

NORTH CAROLINA, CARTERET COUNTY
The foregoing certificate(s) of Notary Public(s) is/are certified to be correct. This instrument and this certificate are duly registered at this date and time and in the Book and Page shown on this first page hereof.

By Melanie Arthur, Registrar of Deeds
As of Date, Registrar of Deeds

Melanie Arthur 34P
CARTERET COUNTY
MA Date 06/02/2004 Time 14:54:00
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Prepared by Harris Law Firm, PLLC

STATE OF NORTH CAROLINA

COUNTY OF CARTERET

DECLARATION OF CONDOMINIUM
for
CLEARWATER ON COUNTRY CLUB CONDOMINIUMS,
(a phased N.C.G.S. 47C condominium project)

THIS DECLARATION is dated this the 2 day of June, 2004 for reference only, by CLEARWATER ON COUNTRY CLUB DEVELOPMENT COMPANY, LLC, a North Carolina Limited Liability Company, (hereinafter designated as "Developer"), pursuant to the Uniform Condominium Act, Chapter 47C of the General Statutes of North Carolina.

BACKGROUND STATEMENT

Developer is the owner of certain real property situated in Carteret County, North Carolina, and more particularly described in Exhibit A, attached hereto and incorporated herein by reference. Developer has constructed on the Property a residential condominium development consisting of three (3) buildings consisting of a total of sixteen condominium units. This condominium development shall be known as "CLEARWATER ON COUNTRY CLUB CONDOMINIUMS", (the "Project").

In creating the Project, Declarant desires to develop a residential condominium community with a minimum of sixteen (16) units, with certain common elements and facilities to be used for the benefit of the Project. Declarant desires to provide for the preservation of the values and amenities in the Project and for the maintenance of the common areas and facilities in the Project, and therefore, desires to subject the Property to this Declaration and the covenants, restrictions, easements, charges and liens described herein; and, further, to submit the Project to the provisions of the Uniform Condominium Act, Chapter 47C, North Carolina General Statutes.

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Declarant has deemed it desirable to create a non-profit corporation which shall be delegated and assigned powers of maintaining and administering the common facilities of the Project, performing certain maintenance on the buildings, of administering and enforcing the covenants and restrictions created in this Declaration and of levying, collecting and disbursing the assessments and charges created by this Declaration, and to take any steps or perform any acts deemed necessary or appropriate to promote the recreation, health, safety and welfare of the owners of the condominium units in the Project.

NOW, THEREFORE, Declarant hereby declares that all of the Property is hereby made subject to the following:

**ARTICLE I
DEFINITIONS**

As used herein, the following words and terms shall have the following meanings:

- a. "Act" shall mean the Uniform Condominium Act, Chapter 47C, General Statutes of North Carolina, as amended from time to time;
- b. "Association" shall mean CLEARWATER ON COUNTRY CLUB CONDOMINIUM OWNERS' ASSOCIATION, INC., a North Carolina non-profit corporation, and its successors and assigns;
- c. "Board" shall mean the Board of Directors of the Association;
- d. "By-Laws" shall mean the By-Laws of the Association which are hereby incorporated herein and made a part hereof by this reference and attached as Exhibit "E" to this Declaration;
- e. "Common Elements" shall mean all portions of the Condominium except the Units, including but not limited to the following:
 1. all roads, parking and onrampways servicing the project;
 2. all utility lines servicing the property not owned by the utility company, including water and sewer lines, cable, power and other utility lines;
 3. garbage collection facilities and areas;
 4. mailbox collection areas;
 5. any and all stormwater drainage ponds servicing the property;
 6. any and all recreational facilities, including pools, playgrounds, parking areas and other similar area that may be constructed on the land;
 7. any and all structures built upon the property not defined as a unit

f. "Common Expenses" shall mean expenditures made or liabilities incurred by or on behalf of the Association, together with any allocations to reserve.

g. "Condominium" shall mean the condominium created by this Declaration.

h. "Declarant" shall mean the Developer and (i) any other person who has executed this Declaration except a Security Holder executing this Declaration for purposes of subordinating its interest, and (ii) any person who succeeds to any special Declarant rights pursuant to the Act, and (iii) any successors and assigns of Developer specifically assigned the rights of Developer hereunder by written instrument recorded in the Office of the Register of Deeds of Carteret County, North Carolina.

i. "First Mortgage" or "First Mortgagee" shall mean a mortgage or deed of trust which has been recorded so as to give constructive notice thereof, and which is a first lien on the Unit described therein. A First Mortgagee is the holder, from time to time, of a First Mortgage as shown by the records of the office in which the First Mortgage is recorded, including a purchaser at foreclosure sale upon foreclosure of a First Mortgage until expiration of the mortgagor's period of redemption. If there be more than one holder of a First Mortgage, they shall be considered as, and act as, one First Mortgage for all purposes under this Declaration and the By-Laws.

j. "Floor Plans" shall mean those plans of the Condominium recorded with, and by the Act, made a part of this Declaration, as the same may hereafter be amended. The plans of CLEARWATER ON COUNTRY CLUB CONDOMINIUM as recorded in Map Book 10-S, Pages 444-451, Carteret County Registry are incorporated herein by reference as if fully set forth herein.

k. "Limited Common Elements" shall mean those portions of the Common Elements allocated by operation of N.C.G.S. § 47C-2-102(2)(4) of the Act for the exclusive use of one but fewer than all of the Units and also any Limited Common Elements specifically allocated to Units in Exhibit B attached hereto and incorporated herein by reference.

l. "Member" shall mean any person or entity which holds membership in the Association;

m. "Occupant" shall mean any person or persons in possession of a Unit, including Unit Owners, the family members, lessees, guests, and invitees of such person or persons, and family members, lessees, guests and invitees.

n. "Person" shall mean a natural person, corporation, limited liability company, partnership, trust or other legal entity, including any combination thereof.

o. "Property" shall mean the real estate described on Exhibit A, together with all building and improvements now or hereafter constructed or located thereon, and all

rights, privileges, easements and appurtenances belonging to or in any way pertaining to said real estate.

p. "Security for an Obligation" shall mean the vendor's interest in a contract or deed, mortgagee's interest in a mortgage, trustee's interest in a deed of trust, purchaser's interest under a sheriff's certificate of sale during the period of redemption, or the holder's interest in a lien;

q. "Security Holder" shall mean any person owning a Security for an Obligation in a Unit.

r. "Unit" shall mean that portion of the Condominium, whether or not contained solely or partially within a building, together with a percentage of undivided interest in the Common Elements as set forth in Exhibit C, attached hereto and incorporated herein by reference. Each Unit is designated and delineated on the Floor Plans.

s. "Unit Boundaries" shall mean pursuant to G.S. 47C-2-102, walls, floors and ceilings are designated as boundaries of the Units; specifically, perimeter walls, the walls separating the Units, and the floors of each Unit, as well as, the ceilings of each Unit shall be the boundaries of the Unit. Furthermore, all windows and exterior doors of a Unit are a part of the Unit.

t. "Unit Owner or Owner" shall mean the Person(s), including the Declarant, owning a Unit in fee simple, including contract-for-deed purchasers of a Unit, but excluding contract-for-deed purchasers of a Unit who are Security Holders, and also excluding all other Security Holders.

ARTICLE II CONDOMINIUM

2.1 Submission. Developer hereby submits the Property to the Act.

2.2 Name. The Property shall hereafter be known as CLEARWATER ON COUNTRY CLUB CONDOMINIUMS.

2.3 Division of Property into Separately Owned Units. Developer, pursuant to the Act, and to establish a plan of condominium ownership for the Condominium, does hereby divide the Property into sixteen (16) Units and does hereby designate each Unit for separate ownership, subject, however, to the provisions of Paragraph 2.4 below.

2.4 Alterations of Units. Subject to the provisions of the By-Laws, a Unit may be altered pursuant to the provisions of N.C.G.S. § 47C-2-113(a) and (b) of the Act.

2.5 Limited Common Elements. The Limited Common Elements serving or designated to serve each Unit are hereby allocated solely and exclusively to each such

Unit. Limited Common Elements are those set forth on Exhibit B and are hereby allocated to Units as shown on such Exhibit.

2.6 Unit Allocations. The allocations to each Unit of a percentage of undivided interest in the Common Elements, of votes in the Association, and of a percentage of the Common Expenses, are as stated on Exhibit C.

2.7 Condominium Ordinances. The Condominium is not subject to any code, real estate use law, charter provision or regulation (i) prohibiting the condominium form of Unit Ownership, or (ii) imposing conditions or requirements upon a condominium which are not imposed upon physically similar developments under a different form of ownership. This statement is made pursuant to N.C.G.S. § 47C-1-106.

ARTICLE III ASSOCIATION

3.1 Membership. Every person or entity who is a record owner of a fee or undivided fee interest in any Unit which is subject by this Declaration to assessment by the Association shall be a Member, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member. Common Properties shall not be considered "undeveloped and undesignated land."

3.2 Voting Rights. The Association shall have two (2) classes of voting membership:

CLASS A. Class A Members shall be all those Owners as defined in Paragraph 3.1 above with the exception of the Developer. Class A Members shall be entitled to one (1) vote for each Living Unit in which they hold the interests required for membership by Paragraph 3.1. When more than one person holds such interest or interests in any Living Unit all such persons shall be Members, and the vote for such Living Unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Living Unit.

CLASS B. The Class B Member shall be the Developer. The Class B Member shall be entitled to three (3) votes for each Unit in which it holds the interest required for membership by Paragraph 3.1. The Class B membership shall cease and convert to Class A membership at the earlier occurrence of the following events:

- i. when the total votes outstanding in the Class A membership equal or exceed the total outstanding votes in the Class B membership, or
- ii. January 1, 2014.

From and after the happening of the earlier to occur of these events, the Class B Member shall be deemed to be a Class A Member entitled to vote for each Living Unit in which it holds the interests required for membership under Section 3.1.

3.3 By-Laws. The initial By-Laws of the Association are attached hereto as Exhibit B, incorporated herein by reference.

**ARTICLE IV
EASEMENTS**

4.1 Encroachments. In the event that, by reason of the construction, reconstruction, rehabilitation, alteration, or improvement of the buildings or improvements comprising a part of the Property, any part of the Common Elements now or hereafter encroaches upon any part of any Unit, or any part of any Unit now or hereafter encroaches upon any part of the Common Elements, or upon any part of another Unit, an easement for the continued existence and maintenance of each such encroachment is hereby declared and granted and shall continue for so long as each such encroachment exists; provided, that in no event shall an easement for such encroachment be created if such encroachment is detrimental to or interferes with the reasonable use and enjoyment of the Common Elements or Units encroached upon.

4.2 Easements Through Walls. Easements are hereby declared and granted to the Association and to such persons as are authorized by the Association, to install, lay, maintain, repair and replace any chutes, flues, ducts, vents, pipes, wires, conduit, and other utility installations, and structural components running through the walls of the Units, whether or not such walls lie in whole or in part within the boundaries of any Unit.

4.3 Easements to Repair, Maintain, Restore and Reconstruct. Wherever in, and whenever by, this Declaration, the By-Laws or the Act, a Unit Owner, the Association, the Board, or any other person, is authorized to enter upon a Unit or the Common Elements to repair, maintain, restore or reconstruct all or any part of a Unit or the Common Elements, such easements as are necessary for such entry and such repair, maintenance, restoration, or reconstruction are hereby declared and granted.

4.4 Declarant's Easements. Declarant hereby reserves such easements through the Common Elements as may be reasonably necessary for the purposes of discharging its obligations and completing the development and construction of the Condominium, which easements shall exist as long as reasonably necessary for such purposes.

In the event that Declarant does not build additional phases within the time limit provided herein, then there shall be reserved in favor of Declarant and its assigns, a perpetual easement over and across the existing streets of the condominium for access, ingress, egress and placement of utilities to service the non-developed properties, from their location as shown on the attached plats to Country Club Road. In the event this easement is used to service the properties, Declarant or any assigns shall be responsible for its prorata share of maintenance of the roads. This easement shall run with the land identified as "Future Development-Phase 2" and "Future Development-Phase 3" on the referenced plats.

4.5 Construction Easements. Declarant hereby expressly reserves such easements through the Common Elements as may be reasonably necessary for the purpose of allowing Declarant to construct additional Units on property allowed to be annexed into this Condominium by a specific provision in this Declaration, a part of which construction may occur, as more specifically set out hereinafter, upon the Common Elements.

4.6 Easements to Run With the Land. All easements and rights described in this Article are appurtenant easements running with the land, and except as otherwise expressed shall be perpetually in full force and effect, and shall inure to the benefit of and be binding upon Declarant, the Association, Unit Owners, Occupants, Security Holders, and any other person having any interest in the Condominium or any part of any thereof.

4.7 Specific Easements: Declarant expressly reserves an easement for maintenance of existing stormwater runoff ponds located upon the site and off site and future sites, said maintenance and easement to be as set forth in NC Storm Water Permit - SW8021217, dated June 2, 2003, and recorded easements.

The Condominium and every part thereof shall be conveyed and encumbered subject to and together with all easements and rights described in this Article, whether or not specifically mentioned in any such conveyance or encumbrance.

**ARTICLE V
RESTRICTIONS, CONDITIONS AND COVENANTS**

5.1 Compliance with Declaration, By-Laws, Rules and Regulations. Each Unit Owner and Occupant shall comply with all applicable provisions of the Act, this Declaration, the By-Laws, and the rules and regulations promulgated by the Board, or the Association, all as may be adopted and/or amended from time to time. Failure to comply shall be grounds for an action by the Association, an aggrieved Unit Owner, or any person adversely affected, for recovery of damages, injunction or other relief, including reasonable attorneys fees if successful on the merits of the specific case.

5.2 Administration of Condominium. The Condominium shall be administered in accordance with the provisions of the Act, this Declaration and the By-Laws.

5.3 Use Restricted. All Units shall be occupied and used by Unit Owners and Occupants for residential purposes only.

Notwithstanding the above, Declarant shall be entitled to maintain an office on the Property for the purpose of the marketing and sale of Unit(s) for as long as the Declarant owns at least one (1) unit.

5.4 Hazardous Use and Waste. Nothing shall be done to or kept in any Unit or the Common Elements that will increase any rate of insurance maintained with respect to the Condominium without the prior written consent of the Board. No Unit Owner or

Occupant shall permit anything to be done to or kept in a Unit or the Common Elements that will result in the cancellation of insurance maintained with respect to the Condominium, or that would be in violation of any law, or that will result in the commitment of waste (damage, abuse or destruction), to or in his Unit or the Common Elements.

5.5 Alterations of Common Elements or Exterior Portions of Unit. No Unit Owner or Occupant, except Declarant, during the Declarant Control Period, shall alter, construct anything upon, or remove anything from the Common Elements, or paint, decorate, landscape or adorn any portion of the Common Elements, without the prior written consent of the Board. Likewise, no Unit Owner or Occupant, except Declarant, during the Declarant Control Period, shall alter, construct anything upon, or remove anything from the exterior portions of the Unit (for example: exterior windows, doors and related trim on both), or paint, decorate, landscape or adorn any portion of the exterior portions of a Unit, without first obtaining the written consent of the Board.

5.6 Pets. No pets shall be allowed in the Condominium, except as may be provided by the rules and regulations promulgated from time to time by the Board or by the Association. The Board shall have specific authority to prohibit the keeping of pets by anyone other than the Unit Owner or Occupant. The Board shall not prohibit the maintenance of a typical household pet, but the Board may limit the size and number of any pet(s) maintained, and shall require that all Owners maintaining an allowed pet must (i) maintain such pet within the Unit, (ii) accompany the pet at all times when the pet is not within the Unit on a leash or other restraint device and (iii) remove from the Common Elements any solid waste produced by said pet which is not within a designated area, if any.

5.7 Rules and Regulations. In addition to the foregoing restrictions, conditions and covenants concerning use of the Condominium, reasonable rules and regulations may be promulgated and amended from time to time by the Board or the Association.

5.8 Rentals. No rental of any Unit shall be allowed for a period or term of less than 30 days. The Association is specifically granted and reserves the right to promulgate a standard rental or property management agreement which must be utilized as to form and content by any Owner electing to rent a Unit. Any Owner electing to rent a Unit must provide in writing to the Association, a statement indicating that said Owner is intending to rent or lease a Unit, which notice must specify the agent or property manager responsible for renting or leasing the Unit vested with responsibility for the conduct of the renters. Notwithstanding this provision, should Declarant annex additional buildings to the terms of this Declaration, as authorized, Declarant may allow in any one or more of such buildings, rentals for periods of one month or longer. If such election is made, specific reference to the rental restrictions shall be included in the Declaration of Annexation.

5.9 Common Use Facilities. The Board on behalf of the Association is specifically authorized to restrict or prohibit mailboxes, newspaper boxes or such other

amenities. The Board is authorized to require that mail be collected at a post office box, or, if the Board so determines, that mail be collected in uniformly approved or jointly used mail collection locations and facilities.

5.10 Trailers. No boat trailers, campers or recreational vehicles (R/V) shall be allowed to be parked in any of the Common Elements except in that area identified on the plat as "Boat Parking"

5.11 Vegetative Buffer. A buffer 5 feet in width along the eastern boundary line and as shown on the recorded plat shall be maintained and landscaped in accordance with the special use permit issued by the Town of Morehead City.

5.12 Restrictions, Conditions and Covenants To Run With The Land. Each Unit Owner and Occupant shall be subject to all restrictions, conditions and covenants of this Declaration, and all such restrictions, conditions and covenants shall be deemed to be covenants running with the land, and shall bind every person having any interest in the Property, and shall inure to the benefit of every Unit Owner and the Association.

ARTICLE VI ASSESSMENTS

6.1 Assessment of Liens. The Board has the power to levy assessments against the Units for Common Expenses. Such assessments shall be a lien on the Units against which they are assessed, and if any payment thereof becomes delinquent, the lien may be foreclosed and the Unit sold, or a money judgment obtained against the person liable therefor, all as set forth in the By-Laws and NCGS Chapter 47C.

6.2 Personal Liability of Transferee; Statement; Liability of First Mortgagee.

a. The personal obligation for assessments that are delinquent at the time of transfer of a Unit shall not pass to the transferee of said Unit unless said delinquent assessments are expressly assumed by the transferee. This shall not effect the Association's lien for assessments against the Owner's Unit and interest in the Common Elements.

b. Any transferee referred to in (a) above shall be entitled to a statement from the Board that such transferee's Unit shall not be subject to a lien for any unpaid assessments against such Unit in excess of the amount therein set forth.

c. Where a mortgagee, or other person claiming through such mortgagee, pursuant to the remedies provided in a mortgage or deed of trust, or by foreclosure, or by deed in lieu of foreclosure, obtains title to a Unit, the liability of such mortgagee, or such other person, for assessments shall be only for the assessments, or installments thereof, that would become delinquent if not paid after acquisition of title. For purposes hereof,

title to a Unit shall be deemed acquired by foreclosure upon expiration of the applicable period of redemption.

d. Without releasing the transferor from any liability therefor, any unpaid portion of assessments which is not a lien under (b) above, or resulting, as provided in (c) above, from the exercise of remedies in a mortgage or deed of trust, or by foreclosure thereof, or by deed in lieu of such foreclosure, shall be a Common Expense collectible from all Unit Owners, including the transferee under (b) above, and the mortgage or such other person under (c) above who acquires ownership by foreclosure or by deed, or assignment, in lieu of foreclosure.

6.3 Prohibition Of Exemption From Liability For Contribution Toward Common Expenses. No Unit Owner may exempt himself from liability for his share of the Common Expenses assessed by the Association by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit or otherwise.

**ARTICLE VII
MANAGEMENT, MAINTENANCE, REPAIRS, REPLACEMENTS
ALTERATIONS AND IMPROVEMENTS**

7.1 Common Expenses.

a. By the Association. The management, replacement, maintenance, repair, alteration and improvement of the Common Elements shall be the responsibility of the Association, and, subject to the provisions of Paragraph 6.2 hereof, the cost thereof shall be a Common Expense to the extent not paid by Unit Owners pursuant to (b) below. All damage to a Unit by any work on or to the Common Elements done by or for the Association shall be repaired by the Association, and the cost thereof shall be a Common Expense. Notwithstanding the above, the Association may charge to any Unit Owner, the cost of any repairs or maintenance required because of the negligence of the Unit Owner, his agents, employees, or invitees.

b. By Unit Owners. Each Unit Owner shall pay all cost to repair and replace all portions of the Common Elements that may become damaged or destroyed by reason of his intentional acts or the intentional acts of any Occupant of his Unit. Such payment shall be made upon demand by the Association.

c. Common Utilities. The Association shall provide and bear the cost for utility service and charges, such as electric, water, utilized in the Common Elements, and shall repair and maintain any signage on the Common Elements.

7.2 Expenses Associated With Limited Common Elements Or Benefiting Less Than All Units.

a. Any Common Expense associated with the maintenance, repair, or replacement of a Limited Common Element shall be assessed against the Unit, or in equal shares to the Units, to which such Limited Common Element was allocated at the time the expense was incurred.

b. In addition, the Association may assess any Common Expense benefiting less than all of the Units against the Units benefited in proportion to their Common Expense liability.

7.3 Units. Each Unit Owner shall (i) maintain his Unit at all times in a good and clean condition, including the repair and replacement at Owner's expense, of all portions of this Unit, (ii) perform his responsibilities in such a manner as not to unreasonably disturb other Owners, (iii) promptly report to the Board, or its agents, any defect or need for repairs, the responsibility for which is that of the Association, and (iv) to the extent that such expense is not covered by the proceeds of insurance carried by the Association, shall pay all costs to repair and replace any portion of another Unit that has become damaged or destroyed by reason of his own acts or omissions, or the acts or omissions of any Occupant of his Unit. Such payment shall be made upon demand by the Unit Owner(s) of such other Unit. Nothing herein contained shall modify any waiver by insurance companies of their rights of subrogation.

7.4 Waiver of Claims. Except as provided in Paragraph 6.5, the Association agrees that it shall make no claim against the Unit Owner or Occupant, and each Unit Owner and Occupant agrees that he shall make no claim against the Association, members of the Board, officers of the Association, or its employees or agents thereof, or against any manager retained by the Board or his or its officers, directors, employees or agents, or other Unit Owners or Occupants, for any loss or damage to any of the Property, or to a unit or personal property located therein, even if caused by the omission or neglect of any one or more of such persons named above and all such claims are hereby waived and released; provided, however, that this waiver shall not apply to any such loss or damage due to the intentional acts; provided, further, this waiver is void if application of the same will result in loss of insurance coverage by the party suffering the damage.

7.5 Right of Entry.

a. *By the Association.* The Association, and any person authorized by the Association, may enter any Unit or any of the Limited Common Elements in case of any emergency or dangerous condition or situation originating in or threatening that Unit or any of the Limited Common Elements. The Association, and any person authorized by the Association, after reasonable notice to a Unit Owner or Occupant, may enter that Unit or any of the Limited Common Elements for the purpose of performing any of the Association's duties or obligations, or exercising any of the Association's powers under the Act, this Declaration, or the By-Laws, with respect to that or any other Unit, any Limited Common Elements, or the Common Elements. Notwithstanding Paragraph 6.4, the Association shall be responsible for any damage caused by the Association, or its

authorized persons, to the entered Unit, and the cost thereof shall be a Common Expense. All such entries shall be made and done so as to cause as little inconvenience as reasonably possible to the Unit Owner and Occupant of the entered Unit or any portion of the Limited Common Elements allocated to the Unit Owner.

b. *By Unit Owners.* Each Unit Owner and Occupant shall allow other Unit Owners and Occupants, and their representatives to enter his Unit, or Limited Common Elements allocated to his Unit, when reasonably necessary for the purpose of altering, maintaining, repairing, or replacing the requesting Owner or Occupant's Unit, or performing the duties and obligations under the Act, this Declaration, or the By-Laws of the Unit Owner or Occupant making such entry, provided that requests for entry are made in advance and that such entry is at a time convenient to the Owner or Occupant whose Unit or Limited Common Element is to be entered. In case of emergency or dangerous condition or situation, such right of entry shall be immediate. Notwithstanding Paragraph 7.4, the person making such entry shall be responsible for repair of any damage caused by such person to the entered Unit or Limited Common Element.

ARTICLE VIII INSURANCE

8.1 Casualty Insurance. The Association shall maintain casualty insurance upon the Property in the name of, and the proceeds thereof shall be payable to the Association, as Trustee for all Unit Owners and Security Holders as their interest may appear, and such proceeds shall be disbursed pursuant to the Act. Such insurance shall be in an amount equal to not less than the full insurable value of the Property on a replacement cost basis and shall insure against such risks and contain such provisions as the Board from time to time shall determine, but at a minimum shall conform in all respects to the requirements of the Act, and shall provide that, notwithstanding any provision thereof that gives the insurer an election to restore damage in lieu of making a cash settlement, such option shall not be exercisable if such restoration is prohibited pursuant to the Act.

8.2 Public Liability Insurance. The Association shall maintain public liability insurance for the benefit of all Unit Owners, Occupants and holders of a vendor's interest in a contract for a deed on a Unit, the Association, the Board, the Manager, if any, the Declarant and all of their respective officers, directors, agents and employees, in such amounts and with such coverage as shall be determined by the Board; provided that, the public liability insurance shall be for at least \$1,000,000.00 per occurrence for death, bodily injury and property damage. Limits on liability may be altered from time to time by the Board. Said insurance shall contain a severability-of-interest endorsement precluding the insurer from denying liability because of negligent acts of any insured; insure all of such benefited parties against such liability arising out of or in connection with the use, ownership, or maintenance of the Common Elements, and the streets, sidewalks and public spaces adjoining the Condominium; and insure the Association, the Board, the manager, if any, and their respective officers, directors, agents and employees against such liability arising out of or in connection with the use or maintenance of the Units.

8.3 Other Insurance. The Association may procure such other insurance as it may from time to time deem appropriate to protect the Association or the Unit Owners.

8.4 Insurance Trustee. The Board may engage, and pay as a Common Expense, any appropriate person to act as an insurance trustee to receive and disburse insurance proceeds upon such terms as the Board shall determine, consistent with the provisions of the Act and this Declaration.

8.5 Individual Policy For Unit Owners. Each Unit Owner may obtain insurance, at his own expense, affording personal property, additional living expense, personal liability, and any other coverage obtainable, to the extent and in the amount such Unit Owner deems necessary to protect his own interest; provided, that any such insurance shall provide that it is without contribution as against the insurance purchased by the Association. If a casualty loss is sustained and there is a reduction in the amount of proceeds that would otherwise be payable on the insurance purchased by the Association due to the proration of the insurance purchased by a Unit Owner under this Paragraph, then such Unit Owner shall be liable to the Association to the extent of such reduction and shall pay the amount of such reduction to the Association upon demand, and assigns the proceeds of his insurance, to the extent of such reduction, to the Association.

**ARTICLE IX
CASUALTY DAMAGE**

If all or any part of the Property shall be damaged or destroyed, the same shall be repaired or replaced, and the proceeds of insurance shall be used and applied in accordance with the provisions of N.C.G.S. § 47C-3-113.

**ARTICLE X
CONDEMNATION**

In the event of a taking by eminent domain, or by a conveyance in lieu thereof, of all or any part of the Property, the same shall be repaired or restored, and the awards paid on account thereof shall be used and applied in accordance with the provisions of N.C.G.S. § 47C-1-107.

**ARTICLE XI
TERMINATION**

The Condominium may be terminated only in strict accordance with the provisions of N.C.G.S. § 47C-2-118.

**ARTICLE XII
AMENDMENT**

This Declaration may be amended only in strict compliance with the Act, including without limitation, N.C.G.S. § 47C-2-117, which requires 67% approval, by all unit

owners. Notwithstanding the previous statement, the Declarant reserves the right to annex additional property to the Condominium without requirement of compliance with N.C.G.S. § 47C-2-117, all as provided in Article XIV.

ARTICLE XIII
RIGHTS OF FIRST MORTGAGEE; VA, FNMA, AND FHLMC PROVISIONS

13.1 Availability of Condominium Documents, Books Records and Financial Statements. The Association shall upon request and during normal business hours, make available for inspection by Unit Owners and First Mortgagees and the insurers and guarantors of a first mortgage on any Unit, current copies of the Declaration, the By-Laws, other rules and regulations governing the Condominium and the books, records and financial statements of the Association. The Association shall provide an audited financial statement for the preceding fiscal year if requested in writing by a first mortgagee or insurer or guarantor of a first mortgage. The Association shall, upon request and during normal business hours, make available for inspection by prospective purchasers of Units, current copies of the Declaration, By-Laws, other rules and regulations governing the Condominium, and the most recent annual audited financial statement.

13.2 Successor's Personal Obligation for Delinquent Assessments. The personal obligation for assessments which are delinquent at the time of transfer of a Unit shall not pass to the successors in title or interest to said Unit unless said delinquent assessments are expressly assumed by them.

13.3 Rights of Action. The Association and any aggrieved Unit Owner shall have a right of action against Unit Owners and any aggrieved Unit Owners shall have a right of action against the Association for failure to comply with the provisions of this Declaration, the By-Laws and the rules, regulations, and decisions of the Association made pursuant to authority granted to the Association in this Declaration and the By-Laws.

13.4 Management and Other Agreements. Any management agreement between the Declarant or the Association and a professional manager, or any other agreement providing for services of the Developer, sponsor, builder, or Declarant, shall be terminable by either party thereto without cause and without payment of a termination fee upon not more than thirty (30) days prior written notice and shall not exceed a term of three (3) years, subject to renewal by the consent of both parties.

13.5 Consent of First Mortgagees. This Paragraph shall be effective only if, at the time this Paragraph would apply, at least one Unit is subject to financing. Any decision to terminate this Condominium for reasons other than substantial destruction or condemnation of the Property shall require the prior written consent of Security Holders, as defined in Paragraph 13.7, representing 67% of the votes allocated to Units subject to First Mortgages held by eligible Security Holders. Except as provided in Article XIV,

any amendment to the Declaration or By-Laws which changes any of the following shall require the prior written consent of all Unit Owners and of all eligible Security Holders:

- a. Voting Rights;
- b. Assessments, assessment liens or subordination of such liens;
- c. Reserves for maintenance, repair, and replacement of Common Elements;
- d. Responsibility for maintenance and repair;
- e. Re-allocation of interest in the Common Elements or Limited Common Elements or rights to their use;
- f. Boundaries of any Unit;
- g. Convertibility of Units into Common Elements or Common Elements into Units;
- h. Expansion or contraction of the Condominium or the addition, annexation or withdrawal of property to or from the Condominium;
- i. Insurance of fidelity bonds;
- j. Leasing of Units;
- k. Imposition of any restrictions on a Units Owner's right to sell, transfer or otherwise convey his Unit;
- l. A decision by the Association to establish self-management when professional management had been required previously by any eligible Security Holder;
- m. Restoration or repair of the Condominium (after damage or destruction or partial condemnation) in a manner other than that specified in the Declaration or the By-Laws;
- n. Any action to terminate the legal status of the Condominium after substantial damage or destruction or condemnation; or
- o. Any provisions that expressly benefit First Mortgagees or insurers or guarantors of First Mortgages.

13.6 Consent of First Mortgagees or Unit Owners. This Paragraph shall be effective only if, at the time this Paragraph would apply, at least one Unit is subject to financing. Except as provided in Article XIV, and except with the consent of 67% of all First Mortgagees, the Association shall not be entitled to:

- a. By act or omission, seek to abandon or terminate the Condominium;
- b. Change the pro rata interest or obligations of any Unit for the purpose of:
 - i. Levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards; or
 - ii. Determining the pro rata share of ownership of each Unit in the Common Elements;
- c. Partition or subdivide any Unit;
- d. By act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements. (The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements shall not be deemed a transfer within the meaning of this clause).
- e. Use hazard insurance proceeds for losses to any part of the Condominium (whether to Units or Common Elements) for other than repair, replacement or reconstruction thereof.

13.7 Notice. Each First Mortgagee and each insurer or guarantor of a First Mortgage, upon written request stating its mortgage held, insured or guaranteed, shall be entitled to timely written notification by the Association of (i) any proposed action which requires the consent of a specified percentage of First Mortgagees; (ii) any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing its First Mortgage; (iii) any 60-day delinquency in the payment of assessments or charges owed by the Unit Owner of the Unit on which the First Mortgagee held its First Mortgage or in the performance of any obligation under the Declaration or By-Laws by said Unit Owner; or (iv) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association. Each First Mortgagee who has requested the Association to notify it of any proposed action that requires the consent of a specified percentage of eligible Security Holders shall be considered an "eligible Security Holder". With respect only to non-material amendments (which excludes items (a) to (c) of Paragraph 13.5), such as for the correction of technical errors or for clarification, any First Mortgagee who receives a written request by the Association, or any Unit Owner, to approve an addition or amendment to the Declaration or By-Laws who does not deliver or post to the requesting party a negative response within thirty (30) days shall be deemed to have approved such request.

13.8 Assessments. Assessments shall be due and payable in monthly installments or as the Board directs. As provided in Article VIII of the By-Laws, and as legally required by N.C.G.S. § 47C-3-115 of the Act, Declarant shall pay all accrued expenses of the Condominium until assessments are levied against the Units. An assessment shall be deemed levied against the Unit upon the giving of notice by the Board to a Member of the Association who is a Unit Owner of that Unit. Unit Owners shall have no obligation to pay monthly assessments until an assessment is levied. Assessments will begin at such time as the Board elects.

13.9 Rights of First Mortgagee; Insurance Proceeds or Condemnation Awards. With respect to First Mortgages held by or for the benefit of any person, no provision of this Declaration or the By-Laws shall be deemed to give a Unit Owner, or any other person, priority over any rights of a First Mortgagee pursuant to its First Mortgage on said Unit Owner's Unit, in the case of a distribution to said Unit Owner of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Elements.

ARTICLE XIV ANNEXATION

Declarant owns that Property described in Exhibit D attached hereto. Declarant reserves the right to annex all or part of said property (the "Annexation Property") to the terms and provisions of this Declaration. Such right shall be exercised by recording in the Office of the Register of Deeds of Carteret County, North Carolina, an amendment to this Declaration, which amendment shall not require the joinder of the Association or any third party, which Amendment specifically describes the portion of the Annexation

BOOK 1058 PAGE 89

Property to be annexed to this Declaration. Such amendment shall specify restrictions and conditions applicable to the property annexed, but no such provision or condition shall materially and adversely impact the rights granted to the owner of any Unit on the Property. For purposes of this provision, a reduction in percentage ownership in the Common Elements or an increase in use of the Common Elements both occurring as a result of such annexation shall not be considered to "materially and adversely impact the rights of the owner of any Unit on the Property." Declarant shall have no obligation to annex any or all of the Annexation Property, and may annex part of the Annexation Property at different times and from time to time. However, the right of annexation reserved herein shall expire December 31, 2009. In no event shall the number of Units exceed thirty nine (39).

**ARTICLE XV
GENERAL PROVISIONS**

15.1 Conflict with the Act; Severability. Should any of the terms, conditions, provisions, paragraphs, or clauses of this Declaration conflict with any provision of the Act, the provisions of the Act shall control unless the Act permits the Declaration to override the Act, in which event, the Declaration shall control. The invalidity of any covenant, restriction, condition, limitation, provision, paragraph, or clause of this Declaration, or of any part of the same, or the application thereof to any person or circumstance, shall not impair or affect in any manner the validity, enforceability or affect the rest of this Declaration or the application of any such covenants, restriction, condition, limitation, provision, paragraph or clause to any other Person or circumstance.

15.2 Interpretation of Declaration. Whenever appropriate singular may be read as plural, plural may be read as singular, and the masculine gender may be read as the feminine or neuter gender. Compound words beginning with the prefix "here" shall refer to this entire Declaration and not merely to the part in which they appear.

15.3 Captions. The captions herein are only for convenience and reference. They do not define, limit or describe the scope of this Declaration, or the intent of any provision.

15.4 Exhibits. Exhibits "A", "B", "C", "D", and "E" are attached hereto and made a part hereof.

15.5 Authority of Association. Unless specifically limited by a provision of this Declaration or the By-Laws, any action allowed or required to be taken by the Association may be taken by a majority vote of the Board, without joinder or approval of the Members of the Association.

15.6 Allocations. Each Unit shall be allocated an equal and pro-rata interest in the Common Elements, and like-wise an equal and pro-rata share of the Common Expenses and one vote each. There shall be no differentiation as to allocations on particular matters. Upon the election by the Declarant to exercise its right to annex additional

properties, all allocations will be based on the approximate square footage of interior, heated space of each Unit now or hereafter submitted to the provisions of this Declaration.

IN WITNESS WHEREOF, the undersigned has executed this Declaration as of the day and year first above-written.

CLEARWATER ON COUNTRY CLUB
DEVELOPMENT COMPANY, LLC

By: Thomas S. Bennett, Jr.

STATE OF NORTH CAROLINA
COUNTY OF CARTERET

I, Elizabeth D. Horne Notary Public of the aforesaid County and State, do hereby certify that THOMAS S. BENNETT, JR. personally came before me this day and acknowledged that he is the Manager of by CLEARWATER ON COUNTRY CLUB DEVELOPMENT COMPANY, LLC, a North Carolina Limited Liability Company, and further acknowledged the due execution of this document on behalf of the LLC.

WITNESS my hand and official stamp or seal, this the 2nd day of June, 2004.

Elizabeth D. Horne
NOTARY PUBLIC

My Commission Expires: 2-1-09



EXHIBIT A

BEING all of that parcel or tract of land located in Morehead City, Carteret County, North Carolina depicted on that certain Plat entitled "CLEARWATER ON COUNTRY CLUB CONDOMINIUMS, Phase 1, prepared by Stroud Engineering, P.A. and recorded in Map Book 10-S, Page 444, Carteret County Registry.

The layout and plans of the units are depicted on those certain plans entitled "CLEARWATER CONDOMINIUMS" prepared by Burnett Architecture & Planning, P.A. and recorded in Map Book 10-S, Pages 445 through 451, Carteret County Registry, which are incorporated herein by reference.

EXHIBIT B
[Limited Common Elements]

The area identified as "GARAGE" adjacent to Units C101 and C106, in the architectural drawings recorded in Map Book 10-S, Pages 444 through 451, Carteret County Registry shall be considered as Limited Common Elements for the exclusive use and benefit of the owners to whose Unit the "Garage" is adjacent to and accessed through the respective unit. The "GARAGE" shall include all of its elements (exterior, interior, structural, aesthetic).

EXHIBIT C

| Unit Designation | Percentage of Undivided Interest | Percentage of Common Expenses | Votes In Association |
|------------------|----------------------------------|-------------------------------|----------------------|
| A-101 | 5.7% | 5.7% | 1 |
| A-102 | 5.7% | 5.7% | 1 |
| A-201 | 5.7% | 5.7% | 1 |
| A-202 | 5.7% | 5.7% | 1 |
| B-101 | 5.7% | 5.7% | 1 |
| B-102 | 5.7% | 5.7% | 1 |
| B-201 | 5.7% | 5.7% | 1 |
| B-202 | 5.7% | 5.7% | 1 |
| C-101 | 7.9% | 7.9% | 1 |
| C-102 | 7.9% | 7.9% | 1 |
| C-103 | 5.7% | 5.7% | 1 |
| C-104 | 5.7% | 5.7% | 1 |
| C-105 | 7.9% | 7.9% | 1 |
| C-106 | 7.9% | 7.9% | 1 |
| C-203 | 5.7% | 5.7% | 1 |
| C-204 | 5.7% | 5.7% | 1 |
| TOTAL | 100% | 100% | 16 |

EXHIBIT D
[Additional Properties]

Being all of that property marked "*Future Development-Phase 2*" and "*Future Development-Phase 3*" on that Plat entitled "CLEARWATER ON COUNTRY CLUB CONDOMINIUMS, prepared by Stroud Engineering, P.A. and recorded in Map Book 16-S, Page 444, Carteret County Registry.

The above additional property for future development is all of that property conveyed to Declarant by Deed recorded in Book 1025 at page 493, Carteret County Registry, less and except that portion identified by this Declaration as "Phase 1" on Exhibit A.

Melanie Arthur
CARTERET COUNTY 3P
JL Date 11/19/2004 Time 14:22:00
BR 1084868 Page 1 of 3

NORTH CAROLINA, CARTERET COUNTY
The foregoing certificate(s) of Notary Public(s) is/are
certified to be correct. This instrument and this certifi-
cate are duly registered at the date and time and in
the Book and Page shown on the first page hereof.

Melanie Arthur, Registrar of Deeds
By Melanie Arthur
Registrar of Deeds

Prepared by and Return to: Harms Law Firm, PLLC-- 744 N. 35th Street, Morehead City, NC 28557

AMENDMENT ADDING PHASE 2 AND PHASE 3 TO DECLARATION OF CONDOMINIUM FOR
CLEARWATER ON COUNTRY CLUB CONDOMINIUMS.
(a N.C.G.S. 47C Phased Condominium Project)

STATE OF NORTH CAROLINA

COUNTY OF CARTERET

This Amendment is executed this the 19th day of November, 2004 by CLEARWATER ON
COUNTRY CLUB DEVELOPMENT COMPANY, LLC, a North Carolina Limited Liability
Company, (hereinafter designated as "Developer"),

WITNESSETH:

WHEREAS, DEVELOPER has heretofore executed a Declaration of Condominium for
CLEARWATER ON COUNTRY CLUB Condominiums, a multi-phased condominium development,
pursuant to N.C.G.S. 47C, which appears of record in Deed Book 1053, Page 89, Carteret County
Registry (the "Declaration");

WHEREAS, under Article XIV of the Declaration, DEVELOPER, reserved the right to later
submit certain additional properties (described in Exhibit D of the Declaration) to the provisions of the
Declaration;

WHEREAS, DEVELOPER is in the process of developing the reserved property and desires to
now subject the same to the Declaration;

NOW THEREFORE, Developer, in accordance with the provisions of Article XIV of the
Declaration hereby declares that the real property described below is and shall be held, transferred, sold,
conveyed and occupies subject to the Declaration and any amendments which may be made thereto:

BEING located in Morehead City, Carteret County, North Carolina and being all of Phase 2 and
Phase 3, Clearwater on Country Club Condominiums, as the same is depicted on that certain plat entitled
"Clearwater on Country Club Condominiums - Phase 2 and Phase 3" prepared by Stroud Engineering,
P.A., dated November 17, 2004, and recorded in Map Book 105, Page 567, Carteret County Registry.

The plats and plans depicting the layout of the additional units in Phase 2 and Phase 3, unit
designations, elevations and locations are shown on those plats and plans recorded in Map Book 10-5,
pages 568 through 579, Carteret County Registry, which are incorporated herein by reference.

BOOK 1084 PAGE 288

3

Also conveyed to the association are all rights contained in that non-exclusive easement benefiting the entire condominium project as shown in Book 795 at page 935 and Book 810 at page 95, Carteret County Registry.

In addition, "Exhibit C" of the Declaration shall be amended as follows in light of the addition of Phase 2 and Phase 3 Units to the Condominium:

| Unit Number (Building) | Percentage of Undivided Interest | Percentage Interest In Common Areas | Votes in Association |
|---------------------------|-------------------------------------|--|-------------------------|
| <u>Units A</u> | | | |
| 101 | 2.23% | 2.23% | 1 |
| 102 | 2.23% | 2.23% | 1 |
| 201 | 2.23% | 2.23% | 1 |
| 202 | 2.23% | 2.23% | 1 |
| <u>Units B</u> | | | |
| 101 | 2.23% | 2.23% | 1 |
| 102 | 2.23% | 2.23% | 1 |
| 201 | 2.23% | 2.23% | 1 |
| 202 | 2.23% | 2.23% | 1 |
| <u>Units C</u> | | | |
| 103 | 2.23% | 2.23% | 1 |
| 104 | 2.23% | 2.23% | 1 |
| 203 | 2.23% | 2.23% | 1 |
| 204 | 2.23% | 2.23% | 1 |
| 101 | 3.10% | 3.10% | 1 |
| 102 | 3.10% | 3.10% | 1 |
| 104 | 3.10% | 3.10% | 1 |
| 105 | 3.10% | 3.10% | 1 |
| <u>Units D</u> | | | |
| 102 | 2.23% | 2.23% | 1 |
| 103 | 2.23% | 2.23% | 1 |
| 203 | 2.23% | 2.23% | 1 |
| 204 | 2.23% | 2.23% | 1 |
| 101 | 3.10% | 3.10% | 1 |
| 104 | 3.10% | 3.10% | 1 |
| <u>Units E</u> | | | |
| 103 | 2.23% | 2.23% | 1 |
| 104 | 2.23% | 2.23% | 1 |
| 203 | 2.23% | 2.23% | 1 |
| 204 | 2.23% | 2.23% | 1 |
| 101 | 3.10% | 3.10% | 1 |
| 102 | 3.10% | 3.10% | 1 |
| 105 | 3.10% | 3.10% | 1 |
| 106 | 3.10% | 3.10% | 1 |

| | | | |
|----------------|-------|-------|----|
| <u>Units F</u> | | | |
| 102 | 2.23% | 2.23% | 1 |
| 103 | 2.23% | 2.23% | 1 |
| 203 | 2.23% | 2.23% | 1 |
| 204 | 2.23% | 2.23% | 1 |
| | | | |
| 101 | 3.10% | 3.10% | 1 |
| 104 | 3.10% | 3.10% | 1 |
| <u>Units G</u> | | | |
| 101 | 3.10% | 3.10% | 1 |
| 102 | 3.10% | 3.10% | 1 |
| 103 | 3.10% | 3.10% | 1 |
| | | | |
| TOTAL | 100% | 100% | 39 |

IN WITNESS WHEREOF, the undersigned has executed this Amendment to the Declaration as of the day and year first above-written.

CLEARWATER ON COUNTRY CLUB
DEVELOPMENT COMPANY, LLC
By: *Thomas S. Bennett, Jr.*
Manager

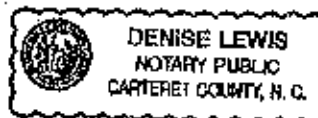
STATE OF NORTH CAROLINA
COUNTY OF CARTERET

I, Denise Lewis, a Notary Public of the aforesaid County and State, do hereby certify that THOMAS S. BENNETT, JR. personally came before me this day and acknowledged that he is the Manager of by CLEARWATER ON COUNTRY CLUB DEVELOPMENT COMPANY, LLC, a North Carolina Limited Liability Company, and further acknowledged the due execution of this document on behalf of the LLC.

WITNESS my hand and official stamp or seal, this the 19th day of November, 2004.

Denise Lewis
NOTARY PUBLIC

My Commission Expires: October 30, 2005



NORTH CAROLINA, CARTERET COUNTY
This instrument and this certificate are duly filed at the
date and time and in the Book and Page shown on the
first page hereof.

Melanie Arthur
CARTERET COUNTY 5P
BWC Date 04/16/2008 Time 15:21:00
GR 1267177 Page 1 of 5

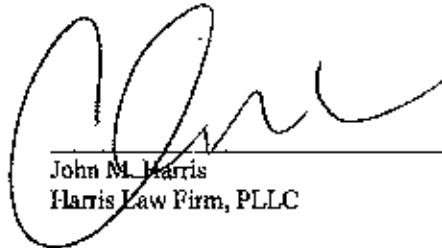
Melanie Arthur, Register of Deeds
By Barbara Cahoon
Deputy Register of Deeds

STATEMENT OF EXPLANATION
Pursuant to NCGS 47-36.1

This document is being re-recorded pursuant to NCGS 47-36.1 in order to correct an obvious typographical or other minor error/omission in a deed or other instrument recorded with the Carteret County Register of Deeds.

The error is stated as follows:

The Unit C, #106 was incorrectly typed as #104 on page 2 of the CORRECTED AMENDMENT ADDING PHASE 2 AND PHASE 3 TO DECLARATION OF CONDOMINIUM FOR CLEARWATER ON COUNTRY CLUB CONDOMINIUMS which was recorded on July 18, 2006 in Book 1180, Page 480. The unit C has been corrected to # 106



John M. Harris
Harris Law Firm, PLLC

BOOK 1267 PAGE 177

⑤

Melanie Arthur 4P
CARTERET COUNTY
JL Date 07/18/2006 Time 16:15:00
GR 1180480 Page 1 of 4

NORTH CAROLINA, CARTERET COUNTY
This instrument and this certificate are duly filed at the
date and time and in the Book and Page shown on the
first page hereof.

Melanie Arthur, Register of Deeds
By Barbara Cohen
Deputy Register of Deeds

Prepared by and Return to: Harris Law Firm, PLLC, 304 N. 35th Street, Morehead City, NC 28557

**CORRECTED AMENDMENT ADDING PHASE 2 AND PHASE 3 TO DECLARATION OF
CONDOMINIUM FOR CLEARWATER ON COUNTRY CLUB CONDOMINIUMS.**
(a N.C.G.S. 47C Phased Condominium Project)

STATE OF NORTH CAROLINA

COUNTY OF CARTERET

This Amendment is effective the 1st day of November, 2004 and executed this the 18th day of July, 2006 by CLEARWATER ON COUNTRY CLUB DEVELOPMENT COMPANY, LLC, a North Carolina Limited Liability Company, (hereinafter designated as "Developer"),

WITNESSETH:

WHEREAS, DEVELOPER has heretofore executed a Declaration of Condominium for CLEARWATER ON COUNTRY CLUB Condominiums, a multi-phased condominium development, pursuant to N.C.G.S. 47C, which appears of record in Deed Book 1058, Page 89, Carteret County Registry (the "Declaration");

WHEREAS, under Article XIV of the Declaration, DEVELOPER, reserved the right to later submit certain additional properties (described in Exhibit D of the Declaration) to the provisions of the Declaration;

WHEREAS, DEVELOPER submitted the additional phases by the recording of an Amendment in Book 1084 at Page 288, Carteret County Registry. The plats and plans recorded with the amendment created limited common elements of garages on certain units, however, the original Exhibit B listing the units associated with those limited common elements was not amended listing the Phase 2 and 3 units with garages;

NOW THEREFORE, Developer, in accordance with the provisions of Article XIV of the Declaration hereby declares that the real property described below is and shall be held, transferred, sold, conveyed and occupies subject to the Declaration and any amendments which may be made thereto:

BEING located in Morehead City, Carteret County, North Carolina and being all of Phase 2 and Phase 3, Clearwater on Country Club Condominiums, as the same is depicted on that certain plat entitled "Clearwater on Country Club Condominiums - Phase 2 and Phase 3" prepared by Stroud Engineering, P.A., dated November 17, 2004, and recorded in Map Book 10-8, Page 567, Carteret County Registry.

BOOK 1267 PAGE 177
BOOK 1180 PAGE 480

(A)

The plats and plans depicting the layout of the additional units in Phase 2 and Phase 3, unit designations, elevations and locations are shown on those plats and plans recorded in Map Book 10S, pages 568 through 579, Carteret County Registry, which are incorporated herein by reference.

Also conveyed to the association are all rights contained in that non-exclusive easement benefiting the entire condominium project as shown in Book 795 at page 935 and Book 810 at page 95, Carteret County Registry.

In addition, "Exhibit C" of the Declaration shall be amended as follows in light of the addition of Phase 2 and Phase 3 Units to the Condominium:

| Unit Number (Building) | Percentage of Undivided Interest | Percentage Interest In Common Areas | Votes in Association |
|---------------------------|-------------------------------------|--|-------------------------|
| <u>Units A</u> | | | |
| 101 | 2.23% | 2.23% | 1 |
| 102 | 2.23% | 2.23% | 1 |
| 201 | 2.23% | 2.23% | 1 |
| 202 | 2.23% | 2.23% | 1 |
| <u>Units B</u> | | | |
| 101 | 2.23% | 2.23% | 1 |
| 102 | 2.23% | 2.23% | 1 |
| 201 | 2.23% | 2.23% | 1 |
| 202 | 2.23% | 2.23% | 1 |
| <u>Units C</u> | | | |
| 103 | 2.23% | 2.23% | 1 |
| 104 | 2.23% | 2.23% | 1 |
| 203 | 2.23% | 2.23% | 1 |
| 204 | 2.23% | 2.23% | 1 |
| 101 | 3.10% | 3.10% | 1 |
| 102 | 3.10% | 3.10% | 1 |
| 1001 106 | 3.10% | 3.10% | 1 |
| 105 | 3.10% | 3.10% | 1 |
| <u>Units D</u> | | | |
| 102 | 2.23% | 2.23% | 1 |
| 103 | 2.23% | 2.23% | 1 |
| 203 | 2.23% | 2.23% | 1 |
| 204 | 2.23% | 2.23% | 1 |
| 101 | 3.10% | 3.10% | 1 |
| 104 | 3.10% | 3.10% | 1 |
| <u>Units E</u> | | | |
| 103 | 2.23% | 2.23% | 1 |
| 104 | 2.23% | 2.23% | 1 |
| 203 | 2.23% | 2.23% | 1 |
| 204 | 2.23% | 2.23% | 1 |
| 101 | 3.10% | 3.10% | 1 |
| 102 | 3.10% | 3.10% | 1 |

BOOK 1267 PAGE 177 BOOK 1180 PAGE 480

| | | | |
|----------------|-------|-------|----|
| 105 | 3.10% | 3.10% | 1 |
| 106 | 3.10% | 3.10% | 1 |
| <u>Units F</u> | | | |
| 102 | 2.23% | 2.23% | 1 |
| 103 | 2.23% | 2.23% | 1 |
| 203 | 2.23% | 2.23% | 1 |
| 204 | 2.23% | 2.23% | 1 |
| 101 | 3.10% | 3.10% | 1 |
| 104 | 3.10% | 3.10% | 1 |
| <u>Units G</u> | | | |
| 101 | 3.10% | 3.10% | 1 |
| 102 | 3.10% | 3.10% | 1 |
| 103 | 3.10% | 3.10% | 1 |
| <hr/> | | | |
| TOTAL | 100% | 100% | 39 |

In addition, "Exhibit B" of the Declaration shall be amended as follows in light of the addition of Phase 2 and Phase 3 Units to the Condominium. The following shall be added as an additional paragraph to Exhibit B:

The area identified as "GARAGE" adjacent to Units E101, and E106, Units F101, and F104, and Units D101, and D104, in the architectural drawings recorded in Map Book 10-S, Pages 568 through 579, Carteret County Registry shall be considered as Limited Common Elements for the exclusive use and benefit of the owners to whose Unit the "Garage" is adjacent to and accessed through the respective unit. The "GARAGE" shall include all of its elements (exterior, interior, structural, aesthetic).

IN WITNESS WHEREOF, the undersigned has executed this Amendment to the Declaration as of the day and year first above-written.

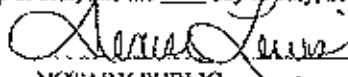
CLEARWATER ON COUNTRY CLUB
 DEVELOPMENT COMPANY, LLC
 By: Thomas L. B...
 Manager

1267 177
 BOOK 1180 PAGE 480

STATE OF NORTH CAROLINA
COUNTY OF CARTERET

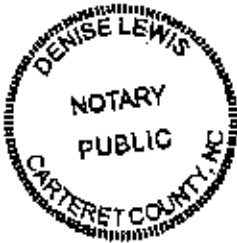
I, Denise Lewis, a Notary Public of the aforesaid County and State, do hereby certify that THOMAS S. BENNETT, JR. personally came before me this day and acknowledged that he is the Manager of by CLEARWATER ON COUNTRY CLUB DEVELOPMENT COMPANY, LLC, a North Carolina Limited Liability Company, and further acknowledged the due execution of this document on behalf of the LLC.

WITNESS my hand and official stamp or seal, this the 18th day of July, 2006.



NOTARY PUBLIC
Denise Lewis

My Commission Expires: October 30, 2010




F:\MSOffice\documents\john\clearwater\Clearwater Amendment Declarationrv.doc

1267-177 BOOK 1180 PAGE 480

NORTH CAROLINA, CARTERET COUNTY
This instrument and this certificate are duly filed at the date and time and in the Book and Page shown on the first page hereof.

Melanie Arthur
CARTERET COUNTY
REG: Date 06/09/2008 Time 15:31:00
GR 1273490 Page 1 of 8

Melanie Arthur, Registrar of Deeds

Barbara Cannon
Deputy Registrar of Deeds

Prepared by and Return to: Hanis Law Firm, PLLC-- 304 N. 35th Street, Morehead City, NC 28557

AMENDMENT, ASSIGNMENT OF PERMITS
AND
ADOPTION OF REGULATIONS OF THE ASSOCIATION FOR CLEARWATER ON COUNTRY
CLUB CONDOMINIUMS.
(a N.C.G.S. 47C Phased Condominium Project)

STATE OF NORTH CAROLINA

COUNTY OF CARTERET

This ASSIGNMENT OF PERMITS AND ADOPTION OF REGULATIONS dated this the 28th day of May, 2008 for reference purposes only, by CLEARWATER ON COUNTRY CLUB DEVELOPMENT COMPANY, LLC, a North Carolina Limited Liability Company, (hereinafter designated as "Developer") and CLEARWATER ON COUNTRY CLUB CONDOMINIUM OWNERS' ASSOCIATION, INC., (hereinafter designated as "Association")

WITNESSETH:

WHEREAS, DEVELOPER has heretofore executed a Declaration of Condominium for CLEARWATER ON COUNTRY CLUB Condominiums, a multi-phased condominium development, pursuant to N.C.G.S. 47C, which appears of record in Deed Book 1058, Page 89, and as amended in Book 1084 at Page 288, and Book 1180 at Page 480, (corrected in Book 1267, page 177), Carteret County Registry Carteret County Registry (the "Declaration");

WHEREAS, DEVELOPER, in developing CLEARWATER ON COUNTRY CLUB Condominiums, obtained certain development permits concerning the development, including Wastewater management, Stormwater management and other development permits from the appropriate local, state and Federal agencies, and it is now the desire to assign those permits to Association;

WHEREAS, Association has determined that the acceptance of such permits and the continued compliance with the permits will be in the best interest of the Association and the unit owners and the Association has agreed to accept the assignment of such permits and adopts regulations pursuant to its bylaws and NCGS Chapter 47C concerning the continued compliance with the assigned permits.

NOW THEREFORE, Developer and Association, in accordance with the provisions of the Declaration and Bylaws, hereby declares that Phase 1, Phase 2 and Phase 3, Clearwater on Country Club Condominiums, as the same is depicted on those certain plats described in the above referenced Declaration and Amendments shall be held, transferred, sold, conveyed and occupied subject to this agreement, the Declaration and any amendments which may be made thereto.

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(8)

A. PERMIT ASSIGNMENTS

Declarant hereby assign all rights, responsibilities and privileges concerning Clearwater on Country Club Condominium Development to Association and by executing this document the Association accepts such assignments and agrees to comply with such agreements as may be required by the appropriate local, state or federal agencies having jurisdiction of such permits. Such permits assigned shall be

1. NC Department of Environment and Natural Resources, Division of Water Quality Permit # WQ0022553 Modification (attached as Exhibit A) dated April 4, 2008;
2. NC Storm Water Permit-SW 8021217, dated June 2, 2003;
3. Any and all other developmental permits associated with the condominium project.

B. ASSOCIATION REGULATIONS

The Association hereby adopts the following regulations pursuant to the Declaration, its bylaws and NCCS Chapter 47C concerning the continued compliance with the assigned permits:

1. Wastewater Collection within Phase 1, Phase 2 and Phase 3, Clearwater on Country Club Condominiums shall be in compliance with the requirements of the Division of Water Quality ("DWQ") of the North Carolina Department of Environment and Natural Resources and of Town of Morhead City as per the Permit and operation agreement attached as Exhibit A. Association agrees to immediately submit a formal permit request to change the name on the permit to the association and agrees to comply with the terms of the permit upon such name change being approved.
2. Storm Water collection within Phase 1, Phase 2 and Phase 3, Clearwater on Country Club Condominiums shall be in compliance with NC Storm Water Permit-SW 8021217, dated June 2, 2003 (as amended) and if necessary, the Association will take the necessary steps to have the permit issued in its name.

IN WITNESS WHEREOF, the undersigned has executed this Assignment and adoption of Regulations as of the day and year first above-written.

CLEARWATER ON COUNTRY CLUB
DEVELOPMENT COMPANY, LLC

By: Thomas L. Sullivan Jr.
Manager

CLEARWATER ON COUNTRY CLUB
CONDOMINIUM OWNERS' ASSOCIATION,
INC.

By: Sonia Colasew
President

Attest: JC Paull
Secretary

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STATE OF NORTH CAROLINA
COUNTY OF CAROLINE

I, Carol R. Seay, a Notary Public of the aforesaid County and State, do hereby certify that THOMAS S. BENNETT, JR. personally came before me this day and acknowledged that he is the Manager of by CLEARWATER ON COUNTRY CLUB DEVELOPMENT COMPANY, LLC, a North Carolina Limited Liability Company, and further acknowledged the due execution of this document on behalf of the LLC.



Witness my hand and official stamp or seal, this the 30th day of May, 2008.

Carol R. Seay
NOTARY PUBLIC
Carol R. Seay

My Commission Expires: June 15, 2011

STATE OF NORTH CAROLINA
COUNTY OF CAROLINE

I, a Notary Public of the aforesaid County and State, do hereby certify that J.C. Paul personally came before me this day and acknowledged that she is CS Secretary of CLEARWATER ON COUNTRY CLUB CONDOMINIUM OWNERS' ASSOCIATION, INC, a non profit corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, sealed with its corporate seal and attested by her as its Secretary.

Witness my hand and official stamp or seal, this 30th day of May, 2008.

Carol R. Seay
NOTARY PUBLIC
Carol R. Seay

My Commission Expires: June 15, 2011

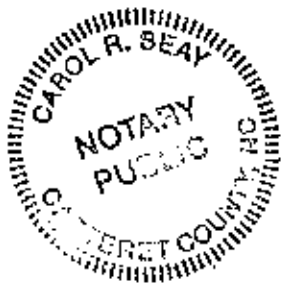


EXHIBIT "A"

NORTH CAROLINA
ENVIRONMENTAL MANAGEMENT COMMISSION
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
RALEIGH
WASTEWATER COLLECTION SYSTEM EXTENSION PERMIT

This permit shall be effective from the date of issuance until rescinded and shall be subject to the following specified conditions and limitations:

1. This permit shall become voidable unless the wastewater collection facilities are constructed in accordance with the conditions of this permit; 15A NCAC 2H .0200; the Division of Water Quality's (Division) Gravity Sewer Minimum Design Criteria adopted February 12, 1996 as applicable; the Division's Minimum Design Criteria for the Fast-Track Permitting of Pump Stations and Force Mains adopted June 1, 2000 as applicable; and other supporting materials unless specifically mentioned herein.
2. This permit shall be effective only with respect to the nature and volume of wastes described in the application and other supporting data.
3. The wastewater collection facilities shall be properly maintained and operated at all times. The Permittee shall maintain compliance with an individual system-wide collection system permit for the operation and maintenance of these facilities as required by 15A NCAC 2I .0403. If an individual permit is not required, the following performance criteria shall be met as provided in 15A NCAC 2I .0403 (previously 15A NCAC 2H .0227):
 - a. The sewer system shall be effectively maintained and operated at all times to prevent discharge to land or surface waters, and any contravention of the groundwater standards in 15A NCAC 2L .0200 or the surface water standards in 15A NCAC 2B .0200.
 - b. A map of the sewer system shall be developed and shall be actively maintained.
 - c. An operation and maintenance plan including pump station inspection frequency, preventative maintenance schedule, spare parts inventory, and overflow response shall be developed and implemented.
 - d. Pump stations that are not connected to a telemetry system (i.e. remote alarm system) shall be inspected by the Permittee or its representative every day (i.e. 365 days per year). Pump stations that are connected to a telemetry system shall be inspected at least once per week.
 - e. High-priority sewer lines shall be inspected by the Permittee or its representative at least once per every six-month period of time.
 - f. A general observation of the entire sewer system shall be conducted by the Permittee or its representative at least once per year.
 - g. Overflows and bypasses shall be reported to the appropriate Division regional office in accordance with 15A NCAC 2B .0506(a), and public notice shall be provided as required by North Carolina General Statute §143-215.1C.
 - h. A Grease Control Plan shall be implemented as follows:
 1. For publicly owned collection systems, the Program shall include at least bi-annual distribution of educational materials for both commercial and residential users and the legal means to require grease interceptors for new construction and retrofit, if necessary, of grease interceptors at existing establishments. The Program shall also include legal means for inspections of the grease interceptors, enforcement for violators, and the legal means to control grease entering the system from other public or private satellite sewer systems.

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2. For privately owned collection systems, the Program shall include at least bi-annual distribution of educational materials to all users of the collection system by the Permittee or its representative.
3. Grease education materials shall be distributed more often than required in Parts 1 or 2 of this sub-paragraph if necessary to prevent grease-related sanitary sewer overflows.
 - i. Right-of-ways and easements shall be maintained in the full easement width for personnel and equipment accessibility.
 - j. Documentation shall be kept on file for Sections (a.) through (i.) of this rule for a minimum of three (3) years with the exception of the map, which shall be maintained for the life of the system.
4. This permit shall not be transferable. In the event there is a desire for the wastewater collection facilities to change ownership, or there is a name change of the Permittee, a formal permit request shall be submitted to the Division accompanied by documentation from the parties involved, and other supporting materials as may be appropriate. The approval of this request shall be considered on its merits and may or may not be approved.
5. Construction of the gravity sewers, pump stations, and force mains shall be scheduled so as not to interrupt service by the existing utilities nor result in an overflow or bypass discharge of wastewater to the surface waters of the State.
6. Per 15A NCAC 2H .0220, upon completion of construction and prior to operation of these permitted facilities, the completed Engineering Certification form attached to this permit shall be submitted with the required supporting documents (as-built or recording drawings and pump station designs, if applicable) to the address provided on the form. A complete certification is one where the form is fully executed and the supporting documents are provided as applicable.
7. A copy of the construction record drawings and pump station designs, if applicable, shall be maintained on file by the Permittee for the life of the wastewater collection facilities.
8. Failure to abide by the conditions and limitations contained in this permit; 15A NCAC 2H .0200; the Division's Gravity Sewer Design Criteria adopted February 12, 1996 as applicable; the Division's Minimum Design Criteria for the Fast-Track Permitting of Pump Station and Force Mains adopted June 1, 2000 as applicable; and other supporting materials may subject the Permittee to an enforcement action by the Division, in accordance with North Carolina General Statutes §143-215.6A through §143-215.6C.
9. Gravity sewers installed greater than ten percent below the minimum required slope per the Division's Gravity Sewer Minimum Design Criteria shall not be acceptable and shall not be certified until corrected. If there is an unforeseen obstacle in the field where all viable solutions have been examined, a slope variance can be requested from the Division with firm supporting documentation. This shall be done through a permit modification with fee. Such variance requests will be evaluated on a case-by-case basis. Resolution of such request shall be evident prior to completing and submitting the construction certification.
10. In the event that the wastewater collection facilities fail to perform satisfactorily, including the creation of nuisance conditions, the Permittee shall take immediate corrective action, including those as may be required by this Division, such as the construction of additional or replacement facilities.
11. The issuance of this permit shall not exempt the Permittee from complying with any and all statutes, rules, regulations, or ordinances that may be imposed by other government agencies (local, state and federal) which have jurisdiction, including but not limited to applicable river buffer rules in 15A NCAC 2B .0200, erosion and sedimentation control requirements in 15A NCAC Ch. 4 and under the Division's General Permit NCG010000, and any requirements pertaining to wetlands under 15A NCAC 2B .0200 and 15A NCAC 2H .0500.

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12. Noncompliance Notification:

The Permittee shall verbally report to a Division of Water Quality staff member at the Wilmington Regional Office, telephone number (910) 796-7215, as soon as possible, but in no case more than 24 hours or on the next working day, following the occurrence or first knowledge of the occurrence of either of the following:

- a. Any process unit failure, due to known or unknown reasons, that renders the facility incapable of adequate wastewater transport, such as mechanical or electrical failures of pumps, line blockage or breakage, etc.; or
- b. Any failure of a pumping station or sewer line resulting in a by-pass directly to receiving waters without treatment of all or any portion of the influent to such station or facility.

Voice mail messages or faxed information is permissible, but shall not be considered as the initial verbal report. Overflows and spills occurring outside normal business hours may also be reported to the Division of Emergency Management at telephone number (800) 858-0368 or (919) 733-3300. Persons reporting any of the above occurrences shall file a spill report by completing Part I of Form CS-SSO (or the most current Division approved form), within five days following first knowledge of the occurrence. This report shall outline the actions taken or proposed to ensure that the problem does not recur. Part II of Form CS-SSO (or the most current Division approved form) can also be completed to show that the SSO was beyond control.

13. Each pump station including simplex stations shall be clearly and conspicuously posted with the telephone number and name of the owner/operator of the sewer system and instructions to call the number in the event of alarm activation.
14. A variance is granted to allow the installed 10-inch gravity to remain in place. Since velocity in this segment will be less than 2 feet per second, then this line is considered as "High-Priority". High-priority lines shall be checked once every six months and flushed as necessary. Documentation of such inspections shall be maintained for a minimum of three years.

Permit issued this day: April 4, 2008

NORTH CAROLINA ENVIRONMENTAL MANAGEMENT COMMISSION



for Cateen H. Sullins, Director
Division of Water Quality
By Authority of the Environmental Management Commission

Permit Number WQ0022553

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STATE OF NORTH CAROLINA
 COUNTY OF CARTERET

Permit No. WQ0022553

HOME/PROPERTY OWNERS' OPERATIONAL AGREEMENT

This AGREEMENT made pursuant to G.S. 143-215.1 (d1) and entered into this 28 day of MAY 2008, by and between the North Carolina Environmental Management Commission, an agency of the State of North Carolina, hereinafter known as the COMMISSION; and CLEARWATER ON COUNTRY CLUB CONDOMINIUM OWNERS' ASSOCIATION, INC., a non-profit corporation organized and existing under and by virtue of the laws of the State of North Carolina, hereinafter known as the ASSOCIATION.

WITNESSETH:

1. The ASSOCIATION was formed for the purpose, among others, of handling the property, affairs and business of the development known as CLEARWATER ON COUNTRY CLUB CONDOMINIUM PROJECT (hereinafter the Development); of operating, maintaining, re-constructing and repairing the common elements of the lands and improvements subject to unit ownership, including the wastewater collection system with pumps, wastewater treatment works, and/or disposal facilities (hereinafter Disposal System); and of collecting dues and assessment to provide funds for such operation, maintenance, re-construction and repair.
2. The ASSOCIATION desires, to construct and/or operate a Disposal System to provide sanitary sewage disposal to serve the Development on said lands.
3. The ASSOCIATION has applied to the COMMISSION for the issuance of a permit pursuant to G.S. 143-215.1 to construct, maintain, and/or operate the Disposal System.
4. The Development was created subject to unit ownership in the dwellings units, other improvements and lands through filing of a Declaration of Unit Ownership (hereinafter Declaration), pursuant to Chapter 47C or 47F of the North Carolina General Statutes.
5. The COMMISSION desires to assure that the Disposal System of the Development is properly constructed, maintained and operated in accordance with law and permit provisions in order to protect the quality of the waters of the State and the public interest therein.

NOW, THEREFORE, in consideration of the promises and the benefits to be derived by each of the parties hereto, the COMMISSION and ASSOCIATION do hereby mutually agree as follows:

1. The ASSOCIATION shall construct the Disposal System and/or make any additions or modifications to the Disposal System in accordance with the permit and plans and specifications hereafter issued and approved by the COMMISSION, and shall thereafter properly operate and maintain such systems and facilities in accordance with applicable permit provisions and law.
2. The ASSOCIATION shall provide in the Declaration and Association Bylaws that the Disposal System and appurtenances thereto are part of the common elements and shall thereafter be properly maintained and operated in conformity with law and the provisions of the permit for construction, operation, repair, and maintenance of the system and facilities. The Declaration and Bylaws shall identify the entire wastewater treatment, collection and disposal system as a common element which will receive the highest priority for expenditures by the Association except for Federal, State, and local taxes and insurance.

3. The ASSOCIATION shall provide in the Declaration and Association Bylaws that the Disposal System will be maintained out of the common expenses. In order to assure that there shall be funds readily available to repair, maintain, or construct the Disposal System beyond the routine operation and maintenance expenses, the Declaration and Association Bylaws shall provide that a fund be created out of the common expenses. Such fund shall be separate from the routine maintenance fund allocated for the facility and shall be part of the yearly budget.
4. In the event the common expense allocation and separate fund(s) are not adequate for the construction, repair, and maintenance of the Disposal System, the Declaration and Association Bylaws shall provide for special assessments to cover such necessary costs. There shall be no limit on the amount of such assessments, and the Declaration and Bylaws shall be provided such that special assessments can be made as necessary at any time.
5. If a wastewater collection system and wastewater treatment and/or disposal facility provided by any city, town, village, county, water and sewer authorities, or other unit of government shall hereinafter become available to serve the Development, the ASSOCIATION shall take such action as is necessary to cause the existing and future wastewater of the Development to be accepted and discharged into said governmental system, and shall convey or transfer as much of the Disposal System and such necessary easements as the governmental unit may require as condition of accepting the Development's wastewater.
6. Recognizing that it would be contrary to the public interest and to the public health, safety and welfare for the ASSOCIATION to enter into voluntary dissolution without having made adequate provision for the continued proper maintenance, repair and operation of its Disposal System, the ASSOCIATION shall provide in the ASSOCIATION Bylaws that the ASSOCIATION shall not enter into voluntary dissolution without first having transferred its said system and facilities to some person, corporation or other entity acceptable to and approved by the COMMISSION by the issuance of a permit.
7. The ASSOCIATION shall not transfer, convey, assign or otherwise relinquish or release its responsibility for the operation and maintenance of its Disposal System until a permit has been reissued to the ASSOCIATION'S successor.
8. The agreements set forth in numbered paragraphs 1, 2, 3, 4, 5, 6, and 7 above shall be conditions of any permit issued by the COMMISSION to the ASSOCIATION for the construction, maintenance, repair and operation of the Disposal System.
9. A copy of this agreement shall be filed at the Register of Deeds in the County(ies) where the Declaration is filed and in the offices of the Secretary of State of North Carolina with the Articles of Incorporation of the Association.

IN WITNESS WHEREOF, this agreement was executed in duplicate originals by the duly authorized representative of the parties hereto on the day and year written as indicated by each of the parties named below:

FOR THE ENVIRONMENTAL
MANAGEMENT COMMISSION

Cofeen H. Sullins, Director
Division of Water Quality

(Date)

FORM: HOA 06/2007

CLEARWATER ON COUNTRY CLUB
CONDOMINIUM OWNERS' ASSOCIATION, INC.,
Name of ASSOCIATION

By: Tonia Glasgow
(Signature)

TONIA GLASGOW, President
Print Name and Title

5-28-2008

(Date)

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