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STATE OF NORTH CAROLINA
COUNTY OF NEW HANOVER

DECLARATION OF UNIT OWNERSHIP UNDER THE PROVISIONS OF CHAPTER 47A OF THE GENERAL STATUTES OF NORTH CAROLINA AND OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR WRIGHTSVILLE DUNES

THIS DECLARATION, made this the 7th day of November, 1985, by FIRST WASHINGTON CORPORATION, a North Carolina corporation whose mailing address is 201 Market Street, Wilmington, N. C. 28401, hereinafter referred to as "Declarant";

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W I T N E S S E T H :

WHEREAS, First Washington Corporation is the owner of record of the fee simple title to certain property in the Town of Wrightsville Beach, County of New Hanover, State of North Carolina, which is more particularly described in Exhibits "A" and "D" attached hereto and incorporated herein by reference; and

WHEREAS, First Washington Corporation is the owner of one building and certain other improvements heretofore constructed or hereafter to be constructed upon the aforesaid property and it is the desire and the intention of First Washington Corporation to divide the building into "condominium units" or "units" as those terms are defined under the provisions of the North Carolina Unit Ownership Act, and to sell and convey the same to various purchasers subject to the covenants, conditions and restrictions reserved to be kept and observed; and

WHEREAS, the Declarant desires and intends, by the filing of this Declaration to submit the above described property and the multi-unit building located thereon and all other improvements constructed or to be constructed thereon, together with all appurtenances thereto, to the provisions of the North Carolina Unit Ownership Act (Chapter 47A, North Carolina General Statutes).

NOW, THEREFORE, the Declarant does hereby publish and declare that all of the property described in Exhibits "A" and "D" as described in Paragraph 3 below, is held and shall be held, conveyed, hypothecated, encumbered, used, occupied, and improved subject to the following covenants, conditions, restrictions,

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uses, limitations and obligations, all of which are declared and agreed to be in furtherance of a plan for the improvement of said property and the division thereof into condominium units and shall be deemed to run with the land and shall be a burden and a benefit to Declarant, its successors and assigns, and any person acquiring or owning an interest in the real property and improvements, their grantees, successors, heirs, executors, administrators, devisees and assigns.

1. NAME AND ADDRESS

The name by which this condominium is to be identified is:
WRIGHTSVILLE DUNES.

The condominium's location and address is: 2514 North Lumina Avenue, Wrightsville Beach, N. C. 28480.

2. DEFINITIONS

The terms used herein and in the By-Laws shall have the meanings stated in the Unit Ownership Act, Chapter 47A. of the North Carolina General Statutes unless otherwise defined herein or in the By-Laws or unless the context otherwise requires.

2.1 Condominium Unit means a unit as defined in the said Unit Ownership Act.

2.2 Association means the WRIGHTSVILLE DUNES H.O.A. INC. consisting of all of the unit owners acting as a group in accordance with the By-Laws and this Declaration.

2.3 Condominium means all of the condominium property as a whole when the context so permits, as well as the meaning stated in the said Unit Ownership Act.

2.4 Singular, Plural, Gender. Whenever the context so permits, the use of the plural shall include the singular, the singular the plural, and the use of any gender shall be deemed to include all genders.

2.5 The Declarant shall be FIRST WASHINGTON CORPORATION, its successos and/or assigns, which shall be defined herein to include PARMELE ASSOCIATES, the Contract Purchaser of all sixteen condominium units located within Phase I of WRIGHTSVILLE DUNES.

3. IDENTIFICATION OF PROPERTY

A. LAND: The description of the land on which the building and improvements are, or are to be, located is set forth in Exhibit "A" of this Declaration.

B. BUILDING: Building shall mean and refer to the multi-unit building which shall be constructed upon the real property described on Exhibit "A", to be used for residential purposes as hereinafter provided. Attached hereto and made a part hereof by reference is Exhibit "C" which consists of a survey of the real property prepared by McKim & Creed, Engineers, as well as floor plans of the building showing all particulars as required by law. In general, the building has three (3) stories built on raised pilings over a concrete pad at ground level. The building has a total of approximately 25,312 net square feet. The first level has approximately 8004 square feet, the second level has approximately 8004 square feet, and the third level has approximately 9304 square feet, including loft space. The building has been subdivided into sixteen (16) condominium units with six (6) units on the first and third floors and four (4) units on the second floor. A schedule of the designation and net square feet contained in each of the sixteen units is as follows:

1-A	<u>First Floor</u>	1916 square feet
1-B		1522 square feet
1-C		1522 square feet
1-D		1522 square feet
1-E		1522 square feet
1-F		1916 square feet
2-B	<u>Second Floor</u>	1522 square feet
2-C		1522 square feet
2-D		1522 square feet
2-E		1522 square feet
3-A	<u>Third Floor</u>	1608 square feet
3-B		1522 square feet
3-C		1522 square feet
3-D		1522 square feet
3-E		1522 square feet
3-F		1608 square feet

Every unit has its own separate entrance and deck. The stairways and decks serving each building are designated as limited common areas for the sole and exclusive use and enjoyment of the owners of the units served thereby, their invitees, licensees, and

tenants. The Buildings have been principally constructed of wood with asphalt shingle roofing.

C. UNIT DESIGNATION: The unit designation of each condominium unit, its location, its dimensions, approximate area, common areas, limited common areas and facilities to which it has immediate access, and other data concerning its proper identification are set forth on Exhibit "C" hereinabove referred to and made a part hereof. No unit bears the same identifying number as does any other unit. Each unit is bounded both as to horizontal and vertical boundaries by the interior surface of its perimeter walls, ceilings, and floors which are shown on said plans, subject to such encroachments as are contained in the Building, whether the same now exist or may be caused or created by construction, settlement, or movement of the Building, or by permissible repairs, construction or alteration.

D. COMMON AREAS AND FACILITIES:

(2) Extent: The common areas and facilities consist of all of the property described in Exhibit "A" other than the units therein as described in Exhibit "C" above, together with the property (Amenity Tracts) described in Exhibit "D".

(2) Nature of Interest: Each of the unit owners shall own an undivided interest in the common areas and facilities (the Common Elements) and said undivided interest, stated as a percentage of such ownership in the said common elements, is set forth in Exhibit "E" which is annexed to this Declaration and made a part hereof.

(3) All areas of the described property not within any units shall be common areas; and all portions of any building or other improvements not included within a unit shall be a common facility. The common facilities shall include amenities such as swimming pools, tennis courts, club house as well as all installations, items and equipment for utility service to more than one unit and shall also include tangible personal property required for the maintenance and operation of the condominium even though owned by the Association. The use of the term

"common elements" in this document shall be synonymous with "common areas and facilities".

(4) Any portion of the common areas which is designated "limited common area" shall be owned as set forth in Paragraph (3) (d) (2) above. However, the use of the "limited common area" shall be limited to the owners of the units served thereby.

4. PLAN OF DEVELOPMENT AND SCOPE OF DECLARATION

The name by which this condominium project shall henceforth be known as is WRIGHTSVILLE DUNES. First Washington Corporation has caused to be constructed upon the real property described in Exhibit "A" one multi-unit building, containing sixteen (16) units as well as the common areas and facilities of both the building and the real property, all as defined hereinabove and as shown upon the plans contained in Exhibit "C" attached hereto and made a part hereof by reference. The units together with their privileges and appurtenances, shall be offered for sale to the public by Parmele Associates, the Contract Purchaser of First Washington Corporation as residential condominium units pursuant to the provisions of Chapter 47A of the General Statutes of the State of North Carolina, subject to the covenants, conditions, restrictions and obligations stated in the Articles of this Declaration, the Articles of Incorporation of the Association, its duly adopted By-Laws and its Rules and Regulations.

First Washington Corporation, by this Declaration, submits only the real property described in Exhibits "A" and "D" attached hereto, together with the improvements thereon, to the Act and hereinafter this submission shall be referred to as "WRIGHTSVILLE DUNES, PHASE I". Nevertheless, First Washington Corporation, for itself, its successors and/or assigns hereby reserves the exclusive right and option, but not the obligation, to add to or expand the property subject to this Declaration by the addition of all or any portion or portions of the real property described on Exhibit "B", attached hereto and made a part hereof by reference in one or more additional phases of WRIGHTSVILLE DUNES upon the following terms and in the following manner:

A. Any addition of real property subject to this Declaration, if any, shall occur only by the registration in the Office of the Register of Deeds of New Hanover County, North Carolina, of one or more supplements to this Declaration, which shall be executed by the Declarant and/or its assigns. The addition to or expansion of the real property subject to this Declaration shall be at the sole discretion of the Declarant without consultation with or consent of any unit owner. Every unit owner in WRIGHTSVILLE DUNES, all phases, by accepting a deed for a unit therein, shall be deemed to have agreed for himself, his heirs, devisees, successors and assigns, to such addition to or expansion of the property subject to this Declaration in accordance with the provisions of this Article; and

B. The right and option as described hereinabove shall terminate on the 31st day of December, 1995; and

C. In the event the Declarant adds to the real property subject to this Declaration all of the real property described in Exhibit "B" attached hereto, the Declarant covenants and agrees that no more than a total of ninety (90) units will be added to the sixteen (16) units in WRIGHTSVILLE DUNES, Phase I; and

D. The Declarant covenants and agrees that all buildings containing units built upon the real property which may be subjected to this Declaration under this Article shall consist of not more than three (3) stories and shall be constructed on pilings situated above finished grade and shall be constructed with materials like or substantially similar to those used in WRIGHTSVILLE DUNES, Phase I and in conformance with and compliance with the approved Plan of Development for WRIGHTSVILLE DUNES as approved by the Town of Wrightsville Beach; and

E. It is understood and declared that the undivided fractional or percentage interest owned by each unit owner of units in WRIGHTSVILLE DUNES, Phase I, is as stated in Exhibit "E" hereunder. However, it is further declared that in the event the Declarant, pursuant to the provisions of this Article, adds to or expands the property, and therefore, the number of units, unit

owners, and common areas and facilities subject to this Declaration and the jurisdiction of the Association, then consequently the fractional or percentage interest owned by each unit owner of units in WRIGHTSVILLE DUNES, all phases, in the expanded common areas and facilities of WRIGHTSVILLE DUNES, all phases, shall necessarily have to change from that as established in Exhibit "E" hereunder. It is further understood that the Act provides that the fractional or percentage undivided interest of each unit owner in the common areas and facilities as expressed in any Declaration shall have a permanent character and shall not be altered except with the unanimous consent of all unit owners expressed in an amended Declaration duly recorded. Therefore, in the event the Declarant adds to or expands the property subject to this Declaration, pursuant to this Article, then every unit owner of units in WRIGHTSVILLE DUNES, any phase, by the acceptance of the deed for his unit shall be deemed to have specifically agreed for himself, his heirs, devisees, successors and/or assigns that the Declarant shall have the exclusive right and power, as attorney-in-fact for every unit owner, to establish the undivided fractional or percentage interest of each such unit owner in the expanded common areas and facilities of WRIGHTSVILLE DUNES, all phases, as well as the right and power to establish the undivided fractional or percentage interest in the expanded common areas and facilities of WRIGHTSVILLE DUNES, all phases, to be appurtenant to additional units of WRIGHTSVILLE DUNES and, therefore, (a) the liability of each unit owner for common expenses, not specifically assessed, (b) the interest of each unit owner in any common surplus, and (c) the voting rights in the Association of each unit owner; which such undivided fractional or percentage interests shall be stated in any supplement to this Declaration required to be executed and recorded in the Office of the Register of Deeds of New Hanover County, North Carolina, in order to expand or add to the property subject to this Declaration as is provided for hereinabove. It is hereby declared and agreed that the Declarant shall establish said undivided interests without prior consultation with or

consent of any unit owner of any unit in WRIGHTSVILLE DUNES, any phase; and that the Declarant covenants and agrees to establish such undivided fractional or percentage interests for all units at such times as may be necessary pursuant to this Article in the proportions that the then fair market value of each unit, new and existing, as shall be determined solely by the Declarant, bears to the then aggregate fair market value of all units on the date of the supplemental declaration, or declarations. In determining such fair market value for any additional unit added to or made subject to this Declaration, Declarant may use the offering or purchase price of such unit or the fair market value as established by any independent appraiser. In determining the fair market value of units previously subjected to the Declaration, the Declarant may use the value as then established for tax purposes by the appropriate authorities or the value established by any independent appraiser.

F. Nothing herein shall be deemed to limit or alter the Declarant's right, hereby reserved, to vary the internal layout, size, or configurations of any units hereafter constructed so long as the Declarant substantially conforms with the provisions of this Article.

5. THE NATURE AND INCIDENTS OF UNIT OWNERSHIP

A. Each unit shall be conveyed and treated as an individual real property capable of independent use and fee simple ownership, and the owner of each unit shall also own, as an appurtenance to the ownership of each said unit, an undivided interest in the common areas and facilities of WRIGHTSVILLE DUNES, Phase I and future phases, if any. The undivided interest in the common areas and facilities of WRIGHTSVILLE DUNES, Phase I, appurtenant to each of the sixteen (16) units of WRIGHTSVILLE DUNES, Phase I, is set forth on Exhibit "E" attached.

The proportional interest in the common areas and facilities that is appurtenant to each unit has been determined in a manner consistent with the Act.

B. No unit may be divided or subdivided into a smaller unit or units than as shown on Exhibit "C" hereto, nor shall any unit

or portion thereof be added to or incorporated into any other unit unless written approval is first obtained from the Board of Directors of the Association. The undivided interest in the common areas and facilities declared to be an appurtenance to each unit shall not be conveyed, devised, encumbered, or otherwise dealt with separately from said unit, and the undivided interest in common areas and facilities appurtenant to each unit shall be deemed conveyed, devised, encumbered, or otherwise included with the unit even though such undivided interest is not expressly mentioned or described in the instrument conveying, devising, encumbering, or otherwise dealing with such unit. Any conveyance, mortgage, or other instrument which purports to grant any right, interest or lien in, to or upon a unit, shall be null, void and of no effect insofar as the same purports to affect any interest in a unit and its appurtenant undivided interest in common areas and facilities, unless the same purports to convey, devise, encumber, or otherwise trade or deal with the entire unit. Any instrument, conveying, devising, encumbering, or otherwise dealing with any unit, which describes said unit by the letter/numerical designation assigned thereto in Exhibit "C" without limitation or exception shall be deemed and construed to affect the entire unit and its appurtenant undivided interest in the common areas and facilities. Nothing herein contained shall be construed as limiting or preventing ownership of any unit and its appurtenant undivided interest in the common areas and facilities by more than one person or entity as tenants in common, joint tenants, or as tenants by the entirety.

C. The common areas and facilities (including all amenities) shall be, and the same are hereby declared to be subject to a perpetual non-exclusive easement in favor of all of the owners of units in WRIGHTSVILLE DUNES, Phase I, for their use and the use of their immediate families, guests, or invitees, for all proper and normal purposes and for the furnishing of services and facilities for which the same are reasonably intended, for the enjoyment of said owners of units. Notwithstanding anything above provided in this Article, the Association shall have the

exclusive right to establish the rules and regulations pursuant to which the owner of any unit, his family, guests or invitees, may be entitled to use the common areas and facilities, including the right to establish regulations concerning the use of the pool and tennis courts.

5. SERVICE OF PROCESS

W. Talmage Jones is hereby designated to receive Service of Process in any action which may be brought against or in relation to this condominium development and/or the Association. Said person's address is 101 S. Third St., P. O. Drawer 2178, Wilmington, N. C. 28402, which is within the County in which the development is located. The Board of Directors of WRIGHTSVILLE DUNES H.O.A. INC. may revoke the appointment of such agent and appoint a successor, all pursuant to the By-Laws of the Association.

6. EASEMENTS

The following easements are covenants running with the condominium:

(A) Each unit owner shall have an easement in common with the other owners of all other units to use all pipes, wires, ducts, cables, conduits, public utility lines and other common facilities located in any of the other units and serving his unit. Each unit shall be subject to an easement in favor of the owners of all other units to use the pipes, ducts, cables, wires, conduits, public utility lines and other common facilities serving such other units and located in such unit. The Board of Directors of the Association or their designee shall have the right of access to each unit to inspect the same, to remove violations therefrom and to maintain, repair or replace the common facilities contained therein or elsewhere in the building.

(B) The Association may hereafter grant easements, as approved by the Board of Directors for utility purposes for the benefit of the property, including the right to install, lay, maintain, repair and replace water lines, gas lines, pipes, sewer lines, television cables, telephone wires and equipment and electrical conduits, and wires over, under, along and on any

portion of the common areas; and each unit owner hereby grants the Association an irrevocable power of attorney to execute, acknowledge, and record for and in the name of each unit owner such instruments as may be necessary or desirable to effectuate the foregoing.

(C) Ingress and egress is reserved for pedestrian traffic over, through and across sidewalks, paths, walks and lanes as the same from time to time may exist upon the common elements; and for vehicular traffic over, through and across such portions of the common elements as from time to time may be paved and intended for such purposes.

(D) Easements are reserved to the owners of units, in WRIGHTSVILLE DUNES for pedestrian and vehicular traffic over, through and across such driveways and parking areas as from time to time may be paved and intended for such purposes, and for the construction and maintenance of water, sewer and other utilities.

(E) If a unit shall encroach upon any common element, or upon any other unit by reason of original construction or by the nonpurposeful or nonnegligent act of the unit owner or of the Association, then an easement appurtenant to such encroaching unit, to the extent of such encroachment, shall exist so long as such encroachment shall exist.

7. PARTITIONING

The common areas and facilities shall not be divided nor shall any right to partition any thereof exist. Nothing herein contained, however, shall be deemed to prevent ownership of a condominium unit by the entireties, jointly or in common or in any other form by law permitted.

8. PARKING SPACES

Each unit shall be allotted two parking spaces. Parking spaces are located in the common area and shall be identified by numbers identical to the units they serve. These parking spaces shall be for the exclusive use of owners, their tenants, guests, and invitees.

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9. LIENS

While the property remains subject to this Declaration and the provisions of the North Carolina Unit Ownership Act, no liens of any nature shall arise or be created against the common areas and facilities except with the unanimous consent in writing of all of the condominium unit owners and the holders of first liens thereon except such liens as may arise or be created against the several units and their respective common interests under the provisions of the North Carolina Unit Ownership Act. Every agreement for the performance of labor, or the furnishing of materials to the common areas and facilities, whether oral or in writing, must provide that it is subject to the provisions of this Declaration and the right to file a mechanics lien or other similar lien by reason of labor performed or materials furnished is waived.

10. OPERATING ENTITY

The operation of the condominium shall be by an incorporated Association organized pursuant to Chapter 55-A of the General Statutes of North Carolina.

A. NAME. The name of the Association shall be WRIGHTSVILLE DUNES H.O.A. INC. B. POWERS. The Association shall have all of the powers and duties set forth in the Unit Ownership Act, except as limited by this Declaration and the By-Laws, and all of the powers and duties reasonably necessary to operate the condominium as set forth in this Declaration and the By-Laws and as they may be amended from time to time.

The Association's powers of maintenance, operation, administration, management, and care of the condominium property may be delegated to a manager as provided for in Article 12 herein.

All other affairs of the Association shall be conducted by a Board of Directors who shall be designated in the manner provided in the By-Laws of the Association.

C. MEMBERS.

(2) Qualification: The members of the Association shall consist of all of the record owners of units.

(2) Change of Membership: After receiving the approval of the Association elsewhere required, change of membership in the Association shall be established by recording in the public records of New Hanover County, North Carolina, a deed or other instrument establishing a record title to a unit or units in the condominium and the delivery to the Association of a certified copy of such instrument, the owner designated by such instrument thereby becoming a member of the Association. The membership of the prior owner shall be thereby terminated.

(3) Voting Rights: There shall be one person with respect to each Unit who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known and hereafter referred to as the "voting member". The voting member may be the owner or one of a group composed of all of the owners of a unit, or may be some other person designated by such owner to act as proxy on his or their behalf and who need not be an owner. Such designation shall be made in writing to the Board of Directors and shall be revocable at any time by actual notice to the Board of Directors or the death or judicially declared incompetence of any "voting member" or by written notice to the Board of Directors by the owner or owners. The total number of votes of all voting members shall be one hundred (100) and each owner or group of owners (including the Board of Directors, if said Board or its designee shall then hold title to one or more units) shall be entitled to the number of votes equal to the total of the percentage of ownership in the common areas and facilities applicable to his or their unit ownership as set forth in Exhibit "E" of this Declaration as it may be amended from time to time per Paragraph 4-E above. The unit owners may vote on any matter by secret ballot upon motion duly made and seconded by any voting member.

(4) Approval or Disapproval of Matters: Whenever a decision of the unit owners is required upon any matter, whether or not the subject of an Association meeting, such decision shall be expressed by the same persons who would cast the vote of the owners if in an Association meeting, unless the joinder of record owners is specifically required by this Declaration.

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(5) Restraint upon Assignment of Shares in Assets: The share of a member in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his unit.

Any assessment for reserve or sinking funds for capital improvements or repairs shall be held by the Board of Directors for the purposes so designated and for no other. In the event such purpose or contingency does not occur, said allocated funds shall be expended only for the general operation of the property and any excess assessments in any year shall be used to reduce the following year's assessments.

D. INDEMNIFICATION OF DIRECTORS: Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved, by reason of his being or having been a director or officer at the time of the acts in question or such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing rights of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

E. BY-LAWS: The By-Laws of the Association shall be in the form attached hereto as Exhibit "F" as amended from time to time.

F. PROPERTY IN TRUST: All funds and the title to all properties acquired by the Association and the proceeds thereof shall be held in trust for the members in accordance with the provisions of this Declaration and the By-Laws.

11. COMMON EXPENSE

The common expenses and surpluses of the property shall be shared by the unit owners in the ratios specified in Exhibit "E"

as it may be amended by the filing of Supplemental Declarations for future phases of Wrightsville Dunes.

12. MANAGEMENT AND MAINTENANCE

A. MANAGER: The Association may enter into a contract with a Management Company or Manager for the purposes of providing all elements of the operation, care, supervision, maintenance, and management of the property. All the powers and duties of the Association necessary or convenient for such maintenance and management may be delegated to and vested in the Manager by the Board of Directors, except such as are specifically required by this Declaration, the By-Laws or the Unit Ownership Act, to have the approval of the Board of Directors of the Association. The Manager is hereby further authorized to recommend the annual budget, and, upon approval thereof by the Board of Directors, make assessments for common expenses, and collect such assessments in the manner provided for in this Declaration and the By-Laws, subject always to the supervision and right of approval of the Board of Directors.

B. OWNER'S MAINTENANCE:

(1) Each unit owner agrees as follows:

(a) To maintain in good condition and repair his unit and all interior surfaces within his unit (such as walls, ceilings, and floors) which are not common elements or exterior surfaces, the maintenance of which shall be the responsibility of the Association and assessable to all the unit owners as a common expense.

(b) Not to make or cause to be made any structural addition to the common elements without the prior written consent of the Association.

(c) To make no alteration, repair, replacement or change of the common elements or to any outside or exterior portion of the building whether within a unit or part of the common elements.

(d) To permit the Board of Directors or the Manager, or the agents or employees of the Association, to enter with notice at any reasonable hour of the day, for the

purpose of maintenance, inspection, repair, replacement of improvements within the unit or the common elements, or to enter without notice in the case of emergency, threatening any unit(s) or the common elements or to determine compliance with the provisions of this Declaration, the By-Laws, or the Rules and Regulations promulgated thereunder.

(2) In the event a unit owner fails to maintain the unit as required herein or makes any structural addition or alteration to the common areas without the required written consent of the Board of Directors, or fails to permit entrance to the Board or the Manager as required above, the Manager on behalf of the Board of Directors or Association, or the Board on its own behalf, shall have the right to proceed either at law or in equity for whatever appropriate remedy the circumstances require. In lieu thereof and/or in addition to this remedy, the Association, through the Board of Directors, shall have the right and power to levy an assessment against the owner of the unit and the unit itself for such necessary sums to remove any unauthorized structure or alteration and to restore the property to its former condition. The Association and/or the Board of Directors on its behalf, shall have the further right and power to have its employees or agents, or any subcontractor appointed by it, enter the unit at any and all reasonable times, to do such work as is deemed necessary by the Board to enforce compliance with the provisions hereof.

C. LIMITATION OF LIABILITY: Notwithstanding the duty of the Association to maintain and repair parts of the condominium property, the Association shall not be liable to unit owners for injury or damage caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or other owners or persons.

13. ASSESSMENTS

The common expenses shall be assessed against each unit owner as provided for in Paragraph 11 above. Assessments which are unpaid for over thirty (30) days after due date shall bear the maximum interest allowed by law, (but not to exceed the monthly

rate of one and one-half percent (1-1/2%) from the due date until such unpaid assessment is paid in full.

Unit owners shall be subject to assessment by the Board of Directors upon acquiring title to their unit. The Declarant shall not be liable for assessments for unsold units until one hundred twenty (120) days after conveyance of title to the first unit sold in each phase of WRIGHTSVILLE DUNES.

In addition to the usual monthly assessment, Unit Owners shall be subject to pay a one time initial assessment upon acquiring title to their unit from Declarant equal to twice the standard monthly assessment in order to fund contingent or unascertained expenses of the Association during initial phases of operation.

Any sum assessed remaining unpaid for more than thirty (30) days shall constitute a lien upon the delinquent unit or units when filed of record in the Office of the Clerk of Superior Court of New Hanover County in the manner provided for by Article 8 of Chapter 44 of the General Statutes of North Carolina as amended. The lien for unpaid assessments shall also secure reasonable attorney's fees incurred by the Manager or the Board of Directors incident to the collection of such assessment or the enforcement of such lien. In any foreclosure of a lien for assessments, the owner of the unit subject to the lien shall be required to pay a reasonable rental for the unit, and the Manager or Board of Directors shall be entitled to the appointment of a receiver to collect the same.

14. INSURANCE

A. OWNERSHIP OF POLICIES: All insurance policies upon the condominium property shall be purchased by the Association or Manager for the benefit of the Association, the unit owners, and their mortgagees as their interests may appear, and provisions shall be made for the issuance of certificates of insurance to the mortgagees of unit owners. Unit owners may, at their option, obtain additional insurance coverage at their own expense upon

their own personal property, for their personal liability, and such other coverage as they may desire.

B. COVERAGE: All building and improvements upon the land and all personal property included in the common elements shall be insured in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, or by ninety percent (90%) co-insurance blanket coverage or by such other form of policy as the Board of Directors annually determines will most reasonably provide the funds necessary to repair or reconstruct the insured improvements. Such coverage shall afford protection against (1) loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and (2) such other risks as from time to time shall be customarily covered with respect to building similar in construction, location and use as the building on the land, including, but not limited to, vandalism and malicious mischief.

C. PUBLIC LIABILITY INSURANCE: Public liability insurance shall be secured by the Association or Manager in such amount and with such coverage as shall be deemed necessary by the Board of Directors, including, but not limited to, an endorsement to cover liability of the unit owners as a group or of a single unit owner. There shall also be obtained such other insurance coverage as the Board of Directors or Manager shall determine from time to time to be desirable or necessary.

D. PREMIUMS: Premiums upon insurance policies purchased by the Association or Manager shall be paid by the Association and chargeable to the Association as a common expense.

E. PROCEEDS: All insurance policies purchased by the Association or Manager shall be for the benefit of the Association and the unit owners and their mortgagees as their interests may appear, and shall provide that all proceeds thereof shall be payable to the Association as insurance trustee under this Declaration. The Board of Directors of the Association is hereby irrevocably appointed Agent for each unit owner and his mortgagee as their interest may appear for the purpose of compromising and settling claims arising under insurance policies purchased by the

Manager or Board of Directors for the benefit of the Association and the unit owners; said Board of Directors or its designee is hereby further empowered to execute and deliver releases to the insurance carrier upon the payment of claims. The Board of Directors' duty or its designee's duty upon receipt of such proceeds shall be to hold the same in trust for the purposes elsewhere stated herein or in the By-Laws for the benefit of the Association and the unit owners and their mortgagees as their interests may appear.

F. IN THE EVENT A MORTGAGE ENDORSEMENT HAS BEEN ISSUED AS TO A UNIT: The share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interest may appear.

G. ADDITIONAL COVERAGE: Each individual unit owner shall be responsible for purchasing, at his own expense, additional coverage, including, but not limited to, liability insurance to cover accidents occurring within his own unit, coverage upon his own personal property, fire and other hazard mortgage insurance, and such other insurance as the unit owner deems necessary or desirable.

15. DISTRIBUTION OF INSURANCE PROCEEDS

Proceeds of insurance policies shall be payable to the WRIGHTSVILLE DUNES HOMEOWNERS' ASSOCIATION as insurance trustee and shall be distributed to or for the benefit of the beneficial owners in the following manner:

A. EXPENSE OF THE TRUST: All expenses of the insurance trustee shall be first paid or provision made therefor.

B. RECONSTRUCTION OR REPAIR: If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray the cost thereof as determined in Paragraph 16 hereof. Any proceeds remaining after defraying such cost shall be distributed as surplus to the beneficial owners of the damaged units pursuant to Paragraph 11 hereof.

C. FAILURE TO RECONSTRUCT OR REPAIR: If it is determined, as provided in Paragraph 16 hereof, that the damage for which the proceeds are paid shall not be reconstructed or repaired, the

remaining proceeds shall be distributed as surplus to the beneficial owners of the damaged units thereof pursuant to Paragraph 11 hereof.

D. MORTGAGEES: In the event a mortgagee endorsement has been issued as to a unit, the share of the unit owner shall be held in trust for the mortgagee and the unit owner as their interest may appear; provided, however, that no mortgagee shall have any right to determine or participate in the determination as to whether or not any damaged property shall be reconstructed or repaired.

16. DAMAGE AND DESTRUCTION

A. DETERMINATION TO RECONSTRUCT OR REPAIR: If any part of the condominium property shall be damaged by casualty, whether or not it shall be reconstructed or repaired shall be determined in the following manner:

(2) Common Elements: If the damaged improvement is a common element, the damaged property shall be reconstructed or repaired, unless it is determined in the manner elsewhere provided that the condominium shall be terminated.

(2) Condominium Units:

(a) Partial Destruction: If the damaged improvement is a condominium unit, and if termination as provided in Subparagraph (b) below does not take place, the damaged property shall be reconstructed or repaired unless within sixty (60) days after the casualty it is determined by agreement in the manner elsewhere provided that the condominium shall be terminated.

(b) Total Destruction: If more than two-thirds (2/3) of the condominium units in a building or phase are destroyed and the owners of four-fifths (4/5ths) of the units in the affected building should determine not to proceed with repair or restoration, then the procedure set forth in Section 47A-25 of the North Carolina General Statutes, and any amendments thereto, shall take place.

B. PLANS AND SPECIFICATIONS: Any reconstruction or repair must be substantially in accordance with the plans and

specifications for the original building; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged property is a condominium unit, by the owners of all damaged units therein which approvals shall not be unreasonably withheld.

C. RESPONSIBILITY: If the damage is only to those parts of one unit for which the responsibility of maintenance and repair is that of the unit owner, then the unit owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Association.

D. ESTIMATE OF COSTS: Immediately after a determination to rebuild or repair damage to property for which the Association has the responsibility of reconstruction and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair.

E. ASSESSMENTS: If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Association, or if at any time during reconstruction and repair, or upon completion of reconstruction and repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against the unit owners who own the damaged units and against all unit owners in the case of damage to common elements, in sufficient amounts to provide funds for the payment of such costs. Such assessments against unit owners for damage to units shall be in proportion to the cost of reconstruction and repair of their respective units. Such assessments on account of damage to common elements shall be in proportion to the unit owner's share in the common elements.

17. USE AND OCCUPANCY

BUS
A. USE: The building and each of the units shall be used for residential purposes only. Any unit owner may delegate, in accordance with this Declaration and the By-Laws of the Association, his rights of possession, use and enjoyment of his unit together with the common area and facilities to his invitees, employees, guests and tenants.

NUS

B. NUISANCE: A unit owner shall not permit or suffer anything to be done or kept in or about his unit which will increase the rate of insurance on the building or which will obstruct or interfere with the rights of other unit owners or annoy them by unreasonable noises, odors, or otherwise. No unit owner shall commit or permit any nuisance, immoral or illegal act in or about the building.

MOT

C. EXTERIOR: It shall be the responsibility of each unit owner and the Board of Directors to prevent the development of any unclean, unsightly or unkept condition on the property which shall tend to decrease the beauty of the condominium either as a whole or a specific area.

A unit owner shall not cause anything to be hung, displayed, or placed on the exterior walls, doors, balconies, chimneys, windows, or any other exterior part of the building without the prior written consent of the Board of Directors. No person may place or cause to be placed any communications aerial, television aerial, satellite dish, or similar device on any portion of the condominium property without the written consent of the Board.

SGN

D. SIGNS: No signs (including "for rent", "for sale" and other similar signs) or property identification signs shall be erected or maintained on any unit except with written permission of the Board of Directors, or except as may be required by legal proceedings.

REL

E. STRUCTURES, OUTBUILDINGS AND TRAILERS: No structure of a temporary character shall be placed upon the property at any time, without the consent of the Board of Directors of the WRIGHTSVILLE DUNES H.O.A.; provided, however, that this prohibition shall not apply to shelters used by a contractor during the construction or repair of the building, so long as these temporary structures are not, at any time, used as residences, offices, or for business purposes of a unit owner or permitted to remain after completion of said construction or repair.

No mobile home of any kind, trailer, tent, storage shed, garage, or other similar outbuilding or structure, regardless of

purposes or function, shall be placed on the property at any time, either temporarily or permanently.

F. RULES AND REGULATIONS: No person shall use the common elements or any part thereof, or a condominium unit, or the condominium property, or any part thereof, or any other property, the use of which has been acquired for the benefit of the Association, or the unit owners, in any manner contrary to or not in accordance with the Rules and Regulations pertaining thereto, as from time to time may be promulgated by the Board of Directors or the Association.

G. BREACH OF RESTRICTIONS: In the event of a violation or breach of any of the restrictions contained in this Declaration or of any other covenants contained in this Declaration, the By-Laws or Rules and Regulations of the Association by any unit owner, tenant, or agent of such owner, or any of them, jointly or severally, the Association shall have the right to proceed at law or in equity to compel a compliance with the terms hereof, or to prevent the violation or breach of this Declaration, the By-Laws or Rules and Regulations of the Association. In addition to the foregoing, the Board of Directors shall have the right whenever there shall have been any violation of these restrictions, to enter upon the property where such violation exists, and summarily abate or remove the same at the expense of the unit owner, if after thirty (30) days' written notice of such violation it shall not have been corrected by the unit owner. Any such entry and abatement or removal shall not be deemed a trespass. The failure to enforce any right, reservation or conditions in this Declaration, the By-Laws or Rules and Regulations however long continued, shall not be deemed a waiver of the right to do so thereafter, as to the same breach or as to a breach occurring prior or subsequent thereto, and shall not bar or affect its enforcement. The invalidation by any Court of any restrictions in this Declaration, the By-Laws or Rules and Regulations shall in no way affect any of the other restrictions but they shall remain in full force and effect.

18. UNITS SUBJECT TO DECLARATION

All present and future owners, tenants and occupants of units shall be subject to, and shall comply with the provisions of this Declaration, the By-Laws and any Rules and Regulations of the WRIGHTSVILLE DUNES H.O.A. INC. as said Declaration, By-Laws and Rules and Regulations may be amended from time to time. The acceptance of a deed, or the entering into of a lease or the entering into occupancy of any unit shall constitute an agreement that the provisions of this Declaration, the By-Laws and any Rules and Regulations which may be adopted by the Association are accepted and ratified by such owner, tenant or occupant and all of such provisions shall be deemed and taken to be covenants running with the land and shall be enforceable against any person having at any time any interest or estate in such unit as though such provisions were made a part of each and every deed of conveyance or lease.

19. AMENDMENT OF DECLARATION

Except as otherwise provided herein for the filing of Supplemental Declarations, this Declaration may only be amended by the vote of at least seventy-five percent (75%) in interest of the unit owners in all phases cast in person or by proxy at a meeting duly held in accordance with the provisions of the By-Laws. No such amendment shall be effective until recorded in the Office of the Register of Deeds for the County wherein the property, the subject of this Declaration is located.

20. CAPTIONS

The captions herein are inserted only as a matter of convenience and for reference and in no way to define, limit or describe the scope of this Declaration nor the intent of any provision hereof.

21. PROPERTY IN TRUST

All funds and the titles of all properties acquired by the Association and the net proceeds thereof shall be held in trust for the members in accordance with the provisions of this Declaration and the By-Laws of the Association.

22. EMINENT DOMAIN

In the event of a taking by eminent domain (or condemnation or a conveyance in lieu of condemnation) of part or all of the common elements, the award for such taking shall be payable to the Association, which shall represent the owners named in the proceedings. Said award shall be utilized to the extent possible for the repair, restoration, replacement or improvement of the remaining common elements, if only part are taken. If all or more than two-thirds (2/3) of all of the general common elements are taken, it shall be deemed a destruction of more than two-thirds (2/3) of all of the general common elements and the condominium shall be terminated as hereinbefore provided. Any funds not utilized (in the case of a partial taking) shall be applied in payment of common expenses otherwise assessable. In the event of a taking of all or part of a unit, the award shall be made payable to the owner of such unit and his mortgagee, if any, as their interests may appear.

23. MISCELLANEOUS

A. ENCROACHMENTS: The owners of the respective condominium units agree that if any portion of a condominium unit or common element encroaches upon another, a valid easement for the encroachment and maintenance of same, so long as it stands, shall and does exist. In the event the building is partially or totally destroyed and then rebuilt, the owners of the condominium units agree that encroachments on parts of the common elements or limited common elements or condominium units, as described herein, due to construction, shall be permitted, and that a valid easement for said encroachments and the maintenance thereof shall exist.

B. EXEMPTION FROM LIABILITY: No owner of a condominium unit may exempt himself from liability for his contribution toward the common expenses by waiver of the use and enjoyment of any of the common elements, or by the abandonment of his condominium unit.

C. WARRANTIES AND REPRESENTATIONS: The Declarant specifically disclaims any intent to have made any warranty or representation in connection with the property or the condominium documents, except as specifically set forth therein, and no person

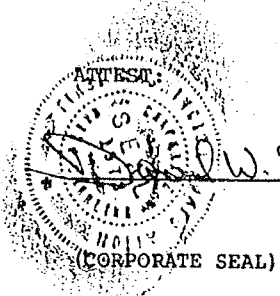
1308 0651
shall rely upon any warranty or representation not so specifically made therein. Any estimates of common expenses, taxes or other charges are deemed accurate, but no warranty or guaranty is made or intended, nor may one be relied upon.

D. CONTROLLING: This Declaration and Exhibits attached hereto and Amendments hereof, shall be construed and controlled by and under the laws of the State of North Carolina.

E. COVENANTS: All provisions of this Declaration and Exhibits attached hereto and amendments hereof, shall be construed to be covenants running with the land and of every part thereof and interest therein, including but not limited to, every unit and the appurtenances thereto, including the common elements and every unit owner and claimant of the property or any part thereof, or of any interest therein, and his heirs, executors, administrators, tenants, successors, and assigns, shall be bound by all of the provisions of said Declaration and Exhibits annexed hereto and amendments thereof.

F. INVALIDATION: If any provision of this Declaration, the By-Laws and the Exhibits attached hereto, any Amendments hereof, or of the Unit Ownership Act Chapter 47(A) of the General Statutes, or any section, sentence, clause, phrase, or word or the application thereof, in any circumstances is held to be invalid, the validity of the remainder of this Declaration, the By-Laws, and the Exhibits attached hereto, and any Amendments thereto shall not be affected thereby.

IN WITNESS WHEREOF, FIRST WASHINGTON CORPORATION has caused this instrument to be signed in its name by its proper corporate officers and its corporate seal to be hereto affixed all by authority of its Board of Directors duly given and granted, all on the day and year first hereinabove written.



FIRST WASHINGTON CORPORATION

Secretary

BY:

President

STATE OF NORTH CAROLINA,

COUNTY OF NEW HANOVER.

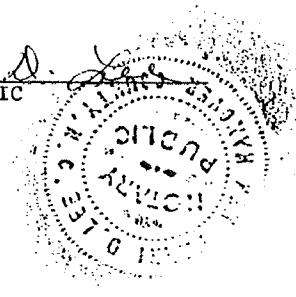
I, Hanni D. Lee, a Notary Public in and for the said New Hanover County and State, hereby certify that Daniel W. Collier personally came before me this day and acknowledged that he is Secretary of FIRST WASHINGTON CORPORATION, a North Carolina corporation, and that by authority duly given and as the act of the corporation the foregoing instrument was duly signed in its name by its President, sealed with its corporate seal and attested by him as its ~~Asst.~~ Secretary.

WITNESS my hand and seal, this the 17th day of NOVEMBER, 1985.

Hanni D. Lee
NOTARY PUBLIC

My commission expires: 4/4/88

(SEAL)



STATE OF NORTH CAROLINA

New Hanover County

The Foregoing Certificate of

HANNI D. LEE, A

NOTARY PUBLIC

is certified to be correct.

This the 8th day of Nov, 19 85

Rebecca P. Tucker, Register of Deeds

By [Signature]

[Signature]

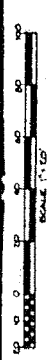
PHASE I

BEGINNING at the southwest corner of Tract 16, Shell Island Subdivision found at Map Book 25 at Page 20, New Hanover County Registry, thence along the easterly right of way of North Lumina Avenue Extension North 33 deg. 48 min. 00 sec. East 16.10 feet to a point; thence along a curve to the left having an arc of 380.51 feet and a radius of 1147.47 feet, also having a chord of North 24 deg. 18 min. 00 sec. East 378.77 feet to a point; thence along a curve to the right having an arc of 339.67 feet and a radius of 505.49 feet, also having a chord of North 34 deg. 03 min. 00 sec. East 333.31 feet to a point; thence along a curve to the left having an arc of 326.79 feet and a radius of 1040.20 feet also having a chord of North 44 deg. 18 min. 00 sec. East 325.45 feet to a point; thence North 35 deg. 18 min. 00 sec. East 63.04 feet to the point of BEGINNING; thence North 35 deg. 18 min. 00 sec. East 138.96 feet to a point; thence along a curve to the right having an arc of 100.00 feet and a radius of 1001.53 feet, also a chord of North 38 deg. 09 min. 40 sec. East 99.96 feet to a point; thence leaving the eastern right of way of North Lumina Avenue Extension South 48 deg. 16 min. 19 sec. East 309.45 feet to a point; thence South 34 deg. 08 min. 45 sec. West 184.28 feet to a point; thence North 48 deg. 33 min. 18 sec. West 266.92 feet to a point; thence North 66 deg. 45 min. 56 sec. West 56.84 feet to a point; thence North 54 deg. 42 min. 00 sec. West 21.15 feet to the point of BEGINNING, said parcel containing 1.221 acres, more or less.

BEGINNING at a concrete monument in the eastern line of the 60-foot right of way as shown by "Division Map - Property of Beane Realty Company, Thomas H. Wright, Jr. and Parmele Inc. Tenants in Common" recorded in Map Book 23 at Page 89, New Hanover County Registry, said point located from P. I. #6 as shown by said map by courses of North 33 deg. 48 min. East 107.60 feet and South 56 deg. 12 min. East 30.00 feet, said Beginning Point being the northwestern corner of a proposed public parking area; running thence from said Beginning with the eastern line of said 60-foot right of way North 33 deg. 48 min. East 16.1 feet to the point of curvature of a curve having a radius of 1147.468 feet and a deflection angle of 19 deg. 00 min. to the left; thence with said curve of said eastern line Northward 380.51 feet to the point of reverse curvature with a curve having a radius of 505.486 feet and a deflection angle of 38 deg. 30 min. to the right; thence with said curve and said eastern line Northward 339.66 feet to the point of reverse curvature with a curve having a radius of 1040.20 feet and a deflection angle of 18 deg. 00 min. to the left; thence with said curve and said eastern line northward 326.79 feet to its point of tangency; thence continuing with said eastern line North 35 deg. 18 min. East 202.00 feet to the point of curvature of a curve having a radius of 1001.531 feet and a deflection angle of 17 deg. 25 min. to the right; thence with said curve and said eastern line Northward 100.00 feet to a concrete monument in the southern line of a 10-foot wide public beach access; thence with said southern line South 48 deg. 16 min. 19 sec. East 274.45 feet to a concrete monument; thence continuing with said southern line South 48 deg. 16 min. 19 sec. East 35.00 feet to a point; thence South 34 deg. 08 min. 45 sec. West 1350.17 feet to a point in the northern line of a 20-foot public beach access; thence with said northern line North 55 deg. 36 min. West 104.96 feet to the eastern line of said proposed public parking area; thence with said eastern line North 34 deg. 24 min. East 45.00 feet to a concrete monument at the northeastern corner of said parking area; thence with the northern line of said parking area North 55 deg. 36 min. West 205.00 feet to the point of BEGINNING, containing 10.6 acres, the same being the R-2 zone as shown by Zoning Map - Land owned by Parmele Family" prepared by Henry von Oesen and Associates on February 17, 1984 to which reference is made for a more specific description.

WRIGHTSVILLE DUNES - PHASE 1

A CONDOMINIUM PROJECT LOCATED IN:
WRIGHTSVILLE BEACH, HAMBOROUGH TRACT, NEW HANOVER COUNTY, N.C.



CERTIFICATION: I, PAUL DAVID BERRY, THE UNDERSIGNED, AN ARCHITECT, HAVE REGISTERED TO PRACTICE UNDER THE LAWS OF THE STATE OF NORTH CAROLINA AND HAVE BEEN APPOINTED AS ARCHITECT FOR THE PROJECT DESCRIBED HEREIN. I HEREBY CERTIFY THAT THE INFORMATION CONTAINED IN THIS MAP IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.



Paul D. Berry
PAUL DAVID BERRY, A.I.A.
REGISTERED ARCHITECT
STATE OF NORTH CAROLINA

NEW HANOVER COUNTY
REGISTERED LAND SURVEYOR
REGISTERED LAND SURVEYOR
STATE OF NORTH CAROLINA

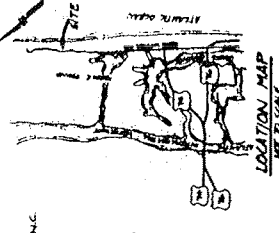


Robert L. Berry
ROBERT L. BERRY
REGISTERED LAND SURVEYOR
STATE OF NORTH CAROLINA

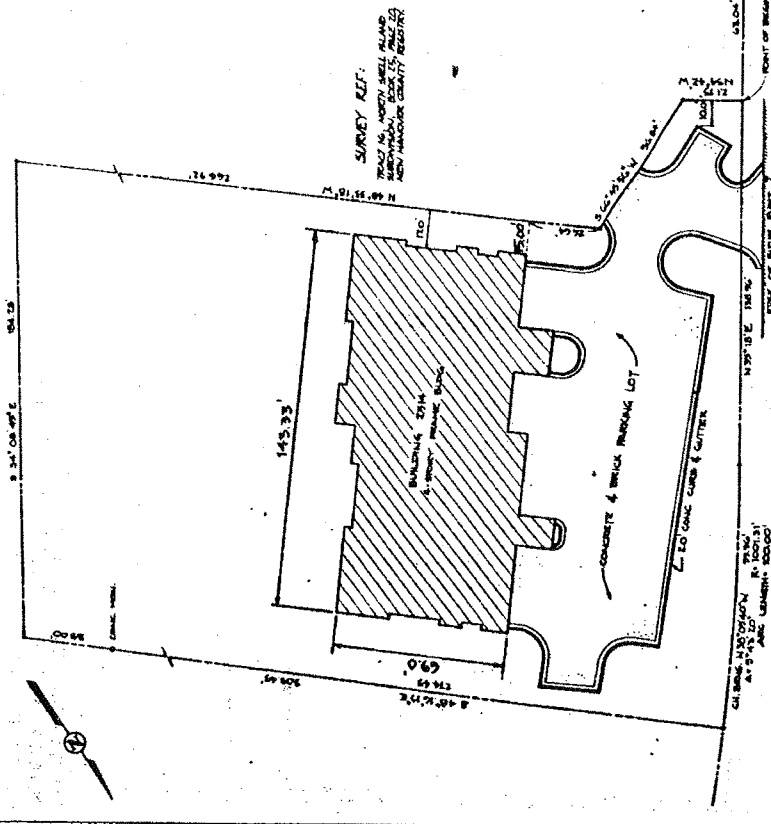
THIS MAP IS A PLAT OF A TRACT OF LAND AND IS BEING PREPARED IN ACCORDANCE WITH THE PROVISIONS OF CHAPTER 41, ARTICLES 2 AND 3 OF THE GENERAL STATUTES OF THE STATE OF NORTH CAROLINA. IT IS HEREBY CERTIFIED THAT THE INFORMATION CONTAINED IN THIS MAP IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

BY COMMISSION EXPIRES April 30, 1971
STATE OF NORTH CAROLINA
THE REGISTRAR CERTIFIES THAT THIS MAP IS CORRECT TO THE BEST OF HIS KNOWLEDGE AND BELIEF.

REBECCA P. TUCKER, REGISTRAR OF DEEDS
FILED FOR REGISTRATION ON May 17, 1971 AT 4:07 PM AND ONLY
RECORDED IN MAP BOOK 1308 AT PAGE 0655



LOCATION MAP
SCALE 1" = 1 MILE
THIS MAP IS A LOCATION MAP ONLY AND IS NOT TO BE CONSIDERED AS A PART OF THE MAIN MAP.



SURVEY REF:
TRACT N. 1, NORTH BEACH ALONG
HAMBOROUGH TRACT, NEW HANOVER COUNTY, N.C.

NORTH LUMINA AVE EXTENSION (E.D. ROW)

SHEET 1 OF 5
EXHIBIT C
SURVEY MAP
SCALE 1" = 50'

FIRST WASHINGTON CORPORATION

M&E
REGISTERED ENGINEER P.E.
REGISTERED ARCHITECT
REGISTERED LAND SURVEYOR
REGISTERED PLANNING
REGISTERED CONTRACTOR
REGISTERED INTERIOR DESIGNER
REGISTERED ELECTRICAL ENGINEER
REGISTERED MECHANICAL ENGINEER
REGISTERED CHEMIST
REGISTERED CIVIL ENGINEER
REGISTERED ENVIRONMENTAL ENGINEER
REGISTERED INDUSTRIAL ENGINEER
REGISTERED METALLURGICAL ENGINEER
REGISTERED NUCLEAR ENGINEER
REGISTERED AERONAUTICAL ENGINEER
REGISTERED AGRICULTURAL ENGINEER
REGISTERED CHEMIST
REGISTERED CIVIL ENGINEER
REGISTERED ELECTRICAL ENGINEER
REGISTERED ENVIRONMENTAL ENGINEER
REGISTERED INDUSTRIAL ENGINEER
REGISTERED METALLURGICAL ENGINEER
REGISTERED NUCLEAR ENGINEER
REGISTERED AERONAUTICAL ENGINEER
REGISTERED AGRICULTURAL ENGINEER

WRIGHTSVILLE DUNES

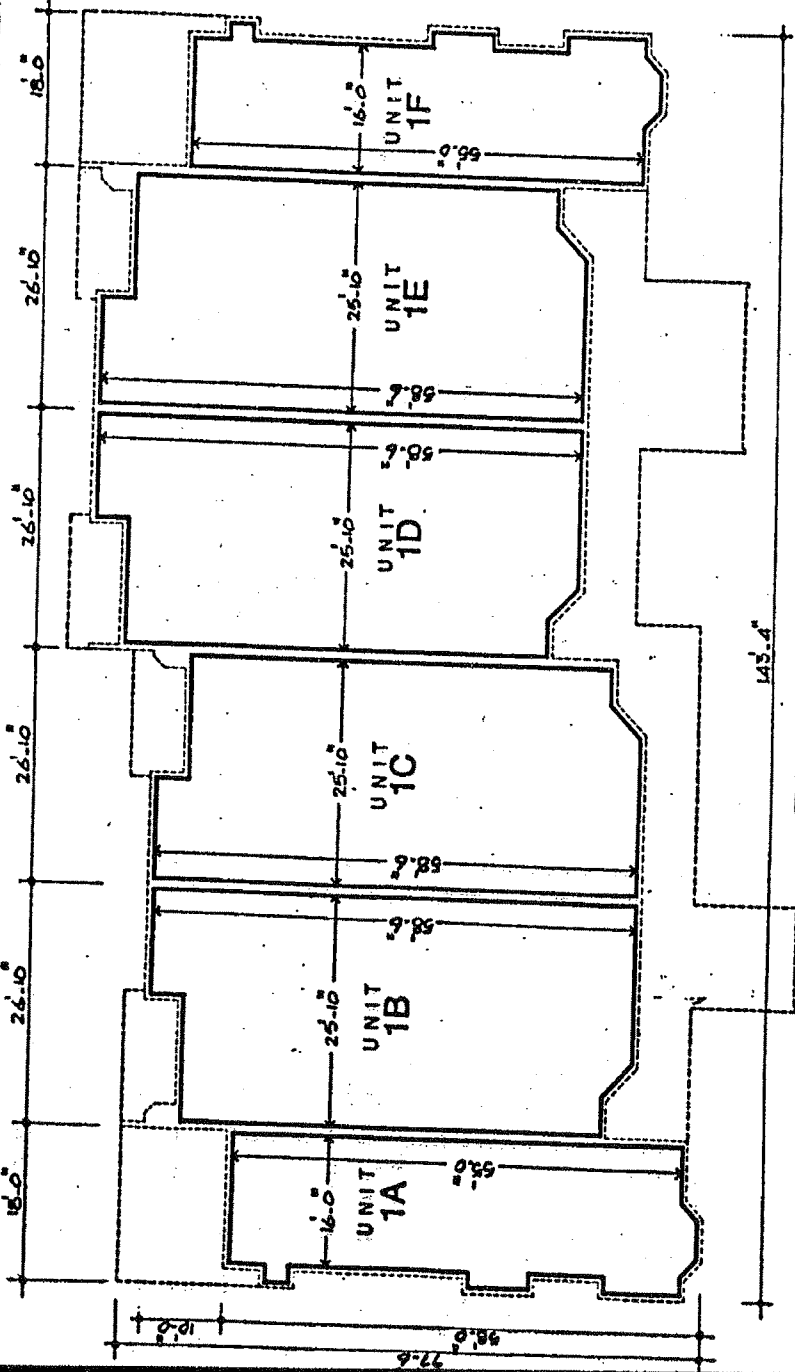
PHASE 1

265 1/4 LUMINA AVE. WRIGHTSVILLE BEACH, NORTH CAROLINA



INDICATES BOUNDARY LINE OF UNITS
 INDICATES COMMON AREAS & STRUCTURAL BOUNDARIES
 INDICATES LIMITED COMMON AREAS & FACILITIES
 UNIT INDICATES CONDOMINIUM 1A, 1B, 1C, 1D, 1E & 1F

FIRST FLOOR PLAN

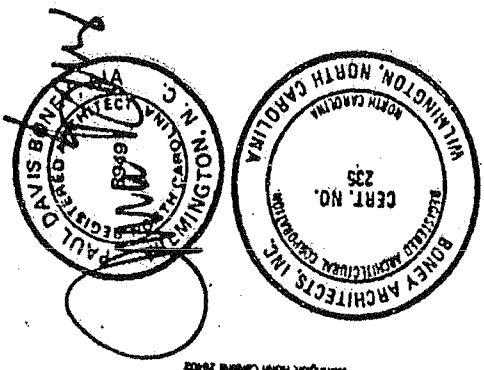


BUILDING H

EXHIBIT "C"

8008 PAGE
 1308 0656

TOWN HOUSE UNIT (1A, 1F) 1916 SQ. FT.
 FLAT UNIT (1B, 1C, 1D, 1E, 2B, 2C, 2D, 2E, 3B, 3C, 3D & 3E) 1522 SQ. FT.
 LOFT UNIT (3A, 3F) 1608 SQ. FT.



boney architects
 120 South Fern Avenue
 P.O. Box 2047
 Wilmington, North Carolina 28402

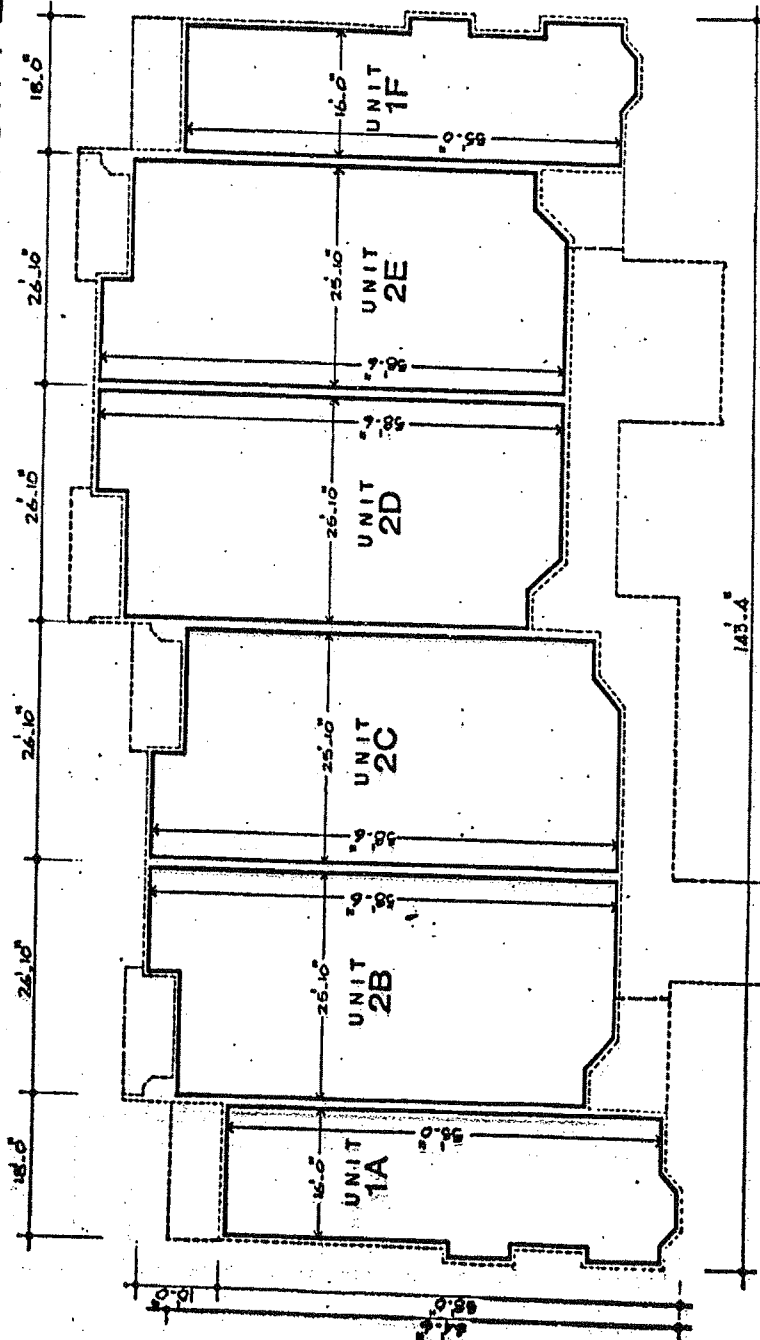
WRIGHTSVILLE DUNES

PHASE 1

2514 LUMINA AVE. WRIGHTSVILLE BEACH, NORTH CAROLINA

- INDICATES BOUNDARY LINE OF UNITS
- INDICATES COMMON AREAS & STRUCTURAL BOUNDARIES
- INDICATES LIMITED COMMON AREAS & FACILITIES
- UNIT INDICATES CONDOMINIUM 1A, 2B, 2C, 2D, 2E & 1F

SECOND FLOOR PLAN



BUILDING H

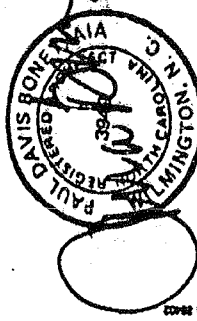
EXHIBIT "C"

BOOK 1308 PAGE 0657

TOWN HOUSE UNIT: 1916 SQ FT (1A, 1F)
FLAT UNIT: 1522 SQ FT (1B, 1C, D, E, 2B, 2C, 2D, 2E, 3B, 3C, 3D & 3E)
LOFT UNIT: 1608 SQ FT (3A, 3F)

boney architects

120 South Fern Avenue
P.O. Box 2047
Wilmington, North Carolina 28402



3 of 5

WRIGHTSVILLE DUNES

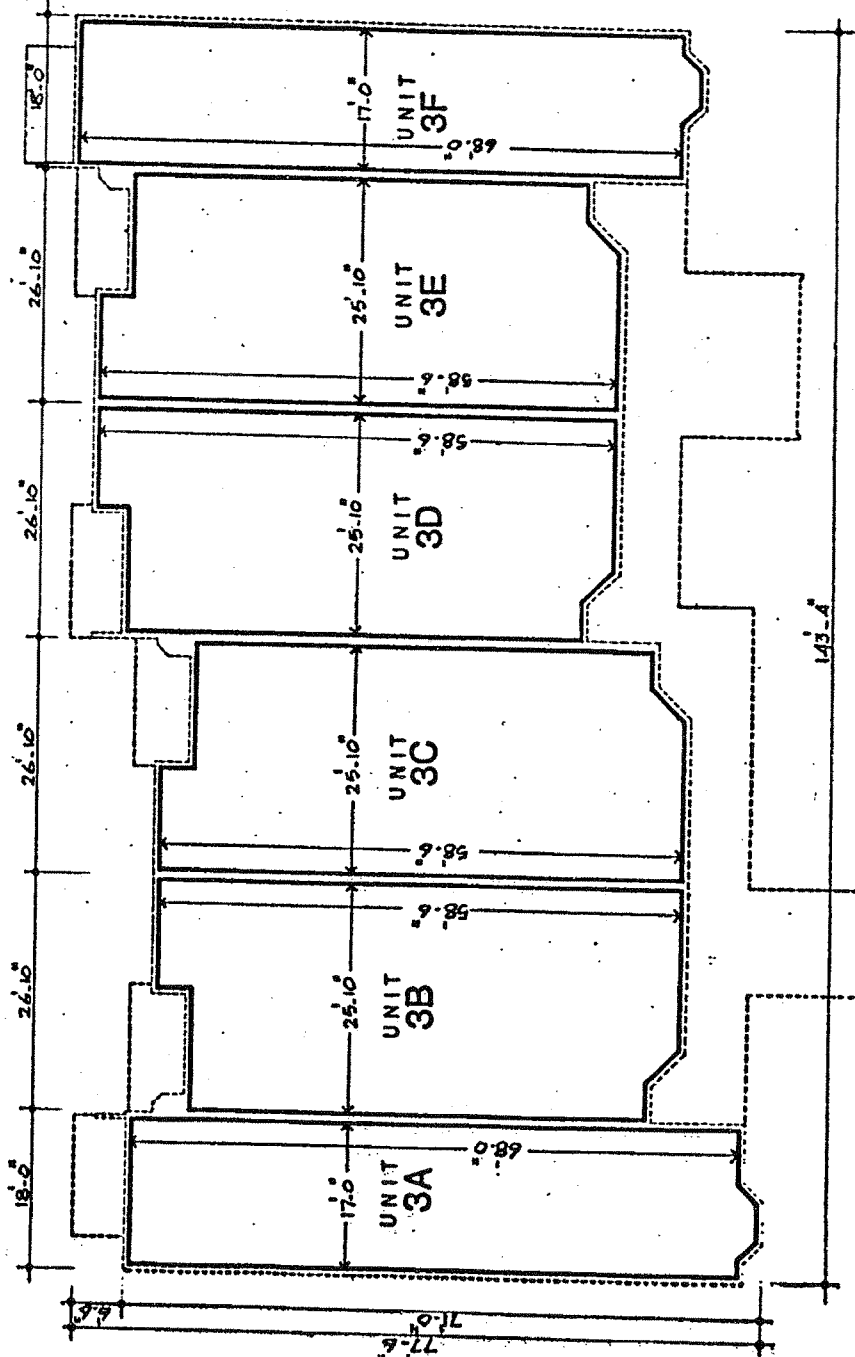
PHASE 1

2514 LUMINA AVE, WRIGHTSVILLE BEACH, NORTH CAROLINA



- INDICATES BOUNDARY LINE OF UNITS
- INDICATES COMMON AREAS & STRUCTURAL BOUNDARIES
- INDICATES LIMITED COMMON AREAS & FACILITIES
- UNIT INDICATES CONDOMINIUM 3A, 3B, 3C, 3D, 3E & 3F

THIRD FLOOR PLAN

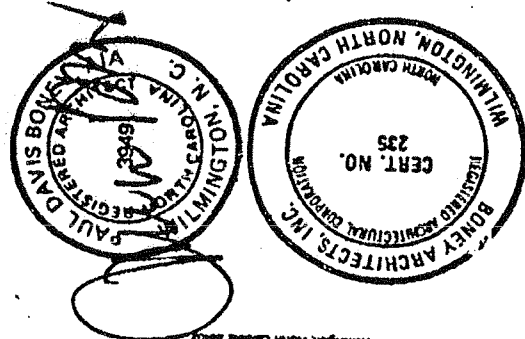


BUILDING H

EXHIBIT "C"

1308 0658 PAGE 3

TOWN HOUSE UNIT: 1916 SQ FT (1A, 1F)
 FLAT UNIT: 1522 SQ FT (1B, 1C, 1D, 1E, 2B, 2C, 2D, 2E, 3B, 3C, 3D & 3E)
 LOFT UNIT: 1608 SQ FT (3A, 3F)



boney architects
 120 South Palm Avenue
 P.O. Box 2047
 Wilmington, North Carolina 28402

WRIGHTSVILLE DUNES

PHASE 1

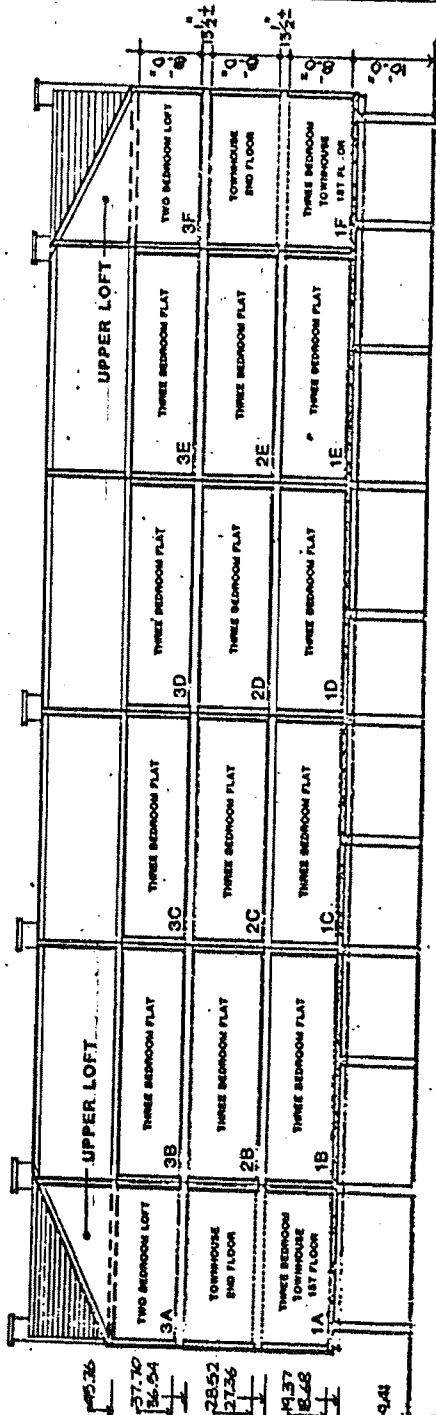
2514 LUMINA AVE, WRIGHTSVILLE BEACH, NORTH CAROLINA



TOTAL HEATED SQUARE FEET: 25312
 FIRST FLOOR: 8004 SQUARE FEET
 SECOND FLOOR: 8004 SQUARE FEET
 THIRD FLOOR: 9304 SQUARE FEET

TOWN HOUSE UNIT: 1916 SQ. FT. (1A, 1F)
 FLAT UNIT: 1522 SQ. FT. (1B, 1C, 1D, 1E, 2B, 2C, 2D, 2E, 3B, 3C, 3D, 3E)
 LOFT UNIT: 1608 SQ. FT. (3A, 3F)

SECTION



BUILDING H

boney architects
 120 South Park Avenue
 P.O. Box 2047
 Wilmington, North Carolina 28402



BOOK PAGE
 1308 0659

EXHIBIT "C"

EXHIBIT "D"

TRACT NO. 1: TENNIS COURTS:

STARTING at the southwest corner of Tract #16 North Shell Island Subdivision found at Map Book 25 at Page 20 of the New Hanover County Registry, thence along the eastern right of way of North Lumina Avenue Extension North 33 deg. 48 min. 00 sec. East 16.10 feet to a point; thence along a curve to the left having an arc length of 380.52 feet and a radius of 1,147.47 feet, also having a chord of North 24 deg. 18 min. 00 sec. East 378.77 feet to a point; thence along a curve to the right having an arc length of 59.18 feet and a radius of 505.49 feet, also having a chord of North 18 deg. 09 min. 14 sec. East 59.15 feet to the point of BEGINNING; thence along a curve to the right having an arc length of 153.59 feet and a radius of 505.49 feet, also having a chord of North 30 deg. 12 min. 44 sec. East 153.00 feet to a point; thence South 59 deg. 50 min. East 70.10 feet to a point; thence South 30 deg. 10 min. 00 sec. West 153.00 feet to a point; thence North 59 deg. 50 min. 00 sec. West 70.22 feet to the point of BEGINNING, said parcel containing 0.260 acres, more or less.

TRACT NO. 2: NORTH POOL

STARTING at the southwest corner of Tract 16 North Shell Island Subdivision found in Map Book 25 at Page 20, New Hanover County Registry, thence along the eastern right of way of North Lumina Avenue Extension North 33 deg. 48 min. 00 sec. East 16.10 feet to a point; thence along a curve to the left having an arc length of 380.52 and a radius of 1,147.47 feet, also having a chord of North 24 deg. 18 min. 00 sec. East 378.77 feet to a point; thence along a curve to the right having a arc of 339.67 feet and a radius of 505.49 feet, also having a chord of North 34 deg. 03 min. 00 sec. East 333.31 feet to a point; thence along a curve to the left having an arc of 240.36 feet and a radius of 1040.20 feet, also having a chord of North 46 deg. 40 min. 49 sec. East 239.82 feet to a point; thence South 48 deg. 40 min. 19 sec. East 43.21 feet to the point of BEGINNING; thence North 42 deg. 50 min. 35 sec. East 56.99 feet to a point; thence South 50 deg. 45 min. 10 sec. East 85.00 feet to a point; thence South 42 deg. 42 min. 42 sec. West 59.97 feet to a point; thence North 48 deg. 40 min. 19 sec. West 85.00 feet to the point of BEGINNING, said parcel containing 0.114 acres.

TRACT NO. 3: POOL SOUTH

STARTING at the southwest corner of Tract 16 North Shell Island Subdivision found at Map Book 25 at Page 20, New Hanover County Registry, thence along the eastern right of way of North Lumina Avenue Extension North 33 deg. 48 min. East 16.10 feet to a point; thence along a curve to the left having an arc length of 291.83 feet and a radius of 1,147.47 feet, also having a chord of North 26 deg. 30 min. 50 sec. East 291.05 feet to the point of BEGINNING; thence along a curve to the left having an arc length of 65.69 feet and a radius of 1147.47 feet, also having a chord of North 17 deg. 35 min. 17 sec. East 65.68 feet to a point; thence South 55 deg. 00 min. 14 sec. East 149.81 feet to a point; thence South 32 deg. 07 min. 55 sec. West 62.17 feet to a point; thence North 55 deg. 15 min. 10 sec. West 133.27 feet to the point of BEGINNING, said parcel having an area of .202 acres, more or less .

1308 0661

EXHIBIT "E"

PERCENTAGE OF OWNERSHIP IN COMMON AREA

<u>UNIT:</u>	<u>% OF OWNERSHIP</u>
1-A	.0666
1-B	.0617
1-C	.0617
1-D	.0617
1-E	.0617
1-F	.0666
2-B	.0617
2-C	.0617
2-D	.0617
2-E	.0617
3-A	.0632
3-B	.0617
3-C	.0617
3-D	.0617
3-E	.0617
3-F	.0632