period.
- m. Oil and Mineral Operations. No oil drilling, oil development operations, oil refining, quarrying or mining operation of any kind shall be permitted upon or in any Lot. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot or on the Real Property.
- n. Water Supply and Sewerage. Property owners will be required to connect to the Chowan County water system at the time of home construction. No individual water supply system shall be permitted upon the Real Property with the exception of a shallow well for irrigation purposes, if said well, and the location and screening thereof, is approved by the Association prior to installation. Property owners will be required to connect to the Community Sewer Treatment System at the time of home construction. No septic tank shall be permitted upon the Real Property. All irrigation systems shall use potable water or such other water supply as approved by the Association. Every Owner shall comply with the provisions of local and state codes for the use of public water and sewerage.
- o. Visibility at Street Intersection. No obstruction of the visibility at street or driveway intersections shall be permitted. The Board of Directors reserves the right to adopt additional restrictions concerning the height and type of trees and shrubs within any of the Lots.
- p. Fuel Storage Tanks. No fuel or gas storage tanks may be permitted on any Lot. Notwithstanding the foregoing, Owner may keep and maintain a propane gas tank for home heating, (including an approved swimming pool), or gas barbecues and fireplaces in an area on his or her Lot, shielded by an approved fence or otherwise not visible from the road or from adjoining Lots.
- q. Mailboxes. Mailboxes must meet specifications set out in the Design Guidelines and must be approved by the Architectural Review Board.
- r. Compliance. It shall be the responsibility of each Owner and their authorized guests and tenants to conform and abide by the rules and regulations in regard to the use of the Lots

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and Common Properties which may be adopted in writing from time to time by the Board of Directors and the Architectural Review Board.

- s. Soliciting. No soliciting will be allowed at any time within the Real Property.
- t. Use. No immoral, improper, offensive, or unlawful use shall be made of the Real Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental agencies having jurisdiction thereof shall be observed. All laws, orders, rules, regulations, or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Real Property, shall be complied with, by and at the sole expense of the Owner or the Association, whichever shall have the obligation to maintain or repair such portion of the Real Property. No waste will be committed in the Common Properties.
- u. Trees. No trees ten inches in diameter, or more, (at four feet above natural grade) shall be cut on or removed from the Real Property without approval of the Architectural Review Board.
- v. Pets. Dogs, cats and household pets may be kept by an Owner. No farm animals are allowed on the Real Property. No commercial breeding of pets is allowed on the Real Property. All pets must be held, or kept leashed on a hand held leash at all times that they are on any portion of the Real Property outside of the Owners Lot and at all times they are on the Common Properties. All owners of pets shall be held strictly responsible to immediately collect and properly dispose of the waste and litter of his or her pets. The Association further reserves the right to demand that an Owner permanently remove from the Real Property any and all pets that create disturbances and annoyance which are unreasonably offensive.
- w. Outside Lighting. Outside lights shall be shielded or placed so as not to directly shine into adjacent homes.
- x. Use of recreational vehicles (ATV's and golf carts.) The use of ATV's, commonly referred as 4-wheelers, are expressly prohibited within the Property. The use of gasoline powered golf carts are also prohibited within the Property. Electric golf carts are permitted for use within the Property.
- y. Business Use. No trade, commerce or other activity which may be considered a nuisance to the neighborhood may be carried on upon any Lot. It is permissible to operate a home-based business, provided that deliveries to the home do not exceed two (2) UPS, Federal Express or similar express carrier per day. No trade materials or inventories may be stored upon any Lot and no tractor trailer type trucks, house trailers or mobile homes may be stored or regularly parked on any Lot. No junk or unsightly vehicles of any type or description or unsightly buildings may be placed upon any Lot. Home-based businesses shall be allowed to store small inventories within the residence or enclosed outbuilding situated on the Lot. No advertisements or signage of any kind will be permitted on any Lot for home-based businesses.
- z. Hunting. No Lot or Lots within the property shall be used for the purpose of hunting. Hunting is not allowed and no firearm shall be discharged within the Property as shown on the recorded plats of the Property.
- aa. Requirements per State Permit for Stormwater Management
 - 1. The following covenants are intended to ensure ongoing compliance with state stormwater management permit number SW7060729 as issued by the Division of

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Water Quality. These covenants may not be changed or deleted without the consent of the state.

2. No more than (See Permeability Table) square feet of any lot shall be covered by structures or impervious materials. Impervious materials include asphalt, gravel, concrete, brick, stone, slate or similar material but do not include wood decking or the water surface of swimming pools.
3. Swales shall not be filled in, piped or altered except as necessary to provide driveway crossings.
4. Built-upon area in excess of the permitted amount requires a state stormwater management permit modification prior to construction.
5. All permitted runoff from out parcels or future development shall be directed into the permitted stormwater control system. These connections to the stormwater control system shall be performed in a manner that maintains the integrity and performance of the system as permitted.
6. No impervious area is allowed within 30 feet of a surface water body.
7. No piping or culverts are allowed to convey stormwater except for driveway culvert crossings. The driveway culvert crossings shall be approved by the Architectural Review Board and shall be appropriately sized and placed so as not to restrict, redirect and/or change flow conditions within the drainage ditches. The as-built ditch swale elevations shall not be altered when installing driveway culverts without express written approval by the Architectural Review Board.

Section 2. Standards and Criteria. All Lots shall be used and improved in accordance with the following standards and criteria:

- a. Setbacks. The following building setback lines shall apply to each of the Lots and shall be measured from the right of way:

Front setback	Twenty-Five (25) feet
Front setback at cul-de-sac	Thirty (30) feet
Rear setback	Twenty-Five (25) feet
Shoreline setback	Fifty (50) feet
Side setback	Twelve (12) feet
Corner/Side setback	Forty (40) feet

Setback variances are subject to Architectural Review Board approval provided they meet county setback regulations.

- b. Garages. A minimum of a two car garage and not smaller than twenty (20') feet by twenty (20') feet must be provided for each Lot. The location and the design of the garage shall be approved by the Architectural Review Board. No garage shall be enclosed and converted to other uses unless provisions are made for the immediate construction of a replacement garage. All garages must have garage doors. Open carports will not be constructed on any Lot.
- c. Residential Buildings. Shall be built at least two (2) feet above the finished grade of the Lot. The finished floor of a residential building shall be at least two (2) feet above the 100-year flood level, which is currently seven (7) feet above mean sea level.
- d. Residence's Minimum Size. Each residence to be constructed on a Lot shall have a minimum finished heated and cooled area of 1800 square feet for a single level Residence and 2200 square feet for a two level Residence. Garages, open porches, outdoor storage

area and accessory structures shall not be considered when calculating finished heated and cooled floor areas.

- e. Elevation. When the first floor of a residence is elevated, the area below the first floor, not finished as porch, terrace or loggia must be enclosed with solid walls, lattice or other suitable material, as such terms are defined in the Design Guidelines.
- f. Fences. All fences shall be architecturally compatible with the design of the residence and must be approved in advance by the Architectural Review Board. No chain link fences shall be permitted. No wall or fence shall exceed six (6') feet in height. No wall or fence shall be permitted between the street and the front elevation of a residence.
- g. Pools. All pools must be approved in advance by the Architectural Review Board. No above ground pools will be permitted. Pools shall be part of an integrated landscape and hard surface scenery. No pool shall be permitted in the front of the residence. Pre-fabricated pools may be allowed if recessed into the ground, or a ground level, deck or patio.
- h. Dock for Ponds Within Community. Docks/piers are not allowed on the manmade pond adjoining lots 213-217. A small dock/pier may be built on the manmade pond adjoining lots 171-175 & 177-183. Said dock/pier must be approved in advance by the Architectural Review Board. Motorized boats are prohibited from use on any manmade pond with the community.

Section 3. Landscaping Standards and Criteria.

- a. General Statement of Intent. The Developer considers landscaping a critical design element to the community and to the individual homes within the community. Landscape design should be integrated into the design of the Buildings on the Lot; therefore, submittal to the Architectural Review Board of a preliminary landscape plan will be required at the same time architectural drawings are submitted. The planning scheme should strive to have as strong an impact as possible at the time of installation. New planting compositions should employ single plant massing and a limited palette of plant types in order to build unity and cohesiveness in the design.
- b. Climatic conditions indicate that all disturbed ground be landscaped. Grass is permissible except when the slope is greater than 3:1. In those areas with a 3:1 slope or greater a ground cover must be used.
- c. Buffer Planting and Screening. All hardscape uses, excluding walkways and driveways, in the front and side yard areas must be visually screened from adjacent Lots. Screening can be accomplished using a landscape hedge, fence wall, or combination thereof. Screening shall blend with the overall landscaping and architecture of the residence.

Section 4. Outline for Use of Community Clubhouse hereinafter referred to as "Sunset Club"

- a. The use of the Sunset Club is reserved solely for RiverSound Property Owners and their guest(s). For ownership of a lot with more than two (2) individuals, only two designated owners will be allowed use of the Sunset Club. All property owners are encouraged to keep this facility safe and clean for everyone. This outline is intended to assist property owners in maintaining a strong and harmonious neighborhood. Rules regarding this facility are subject to change through the development of the homeowners association.
- b. Sunset Club Guidelines

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1. Property Owners wishing to use the Sunset Club for special events must obtain approval from the Declarant at 704-896-5880 until such time as Declarant voluntarily relinquishes such right to the RiverSound Property Owners Association.
2. No playing of radios, tapes, cd's or etc. at volume levels that disturb surrounding neighbors is allowed.
3. Storage of personal belongings on premises is not permitted.
4. It is the responsibility of each owner using the Sunset Club to clean up after themselves.
5. Each homeowner is responsible for all guests using the Sunset Club. No guest is allowed use of the clubhouse without the presence of the property owner.
6. Children under the age of 15 years old are prohibited from the Sunset Club without adult supervision.

ARTICLE VIII

UTILITY EASEMENT AND OTHER EASEMENTS

Section 1. Utility Easement. The Declarant hereby reserves a blanket easement for the benefit of the Real Property upon, across, over, through, and under the Real Property for ingress, egress installation, replacement, repair and maintenance of all utility and service systems, public and private, including, but not limited to ,water, sewage, drainage, irrigation systems, telephones, electricity, television, cable or communication systems, and police powers and services supplied by the local, state and federal governments. By virtue of this easement, it shall be expressly permissible for the Declarant, and its successors and assigns, to install and maintain facilities and equipment on the Real Property, and to excavate for such purposes. This easement shall in no way affect any other recorded easements on the Real Property.

Section 2. Maintenance. There is hereby reserved to the Association the exclusive right, which shall also be its duty and responsibility, to maintain the Common Properties in a professional and first-class manner. Community appearance will be maintained by the Declarant until Declarant is no longer a Class B Member.

The Declarant and Property Owners Association shall use Association funds to maintain the green space/grassy area of undeveloped lots within RiverSound until the Lot(s) has been built upon. The area to be mowed is at the discretion of the Declarant to maintain the appearance of the community. Maintenance will consist of mowing/bush hogging all undeveloped lots a minimum of 2 times per calendar year and the frequency of mowing/brush hogging may be increased at the discretion of the Declarant and/or the Property Owners Association. Individual Lot Owners may elect to exclude their lots from maintenance by the Declarant or Property Owners Association with a written request to the Declarant or Association Board of Directors.

If a Lot Owner chooses to exclude a lot(s) from maintenance, the Lot Owner shall become responsible for maintenance of Lot(s) to the same or better conditions as Lots maintained by Association. After the Lot has been improved (built upon), the Owners of the improved Lot shall be obligated at the sole expense of such Owner, to clean, maintain, keep in good order and keep neatly mowed and maintained their entire Lot, and to keep any such improvements in good repair and appearance, all in accordance with the rules and regulations hereof, and as may be hereafter enacted by the Association. All stumps, brush piles and debris shall be removed from Lot(s).. The Association may deal with any failure to observe such obligation as in the case of any other Default.

ARTICLE IX
INSURANCE

Section 1. Insurance of Common Properties. The Board of Directors shall be required to obtain and maintain the insurance on the Common Properties and any vertical improvements constructed thereon, as appropriate. The Board of Directors shall also be required to obtain and maintain public liability and property damage insurance in such limits as the Board of Directors may from time to time determine, insuring against any liability arising out of, or incident to, the ownership and use of the Common Properties. Such insurance shall be issued on a comprehensive liability basis and shall contain a "severability of interest" endorsement which shall preclude the insurer from denying the claim of an Owner because of negligent acts of the Association, Board of Directors or other Owners. The Board of Directors shall review such limitations once each year and determine the appropriate amounts of coverage to obtain.

Section 2. Repair and Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of all or any of the improvements on the Common Properties as a result of a casualty, the Board of Directors shall arrange for and supervise the prompt repair and restoration of such improvements substantially in accordance with the plans and specifications under which the improvements were originally constructed, or any modification thereof approved by the Board. The Board of Directors shall proceed towards reconstruction of such improvements as quickly as practicable under the circumstances and shall obtain funds for such reconstruction from the insurance proceeds and any special assessments that may be necessary after exhaustion of reserves for the repair and replacement of such improvements.

ARTICLE X
GENERAL PROVISIONS

Section 1. Duration. The covenants and restrictions contained in this Declaration, as the same may be amended from time to time, shall run with and bind the Real Property and shall inure to the benefit of and be enforceable by the Declarant, the Association, and the Owners, their respective legal representatives, heirs, successors or assigns, for a term of twenty (20) years from the date this Declaration is recorded in the Office of the Register of Deeds, Chowan County, North Carolina, after which time all of said provisions, unless prohibited by law, shall be extended automatically for successive periods of ten (10) years each unless an instrument signed by the Owners holding 75% of the total voting power in the Association shall have been recorded, agreeing to terminate all of the said provisions as of a specified date, which shall not be earlier than the expiration of an extended term of three (3) years from the date of such recording.

Section 2. Condemnation. In the event all or part of the Common Properties owned by the Association shall be taken or condemned by any authority having the power of eminent domain, all compensation and damages shall be paid to the Association. The Board of Directors of the Association shall have the right to act on behalf of the Association with respect to the negotiation and the litigation of the taking or condemnation issued affecting such property.

Section 3. Notices. Any notice required to be sent to the Owner of any Lot under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the last known address of the person who appears as Owner of such Lot on the records of the Association at the time of such mailing.

Section 4. Enforcement. The Association or any Lot Owner may enforce these covenants, conditions and restrictions. Enforcement of these covenants, conditions and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to

violate ("Violating Party") any covenant, condition or restriction, either to restrain or enjoin violation or to recover damages, and against the land to enforce any lien created by these covenants. In addition to all other amounts due on account of said violation or attempted violation, the Violating Party shall be liable to the parties enforcing the covenants and/or restrictions of this Declaration (the "Enforcing Parties") for all reasonable attorney's fees and court costs incurred by the Enforcing Parties. Failure or forbearance by the Association or any Owner to enforce any covenant, condition or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. In any lawsuit filed to enforce this Declaration by injunction or restraint, there shall be, and there is hereby created and declared to be a conclusive presumption that any violation or breach or any attempted violation or breach of any of the of the within covenants, conditions or restrictions cannot be adequately remedied by action at law or by recovery of damages.

In addition to all other remedies of the Association, the Association shall have the right to assess a maximum fine of \$150.00 per day per violation against any Owner who violates any provision of this Declaration or the Articles, Bylaws or Rules and Regulations of the Association after such Owner has been given notice of the violation and an opportunity to be heard with respect to the violation in accordance with the provisions of this Declaration, or the procedures of the Association as may be adopted from time to time

In addition to the above rights, the Association may enter upon a Lot or any land upon which a violation exists to remove any violation, perform maintenance or make repairs thereon which is the responsibility of a Lot Owner who has failed to remove said violation or to perform such maintenance or make such repairs (i) after having given such Owner at least ten days notice, or (ii) without giving notice in the event of an emergency.

Any action brought by the Association hereunder may be brought in its own name, in the name of its Board, or in the name of its managing agent. In any case of flagrant or repeated violation by a Lot Owner, he or she may be required by the Association to give sufficient surety or sureties for his or here future compliance with the covenants, conditions, and restrictions contained in this Declaration, the Bylaws and the rules and regulations.

Section 5. Interpretation. The provisions of this Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of the Real Property.

Section 6. Invalidity. The invalidity of any part of this Declaration shall not impair or affect in any manner the validity, enforceability or effect of the balance of the Declaration which shall remain in full force and effect.

Section 7. Gender and Number. The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 8. Rules and Regulations. All Owners shall comply with the rules and regulations adopted and amended from time to time by the Board of Directors. Such rules and regulations shall be for the purpose of elaboration and administration of the provisions of this Declaration and shall relate to the overall development of the Real Property, and shall not in any way diminish the powers of self-government of the Association.

Section 9. Amendment. This Declaration may be amended at any time by an instrument in writing signed by and acknowledged by Owners holding not less than two-thirds (2/3) vote of the membership in the Association, which amendment shall become effective upon its recordation at the office of the Register of Deeds, Chowan County, North Carolina, and

approval, if necessary, by the necessary government authority; provided, however, that, during the seven-year option to add additional property to the Association or during any such time as the Declarant has the right to control the Association under this Declaration, the agreement shall be that of the Declarant's written consent and a two-thirds (2/3) vote of the membership of the Association, inclusive of any vote or votes appurtenant to any lot or lots then owned by the Declarant.

Section 10. Consent of Mortgagees. This Declaration contains provisions concerning various rights, priorities, remedies and interests of the mortgagees. Such provisions are to be construed as covenants for the protection of the mortgagees on which they may rely in making loans secured by Mortgages on the Lots. Accordingly, no amendment or modification of this Declaration impairing such rights, priorities, remedies or interest of a mortgagee shall be adopted without the prior written consent of mortgagee. If there is more than one mortgagee holding a Mortgage on the Lots, it shall be sufficient to obtain the written consent of all mortgages holding a lien on 80% or more of the Lots; provided, however, that in the event one mortgage is holding a lien on 70% or more of the Lots encumbered by the Mortgages, the written consent of each mortgagee alone shall be sufficient. Any such required consent shall be given promptly and shall not be unreasonably withheld; any consent not given or denied within twenty-one (21) calendar days of receipt thereof shall be deemed given for purposes hereof. This Section 10 shall not apply or be construed as a limitation upon those rights of the Declarant, the Association, or the Owners under this Declaration to make amendments which do not so adversely affect the mortgagees.

Section 11. Legal Fees. Any and all legal fees, including but not limited to attorney's fees and court costs, which may be incurred by the Association in the enforcement of any of the provisions of this Declaration, regardless of whether such enforcement requires judicial action, shall be assessed (by either general or special assessment) against and collectible from the Owner against whom such action was taken and shall be a lien against such Owner's Lot in favor of the Association.

Section 12. Action Without Meeting. Any action required to be taken hereunder by vote or assent of the Members may be taken in the absence of the requisite number of Members. Any action so approved shall have the same effect as though taken at a meeting of the Members, and such approval shall be duly filled in the minute book of the Association.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, does hereby make this Amended Declaration of Covenants, Conditions, Restrictions and Limitations, and has caused this Declaration to be executed in its name on the day and year first above written.

Waterfront Group NC, LLC.

By: 
Mark R. Adkins, Member-Manager

STATE OF North Carolina
COUNTY OF: Mecklenburg

I, Ann Marie Wilson, a Notary Public of the State and County aforesaid, certify that Mark R. Adkins personally appeared before me this day and acknowledged that he is an Member-

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Manager for Waterfront Group NC, LLC, a North Carolina limited liability company and by authority duly given and as the act of the LLC.

WITNESS my hand and official seal, this the 16th day of July, 2007.

A.M. Wilson My commission Expires: 7-28-07.

Notary Public
(Seal)



EXHIBIT A **BOOK 380 PAGE 952**

Situate Lying and being in Yeopim Township, Chowan County, North Carolina and being a part of the property conveyed to Waterfront Group NC, LLC by deed recorded in book 344 at page 641 of the Chowan County Registry, and being all of the property shown on the plat entitled "RiverSound Phase I" as recorded in Plat Cabinet 2 at Slide 42-A through 42-J and Slide 43-A through 43-E of the Chowan County Registry.

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LOT 1	7845-00-49-8035	LOT 41	7846-00-41-1248	LOT 81	7845-00-39-8062
2	7845-00-49-8273	42	7846-00-41-0270	82	7845-00-39-6090
3	7845-00-49-8480	43	7846-00-40-1979	83	7845-00-38-5904
4	7845-00-49-8546	44	7846-00-41-2056	84	7845-00-38-2981
5	7845-00-49-8732	45	7846-00-41-3123	85	7845-00-39-3075
6	7845-00-49-7845	46	7846-00-41-4201	86	7845-00-39-4186
7	7845-00-49-6903	47	7846-00-41-5114	87	7845-00-39-5279
8	7846-00-40-5046	48	7846-00-41-4052	88	7845-00-39-6453
9	7845-00-40-7026	49	7846-00-40-3983	89	7845-00-39-7533
10	7846-00-40-8174	50	7846-00-40-0765	90	7845-00-39-8635
11	7846-00-40-9225	51	7846-00-40-1556	91	7845-00-39-9771
12	7846-00-40-9374	52	7846-00-40-0602	92	7845-00-49-0788
13	7846-00-50-0422	53	7846-00-30-9535	93	7845-00-49-2825
14	7846-00-50-0572	54	7846-00-30-8523	94	7845-00-40-1038
15	7846-00-50-2630	55	7846-00-30-7521	95	7846-00-40-0003
16	7846-00-50-2706	56	7846-00-30-6429	96	7845-00-39-9908
17	7846-00-50-1812	57	7846-00-30-5435	97	7845-00-39-7993
18	7846-00-50-0857	58	7846-00-30-4432	98	7845-00-39-6879
19	7846-00-40-9962	59	7846-00-30-3348	99	7845-00-39-5866
20	7846-00-40-8967	60	7846-00-30-2344	100	7845-00-39-5707
21	7846-00-40-7734	61	7846-00-30-1275	101	7845-00-39-3813
22	7846-00-40-8639	62	7846-00-30-3074	102	7845-00-39-2745
23	7846-00-40-7537	63	7846-00-30-4096	103	7845-00-39-1659
24	7846-00-40-6570	64	7846-00-30-6017	104	7845-00-39-0681
25	7846-00-40-6339	65	7846-00-30-7100	105	7845-00-39-0513
26	7846-00-40-5217	66	7846-00-30-8125	106	7845-00-29-9437
27	7846-00-40-4367	67	7846-00-30-9230	107	7845-00-29-8397
28	7846-00-40-4427	68	7846-00-40-0264	108	7845-00-29-9085
29	7846-00-40-3587	69	7846-00-40-1385	109	7845-00-29-8221
30	7846-00-40-3637	70	7846-00-40-2235	110	7845-00-29-6297
31	7846-00-40-5639	71	7846-00-40-2174	111	7845-00-29-6216
32	7846-00-40-5892	72	7845-00-49-3971	112	7845-00-29-5218
33	7846-00-40-6943	73	7845-00-49-3685	113	7845-00-29-4219
34	7846-00-41-7003	74	7845-00-49-4459	114	7845-00-29-3206
35	7846-00-41-6195	75	7845-00-49-4396	115	7845-00-29-2204
36	7846-00-41-6267	76	7845-00-49-5222	116	7845-00-29-0292
37	7846-00-41-5397	77	7845-00-49-4098	117	7845-00-29-0109
38	7846-00-41-4452	78	7845-00-49-3009	118	7845-00-19-8176
39	7846-00-41-3431	79	7845-00-49-1067	119	7845-00-19-7028
40	7846-00-41-2306	80	7845-00-49-0015	120	7845-00-28-3918

LOT 121	7845-00-28-3808	LOT 161	7845-00-17-9153	LOT 201	7845-00-16-6193
122	7845-00-28-2798	162	7845-00-27-4146	202	7845-00-16-7033
123	7845-00-28-4998	163	7845-00-27-5174	203	7845-00-15-8835
124	7845-00-28-4867	164	7845-00-27-7103	204	7845-00-25-1829
125	7845-00-28-9768	165	7845-00-27-8129	205	7845-00-26-0133
126	7845-00-28-8851	166	7845-00-27-9221	206	7845-00-26-0224
127	7845-00-28-7916	167	7845-00-37-0227	207	7845-00-26-1168
128	7845-00-28-7821	168	7845-00-28-8295	208	7845-00-26-3113
129	7845-00-28-6715	169	7845-00-28-6189	209	7845-00-26-4217
130	7845-00-28-5619	170	7845-00-28-5115	210	7845-00-26-4481
131	7845-00-28-4603	171	7845-00-27-6909	211	7845-00-26-5383
132	7845-00-28-2575	172	7845-00-27-6819	212	7845-00-26-6189
133	7845-00-28-0376	173	7845-00-27-6830	213	7845-00-26-0686
134	7845-00-28-0997	174	7845-00-27-6629	214	7845-00-26-0584
135	7845-00-18-8906	175	7845-00-27-6610	215	7845-00-26-0472
136	7845-00-18-8845	176	7845-00-27-5432	216	7845-00-26-2489
137	7845-00-18-9726	177	7845-00-27-6472	217	7845-00-26-3635
138	7845-00-18-9646	178	7845-00-27-7463	218	7845-00-38-4405
139	7845-00-18-9576	179	7845-00-27-9428	219	7845-00-38-4214
140	7845-00-18-9496	180	7845-00-27-9634	220	7845-00-38-4015
141	7845-00-28-9542	181	7845-00-27-9739	221	7845-00-37-4844
142	7845-00-28-8429	182	7845-00-27-9934	222	7845-00-37-4665
143	7845-00-28-7501	183	7845-00-28-9019	223	7845-00-37-4484
144	7845-00-28-5489	184	7845-00-27-9040	224	7846-00-30-1171
145	7845-00-28-4485	185	7845-00-26-8857	225	7845-00-25-4873
146	7845-00-28-3358	186	7845-00-26-7681		
147	7845-00-28-1276	187	7845-00-26-5577		
148	7845-00-28-1136	188	7845-00-26-5776		
149	7845-00-28-1016	189	7845-00-26-5818		
150	7845-00-27-0995	190	7845-00-26-3993		
151	7845-00-27-3845	191	7845-00-26-2974		
152	7845-00-27-3766	192	7845-00-17-8074		
153	7845-00-27-3634	193	7845-00-16-8934		
154	7845-00-17-9887	194	7845-00-16-8804		
155	7845-00-17-9725	195	7845-00-16-7764		
156	7845-00-17-8686	196	7845-00-16-7634		
157	7845-00-17-8575	197	7845-00-16-7504		
158	7845-00-17-8454	198	7845-00-16-7402		
159	7845-00-17-8364	199	7845-00-16-6392		
160	7845-00-17-8264	200	7845-00-16-6293		

COMMON AREAS

7846-00-40-0914 - 2.31 Ac.
 7845-00-38-1655 - 6.60 Ac.
 7845-00-27-3328 - 1.013 Ac.
 7845-00-16-9675 - .418 Ac.