EXHIBIT A – BEACHWALK PROPERTY

The planned residential development known as Beachwalk consists of all the real property, which has been subdivided into lots shown on maps of Beachwalk, in the Office of the Register of Deeds of New Hanover County, Map Book 36 at Pages 284 and 285, Map Book 38 at Page 51, and Map Book 38 at page 156.

EXHIBIT B – PROPERTY USE RESTRICTIONS

Section 1. No Violation of Law in Common Elements. Nothing shall be done or kept in or on any of Beachwalk's common elements that would be in violation of any laws or ordinances.

Section 2. Lots for Single Family Residential Purposes.

(a) Only detached single family dwellings shall be constructed on lots not previously built upon.

(b) Detached single family dwellings on a previously built upon lot shall be replaced only with a detached single family dwelling of a design approved in accordance with the provisions of the Declaration, Articles 13 and 14.

(c) Duplex dwellings existing on the date of recording of this document may be replaced only with either a duplex dwelling of the same dimensions and exterior design; or, if the two lots are legally combined into a single lot, a detached single family dwelling.

(d) No house trailer, mobile home, tent, shack or temporary structure of any nature shall be used at any time as a residence in Beachwalk.

(e) No home/lot shall be used for commercial purposes or for any activity normally conducted as a business that causes traffic or disturbance to other residents.

Section 3. Activity in Common Elements Adversely Affecting Insurance Coverage. Nothing shall be done or kept in any of Beachwalk's common elements that could cause cancellation or an increase in the Association's cost of insurance without the prior written consent of the Board of Directors (the “Board”).

Section 4. Construction Activities.

(a) All construction shall be subject to the zoning and land use ordinances of the Town of Kure Beach.

(b) No construction of any building, fence, wall or other structure, and no additions,

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changes or alterations to any exterior thereof, shall be commenced, continued or retained on any lot until design plans and specifications showing the nature, kind, shape, height, materials and location of the same, including any requirements for landscaping, sod or seed, shall have been submitted to and approved in writing by the Board or, if established, the Architectural Control Committee ("ACC"). The approval process is prescribed in the Declaration. Additionally, the following specific restrictions shall apply:

(1) No single family residence smaller than 1,400 heated square feet (when measured by exterior surface, which square footage shall be exclusive of porches, steps, walks, garages, carports, storage areas, etc.) shall be constructed or located in the Beachwalk.

(2) No structure shall be erected, altered, or placed in Beachwalk exceeding thirty five (35) feet in height above ground level.

(3) Approved small accessory structures (which may include a detached private garage, but not a garage apartment) shall be constructed of similar materials and design as the main structure upon such lot. No accessory buildings may be constructed prior to the construction of the main building on any lot.

(4) No concrete block, concrete brick, aluminum siding, asbestos siding, or cinder block shall be used for the exterior of any residence constructed on any lot; nor shall composition tar paper exterior be permitted, it being intended that only conventional frame, wood siding, vinyl siding, brick or stucco exteriors may be constructed on the lots.

(5) All residences must have a concrete driveway.

(c) Construction activity on a lot shall be confined within the boundaries of said lot. Each lot owner shall have the obligation to collect and dispose of all rubbish and trash resulting from the construction on his/her lot. If a lot owner fails to collect and dispose of such trash within thirty (30) days after receipt of a written notice from the Board, the Board may cause the trash to be collected and disposed of at the lot owner's expense. Such expense shall be paid and a benefited assessment assessed against the lot and lot owner that is enforceable by lien and collection as provided in the Declaration.

(d) The exterior of any structure under construction on any lot must be completed within six (6) months after the beginning of construction.

(e) All newly constructed residences shall have landscaping approved by the Board in

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place within thirty (30) days of the issuance of a certificate of occupancy.

(f) Construction must be in compliance with applicable North Carolina State water quality laws and administrative rules and:

(1) No more than 4,000 square feet of any lot, including that portion of the right-of-way between the edge of pavement and the front lot line, shall be covered by impervious structures, including asphalt, gravel, concrete, brick, stone, slate or similar material, not including wood decking or the water surface of swimming pools.

1. (2) No one may fill in or pipe any roadside or lot-line swale except as necessary to provide a minimum driveway crossing; and for curb and gutter projects, no one may pipe, fill in, or alter any lot line swale used to meet North Carolina Stormwater Management Permit requirements.

(g) As an exception to Section 4 (b) above, construction vehicles, equipment and temporary structures placed by a contractor and required for construction, including sanitary facilities, shall be permitted to remain on a lot for the duration of the construction activity.

Section 5. Landscape Care. Lawn care, cutting, trimming, and fertilizing shall be performed for the whole Beachwalk development, including vacant lots and common elements, by a professional lawn care company hired by the Board and paid as a common expense. Owners electing to not use the service provided by the Association shall not be relieved from paying all or part of the common assessment for landscaping expenses, and any additional landscaping services procured by an individual owner for his lot will be at the individual owner's expense.

Section 6. Signs and Advertisements.

(a) No advertising signs or billboards, including signs of vendors or contractors working on the property, shall be erected on any lot or displayed to the public on any lot, except that one sign of not more than five (5) square feet in area may be used to advertise a lot or residence for sale.

(b) Political signs may be displayed on private lots no more than forty-five (45) days prior to or seven (7) days after an election day.

(c) No advertising, announcements or political signs may be erected on or displayed on or in the common elements.

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(d) The display of all signs shall comply with applicable Town of Kure Beach ordinance or regulations, including minimum set back requirements.

Section 7. Fences and Walls. No fence or wall shall be erected or permitted on any lot closer to the front line than the front corner of the dwelling erected upon said lot, and no chain link or wire fence shall be allowed.

Section 8. Mailboxes and Newspaper Boxes. No mailboxes or newspaper boxes shall be permitted on any lot. The Association shall provide and maintain a central mailbox for all residences as a common element. Maintenance of individual mail slots shall be the owner's responsibility.

Section 9. Construction, Alteration or Removal In Or On Common Element. Nothing shall be constructed, altered or removed from the common elements, except upon the written consent of the Board.

Section 10. Animals and Pets. No animals, livestock, pigs or poultry of any kind shall be kept or maintained on any lot or in any dwelling, with the exception of dogs, cats or other common household pets provided that they:

(a) Are not allowed to run free and are at all times properly leashed, and

(b) Are not kept or maintained for commercial purposes.

Section 11. Fuel Tanks, Garbage Containers and Other Receptacles. Other than when placed for curbside collection, garbage, recycling and other such bins shall be stowed either 1) in a place not forward of the front line of the dwelling, or 2) a place where the bin is obstructed from view.

Fuel tanks, permanently installed emergency generators and similar permanently installed utilities shall be installed in a place not forward of the front line of the dwelling.

Section 12. Unclean, Unsightly or Unkept Conditions. It shall be the responsibility of each lot owner to prevent the development of any unclean, unsightly or unkempt conditions of buildings or grounds on such lot which, in the Board's judgment, substantially adversely affects the aesthetic qualities of the Beachwalk community as a whole or the specific area near the lot.

Section 13. Noxious or Offensive Activities. No noxious or offensive activity shall be carried on

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upon any lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the Beachwalk community. There shall not be maintained any plants or animals or devices or things of any sort whose normal activities or existence are, in the Board's judgment, noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property owners in the Beachwalk community.

Section 14. Yard or Garage Sales. No yard sales or garage sales will be allowed on any lot in Beachwalk without the approval in writing of the Board.

Section 15. Storage of Boats, Trailers, etc.

(a) No storage of goods, boats, motor boats, dune-buggies, campers, trailers, recreational vehicles, unregistered vehicles, tractor trailer trucks or cabs or similar type vehicles shall be permitted to remain on any lot at any time, unless by prior written consent of the Board, and then only for a specified temporary period of time not to exceed thirty (30) days within any three (3) month period, provided that the Board may extend this period of time if there are unique or unusual circumstances that would make such an extension reasonable and equitable.

(b) Notwithstanding (a), owners who have guests visiting and staying in such a vehicle designed for habitation may secure prior written permission from the Board for such guests to park their vehicle on the owner's lot for a maximum period of thirty (30) days.

1. The provisions of this section shall not prohibit vehicles required for maintenance or construction authorized pursuant to Section 4 herein from remaining on a lot for the duration of the maintenance or construction.

16. Leases and Rentals.

(a) Any lease or rental of any lot must be for the entire lot or residence and for a rental or lease period of not less than twelve (12) consecutive months.

(b) No lot or dwelling may be rented or leased more than twice in any twelve (12) consecutive months period.

(b) The Board must be given a copy of all leases prior to homes being occupied by tenants.

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