

**EDGEWATER ESTATES PROPERTY OWNERS ASSOCIATION, Inc.**  
**Post Office Box 146**  
**Lewes, Delaware 19958**

#### MISSION STATEMENT

The Edgewater Estates Property Owners Association, Inc. also known as the Association and/or Edgewater Estates, has been formed to assume the responsibility for:

- maintaining and perpetuating a community of homes of high standards with respect to size, architectural design, general upkeep of real estate, and maintenance of grounds.
- advocating with County and State Authorities to ensure their commitment to the community with respect to streets, right of way, and all things for which Edgewater Estates property owners are assessed taxes.

The Property Owners Association in no way, directly or implied, wishes to infringe on the rights of any property owner. The Association asks all property owners to abide by the Restrictive Covenants and restrictions established and updated by the Property Owners Association.

## **RESTRICTIVE COVENANTS**

The following is a compilation of the Restrictive Covenants applicable to Edgewater Estates as originally recorded in October, 1973, and five succeeding amendments or revisions, the last of which was approved in March, 2001.

THIS IS NOT A LEGAL DOCUMENT. Every effort has been made to see that this compilation is complete and accurate; however, the legally enforceable Restrictive Covenants are those recorded in Sussex County, Delaware.

All that certain tract, piece and parcel of land and branch situate, lying and being in Lewes and Rehoboth Hundred, County and State aforesaid, on the East side of Paynter's Mill Pond, (also known as Red Mill Pond), and on the South side of Long Branch, adjoining lands of the George Hall Estate and others, and containing the quantity in the whole tract of 177 acres and 10 square perches, be the same more or less.

Being the same tract, piece and parcel of land that was conveyed to the above grantor by deed of Anna Mae Conaway, widow, said deed being dated the 7th day of April, 1973, and of record in the Office of the Recorder of Deeds at Georgetown, Sussex County, Delaware, in Deed Book 703, at page 571.

**EDGEWATER ESTATES PROPERTY OWNERS ASSOCIATION, INC.**

DECLARATION AMENDMENT TO RESTRICTIONS AND COVENANTS OF THE SUBDIVISION KNOWN AS EDGEWATER ESTATES CURRENTLY RECORDED IN THE OFFICE OF THE RECORDER OF DEEDS, IN AND FOR SUSSEX COUNTY IN DEED BOOK 720 AT PAGE 25, AS PREVIOUSLY AMENDED IN DEED BOOK 720 AT PAGE 358, DEED BOOK 732 AT PAGE 626, DEED BOOK 1671 AT PAGE 212, AND IN DEED BOOK 1943, PAGE 274 ET SEQ.

Authorization Of Amendment By Written Consent

- A. Pursuant to the Edgewater Estates Restrictive Covenants, as amended and filed of record in the Office of the Recorder of Deeds, in and for Sussex County, in Deed Book 1671 at page 212, paragraph 15 of the Restrictive Covenants provides that the Edgewater Estates Property Owners Association, Inc. ("The Association") shall be a non-profit corporation formed by Edgewater Estates, L. P., and that each owner of a lot, by owning a lot, becomes a member of the Association.
- B. The Board of Directors of the Association appointed a Restrictive Covenant Review Committee which reported to the Board of Directors of the Association proposed amendments to the above-referenced recorded restrictions and covenants.
- C. The proposed amendments were circulated to the members of the Association with a request to consent in writing to said amendments in lieu of a meeting.
- D. The following amendments to the Restrictive Covenants of Edgewater Estates have been duly authorized by the required consents in writing, delivered by the members of the Association to the Association in accordance with the provisions of 8 Del.C. § 228.
- E. The Association, by its duly authorized officers, hereby certify that copies were received by the Association within 60 days of the date of mailing of the request for the consent, and the close of balloting on the proposed restrictive covenants amendment in accordance with 8 Del.C. § 228 (c).
- F. The signed written consents have been duly received by the Association to authorize an amendment to the Restrictive Covenants and authorize corporate action to amend the Restrictive Covenants in accordance with the voting powers of the members of the Association in accordance with 8 Del.C. § 228, and authorizing amendment of the previous restrictive covenants of the Edgewater Estates Subdivision by written consents, as recorded as stated in the heading of this document.

NOW, THEREFORE, The Restrictive Covenants applying to the Edgewater Estates Subdivision, recorded as stated in the heading of this document, are further amended by deleting Paragraphs 1 through 16 of the existing Restrictive Covenants as amended in entirety and inserting in lieu thereof the following revised Restrictive Covenants Paragraph 1 through 24:

1. The aforementioned premises, or any part thereof, shall not be used for business or commercial purposes, but shall be restricted and limited to single family residential purposes and uses only.
2. Not more than one (1) dwelling shall be erected upon anyone (1) building lot, provided, however, that nothing herein contained shall deny to any owner the right to erect upon any one (1) building lot, as aforesaid, a garage in addition to the dwelling. The garage may not be a garage apartment for residential use; however, such space may be used by domestic help. No garage or any other structure may be placed or erected prior to the dwelling house.
3. No building or other structure, or projection therefrom, shall be erected upon or extended within forty (40) feet of the front or street line, or shore line if such applies, or within twenty (20) feet of the rear line adjoining another property owner, or within fifteen (15) feet of the side lines of the adjoining property owners. For a corner lot, the structure as defined heretofore in this paragraph must not extend within forty (40) feet of the street which it faces (front) or within thirty (30) feet of the other street bordering said lot (street side), or within fifteen (15) feet of the side line of the adjoining property owner (interior side), or within twenty (20) feet of the rear line adjoining another property owner. In any controversy regarding what constitutes the front, rear, or sides of any structure, or building lot, the decision of Edgewater Estates, its Successors or Assigns, will be final. Building lots abutting County Road 265 must comply with Sussex County regulations and set-backs. Grade changes affecting the flow of water to or from adjacent lots are prohibited. No building shall occupy more than thirty-five (35) percent of the area of the lot on which it is situated.
4. All dwellings constructed on said lots shall have a minimum square footage of floor area of 1,600 square feet for a single story dwelling, and 2,000 square feet for a two story dwelling. All dwellings containing living levels on more than one living floor shall be deemed two story dwellings. In making the computation of the square footage requirement for any dwelling, only living space shall be considered and in this regard the square footage of unenclosed, open or screened porches, garages, carports, attics, cellars, breezeways, terraces, stoops, and the like shall not be included. No building shall be over 35 feet in height and no building shall be erected with a flat roof. The roof pitch of any building must be equal or greater than three (3) inches in one (1) foot, provided, however, that mansard roofs for two story dwellings shall be permitted. Each new dwelling shall have, at least, a one car garage.

5. No building, structure, fence, wall or other erection shall be commenced, erected, maintained or used, nor shall any addition to or change or alterations therein, or in the use thereof, be made upon any of the lots no matter for what purpose or use, until complete and comprehensive plans and specifications, showing the nature, kind, shape, height, materials, floor plans, exterior architectural scheme, location and frontage on the lot of such building, structure, or other erection, and the grading and landscaping of the lot to be built upon or improved, shall be submitted to and approved in writing by Edgewater Estates, its Successors or Assigns including the duly designated Architectural Review Committee of the Edgewater Estates Property Owners Association, as provided for hereafter in paragraph 20 finally approved is lodged permanently with said Edgewater Estates, its Successors or Assigns, providing that nothing herein shall require the aforesaid approval as to interior decorations, alterations or changes. Edgewater Estates, its Successors or Assigns, shall have the right to refuse to approve any such plans or specifications, or grading or landscaping plans or changes, which are not suitable or desirable in its Successors opinion, for aesthetic or other reason. In passing upon such plans or specifications, or grading and landscaping plans or changes, Edgewater Estates, its Successors or Assigns, shall have the right to take into consideration the suitability of the proposed building or improvements or erections and/or the materials of which the buildings or other improvements or erections are to be built and the site upon which it is proposed, the harmony thereof with the surroundings and the effect of such improvements, additions, alterations or changed use as planned on the outlook from the adjacent or neighboring property, and any and all factors which in its opinion would affect the desirability or suitability of such improvements, erections, or alteration or change. Without limiting the discretion of approving or rejecting plans by Edgewater Estates, its Successors or Assigns, Edgewater Estates, its Successors or Assigns shall have the absolute right to reject plans of any proposed structure based upon the existence of dwellings of similar appearance located in the subdivision to foster and promote different and distinct dwelling design in the subdivision.
6. Vacant lots may not be used for storage of any kind except for the purpose of building. Construction, once started, will be completed within a reasonable time and upon completion of the building all excess materials shall be removed or placed inside of building.
7. Fences may be erected on said premises in the rear and side yards only. No fence shall be more than forty-eight (48) inches in height, except where State or County rules or regulations may require additional height for safety (for example: swimming pools). No lot owner shall install a visible television mushroom shaped disk or other visible reception device larger than eighteen (18) inches in diameter.
8. No excessive noise or noxious activities shall be carried on upon any lot nor shall anything be done or permitted thereon which may be or become an annoyance or nuisance to the grantor or to the neighborhood, nor shall any bees, hogs, poultry, cattle, horses, ponies, or livestock of any kind be kept on

said premises by the owner or occupier of said premises. House pets acceptable to Edgewater Estates, its Successors or Assigns, are specifically excepted. House pets are not permitted to roam beyond the owner's property area unleashed.

9. No trailer, mobile home, double-wide or similar type structure, which moves to a building site on wheels attached to its own undercarriage, tent, shack, garage, barn or other type of outbuildings shall at any time be used as a residence temporarily or permanently, and no trailer, mobile home, doublewide, tent, shack, garage or barn, shall be utilized as a main or single family dwelling unit in any lot in the property.
10. No outside toilet shall be constructed or maintained on any lot.
11. No building shall be used as a residence until the same has been fully completed in accordance with accepted building practices. No building or other structure shall be moved upon any lot or lots without the prior written approval of Edgewater Estates, its Successors or Assigns.
12. No signs, notice or advertising matter of any nature or description shall be erected, used or permitted upon any of the said lots, except such advertising of lots and homes as is agreeable to Edgewater Estates, its Successors or Assigns.
13. No fuel tanks or similar receptacles, larger than 25 gallons, may be exposed to view. Such receptacles shall be installed only within a structure or concealed by the use of plantings, lattice work, fences or buried underground. All above-ground pool accessory equipment shall be concealed by planting, lattice work, or fencing.
14. All the covenants, agreements, conditions, easements and restrictions contained herein shall continue in force until altered or rescinded according to the following plan: The above restrictions can be altered or rescinded by the written consent of two-thirds of all the property owners in the development at the time the vote is taken, with each property owner being qualified to cast one vote for each lot owned by said property owner, and upon recording the said written consent in the Office of the Recorder of Deeds, at Georgetown, Delaware.
15. Nothing herein shall be construed as an obligation upon Edgewater Estates, to remove the rubbish or to cut the grass from any lots. However, Edgewater Estates reserves the right and privilege to enter upon said property for the purpose of maintaining the appearance of any unimproved lots, the cost of which is to be borne by the lot owner or owners.
16. The Edgewater Estates Property Owners Association, Inc. (the Association) shall be a nonprofit corporation. Every owner of a lot shall be a member of the Association. Every lot owner shall be entitled to one vote for each lot, and an owner is defined as the record fee simple title holder by deed to any such lot.

When more than one person holds an interest in any lot, all such persons shall be members. The vote of such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot.

17. The Board of Directors of the Edgewater Estates Property Owners Association, Inc., shall consist of six (6) members, each of whom shall be elected by a majority vote of those property owners in attendance at the annual meeting; sealed proxy votes submitted, to the Board of Directors, are acceptable. At each annual meeting, two board members shall be elected for a 3-year term to fill the expired terms of two board members. Vacancies on the board may be filled by the board until the next annual meeting of the Association, at which time the remaining term of the vacated seat will be filled by the members of the Association. Only property owners of Edgewater Estates can be members of the Board of Directors.
18. Edgewater Estates Property Owners Association has title to the boat ramp located at Oak Court and the area designated as "outlot" between Lots #76 and #77, Block A, Section V. The Edgewater Estates Property Owners Association shall maintain for the use and benefit of all members of the Association all lands conveyed to it and owned by it under the provisions of this paragraph.
19. Each owner of a lot in the development by acceptance of a deed or other transfer document therefore, whether or not it shall be expressly established in such deed or other transfer document, and by the right of each owner of any lot to the use of the boat area shall pay the Association annual assessments or charges and special assessments for capital improvements and operating, repair and replacement reserve funds, such assessments to be fixed, established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which such assessment is made, provided, however, that it shall be subordinate to the lien of any first mortgage on the lot. The sale or transfer of any lot shall not affect the assessment lien except by foreclosure of a first mortgage lien. Foreclosure shall not relieve any lot from liability for any assessments thereafter or from the lien thereof.
  - a. Each such assessment, together with interest, costs and reasonable attorneys' fees for the collection thereof, shall also be the personal obligation of the person who is the owner of such property at the time when the assessment fell due. A personal obligation for delinquent assessment shall not pass to the owner's successor in title (other than as a lien on the land) unless expressly assumed by them. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents at Edgewater and particularly for the improvement and maintenance of the community and boat area located at Edgewater and for services and facilities devoted to this purpose and relating to their

use and enjoyment. The amount of such assessments shall be fixed annually by the Association and shall be charged or assessed in equal portions against each lot within the property.

- b. The Association shall, through its Board of Directors, propose a budget for approval by a majority of the lot owners. A budget shall be adopted for the fiscal year beginning on July 1, and ending on June 30, each year. Each yearly assessment shall be due and payable on or before 90 days after it has been fixed and levied. It shall be the duty of the Association to notify all owners whose addresses are listed with the Association within 30 days after said assessment has been fixed or levied giving the amount of the charge of the assessment for said year, when due and the amount due on each lot or parcel of land owned by each such owner. The failure of the Association to levy the assessment or charge for anyone year shall not affect the right of the Association to do so for any subsequent year.
- c. In addition to the annual assessment authorized above, the Association may, upon approval of a majority of the lot owners, levy in any assessment year a special assessment which may be fixed at one uniform rate for each lot applicable to that year only for the purpose of deferring in whole or in part the cost of any construction, reconstruction, repair or replacement of a capital improvement to lands of the Association for which a reserve fund does not exist or is not adequate.
- d. If any assessment, whether special or otherwise, is not paid on the date when due as herein above provided, then such assessment shall be deemed delinquent and shall, together with such interest thereon and costs of collection, including reasonable attorneys' fees thereof as hereinafter provided, continue as a lien on the lot in the hands of the owner, his heirs, devisees, personal representatives, successors and assigns. In addition to such lien rights, the assessments, interest, costs and attorneys' fees shall be and remain the personal obligation of the then owner, and shall remain his personal obligation and shall not pass to his successors in title other than as a lien on the land, unless expressly assumed by them. If the assessment is not paid within thirty (30) days after the delinquency, the assessment shall bear interest from the date of delinquency at the rate of the legal interest rate authorized by 6 Del.C. § 2301, as amended, and the Association may bring legal action against the owner personally obligated to pay the same or may enforce or foreclose the lien against the lot. In the event a judgment is obtained, such judgment shall include interest on the assessment above provided and any reasonable attorneys' fees to be fixed by the Court, together with the costs of the action. No owner of any lot may waive or otherwise escape liability for the assessment provide for herein by non-use of the streets or boat area, or abandonment of his, her or their lot(s).



20. The Architectural Review Committee shall consist of a minimum of five (5) members who shall be appointed by the Board of Directors. All members of the Architectural Review Committee are required to be property owners of Edgewater Estates. After review of any plans submitted to it, the Committee shall forward them, with its recommendation, to the Board of Directors for final approval.
21. All lot owners in Edgewater Estates do hereby covenant and agree to be responsible for the orderly appearance of any lot or lots owned by them by cutting grass in excess of eight (8) inches tall and by removing trash and rubbish therefrom at all reasonable times. Should such lot owner fail to maintain the orderly appearance of such lots as determined by the Board of Directors, the Board, on behalf of the Association, reserves the right to enter upon such property for the purpose of maintaining the appearance of any such lot improved or unimproved, the cost of which is to be borne by such lot owner or owners' yearly assessment if not paid within thirty (30) days of receipt of a bill for services rendered by the Association.
22. Nothing contained in the Restrictive Covenants applicable to Edgewater Estates shall be construed in any manner as to impose upon the Trustee of the Anna Mae Conaway Trust, Edgewater Estates, L.P., or the Edgewater Estates Property Owners Association, its successors in interest or in lieu thereof, the lot owners of Edgewater Estates, any liability whatsoever for property damage and/or personal injury occurring to any person or persons whomsoever by reason of any use of the lands owned or to be owned by the Association. These areas are used by any and all persons at their own risk.
23. All the covenants, conditions and restrictions of the Restrictive Covenants applicable to Edgewater Estates are severable and if any paragraph or clause of any paragraph is found to be unlawful or unenforceable by any Court of competent jurisdiction, then all the other clauses in the affected paragraph(s) and other paragraphs shall remain in full force and effect.
24. The foregoing Restrictive Covenants are to run with the land herein and hereby conveyed. Each of them shall be binding upon all the parties hereto, and upon their heirs, executors, administrators and assigns, as well. In the event any of the parties hereto, or their respective heirs, executors, administrators or assigns, shall have violated or attempted to violate any of the foregoing Restrictive Covenants, it shall be lawful for any other person or persons, owning any of the lands above described, to bring any proceeding or to take action at law or in equity, or otherwise, against the person or persons so violating or attempting to violate any covenant or restriction, and either prevent him, her or them from so doing, or to recover damages resulting from any such violations or attempted violations thereof Failure to enforce any of these Restrictive Covenants shall in no event be deemed as a waiver of the right to enforcement thereafter.

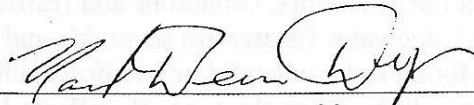
The foregoing constitutes all the amendments authorized by the members of the Association in accordance with the written consents received by the Association, all such written consents being received within sixty (60) days of the date of solicitation of ballots on the question of a consent to the modification of the Restrictive Covenants and the date that voting for the consents was closed. Attached hereto are copies of the written consents received by the Association in accordance with the authorization to take corporate action by written consent in lieu of a meeting under 8 Del.C. § 228.

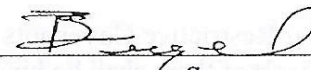
The undersigned, being the duly authorized officers of the corporation, hereby certify that the attached consents are the requisite number of consents required to amend the Restrictive Covenants through corporate action and under and pursuant to item No. 13 of the heretofore recorded Restrictive Covenants, which provides that the restrictions recorded in the places stated in the caption can be altered or rescinded by the written consent of two-thirds (2/3) of the property owners in the development at the time the vote is taken, with each property owner being qualified to cast one vote for each lot owned by said property owner.

The Association officers hereby certify that the minimum two-thirds (2/3) written consents, copies of which are attached, are authorized written consents of corporate members under 8 Del.C. § 228, which have been cast in favor of the foregoing amendments, and that said amendments under said written consents operate to amend the foresaid restrictive covenants.

IN WITNE~ WHEREOF, the Association has caused these presents to be duly executed this 20th day of March, 2002.

EDGEWATER ESTATES HOMEOWNERS  
ASSOCIATION, INC.  
a/k/a EDGEWATER ESTATES PROPERTY  
OWNERS ASSOCIATION, INC.

By:   
Dean Dey, President

Attest:   
Secretary