

Drawn by & Mail to: Seay, Harvey, Titchener & Horne, Box 18807, Raleigh
NC 27619

STATE OF NORTH CAROLINA, '88 JUL 1 1988

DARE COUNTY.

PROTECTIVE COVENANTS OF
THE RIDGES IN
THE VILLAGE AT NAGS HEAD
PARCEL "E2 and E3"
SECTION ONE

THIS DECLARATION, Made this 26th day of July, 1988, by AMMONS
DARE CORPORATION, a North Carolina corporation, hereinafter called
"Declarant."

W I T N E S S E T H:

THAT WHEREAS, the Declarant is the owner of the real property described in Article I of this Declaration and is desirous of subjecting said real property to the Protective Covenants hereinafter set forth, each and all of which is and are for the benefit of such property and for each owner thereof, and shall inure to the benefit of and pass and run with said property, and each and every lot or parcel thereof, and shall apply to and bind the successors in interest and any owner thereof.

NOW, THEREFORE, the Declarant hereby declares that the real property described in and referred to in Article I hereof is and shall be held, transferred, sold, and conveyed subject to the Protective Covenants set forth below:

ARTICLE I

The real property which is, and shall be held, transferred, sold and conveyed subject to the Protective Covenants set forth in the Articles of this Declaration is located in the County of Dare, State of North Carolina, and is more particularly described as follows:

Being Lots Numbered 1 through 9, inclusive, as the same are shown on a map of The Ridges, Section One, in The Village at Nags Head, Parcel "E2 and E3", recorded in Plat Cabinet C at Page 52-C, Dare County Registry.

The real property described in Article I hereof is subject to the Protective Covenants and Restrictions hereby declared to insure the best use and the most appropriate development and improvement of each lot thereof; to protect the owners of lots against such improper use of surrounding lots as will depreciate the value of their property; to preserve, so far as practicable, the natural beauty of said property; to guard against the erection thereof of poorly designed or proportioned structures, and structures built of improper or unsuitable materials; to obtain harmonious color schemes; to insure the highest and best development of said property; to encourage and secure the erection of attractive houses thereon, with appropriate locations thereof on lots; to prevent haphazard and inharmonious improvement on lots; to secure and maintain property setbacks from streets, and adequate free spaces between structures, and in general to provide adequately for a high type and quality of improvements in said property, and thereby to enhance the values of investments made by purchasers of lots therein.

ARTICLE II

LAND USE AND BUILDING TYPE. No lot shall be used except for residential purposes; however, this shall not prohibit the leasing of part or all of the units on a long or short term basis. No building or structure, including TV Satellite Dish, shall be erected, altered placed or permitted to remain on any lot other than one detached dwelling not to exceed three (3) stories in height and a private garage (attached or located under said structure).

ARTICLE III

BUILDING PLANS AND LOCATION. No building shall be erected, placed, or altered on any premises in said development until the building plans, specifications, (including exterior colors), and plot showing the location of every such building, have been approved in writing as to conformity and harmony of external design with existing structures in the development, and as to location of the building with respect to topography and finished ground elevation by the Architectural Committee, which shall be a committee composed of three persons designated and appointed by the Board of Directors of Ammons Dare Corporation, its successors or its assigns. In the event the Committee fails to approve or disapprove such design or location within thirty days after the plans and specifications have been submitted to it, or, in any event, if no suit to enjoin the erection of any such building or the making of such alterations has been commenced prior to the completion thereof, such approval will not be required and this covenant will be deemed to have been fully complied with. Members of the Committee shall not be entitled to any compensation for services performed pursuant to this covenant.

ARTICLE IV

DWELLING SIZE. Except with the prior written approval of the Architectural Committee, no single story residential structure which has an area of less than 1100 square feet, exclusive of porches, breeze-ways, steps and garages, shall be erected or placed or permitted to remain on any lot, and no residential structure in excess of a single story which has an area of less than 1400 square feet, exclusive of porches, breeze-ways, steps and garages, shall be erected or placed or permitted to remain on any lot.

ARTICLE V

MINIMUM BUILDING SETBACK LINES. Minimum building setback lines shall be as follows:

Front Property Line	30 Feet from Seachase Drive
Side Property Line	15 Feet from Private Streets
Rear Property Line	15 Feet

Setback lines shown as dashed lines on the recorded map are binding. For the purpose of this covenant, eaves and steps shall not be considered a part of a building, provided, however, that this shall not be construed to permit any portion of a building on a lot to encroach upon another lot.

ARTICLE VI

LOT, AREA AND WIDTH. All lots as shown on the recorded map hereinbefore referred to are hereby approved.

ARTICLE VII

EASEMENTS. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat and over the front fifteen (15) feet of each lot and five (5) feet on the rear and each side line unless shown in excess of such distances on recorded plat, in which case the plat shall

control. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities and drainage facilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot, except for those improvements for which a public authority or utility company is responsible. In addition, an easement for irrigation purposes is reserved by the Declarant which is assignable to the Village at Nags Head Property Owners Association for irrigation and landscaping purposes.

ARTICLE VIII

BUSINESS, MANUFACTURING, COMMERCIAL AND PROFESSIONAL USES PROHIBITED: NUISANCES PROHIBITED. No part of the said property shall be used for business, manufacturing, commercial or professional purposes. No noxious or offensive trade or activity shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No business activity or trade of any kind whatsoever shall be carried on upon any lot. No trade materials or inventories may be stored or regularly parked on the premises. No sign of any style or design shall be placed or maintained on any lot without the prior approval of the Architectural Committee.

ARTICLE IX

TEMPORARY STRUCTURES. No trailer, detached garage, tent, shack, barn or other outbuilding shall be erected or placed on any lot covered by these Covenants. Also, no clotheslines, satellite dishes or any outside antennas (radio and television) shall be permitted without express written consent of the Architectural Committee.

ARTICLE X

FENCES. No fence, wall, hedge, or mass planting shall be permitted except upon approval by the Architectural Committee as to location, style, design and materials.

ARTICLE XI

ANIMALS. No animals or poultry of any kind, other than house pets, shall be kept or maintained on any part of said property. House pets may not be kept, bred or maintained for any commercial purpose.

ARTICLE XII

PARKING. Adequate off-street parking shall be provided by the owner of each lot for the parking of automobiles owned by such owner, and owners of lots shall not be permitted to park their automobiles on the streets in the development. Owners of lots shall not be permitted to park boats, trailers, campers and all other similar property on the streets in the development, and such property shall be parked in a garage on the owners lot. No unlicensed vehicle or junk cars shall be parked on any lot, in the streets or common areas.

ARTICLE XIII

DECKS. No detached, built up or roof top decks shall be permitted unless approved by the Architectural Committee.

ARTICLE XIV

YARD MAINTENANCE. Each lot owner delegates to The Ridges Property Owners Association sole responsibility of landscaping the grounds adjacent to their dwelling and maintaining said grounds in a neat, attractive and orderly condition without accumulation of litter or debris. Declarant delegates to the Property Owners Association the authority to make improvements that need to be made. It being understood that Property Owners Association or its designee shall have easement rights to complete the maintenance work required without committing a legal trespass.

ARTICLE XV

UNDERGROUND UTILITIES AND STREET LIGHTING. Declarant reserves the right to subject the real property described hereinabove to a contract with North Carolina Power Company for the installation of underground electric cables and the installation of street lighting, either or both of which may require a continuous monthly charge to the owner of each building lot.

ARTICLE XVI

EXTERIOR LIGHTS. All light bulbs or other lights installed in any fixture located on the exterior of any dwelling, building or other structure located on any lot shall be clear, white, or nonfrost lights or bulbs.

ARTICLE XVII

TERM. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date on which this Declaration and Agreement is filed for registration in the Registry of Dare County, after which period said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then owners of the lots has been recorded agreeing to change said covenants in whole or in part.

ARTICLE XVIII

ENFORCEMENT. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain violation or to recover damages, or both.

ARTICLE XIX

SEVERABILITY. Invalidation of any one of these covenants or any part thereof by judgment or court order shall in no wise affect any of the other provisions which shall remain in full force and effect, and the failure of any person or persons to take action to enforce the violation of any of these covenants and restrictions shall not be construed as a waiver of any enforcement rights and shall not prevent the enforcement of such covenant or covenants in the future.

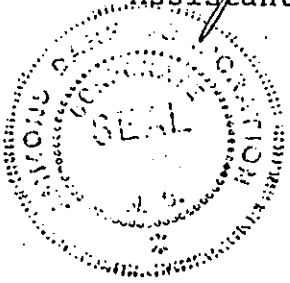
IN WITNESS WHEREOF, Ammons Dare Corporation has caused this instrument to be executed in its corporate name by its proper officers and its corporate seal hereunto affixed, as of the day and year first above written.

AMMONS DARE CORPORATION

ATTEST:

Myrtice B. Wilder
Assistant Secretary

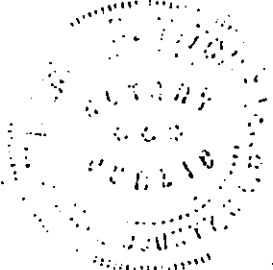
By [Signature]
Vice President



NORTH CAROLINA,
COUNTY OF _____

I, the undersigned Notary Public, do hereby certify that Myrtice B. Wilder personally came before me this day and acknowledged that s he is Assistant Secretary of Ammons Dare Corporation, a corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Vice President, sealed with its corporate seal and attested by her self as its Assistant Secretary.

Witness my hand and notarial seal, this 26th day of July, 1988.



[Signature]
Notary Public
(William R. Titchener)

My commission expires: 9-25-90

NORTH CAROLINA
COUNTY OF DARE

The foregoing Certificate of William R. Titchener,
Notary Public of Wake Co. NC
is certified to be correct. This instrument and this certificate are duly registered
at the time and in the Book and Page shown on the first page hereof.

DORRIS A. FRY, REGISTER OF DEEDS, - DARE COUNTY

By: [Signature]
Assistant/Deputy Register of Deeds