



Prepared by and return to:
John G. Gaw, Jr.
Post Office Box 1890
Kitty Hawk, NC 27949

STATE OF NORTH CAROLINA
COUNTY OF DARE

AMENDMENT TO COVENANTS
AND RESTRICTIONS OF
DUCK RIDGE SHORES SUBDIVISION

This Amendatory Declaration of Covenants and Restrictions of Duck Ridge Shores Subdivision made and declared this 17th day of November, 2004, by Duck Ridge Shores Civic League, Inc., a North Carolina Non-Profit Corporation, hereinafter called the "Declarant";

WITNESSETH:

THAT WHEREAS, Duck Ridge Shores Civic League, Inc., is a North Carolina Non-Profit Corporation whose members are the owners of lots in Duck Ridge Shores Subdivision, and it is the entity responsible for the repair and maintenance of the subdivision common properties and the regulation of the use of subdivision common areas and amenities, the levying and collection of assessments, the administration of architectural standards, and for the enforcement of the covenants and restrictions as hereinafter provided; and

WHEREAS, the original Declaration of Covenants and Restrictions recorded in the Dare County Registry in Deed Book 204, Page 187, was amended by instrument dated October 20, 2003, and recorded in Deed Book 1526, Page 262, in said public registry; said amendment being for the purpose of applying and imposing the provisions that Chapter 47F of the North Carolina General Statutes (the North Carolina Planned Community Act) to Duck Ridge Shores Subdivision; and

WHEREAS, the Board of Directors of Declarant have approved and adopted the following amendments to the original covenants and restrictions recorded in Deed Book



204, Page 187, of the Dare County Registry, and that supplement the Amendment to Covenants and Restrictions recorded in Book 1526, Page 262, of said public registry; and

WHEREAS, pursuant to paragraph 16 of the original covenants and restrictions, the majority of the owners of lots have agreed to amend the original covenants and restrictions as hereinafter provided and to supplement the second amendment of covenants and restrictions, and said owners herewith evidence and acknowledge their approval of the following amendments and their agreement that said amendments shall apply to, be imposed upon, and run with the lots and common areas of Duck Ridge Shores subdivision, and be binding upon subsequent owners, their heirs and successors and assigns.

NOW, THEREFORE, the Declarant, its members, successors and assigns and the owners of lots in Duck Ridge Shores Subdivision, their heirs and assigns, do hereby declare and make known that the following amendments to covenants, restrictions and reservations are hereby imposed upon the lots, streets and common areas of Duck Ridge Shores Subdivision as shown on the subdivision plat recorded in Map Book 6, Page 34 and 35, in the Dare County Registry, all which shall run with the land as shown on the maps or plats thereof and should be binding upon the Declarant, its successors, grantees and assigns, and upon all subsequent owners of lots of land shown on the aforesaid plats, reference to which is made for a more particular description of the lots and common areas to which these amendments shall apply.

ARTICLE ONE

DEFINITIONS

The following words being used in this amendment shall have the following meanings:

"Assessments" shall mean and refer to assessments and charges levied by the Association upon Owners of Lots in Duck Ridge Shores.

"Association" shall mean and refer to the Duck Ridge Shores Civic League, Inc. and "Bylaws" shall mean and refer to the Bylaws of the Association and all amendments thereto.



"Common Expenses" shall mean and refer to:

- (a) expenses of administration, operation, maintenance, repair or replacement of the Common Properties;
- (b) expenses declared to be Common Expenses by the provisions of this Declaration or the Bylaws;
- (c) expenses agreed upon from time to time as Common Expenses by the Association Board of Directors and lawfully assessed against Members who are Owners of residential Lots or Dwelling Units in the Properties as applicable, in accordance with the Bylaws or this Declaration; and
- (d) any valid charge against the Association or against the Common Properties as a whole.

"Common Properties" shall mean and refer to areas of land shown on any subdivision plat of Duck Ridge Shores and is intended for the common use and enjoyment of Owners of Lots or Dwellings.

"Dwelling" shall mean and refer to any improved property intended for use and occupancy as one single family dwelling, irrespective of the number of Owners thereof.

"Living Area" shall mean and refer to those heated and/or air-conditioned areas within a Dwelling which shall not include garages, carports, porches, patios, breeze ways, terraces, or basements.

"Lot(s)" shall mean and refer to any unimproved parcel of land within Duck Ridge Shores which is intended for use as a site for a single family detached dwelling. A parcel of land shall be deemed unimproved until the single family dwelling being constructed thereon has been substantially completed. For purposes of this Declaration, substantial completion shall be deemed to have occurred when the permit allowing occupancy has been issued.

"Ocean Beach Access" shall mean an access way to the ocean as shown on plans or plats of the property subject to this Declaration.

"Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot situated upon the Properties, but notwithstanding any applicable theory of any lien or mortgage law, shall not mean or



refer to any secured noteholder or trust beneficiary unless and until such secured noteholder or trust beneficiary has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. (Note: the word Member and Owner are meant to describe all Duck Ridge Shores Subdivision owners interchangeably as semantics dictate throughout this Declaration.

"Sound Access" shall mean an access way to Currituck Sound as shown on plans or plats of the property subject to this Declaration.

ARTICLE TWO

GENERAL PROVISIONS

2.1. Duck Ridge Shores shall be governed by the regulations of the North Carolina Planned Community Act as passed by the North Carolina Legislature to be effective January 1, 1999, and its subsequent revisions.

2.2. The Covenants of this Declaration shall run with the land, and shall inure to the benefit of, and be enforceable by, the Association or any Owner, its and their legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by 67% of the Members of the Association has been recorded, agreeing to change said covenants and restriction in whole or in part; provided, however, that no such agreement to change shall be effective unless proper written notice of the proposed agreement is sent to every member at least fifty (50) days in advance of any action taken.

2.3. Any notice required to be sent to any Member or Owner, under the provisions of this Declaration or the Bylaws, shall be deemed to have been properly sent when hand delivered or mailed, postage prepaid, registered or certified mail, return receipt requested, or deposited with an overnight courier and addressed to the person at the last known address of the person who appears as Member or Owner on the records of the Association at the time of the mailing. Notice to anyone of the Owners, if the title of the Lot is held by more than one, shall constitute notice to all of the Owners of the Lot.



2.4. Enforcement of these covenants and restrictions shall be by an appropriate civil proceeding against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, or both, and against the land to enforce any lien created by these covenants or restrictions. In the event Declarant, its successors or assigns, employs counsel to enforce any of the covenants as amended by this Declaration by reason of a violation of said covenants, or costs incurred in such enforcement, including reasonable attorney's fees, shall be paid by the owner of such lot or lots and the Declarant, its successors and assigns, shall have a lien upon such Lot or Lots to secure the payment of all such amounts, which lien may be enforced by civil action in the nature of a suit to foreclose a lien of a deed of trust. These covenants may be enforced by a Lot Owner, the Declarant, or jointly by Lot Owners and the Declarant; and failure by the Association or any owner to enforce any covenant or restriction shall not be deemed a waiver of the right to do so thereafter.

2.5. Invalidation of any of these covenants and restrictions by judgment or court shall in no way affect other provisions which shall remain in full force and effect.

2.6. Every person or entity that is a record owner of a fee simple interest in any Lot in Duck Ridge Shores is subject to this and any other declarations to all rights, responsibilities and assessments of the Association and shall be a member of the Association; provided however, that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

ARTICLE THREE

RESTRICTIONS ON USE AND RIGHTS OF THE DECLARANT AND OWNERS

3.1. Lots shall be used for residential purposes only except as otherwise authorized by this paragraph and further subject to such conditions of use as may be imposed by the Board of Directors for each home occupation use authorized by this paragraph. As an accessory use to the residential use authorized by this paragraph, a "home occupation use" may be conducted as incidental to and accessory to the primary use of each Lot. The home occupation use shall not consist of manufacturing, retail sale of products or merchandise, or commercial activities that require the presence of the customer or person for the commercial activity to be conducted. By way of illustration, but not limitation, home occupations may include the use of the home for office purposes,



sales not requiring the presence of the customer, and arts and crafts activities. Home occupations must be conducted entirely within the residential dwelling or garage and only by those individuals residing in the dwelling and occupying the dwelling as their primary residence. No home occupation identification sign or advertising sign shall be displayed on the exterior of the dwelling or on the Lot. The home occupation must not generate vehicular traffic to the dwelling wherein the home occupation is being conducted. An Owner desiring to conduct a home occupation under this paragraph must submit to the Board of Directors a written description of the home occupation activity, a diagram showing where the activity will be conducted on the site within the dwelling or garage and any other information the Board of Directors may require pursuant to the rules and regulations of home occupations adopted and amended by the Board from time to time. The home occupation must be conducted pursuant to any specific limitations or regulations approved by the Board of Directors with respect to the specific activity. There shall be no outside storage of materials, parts, or supplies used in the home occupation. No construction equipment, or equipment used in any business, including but not limited to house painting, lawn care, landscaping, plumbing, pool service, home maintenance and repair, nor trailers used to transport such equipment, shall be allowed to remain on any homesite or any portion of the Common Properties, unless it is involved in activities on the homesite, or is enclosed in an garage or other approved structure. This paragraph does not apply to licensed motor vehicles.

3.2. No Lot shall be subdivided or re-subdivided to create an additional Lot or Lots. There may be added to or combined with any lot, however, as shown on the recorded plat, all or a portion of another lot or lots to produce a larger building site and in such event, any boundary lines (as well as any boundary line changes within the subdivision for any reason) shall require the written consent of the Declarant or its successors in interest. When one owner acquires two or more adjoining lots or a portion of a lot contiguous with a whole platted Lot, then in that event, the adjoining one or more Lots or a portion thereof may be used as one building site, in which event the side line easements and set backs referred to herein shall apply to the outside perimeter of the property line of the combined lots acquired by said Property Owner.



3.3. All construction within Duck Ridge Shores shall comply with the relevant site standards and requirements as set forth in the Town of Duck zoning ordinance for the zoning district in which the Lot is located. By way of illustration, but not limitation, the site standards would include lot coverage, set backs, easements, septic requirements, and parking requirements. In the event the Town of Duck should repeal all of the site standards applicable to the zoning district in which a Lot or Lots are located, then the site standards and requirements set forth in the original Declaration of Covenants and Restrictions of Duck Ridge Shores shall be applicable.

3.4. No Lot, unit of ownership or ownership interest may be subdivided to permit time sharing or other devices to affect interval ownership.

3.5. No structure of a temporary nature shall be placed on any portion of Duck Ridge Shores at any time, provided, however, that this prohibition shall not apply to shelters or sheds used by contractors during the construction of Dwellings, or improvements or additions thereto, on any Lots. Temporary shelters, tents, recreational vehicles, trailers, buses, mobile homes, travel or camping trailers, (whether attached or unattached to the realty) may not, at any time, be used as a temporary or permanent residence, or be permitted to remain on any portion of Duck Ridge Shores.

3.6. Detached garages, storage sheds, carports, or detached structures of any type are not permitted. Storage sheds not exceeding 240 square feet are permitted provided that they are attached to the rear of the dwelling and are architecturally consistent with the Dwelling. Enclosed outside showers that have one side attached to the primary structure are also permitted.

3.7. No television antenna or dish, radio receiver or sender antenna or other similar device shall be placed on Common Properties within Duck Ridge Shores.

3.8. No underground storage tanks for chemicals, petroleum products or any other toxic product will be allowed anywhere in Duck Ridge Shores. Underground storage of natural gas and propane are permitted.

3.9. Each Owner shall provide at least one (1) Town of Duck approved receptacle for trash. If the Dwelling is included in a vacation rental program the Owner shall provide at least two (2) approved trash receptacles. Houses with more than six (6) bedrooms shall provide at least three (3) trash receptacles.



3.10. All wells and sewage units installed upon a Lot shall be in accordance with the rules and regulations of the North Carolina Department of Health and shall be located upon said Lot in positions approved by said Health Department. No outside toilets will be permitted, except for temporary toilet facilities at construction sites as may be required by State, County, or Municipality laws.

3.11. All buildings, structures, and their appurtenances shall be maintained in a suitable state of repair, and in the event of destruction by fire or other casualty, premises are to be cleared and debris removed within ninety (90) days of such casualty.

3.12. No obnoxious or offensive activity shall be carried on upon the lots or lands nor shall anything be done thereon which may be or may become an annoyance or nuisance to other lots or lands subject to these restrictions. Fires on any Lot or on any portion of the Common Properties shall be in compliance with applicable voluntary or municipal fire department, municipal or county regulations.

3.13. Hunting and trapping of wild animals, fowl and game and the discharge of firearms and/ or bows and arrows within Duck Ridge Shores is prohibited unless required for public safety. The humane trapping of feral cats and dogs is permitted.

3.14. On street parking is prohibited.

3.15. No fences shall be constructed on any Lot exceeding 72 inches in height above finished ground level or as prescribed by Municipal, County or State codes, e.g. fences which are required by the Town of Duck around swimming pools for the protection of individuals.

3.16. All service utilities, fuel tanks, woodpiles, trash and garbage accumulations are to be located in such a manner to avoid the same causing an unsightly view from any highway, street, or Dwelling within the subdivision. Bins used to collect construction debris during new construction or the renovation of existing structures is permitted.

3.17. There shall be no signs, billboards or advertising structures of any nature whatsoever placed on any Lot, except that one sign per Lot not exceeding two (2) square feet shall be allowed for rental identification of the property. Decorative signs indicating the name of the cottage are permitted. Temporary signs indicating that the Lot is for sale are also permitted.



3.18. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot except that dogs, cats or other household pets may be kept provided they are not bred or maintained for any commercial purpose. Such household pets, with the exception of domesticated household cats, shall not be allowed to run free in the subdivision off of the Member's Lot except on a leash and under the control of the person responsible for the pet.

3.19. All owners of Lots subject to these restrictions shall have an easement of right of way for the purpose of ingress, egress and ordinary enjoyment across any of those lands dedicated or set aside as access for all property owners to ocean area and to the Sound. Such areas shall be set aside and shown on recorded subdivision plats.

ARTICLE FOUR

MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

4.1. Every person or entity who is a record Owner of a fee simple interest in any Lot described in Exhibit A is subject by this Declaration to assessments by the Association; and every person or entity, including the Declarant, who is a record Owner of a fee simple interest in any Lot shall be a Member of the Association; provided, however, that any such person or entity holding such interest merely as security for the performance of an obligation shall not be a Member.

4.2. There shall be one vote for each Lot. When more than one person or entity holds an interest in any Lot, all such persons shall be Members, and the vote for such Lot shall be exercised as they, among themselves, determine and such persons shall designate one (1) person to vote for its/their Lot, but in no event shall more than one (1) vote be cast with respect to any such Lot. If the Owners cannot agree, then the first person (present at the meeting) named as Grantee in their deed shall cast the vote.

ARTICLE FIVE

COVENANT FOR PAYMENT OF ASSESSMENTS

5.1. Each Owner of any Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in any such deed or other conveyance, does hereby covenant and agree to all the covenants and restrictions of the Declaration and further promises to pay to the Association: (1) Annual assessments as herein provided; (2) Special assessments for capital improvements, maintenance and repairs, such annual and special assessments



to be fixed, established, and collected from time to time as herein provided; and (3) any liquidated damages or summary charges imposed under authority contained in these Covenants or the Bylaws, together with costs, fees and expenses (including reasonable attorney's fees) incurred by the Association incidental to the enforcement of these Covenants or the Aesthetic Guidelines. The annual and special assessments and any liquidated damages or summary charges, together with such interest thereon and costs of collection thereof as herein provided shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, together with such interest thereon and cost of collection thereof as hereinafter provided shall also be the personal obligation of the person(s), jointly or severally, who is (are) the Owner(s) of such Lot at the time when the Assessment became due.

5.2. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, security, safety and welfare of the Members and in particular for:

- (a) the improvements, landscaping, maintenance and replacements of the Common Properties; and
- (b) Establishment of replacement reserves.

5.3. Both annual and special assessments shall be fixed at the rates for the categories of lots established in the bylaws from time to time.

5.4. The minimum regular annual assessment as set forth above in the schedule hereinbelow, shall be levied by the Association unless the Board of the Association, by majority vote, determines that the important and essential functions of the Association, may be properly funded only by an assessment above the minimum but not more than the applicable maximum regular assessment, as set forth in the schedule below. If the Board of Directors shall levy the applicable minimum assessment, the Board, by unanimous decision, may levy a supplemental assessment but in no event shall the sum of the minimum and supplemental regular annual assessment for the year exceed the applicable maximum regular assessment.

The minimum and maximum assessments shall be set by the Board of Directors from year to year and must be based on the cost to the Association, experienced or



reasonably anticipated, of carrying out the purposes and functions set forth in Paragraph 2 of this Article.

5.5. The first annual assessments provided for in Paragraph 4 of this article shall commence on January 1, 2005, and such assessment shall constitute the first regular annual assessment which shall be for the balance of the calendar year and shall become due and payable on the first day of the next succeeding month, after notices as to the amount of the regular annual assessment due from any Owner is mailed by postage-paid, first class mail from the Board. The assessments for any year shall become due and payable after sixty (60) days notice from the Association as to the amount of such regular annual assessment, which notice shall be mailed by postage-paid, first class mail prior to the first day of January of each year.

5.6. The Board of Directors of the Association shall fix the amount of the assessment against each Lot for each assessment at least thirty (30) days in advance of such date or period and shall, at that time, prepare a roster of the Lots and assessments applicable thereto which shall be kept in the Office of the Association, or at any other place designated by the Board upon notice to the Members, and shall be open to inspection by any Owner. Written notice of the assessment or assessments thereupon shall be sent to every Owner subject thereto.

If the assessments are not paid on the date due, then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the Lot which shall bind such Lot in ownership by the then-Owner, and all his/her/its devisees, personal representatives, successors and assigns, and any other successors in title. The lien shall be enforceable against the Lot by whomsoever owned; however, the personal obligation of the then-Owner to pay such assessment shall remain his/her/its personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

5.7. If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency (the 31st day) at the rate of interest set by the Board which shall not be more than 18%, per annum, but not to exceed the maximum rate allowed by law. Further, the Association may authorize



appropriate civil action against the Owner personally obligated to pay the same or to foreclose the lien against any such Lot and there shall be added to the amount of such assessment, the costs of such action together with reasonable attorney fees or other costs incurred by the officers of the Association pursuant to the authority of the Board. In the event a judgment is obtained against any Owner for such assessment, such judgment shall include interest on the assessment as above provided and reasonable attorney's fees set by the Court, together with the costs of the action.

The Board of Directors may suspend the right of any Owner to use the Common Areas and amenities of the subdivision if the Owner has unpaid delinquent assessments. The suspension shall be applicable to the Member Owner, the family members of the Owner and any guests or tenants of the Owner. If the property is in a rental program, the Board shall have the right and authority to notify the rental agency, as well as the tenants, of the suspension of the Owner's right to use the common areas and amenities and thus their right to use the same. The duration of any period of suspension imposed by the Board of Directors shall automatically terminate upon the payment in full of all delinquent assessments, interest thereon, if any, and the payment of any costs incurred by the Declarant in correcting the assessments, including reasonable attorney's fees.

5.8. The lien of the assessments provided for herein shall be absolutely subordinated to the lien of any first mortgage or deed of trust now or hereafter placed upon any Lot subject to assessment. The subordination shall not relieve any Lot from liability for any assessment nor or hereafter due and payable, but the lien thereby created shall be secondary and subordinate to any first mortgage or deed of trust as if said lien were a second mortgage, irrespective of when such first mortgage or deed of trust was executed and recorded.

5.9. All Common Properties subject to this Declaration shall be exempted from the assessments, charges and liens created herein.

IN WITNESS WHEREOF, the Declarant has executed this Amendment To Covenants And Restrictions Of Duck Ridge Shores Subdivision the day and year first above written.



Duck Ridge Shores Civic League, Inc.

By: Colleen Fagerster {SEAL}
President

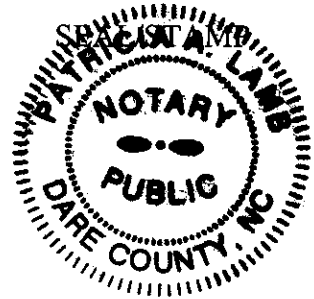
STATE OF N. Carolina
COUNTY OF Dare

I, PATRICIA A LAMB, a Notary Public of the County and State aforesaid, do hereby certify that Colleen Fagerster personally came before me this day and acknowledged that he/she is the PRESIDENT of DUCK RIDGE SHORES CIVIC LEAGUE, INC., a North Carolina Non-Profit Corporation, and acknowledged, on behalf of DUCK RIDGE SHORES CIVIC LEAGUE, INC., the due execution of the foregoing instrument.

Witness my hand and official stamp or seal, this 17 day of Nov, 2004.

Patricia A Lamb
Notary Public

My Commission Expires:
9-27-05



STATE OF NORTH CAROLINA
COUNTY OF DARE

The foregoing certificate(s) of Patricia A. Lamb
notary public

is/are certified to be correct. This instrument and this certificate are duly registered at the date and time and in the Book and Page shown on the first page hereof.

BARBARA M. GRAY Register of Deeds
By: Tamara R. Melkins Deputy Register of Deeds