

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

Brunswick County--Register of Deeds
Robert J. Robinson
Inst #46234 Book 1380Page 1147
06/01/2000 03:35pm Rec# 44821

AMENDMENT AND ANNEXATION TO PROTECTIVE COVENANTS
BALD HEAD ISLAND STAGE TWO
SINGLE FAMILY 10
CAPE FEAR STATION

This Amendment and Annexation to Protective Covenants, Bald Head Island Stage Two, ("Amendment") is made by Bald Head Island Limited this 1ST day of JUNE, 2000.

RECITALS:

Bald Head Island Limited, a Texas Limited Partnership qualified to do business in the State of North Carolina ("Declarant") is the developer of property generally referred to as Bald Head Island. In furtherance of that plan of development, Declarant did record Protective Covenants for Bald Head Island Stage Two, dated August 3, 1995 ("Protective Covenants"), which Protective Covenants are recorded in Deed Book 1045, Page 676 et seq., Brunswick County Registry. Paragraph 2 of the Protective Covenants authorizes and allows Declarant to annex additional property on Bald Head Island to the provisions of the Protective Covenants, and to subject lots so annexed to building and site restrictions as may be set out in the Amendment annexing said lots.

By execution and recordation of this Amendment, it is the intent of the Declarant to annex those properties described hereinafter to the terms, provisions and conditions of the Protective Covenants, subject to the specific provisions contained herein.

The Protective Covenants, as previously amended, are hereby further amended as follows:

1. **ADDITIONAL PROPERTIES.** The provisions of the Protective Covenants shall apply fully to all of the property (including even-numbered Lots 6000 through 6016) as shown on that plat recorded in Map Cabinet 22 Instrument 537 Brunswick County Registry ("Plat"), as the same may be amended from time to time. As used herein, "Lot" shall mean any numbered Lot designated for residential use as shown on the Plat made subject to the Protective Covenants by this Amendment.
2. **ASSOCIATION.** As set out in the Protective Covenants, Declarant has chartered a North Carolina non-profit homeowners association named Bald Head Island Stage Two Association, Inc. ("Association"). The owner of each Lot shall be a member of the Association, and shall be required to pay dues thereto as set out in the Protective Covenants. The owner of each of the Lots shall begin paying dues to the Association as of the date of acquisition of title, and as for Lots owned by Declarant or an entity

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owned or controlled by Declarant, as of January 1, 2001, if not previously conveyed to a third party.

3. SINGLE FAMILY UTILIZATION. Except for such other uses as are hereinafter reserved to Declarant, all Lots shall be limited to use only for single family residential purposes. All of the provisions of Paragraph 3 of the Protective Covenants are specifically incorporated herein by reference.
4. SETBACKS. There shall be no setbacks, other than those imposed by the Village of Bald Head Island or other governmental authority, as set forth on the Plat, or as contained in the Cape Fear Station Design Guidelines ("Guidelines"), except that all construction of every Living Unit is subject to the approval of the Committee, as more fully set out in Paragraph 4 of the Protective Covenants. No construction except improvements allowed in accordance with the ordinances of the Village of Bald Head Island shall be allowed within any setback imposed by the Village of Bald Head Island. The primary Living Unit may not be constructed within any setback, no matter by whom established. Improvements other than the primary Living Unit, if approved by the Committee, may be constructed within setbacks established by Declarant. No improvements shall be constructed by the Owner of any Lot to the extent located between the public street adjacent to the Living Unit on said Lot, and the entry to the Living Unit closest thereto, which would significantly impede emergency access to said entry. Fencing must have unlocked gates sufficiently wide to accommodate such access.
5. COMBINATION OF LOTS. Any two or more contiguous Lots shown on the Plat may be combined into a single Lot, and the provisions of Paragraph 12 of the Protective Covenants shall apply thereto. In the event of such a combination of Lots, any easements or set back requirements, whether set forth herein or appearing on the Plat, which are located along or pertain to a Lot line between any two combined Lots, shall, upon such combination of Lots, be extinguished, provided that said easements shall be extinguished only to the extent that they are used to provide services solely to the combined Lots.
6. LIMITATION ON HEIGHT. No structure constructed on any Lot shall exceed thirty-five (35) feet in height as measured from the lowest natural point where the building perimeter meets grade to the roof ridge. The provisions of Paragraph 19 of the Protective Covenants are specifically incorporated herein by reference.
7. BUILDING AND SITE RESTRICTIONS. All Lots as shown on the Plat shall be subject to the following restrictions:
 - (a) The Declarant has adopted certain Design Guidelines for the Cape Fear Station Development ("Guidelines"), which are incorporated herein by this

reference, and which will be applied by the Committee when approval is sought for construction pursuant to the Protective Covenants. All Lots shown on the Plat are subject to both the general Guidelines and the specific Guidelines applicable to the lot types described therein, as the same may be amended from time to time by Declarant or the Association. Declarant reserves the right to change the lot type designation for any Lot prior to the sale of said Lot to a third party, notwithstanding the sale of other Lots which are subject to the Guidelines. For purposes of the Guidelines, the Lots shown on the Plat shall have the following lot type designations: even-numbered Lots 6000 through 6016 are designated "Creek (CR)". In accordance with the Guidelines, the minimum square footage of heated, enclosed living space for each approved Living Unit on said even-numbered Lots 6000 through 6016 shall be 1,600 square feet, and the maximum shall be 40% of the total Lot area, but not to exceed 3,500 square feet.

- (b) Each Lot owner shall keep the grounds on his Lot and all structures located thereon in a clean, neat and sightly condition, and shall provide for the regular removal of all trash or refuse from the Lot.
- (c) No animals, livestock or poultry of any kind shall be kept or maintained on any Lot except that no more than 2 dogs or cats are allowed, provided they are attended as required by the ordinances of the Village of Bald Head Island.
- (d) In order to comply with the North Carolina Coastal Storm Water Regulations enacted by the Department of Environmental Management of the State of North Carolina, each Lot shall contain a maximum square footage covered by impervious surfaces (as defined by the Department of Environmental Management), which limitation shall be as follows: for Lot 6000, three thousand (3,000) square feet; for all other Lots on the Plat, four thousand (4,000) square feet per Lot. Impervious surfaces include structures, paved surfaces, walkways, patios of brick, stone, slate and similar materials, and use of other materials that substantially negatively impact the ability of water to be assimilated into the soil. This provision is intended to ensure continued compliance with storm water runoff regulations adopted by the State of North Carolina, and therefore this Paragraph 8(d) may be enforced by the State of North Carolina, as well as any other party entitled to enforce the Protective Covenants. To the extent that the State of North Carolina should revise its existing stormwater permit to allow different imperious surface amount(s) on any one of more of the Lots, upon filing by Declarant or the Association of a notice of said change in permit, the impervious surface limitation as to said Lot or Lots shall be automatically deemed amended to comply with the changed impervious surface limitation allowed by the State of North Carolina by permit. This provision, as well as all other provisions of the Protective

Covenants, runs with the land and is binding on all persons owning any Lot as shown on the Plat. No amendment of this provision shall be allowed unless consented to in writing by the State of North Carolina, Department of Environmental Management.

- (e) There are hereby reserved for the benefit of the owners of the Lots within the Plat, the Declarant, the Association, and all public and private utilities, and for the benefit of the Village of Bald Head Island, those certain easements for the installation and maintenance of all utilities, public and private, and the maintenance of all roads and alleys, upon, under and across the following: the front seven (7') feet of each Lot (adjacent to the public road rights-of-way), and five (5') feet along the side Lot lines of each Lot. There are further reserved, for the benefit of the owners of the Lots, the Declarant and the Association, a pedestrian access easement ten (10) feet in width, from Currituck Way to Bald Head Creek, upon and across the eastern five (5') feet of Lot 6016 and the western five (5') feet of Lot 6014, and a drainage easement ten (10) feet in width, upon and across the eastern five (5') feet of Lot 6010 and the western five (5') feet of Lot 6008, all as shown on the Plat.
 - (f) Yards shall be maintained with natural vegetation. No grasses or ornamental vegetation shall be permitted, EXCEPT, in the event the Association adopts landscaping guidelines or standards specific to the Lots hereby annexed, then in that event such vegetation shall be permitted as is described in said guidelines or standards and approved for the Lot by the Committee.
 - (g) To the extent that the Village of Bald Head Island enforces driving regulations, including, without limitation, limitations on speed and requirements as to the qualification and condition of the driver of any vehicle, said regulations and conditions are herein specifically incorporated by reference, and the Village of Bald Head Island is specifically granted authority to enforce those regulations and conditions on the private easement shown on the Plat. It is expressly acknowledged and understood that the Village of Bald Head Island has no affirmative obligation to enforce said rules and regulations, but may elect to do so.
9. DEFINITIONS. All capitalized terms set out within this Amendment shall have the meaning specified herein, and if not so specified, the definition as contained in the Protective Covenants shall be applicable.
10. INCORPORATION BY REFERENCE. Except as specifically amended by a provision contained within this Amendment, or by a specific limitation contained in the Protective Covenants, all the terms, provisions and conditions of the Protective Covenants are made fully applicable to the property described in Paragraph 1 hereinbefore.

- 11. DECLARANT RESERVATION. There is hereby reserved to the Declarant, and to any assignee to whom Declarant transfers or assigns its interests hereunder, the right to use any Lot as a model home, sales office, or for any similar purpose related to the marketing and sale of the Lots, in accordance with Village of Bald Head Island ordinances, notwithstanding any other provisions of this Amendment or the Protective Covenants to the contrary, this right to expire when Declarant or its assigns is no longer actively engaged in the original sale of subdivided Lots on Bald Head Island.

This Amendment is executed as of the day and year first above written, on behalf of Declarant, by its Attorney in Fact, under authority duly granted.

BALD HEAD ISLAND LIMITED
a Texas Limited Partnership

By: [Signature] (SEAL)
Kenneth M. Kirkman
Attorney in Fact

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

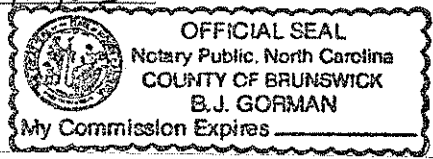
I, B.J. Gorman, a Notary Public for said County and State, do hereby certify that Kenneth M. Kirkman, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said Bald Head Island Limited, and that his authority to execute and acknowledge said instrument is contained in an instrument duly executed, acknowledged, and recorded in the office of the Register of Deeds in the County of Brunswick, State of North Carolina, in Deed Book 1143 at Page 916, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said Kenneth M. Kirkman acknowledged the due execution of the foregoing and annexed instrument for the purposes therein expressed for an in behalf of the said Bald Head Island Limited.

WITNESS my hand and official seal, this the 1st day of June, 2000.

My Commission expires: 3/10/03

B.J. Gorman
Notary Public



STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of B J GORMAN

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

Brunswick County--Register of Deeds
Robert J. Robinson
Inst #49112 Book 1388Page 21
07/06/2000 08:30:48am Rec# 47675

ADDENDUM TO AMENDMENT AND ANNEXATION
TO PROTECTIVE COVENANTS
BALD HEAD ISLAND STAGE TWO
SINGLE FAMILY 10
CAPE FEAR STATION

THIS ADDENDUM TO AMENDMENT AND ANNEXATION TO PROTECTIVE COVENANTS, BALD HEAD ISLAND STAGE TWO, SINGLE FAMILY 10, CAPE FEAR STATION, is made as of the 15th day of June, 2000, as follows:

WHEREAS, Bald Head Island Limited, a Texas limited partnership, is the developer and the sole owner of that certain real property located in the Village of Bald Head Island and known as Single Family 10, Cape Fear Station, Brunswick County, North Carolina; and,

WHEREAS, Bald Head Island Limited, as Declarant, has heretofore caused to be recorded in the records of the Brunswick County Registry in Book 1380 at Page 1147, an Amendment and Annexation to Protective Covenants for Bald Head Island Stage Two, Single Family 10, Cape Fear Station, and has further caused to be recorded in said Registry in Map Book 22, Page 537, a Plat of survey which sets out and describes the real property and Lots subject to said Amendment and Annexation; and,

WHEREAS, the said Plat and Amendment set forth and describe certain easements which have been created or reserved by Declarant, and Declarant wishes to revoke its reservation of a certain pedestrian access easement running over and across Lots 6014 and 6016, and has recorded in Map Cabinet 23, Page 93, a revised Plat of survey eliminating that revoked easement;

NOW, THEREFORE, Bald Head Island Limited, Declarant and sole owner of all of the subject property and Lots, hereby revises the Amendment and Annexation to Protective Covenants for Bald Head Island Stage Two, Single Family 10, Cape Fear Station, as follows:

Subparagraph (e) of Paragraph 7, "BUILDING AND SITE RESTRICTIONS", is hereby deleted in its entirety and replaced with the following provision, to wit:

- (e) **There are hereby reserved for the benefit of the owners of the Lots within the Plat, the Declarant, the Association, and all public and private utilities, and for the benefit of the Village of Bald Head Island, those certain easements for the installation and maintenance of all utilities, public and private, and the maintenance of all roads and alleys, upon, under and across the following: all portions of the private vehicular access easement shown on the Plat, the front seven (7') feet of each Lot (adjacent to the public road rights-of-way), and five (5') feet along the side Lot lines of each Lot. There is further reserved, for the benefit of the Declarant and the Association, a**

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drainage easement ten (10') feet in width, upon and across the eastern five (5') feet of Lot 6010 and the western five (5') feet of Lot 6008, as shown on the Plat.

Except as specifically amended and supplemented by this Addendum, all of the terms, provisions and conditions of the Protective Covenants for Bald Head Island Stage Two, and of the Amendment and Annexation to Protective Covenants, Bald Head Island Stage Two, Single Family 10, Cape Fear Station, remain in full force and effect and fully applicable to the subject property described herein.

IN WITNESS WHEREOF, the undersigned being the Declarant herein has caused this instrument to be executed by its duly authorized attorney in fact, under seal, this the 15th day of June, 2000.

BALD HEAD ISLAND LIMITED (SEAL)
a Texas Limited Partnership

By: [Signature] (SEAL)
Kenneth M. Kirkman
Attorney in Fact

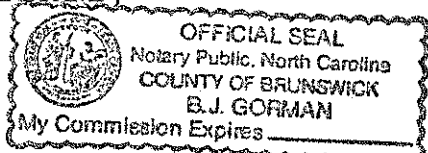
STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

I, B. J. Gorman, a Notary Public for said County and State, do hereby certify that Kenneth M. Kirkman, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said Bald Head Island Limited, and that his authority to execute and acknowledge said instrument is contained in an instrument duly executed, acknowledged, and recorded in the office of the Register of Deeds in the County of Brunswick, State of North Carolina, in Deed Book 1143 at Page 916, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said Kenneth M. Kirkman acknowledged the due execution of the foregoing an annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.

WITNESS my hand and official seal, this the 15th day of June, 2000.

{SEAL STAMP}



B. J. Gorman
Notary Public
My commission expires: 3/10/03

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of B J GORMAN

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

Brunswick County—Register of Deeds
Robert J. Robinson
Inst #95386 Book 1525Page 451
11/29/2001 09:11:43am Rec# 91305

SECOND ADDENDUM
TO AMENDMENT AND ANNEXATION
TO PROTECTIVE COVENANTS
BALD HEAD ISLAND STAGE TWO
SINGLE FAMILY 10
CAPE FEAR STATION

Jude Ward
14- REV. IC# 38
C# CK AMT 331- CK# 1371
ISH REF RV

THIS SECOND ADDENDUM TO AMENDMENT AND ANNEXATION TO PROTECTIVE COVENANTS, BALD HEAD ISLAND STAGE TWO, SINGLE FAMILY 10, CAPE FEAR STATION, is made as of the 1st day of NOVEMBER, 2001, as follows:

WHEREAS, Bald Head Island Limited, a Texas limited partnership, is the developer of that certain real property located in the Village of Bald Head Island and known as Single Family 10, Cape Fear Station, Brunswick County, North Carolina; and,

WHEREAS, Bald Head Island Limited and its affiliated company, Bald Head Construction, Inc., a North Carolina corporation, are the sole owners of all of the property and Lots located in said Single Family 10; and,

WHEREAS, Lot 6016 in said Single Family 10 is subject to an unrecorded Purchase and Sale Agreement dated October 11, 2001, executed by Bald Head Construction, Inc. as Seller, which Agreement grants certain rights in Lot 6016 to the intended Buyers thereof; and,

WHEREAS, Bald Head Island Limited, as Declarant, has heretofore caused to be recorded in the records of the Brunswick County Registry in Book 1380 at Page 1147, an Amendment and Annexation to Protective Covenants for Bald Head Island Stage Two, Single Family 10, Cape Fear Station, and in Book 1388 at Page 21 in said Registry an Addendum to said Amendment and Annexation, and has further caused to be recorded in said Registry in Map Book 22, Page 537, as revised in Map Book 23, Page 93, a Plat of survey which sets out and describes the real property and Lots subject to said Amendment and Annexation and its Addendum; and,

WHEREAS, the Declarant, as developer, with the joinder and consent of Bald Head Construction, Inc., as owners of all of the property and Lots in said Single Family 10, being even-numbered Lots 6000 through 6016 as set forth in the aforesaid revised Plat of survey, and with the consent of the intended Buyers of Lot 6016, has designated a portion of all of said Lots as Open Space, and has caused said real property and Lots to be resurveyed and replatted to reflect the Open Space area, which second revised Plat of survey is recorded in Map Cabinet 25, Instrument 185, Brunswick County Registry; and,

WHEREAS, Bald Head Construction, Inc., as owner of Lots 6010 and 6016 in said Single Family 10, along with the intended Buyers of said Lot 6016, hereby joins in and consents to said second revised Plat of survey for the Lots, and to the terms set forth in this Second Addendum;

NOW, THEREFORE, Bald Head Island Limited, Declarant, with the joinder and consent of Bald Head Construction, Inc., together being the sole owners of all of the subject property and Lots, and with the consent of the intended Buyers of Lot 6016, hereby revises the Amendment and Annexation to Protective Covenants for Bald Head Island Stage Two, Single Family 10, Cape Fear Station, as previously amended, to add sub-paragraph (h) to Paragraph 7, "BUILDING AND SITE RESTRICTIONS", to read as follows:

- (h) **There is shown on the revised Plat an Open Space area (indicated by the shaded area on all Lots), totalling 2.2 acres in size, which area shall be maintained to preserve its natural and undisturbed character. No above-ground improvements shall be constructed within said Open Space area except walkways and structures related thereto, such as benches, all of which are intended to accommodate casual, pedestrian use, and minor utility structures for pumps, wells, and similar purposes.**

FURTHER, Bald Head Island Limited, with the joinder and consent of Bald Head Construction, Inc., together being the sole owners of all of the property and Lots shown in the aforesaid revised Plat of survey, and with the consent of the intended Buyers of Lot 6016, hereby amends and revises said Plat to show the Open Space area, and said Lots shall henceforth be described with reference to said second revised Plat, but shall nonetheless remain subject to the Amendment and Annexation to Protective Covenants for Bald Head Island Stage Two, Single Family 10, Cape Fear Station, and any and all Addenda and amendments thereto.

Except as specifically amended and supplemented by this Second Addendum, all of the terms, provisions and conditions of the Protective Covenants for Bald Head Island Stage Two, and of the Amendment and Annexation to Protective Covenants, Bald Head Island Stage Two, Single Family 10, Cape Fear Station, as amended, remain in full force and effect and fully applicable to the subject property described herein.

IN WITNESS WHEREOF, the undersigned being the Declarant herein has caused this instrument to be executed by its duly authorized attorney in fact, under seal, this the 1st day of NOVEMBER, 2001.

BALD HEAD ISLAND LIMITED (SEAL)
a Texas Limited Partnership

By: Z.O. Hamilton (SEAL)
Z.O. Hamilton
Attorney in Fact

STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

I, Shaina Inman, a Notary Public for said County and State, do hereby certify that Z.O. Hamilton, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said

Bald Head Island Limited, and that his authority to execute and acknowledge said instrument is contained in an instrument duly executed, acknowledged, and recorded in the office of the Register of Deeds in the County of Brunswick, State of North Carolina, in Deed Book 1430 at Page 482, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said Z.O. Hamilton acknowledged the due execution of the foregoing and annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.

WITNESS my hand and official seal, this the 1st day of November, 2001.



Shaina Inman
Notary Public
My commission expires: 9/11/04

JOINDER AND CONSENT

Bald Head Construction, Inc., a North Carolina corporation, hereby joins in and consents to the aforesaid Second Addendum and to the second revised Plat of Cape Fear Station, Single Family 1B, referenced herein.

BALD HEAD CONSTRUCTION, INC.

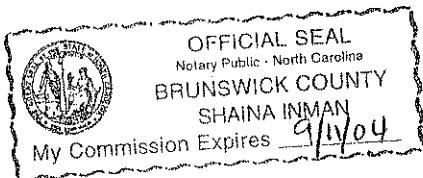
By: J. Andrew Sayre (SEAL)
Its VICE President

Judith Ward
Secretary

STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

I, Shaina Inman, a Notary Public for said County and State, do hereby certify that Judith Ward personally appeared before me this day and acknowledged that she is Secretary of Bald Head Construction, Inc., and that by authority duly given and as the act of Bald Head Construction, Inc., the foregoing instrument was signed in its name by its VICE President, sealed with its corporate seal and attested by her as its Secretary.

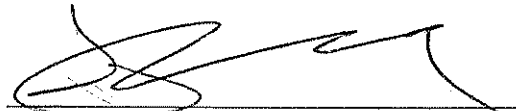
WITNESS my hand and official seal, this the 8th day of November, 2001.



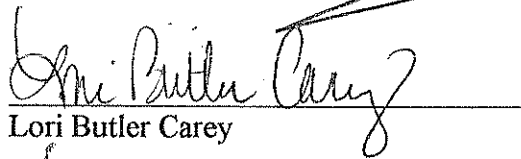
Shaina Inman
Notary Public
My commission expires: 9/11/04

BUYERS' CONSENT

The undersigned, being the Buyers of Lot 6016, Single Family 10, Cape Fear Station, Bald Head Island, North Carolina, under Purchase and Sale Agreement with Bald Head Construction, Inc. as Seller, dated October 11th, 2001, hereby acknowledge that they have reviewed the aforesaid Second Addendum and the second revised Plat of Cape Fear Station, Single Family 10, referenced herein, and by their signatures hereon, consent to the contents thereof, agree to take title to Lot 6016 in accordance therewith, and to be bound thereby.



J. Paul Carey (SEAL)

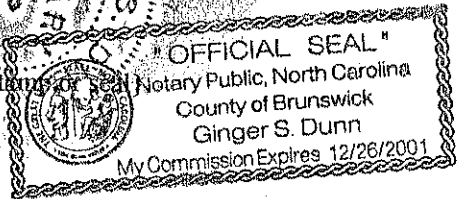


Lori Butler Carey (SEAL)

STATE OF North Carolina
COUNTY OF Brunswick

Ginger S. Dunn a Notary Public of and for the
County and State aforesaid, do hereby certify that J. Paul Carey and Lori Butler Carey, husband and wife,
personally appeared before me this day and acknowledged the execution of the foregoing instrument.

Witness my hand and official stamp or seal, this 22 day of October 2001.



Ginger S. Dunn
Notary Public
My Commission expires: 12/26/2001

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of SHAINA INMAN, GINGER S DUNN

Notary Public is (are) Certified to be Correct.
Instrument was filed for Registration on this 29th Day of November, 2001
in the Book and Page shown on the First Page hereof.

Robert J. Robinson
ROBERT J. ROBINSON, Register of Deeds

STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

Brunswick County--Register of Deeds
Robert J. Robinson
Inst #95387 Book 1525 Page 455
11/29/2001 09:14:09am Rec# 91365

CORRECTED DECLARATION TO
SECOND ADDENDUM
TO AMENDMENT AND ANNEXATION
TO PROTECTIVE COVENANTS
BALD HEAD ISLAND STAGE TWO
SINGLE FAMILY 10
CAPE FEAR STATION

THIS CORRECTED DECLARATION TO SECOND ADDENDUM TO AMENDMENT AND ANNEXATION TO PROTECTIVE COVENANTS, BALD HEAD ISLAND STAGE TWO, SINGLE FAMILY 10, CAPE FEAR STATION, is made as of the 12th day of NOVEMBER, 2001, as follows:

WHEREAS, Bald Head Island Limited, a Texas limited partnership, is the developer of that certain real property located in the Village of Bald Head Island and known as Single Family 10, Cape Fear Station, Brunswick County, North Carolina; and,

WHEREAS, Bald Head Island Limited, as Declarant, has heretofore caused to be recorded in the records of the Brunswick County Registry in Book 1380 at Page 1147, an Amendment and Annexation to Protective Covenants for Bald Head Island Stage Two, Single Family 10, Cape Fear Station, and in Book 1388 at Page 21 in said Registry an Addendum to said Amendment and Annexation, and has further caused to be recorded in said Registry in Map Book 22, Page 537, as revised in Map Book 23, Page 93, a Plat of survey which sets out and describes the real property and Lots subject to said Amendment and Annexation and its Addendum; and,

WHEREAS, the Declarant, as developer, with the joinder and consent of Bald Head Construction, Inc., as owners of all of the property and Lots in said Single Family 10, being even-numbered Lots 6000 through 6016 as set forth in the aforesaid revised Plat of survey, and with the consent of the Buyers of Lot 6016, designated a portion of all of said Lots as Open Space, and caused said real property and Lots to be resurveyed and replatted to reflect the Open Space area, which second revised Plat of survey is recorded in Map Cabinet 25, Instrument 185, Brunswick County Registry;

NOW, THEREFORE, Bald Head Island Limited, as Declarant, pursuant to paragraph 14 of the Protective Covenants for Bald Head Island Stage Two, recorded in Book 1045, Page 676, Brunswick County Registry, for the purpose of adding incidental provisions relating to the maintenance of the Open Space area defined in the Second Addendum to Amendment and Annexation to Protective Covenants, Bald Head Island Stage Two, Single Family 10, Cape Fear Station, heretofore recorded in Book 1525, Page 451, of said Registry, hereby revises said Second Addendum to Amendment and Annexation, as previously amended, to correct sub-paragraph (h) to Paragraph 7, "BUILDING AND SITE RESTRICTIONS", to read as follows:

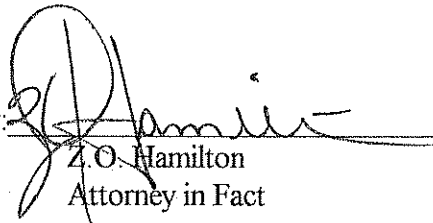
RET Jude Ward
TOTAL 12- REV. 38 IC# 38
REC# 331- CK AMT 1371 CK# 1371
CASH ED REF ED BY ED

- (h) There is shown on the revised Plat an Open Space area (indicated by the shaded area on all Lots), totalling 2.2 acres in size, which area shall be open and primarily undisturbed, and which shall be maintained to preserve its natural and undisturbed character. No above-ground improvements shall be constructed within said Open Space area except walkways and structures related thereto, such as benches, all of which are intended to accommodate casual, pedestrian use, and minor utility structures for pumps, wells, and similar purposes. The Association shall be responsible for maintenance of the Open Space, and shall cause said Open Space to be maintained in a good and sightly condition and in accordance with the requirements of these Covenants. In the event any part of the Open Space area on any Lot fall into an unsightly condition, or is used in violation of the requirements hereof, then the Association shall have the obligation, as well as the full right and authority, to go upon the property of any owner to bring the Open Space into compliance, to cause any improvements constructed thereon in violation of the Protective Covenants to be removed, and to maintain said Open Space in a good and sightly condition, and the Association shall recover the cost of all such work and maintenance from the owner of the offending Lot upon which the Open Space is located, either as a Special Assessment or as Supplemental Dues, all without the consent of any owner, in the manner authorized by Paragraph 6 of the Protective Covenants.

Except as specifically revised by this Corrected Declaration to Second Addendum, all of the terms, provisions and conditions of the Protective Covenants for Bald Head Island Stage Two, and of the Amendment and Annexation to Protective Covenants, Bald Head Island Stage Two, Single Family 10, Cape Fear Station, as amended, remain in full force and effect and fully applicable to the subject property described herein.

IN WITNESS WHEREOF, the undersigned being the Declarant herein has caused this instrument to be executed by its duly authorized attorney in fact, under seal, this the 12th day of NOVEMBER, 2001.

BALD HEAD ISLAND LIMITED (SEAL)
a Texas Limited Partnership

By:  (SEAL)
Z.O. Hamilton
Attorney in Fact

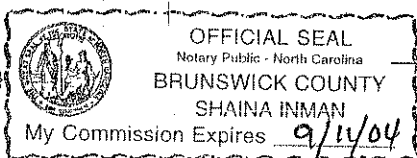
STATE OF NORTH CAROLINA
BRUNSWICK COUNTY

I, Shaina Inman, a Notary Public for said County and State, do hereby certify that Z.O. Hamilton, attorney in fact for Bald Head Island Limited, personally appeared before me this day, and being by me duly sworn, says that he executed the foregoing and annexed instrument for and in behalf of the said Bald Head Island Limited, and that his authority to execute and acknowledge said instrument is contained in an instrument duly executed, acknowledged, and recorded in the office of the Register of Deeds in the County of Brunswick, State of North Carolina, in Deed Book 1430 at Page 482, and that this instrument was executed under and by virtue of the authority given by said instrument granting him power of attorney.

I do further certify that the said Z.O. Hamilton acknowledged the due execution of the foregoing and annexed instrument for the purposes therein expressed for and in behalf of the said Bald Head Island Limited.

WITNESS my hand and official seal, this the 12th day of November, 2001.

{SEAL-STAMP}



Shaina Inman
Notary Public
My commission expires: 9/11/04

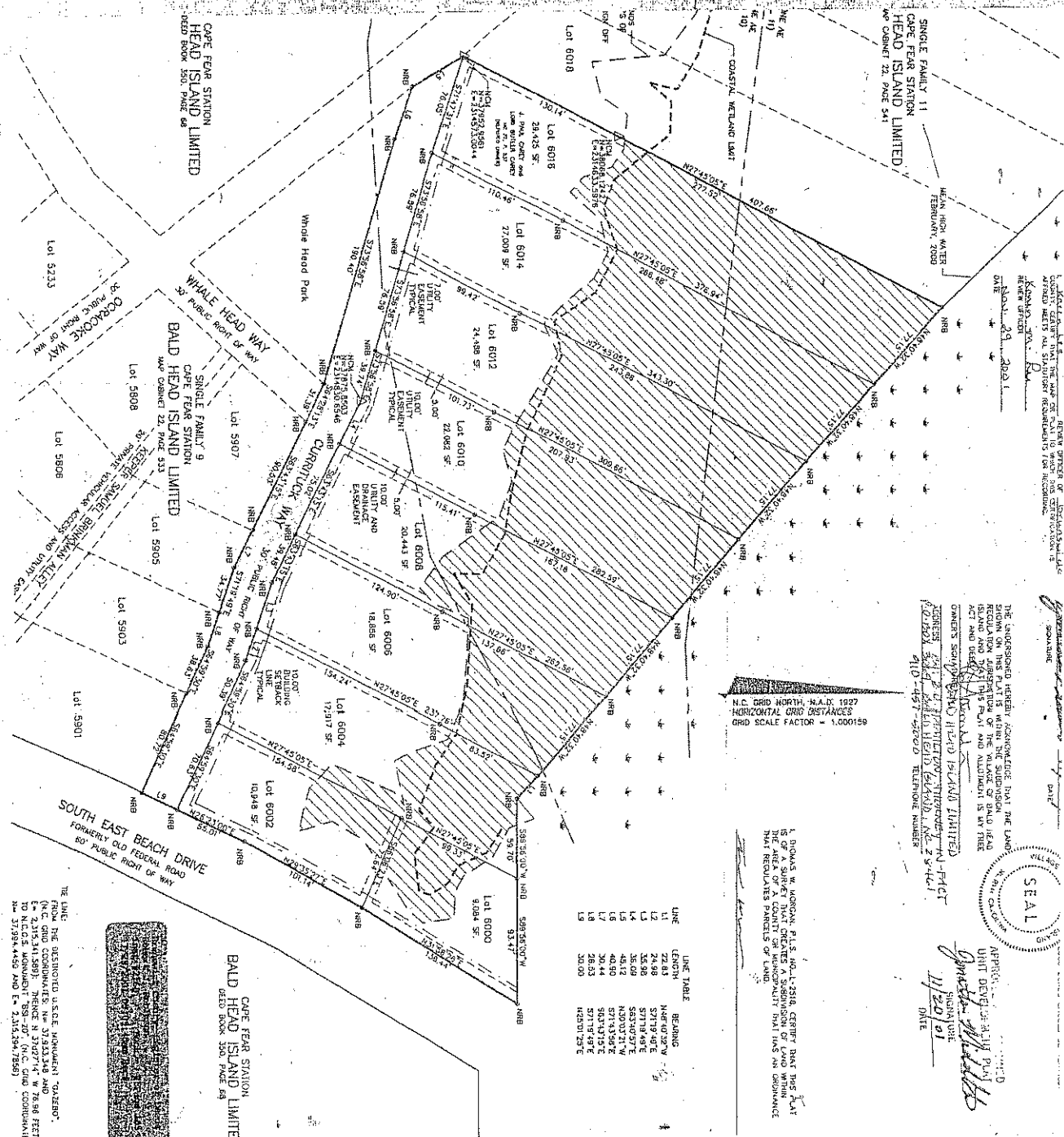
STATE OF NORTH CAROLINA
COUNTY OF BRUNSWICK

The Foregoing (or annexed) Certificate(s) of SHAINA INMAN

Notary(ies) Public is (are) Certified to be Correct.

This Instrument was filed for Registration on this 29th Day of November, 2001
in the Book and Page shown on the First Page hereof.

Robert J. Robinson
ROBERT J. ROBINSON, Register of Deeds



THE UNDERSIGNED HEREBY ACKNOWLEDGE THAT THE LANDS SHOWN ON THIS PLAN ARE THE PROPERTY OF BALD HEAD ISLAND LIMITED AND THAT THE PLAN AND ALLOTMENT IS IN FULL ACCORDANCE WITH THE ACT AND REGULATIONS THEREOF.

THE UNDERSIGNED HEREBY ACKNOWLEDGE THAT THE LANDS SHOWN ON THIS PLAN ARE THE PROPERTY OF BALD HEAD ISLAND LIMITED AND THAT THE PLAN AND ALLOTMENT IS IN FULL ACCORDANCE WITH THE ACT AND REGULATIONS THEREOF.

APPROVED: *[Signature]*
DATE: 11/20/01

SEAL
UNIT DEVELOPER
DATE: 11/20/01

HORIZONTAL GRID DISTANCES
GRID SCALE FACTOR = 1.000159

1. DOWNS W. MORGAN P.L.S. 100-1-2518 CERTIFY THAT THIS PLAN IS OF A SURVEY THAT CREATES A SUBDIVISION OF LAND WITHIN THE AREA OF A COUNTY OR MUNICIPALITY THAT HAS AN ORDINANCE THAT REGULATES THE DIVISION OF LANDS.

LINE	BEARING	DISTANCE
L1	N 89° 00' 00" W	22.81
L2	N 89° 00' 00" W	24.98
L3	N 89° 00' 00" W	35.98
L4	N 89° 00' 00" W	38.09
L5	N 89° 00' 00" W	55.93
L6	N 89° 00' 00" W	48.50
L7	N 89° 00' 00" W	30.44
L8	N 89° 00' 00" W	26.33
L9	N 89° 00' 00" W	30.00

THE LINE BEING THE DESTROYED U.S.D. MONUMENT TAPE. (N.C. GRID COORDINATES: N = 3133.148 AND E = 7638.887 FEET TO N.C.S. MONUMENT TSS-27 (N.C. GRID COORDINATES: N = 3139.449 AND E = 2,115.247, 7585)

**CAPE FEAR STATION
BALD HEAD ISLAND LIMITED**
FIELD BOOK 300, PAGE 48

BRUNSWICK SURVEYING, INC.
Professional Land Surveyor
North Carolina License No. 11875
1027 Sabaish House Rd., Suite 200
Smyth, North Carolina 28442 (910)444-8392

REVISIONS:
REVISION 5-5-00
REVISION 8-20-00 EXHIBIT
REVISION 8-20-00 FIELD BOOK
REVISION 8-20-01 SPACED
REVISION 11-12-01 DTG

SCALE: 1" = 50'
DATE: 3-29-00
DRAWN BY: A.A.
CHECKED BY: J.M.
TOWNSHIP: SMITHVILLE
COUNTY: BRUNSWICK

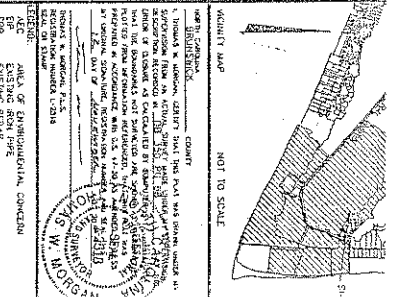
**CAPE FEAR STATION
BALD HEAD ISLAND
SINGLE FAMILY 10**

THIS PLAN SURVEYOR'S LAW CASE 23, PAGE 93, RECEIVED P.L.U. FROM 09.20.00 P. 88, AND NC 22, AND FROM THE STATE ARCHIVES, CHARLOTTE, NORTH CAROLINA.

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MC 25/P6 185

