

NORTH CAROLINA  
DARE COUNTY

DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS  
FOR HATTERAS BY THE SEA

THIS DECLARATION is made on the date hereinafter set forth by Hatteras by the Sea Associates, a Limited Partnership, a North Carolina limited partnership, hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in Hatteras Township, County of Dare, State of North Carolina, which is more particularly described on Exhibit A attached hereto and incorporated herein by reference.

NOW, THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to the Hatteras by the Sea Homeowners Association, its successors and assigns.

Section 2. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinabove described.

Section 4. "Common Area" shall mean all real property and improvements thereon owned by the Association for the common use and enjoyment of the Owners and consisting of undedicated streets and their appurtenant easements, roadway lighting and landscaping (including roadway lighting and landscaping located within the right-of-way of dedicated streets to the extent permitted by applicable laws), walls, signage, boardwalks, beach access easements, dumpster sites, recreational areas and creeks, as shown in part on a plat or plats of Hatteras by the Sea recorded in the Office of the Dare County Register of Deeds including, but

not limited to, that area labeled on the recorded plat of Hatteras by the Sea as "Recreational Area" and "Club and Swimming Pool."

Section 5. "Lot" shall mean any separately numbered plot of land, regardless of size as shown on a recorded subdivision map of Hatteras by the Sea which has been approved by Declarant and shall include any Dwelling Unit constructed thereon.

Section 6. "Dwelling Unit" shall mean a residence containing sleeping facilities for one or more persons and a kitchen.

Section 7. "Member" shall mean and refer to every person or entity entitled to membership with voting rights in the Association as provided in this Declaration.

Section 8. "Declarant" shall mean and refer to Hatteras by the Sea Associates, a North Carolina limited partnership, as well as its successors and assigns, if such successors or assigns should acquire more than one Lot from the Declarant for the purpose of development.

Section 9. "Board" or "Board of Directors" shall mean those persons elected or appointed and acting collectively as the Board of Directors of the Association.

Section 10. "ARC" or "Architectural Review Committee" shall mean those persons appointed by the Declarant or the Board of Directors of the Association in accordance with the provisions of Article VI of this Declaration.

## ARTICLE II

### PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to dedicate or transfer the use of all or any part of the Common Area by the Association to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument is signed by at least two-thirds (2/3) of the Members, agreeing to such dedication or transfer, has been recorded;

(b) the right of the Association to promulgate rules and regulations to maintain the Common Area specifically including the right to require every Owner to refrain from any use of his

