



Doc ID: 001590240004 Type: CRP
 Recorded: 03/06/2006 at 04:13:38 PM
 Fee Amt: \$23.00 Page 1 of 4
 Currituck County, NC
 Charlene Y Dowdy Register of Deeds

BK 931 PG 470-473

Prepared by and Return to:
 E. Crouse Gray, Jr., Attorney at Law
 GRAY & LLOYD, L.L.P.
 3120 North Croatan Highway, Ste. 101
 Kill Devil Hills, North Carolina 27948
 My File No. 9101-103

**SECOND AMENDMENT TO DECLARATION OF PROTECTIVE COVENANTS,
 CONDITIONS, RESTRICTIONS AND EASEMENTS
 KILMARLIC RESIDENTIAL COMMUNITY ASSOCIATION**

THIS SECOND AMENDMENT to Declaration of Protective Covenants, Conditions, Restrictions and Easements, Kilmarlic Residential Community, made this the 6 day of MARCH, 2006, by KILMARLIC RESIDENTIAL, LLC, a Virginia limited liability company, hereinafter referred to as ("Developer") and SEAGRASS, LLC, a North Carolina limited liability company, hereinafter referred to as ("Seagrass").

WITNESSETH:

WHEREAS, Developer and Fortune Bay Golf Club, LLC, a Virginia limited liability company ("Fortune Bay") heretofore executed and recorded a Declaration of Protective Covenants, Conditions, Restrictions and Easements, as recorded in Deed Book 658, Page 90, Currituck County Public Registry, for the residential community known as "Kilmarlic Residential Community"; and

WHEREAS, Fortune Bay, conveyed the real property constituting the Kilmarlic Residential Community to Developer; and

WHEREAS, the Declaration of Protective Covenants, Conditions, Restrictions and Easements, as recorded in Deed Book 658, Page 90, hereinafter referred to as ("Declaration"), provides in part in Section 2.02, a mechanism wherein Developer may add additional properties to the benefits, rights, duties and obligations of the Declaration; and

WHEREAS, the Declaration in Section 3.07, authorizes the Developer to assign its membership in the Kilmarlic Residential Community Association to any individual, trust, estate, partnership, corporation, limited liability company, a business trust or other entity; and

WHEREAS, Developer desires to assign its rights, duties and obligations pursuant to the Declaration to Seagrass; and

WHEREAS, Developer and Seagrass desire to add additional properties as set forth herein to become subject to the rights, duties and obligations of the Declaration.

NOW, THEREFORE, Developer and Seagrass, for itself, its successors and assigns, hereby amend the Declaration and assign certain rights as follows:

1. Kilmarlic Residential, LLC does hereby assign all its right, title and interest as Developer to Seagrass. Seagrass hereby accepts such assignment and agrees to be bound by all of the terms, conditions, rights, duties and obligations and benefits of Developer as set forth in the Declaration. Seagrass hereby further agrees to hold harmless, protect and indemnify Kilmarlic Residential, LLC and/or its Members and Managers from any and all litigation, damages, expenses and charges, including, but not limited to, attorney's fees and expenses of litigation which, are sustained or incurred by Kilmarlic Residential, LLC and/or its Member and Managers under or arising directly or indirectly out of Kilmarlic Residential, LLC acts or actions or inactions as Developer or the assignment of the rights, duties, benefits and obligations of Developer as contained herein.
2. Developer does hereby assign its membership interest in the Kilmarlic Residential Community Association to Seagrass, including the right to vote the Class B Membership. This assignment of rights as Class B Membership, including the right to vote such Class B Membership, shall be effective for each and every lot who's title is still retained by Developer as of the date this Second Amendment to Declaration is recorded in the Currituck County Registry of Deeds until the Class B Membership for such lot shall be terminated pursuant to Section 3.02.1 of the Declaration.
3. Developer and Seagrass do hereby declare that the properties set forth on Exhibit "B" shall, effective as of the date of recording of the Subdivision Plat thereof, be subject to all of the rights, duties and obligations as set forth within the Declaration including, but not limited to, rights of either Class B or Class A Membership and the obligation to pay assessments as set forth within such Declaration.

IN WITNESS WHEREOF, Kilmarlic Residential, LLC and Seagrass, LLC, have executed this Second Amendment to Declaration of Protective Covenants, Conditions, Restrictions and Easements the day and year first above written.

KILMARLIC RESIDENTIAL, LLC

By: [Signature] (SEAL)
A. Russell Kirk, Manager

By: [Signature] (SEAL)
Alfred E. Abiouness, Manager

SEAGRASS, LLC

By: [Signature] (SEAL)
Bryan Sullivan, Manager

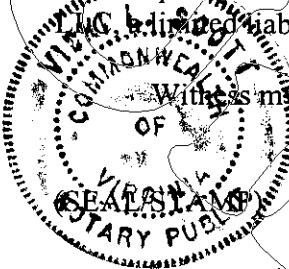
By: [Signature] (SEAL)
Jim Geraghty, Manager

By: [Signature] (SEAL)
Lorimer J. White, Manager

STATE OF Virginia
CITY/COUNTY OF Virginia Beach

I, Vicki L. Scott, a Notary Public, hereby certify that A. Russell Kirk personally came before me this day and acknowledged the execution of the foregoing instrument, all in his capacity as a manager in, and in the name and for and on behalf of, Kilmalric Residential, LLC, a limited liability company organized under the laws of the State of Virginia.

Witness my hand and official seal this the 6th day of March, 2006.

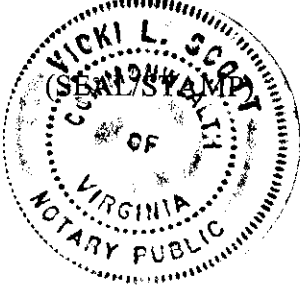


Vicki L. Scott
Notary Public
My Commission Expires: 4-30-07

STATE OF Virginia
CITY/COUNTY OF Virginia Beach

I, Vicki L. Scott, a Notary Public, hereby certify that Alfred E. Abiouness personally came before me this day and acknowledged the execution of the foregoing instrument, all in his capacity as a manager in, and in the name and for and on behalf of, Kilmalric Residential, LLC, a limited liability company organized under the laws of the State of Virginia.

Witness my hand and official seal this the 6th day of March, 2006.

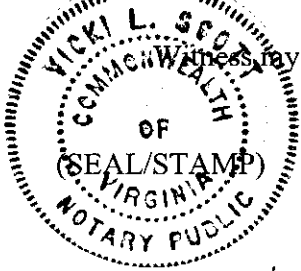


Vicki L. Scott
Notary Public
My Commission Expires: 4-30-07

STATE OF Virginia
CITY/COUNTY OF Virginia Beach

I, Vicki L. Scott, a Notary Public, hereby certify that Bryan Sullivan personally came before me this day and acknowledged the execution of the foregoing instrument, all in his capacity as a manager in, and in the name and for and on behalf of, Seagrass, LLC, a limited liability company organized under the laws of the State of North Carolina.

Witness my hand and official seal this the 6th day of March, 2006.

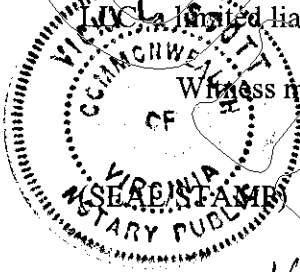


Vicki L. Scott
Notary Public
My Commission Expires: 4-30-07

STATE OF Virginia
CITY/COUNTY OF Virginia Beach

I, Vicki L. Scott, a Notary Public, hereby certify that Jim Geraghty personally came before me this day and acknowledged the execution of the foregoing instrument, all in his capacity as a manager in, and in the name and for and on behalf of, Seagrass, LLC, a limited liability company organized under the laws of the State of North Carolina.

Witness my hand and official seal this the 6th day of March, 2006.



Vicki L. Scott
Notary Public
My Commission Expires: 4-30-07

STATE OF Virginia
CITY/COUNTY OF Virginia Beach

I, Vicki L. Scott, a Notary Public, hereby certify that Lorimer J. White, personally came before me this day and acknowledged the execution of the foregoing instrument, all in his capacity as a manager in, and in the name and for and on behalf of, Seagrass, LLC, a limited liability company organized under the laws of the State of North Carolina.

Witness my hand and official seal this the 6th day of March, 2006.



Vicki L. Scott
Notary Public
My Commission Expires: 4-30-07