

REHOBOTH BEACH YACHT AND COUNTRY CLUB
RESTRICTIONS FOR PHASE 1 AND ALL FUTURE PHASES

As Recorded in Deed Book 764, Pages 154-160.

ARTICLE A (Residential Uses)

All of the lands hereby conveyed shall be used for private residential purposes only, and no building of any kind whatsoever shall be erected, maintained, or used thereon except private dwelling houses, each dwelling house to be designed for and occupied by a single family only. Under no circumstances shall a building on the lands hereby conveyed be sold to, leased to or occupied by a group of persons unless that group comprises a single family. A private garage, with or without an apartment, may be erected but may be used only by the respective owners, tenants, or occupants of such residence and their guests, friends, and domestic employees without the payment of rental. Not more than one such single private dwelling and garage shall be erected upon any one lot. No building shall be used as a residence until fully completed, according to the plans and specifications previously approved therefor, as provided in Article D hereof. No one shall reside on any lot, casually, temporarily, or permanently, except in a dwelling house. No building shall be moved upon any lot or lots without first obtaining the written approval of all adjoining property owners and Bay Vista, Inc., its successors or assigns.

ARTICLE B (Prohibited Uses and Nuisances)

There shall not be erected, permitted, or maintained upon any of the lands conveyed by this deed, any trailer, tent, shack, shed, barn, stable, cattleyard, hog pen, fowl yard, or building of any nature or description except a residence constructed in accordance with these restrictions, nor any graveyard, hospital, sanitarium, asylum, or similar or kindred institution; nor shall any animals, other than domestic animals or pets, be housed or any form of business maintained or kept on said lands; nor shall any subsequent owner of these lands permit the accumulation of wild growth, logs, fallen trees, litter, new or old building materials (for other than immediate use), or other trash upon said lands, thereby creating any unsightly, unsanitary or unsafe condition.

No signs, notices, or advertising matter of any nature, or description shall be erected, used, or permitted upon any lots or ways, except after securing the written permission of the party of the first part, its successors, assigns, or of the Building Approval Committee, when and if such power is delegated to such Committee as hereinafter provided.

No clothes shall be exposed for airing or drying in front of the rear line of the house on any lot, except by written permission of the party of the first part, its successors and assigns, which permission may be granted when such exposure can be effected behind shrubbery, trellis or other type screens so as not to be readily seen from the streets or roadways. Where the clothes drying area cannot be shielded from view, mechanical dryers, located within the building, may be required.

ARTICLE C (Options to Repurchase)

It is further covenanted that before the party of the second part, or any successor in title to the party of the second part, hereinafter sometimes referred to as lot owner, shall sell and convey any land or lot to any subsequent purchaser or grantee, the said

party of the second part, or his successors in title, shall first submit in writing the name and address of such prospective purchaser or grantee, together with the amount of any bona fide sale price offered by such prospective purchaser or grantee, to the party of the first part, its successors and assigns, for its approval. If the party of the first part, its successors and assigns, shall not approve the proposed transfer, the party of the first part, its successors and assigns, shall have the option to purchase said land or lot (with or without improvements) so proposed to be conveyed at the same price offered by such prospective purchaser or grantee, upon the condition, nevertheless, that if said option is not exercised by the party of the first part, its successors or assigns, in writing within thirty (30) days after delivery of such notice, then the Rehoboth Beach Yacht & Country Club Property Owners Association, (See Article G hereof) if in existence as hereinafter provided, shall have a like option to purchase said land so proposed to be conveyed at the same price offered by such prospective purchaser or grantee, upon the condition, nevertheless, that if said option is not exercised by this Association, its successors or assigns, in writing within sixty (60) days after the delivery of the notice of intention to sell, the party of the second part, or his successor in title, shall then have the right or power to sell and convey said property to said prospective purchaser or grantee at the price offered as aforesaid. In the event of the violation of this covenant, the right of the party of the first part, its successors and assigns, to exercise said approval, or to repurchase said property shall include the right to compel specific performance thereof and to collect damages therefor as against the said party of the second part, or his successors in title.

ARTICLE D (Approval of Plans and Specifications)

No building, structure, fence, wall, dock, bulkhead, seawall, swimming pool 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 lands conveyed by this deed, no matter for what purpose or use, until complete and comprehensive plans and specifications, prepared by a competent residential draftsman, showing the nature, kind, shape, height, materials, floor, elevation, foundation and footing plans, exterior color scheme, location and frontage on the lot, approximate cost of such building, structure, or other erection, and the grading and landscaping plan of the lot to be built upon or improved, shall have been submitted to and approved in writing by the party of the first part herein, its successors, assigns, or its Building Approval Committee provided for in this Article, and until a copy of all such plans and specifications, finally approved as aforesaid, shall be lodged permanently with the party of the first part, its successors, assigns, or said Building Approval Committee, if any, provided that nothing herein shall require the aforesaid approval as to matters of interior decorations. The party of the first part, its successors, assigns, or said Building Approval Committee, 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 or their sole opinion, for aesthetic, safety, health, police or other reasons, and in so passing upon such plans and specifications, or grading and landscaping plans or changes, the party of the first part, its successors or assigns, or said Building Approval Committee, shall have the right to take into consideration such factors which in its or their opinion would affect the desirability or suitability of such proposed improvements, erection, alteration, or change.

The party of the first part, its successors, assigns, or said Building Approval Committee, shall have the right from time to time during the period that construction of any dwelling progresses and at the completion of any particular dwelling or during the period that repairs are being made to any dwelling, to go upon the premises where the dwelling is located and make certain that such construction and/or repairs are in accordance with the approved plan for said dwelling and not violative of these restrictions.

Such plans and specifications shall include a septic tank, and no such plans and specifications shall be approved until such septic tank, and the location thereof, shall be approved by the party of the first part, its successors or assigns, or said Building Approval Committee, and shall also be of a type and size approved by the State Board of Health for houses within this development. Every dwelling or other building erected upon any of the lands hereby conveyed shall be equipped with such septic tank before occupancy of any such dwelling. This provision shall continue until such time as sewer connections are available.

Outdoor incinerators will be permitted only if flames or draft from the same are enclosed in a permanent fire screen approved by the party of the first part, its successors or assigns, and of a type approved by the State Fire Marshall.

No wall or fence of any height shall be constructed on any lot until after the height, type, design and location therefor shall have been approved in writing by the party of the first part, its successors or assigns. No boundary wall, boundary line hedge, or shrubbery shall be permitted with a height of more than four feet. No solid walls shall be erected except in buffer zones shown on the plot. Walls or hedges with partial openings may be permitted at the sole discretion of the party of the first part, its successors or assigns, to a height of not more than four feet. The heights or elevations of any wall or fence shall be measured from the existing elevations of the property.

No building or structure, or any part thereof, including garages and porches shall be erected upon or extended within twenty-five (25) feet of any abutting street, road, drive, lane or way, or if the building or structure is erected at the intersection of two or more streets, roads, drives, lanes, or ways, neither said building or structure, nor any part thereof, shall be within twenty-five (25) feet of such abutting line of each such street, road, lane, drive, or way, as the case may be.

No building or structure, or any part thereof, including garages and porches, shall be erected upon or extended within fifteen (15) feet of any common side boundary line between any two adjoining lots, nor shall any building or structure or any part thereof, including garages and porches be erected upon or extended within twenty-five (25) feet of any rear boundary line or buffer zone shown on the plot of the development, nor shall any building or structure, or any part thereof, including garages and porches be erected upon or extended within twenty-five (25) feet of any waterway.

No lot located within the lands herein conveyed shall be subdivided, sold or otherwise transferred in a lesser or smaller parcel than shown on the plot of these lands to be recorded in the Office of the Recorder of Deeds, at Georgetown, Sussex County, Delaware, except as the same may be supplemented from time to time by a revised plot bearing the approval of the party of the first part, or its successors or assigns, and also of record in the Office of the Recorder of Deeds, as aforesaid.

The party of the first part, its successors or assigns, shall have the power, in its or their discretion, at any time or times hereafter, to create a Building Approval Committee, composed of three members, one of whom shall be an architect, of recognized standing in his or her profession, and from time to time, or for a stated period, to delegate to and confer upon such Building Approval Committee the same power and authority, or any part thereof, as is herein reserved by and conferred upon the party of the first part, its successors or assigns, under the restrictive covenants of this deed. The party of the first part, its successors or assigns, shall have full power to remove any and all such members of such Building Approval Committee, and to fill such vacancies, or to dissolve such Building Approval Committee entirely, at such time as it deems for the best interest of the entire development and thereupon to again resume such full powers of approval as herein provided;

and such delegation of power to such Building Approval Committee shall not be deemed an assignment thereof, but merely a license, revokable at the discretion of the party of the first part, its successors or assigns. There shall not be a review of any decision of the party of the first part, its successors or assigns, but if said Building Approval Committee, disapproves the plans and specifications for any proposed building, grading, landscaping, garbage or sewer disposal system or any other proposed project submitted by any lot owner under the requirements of these covenants, the lot owner shall have the right to appeal and submit the matters at issue to a Building Review Board to be set up as herein provided, said Review Board shall consist of three members, two of whom shall be architects of recognized standing in his or her profession and the other shall be a person who owns or has owned property in Rehoboth Beach Yacht & Country Club. One architect shall be named by the lot owner taking such appeal, one architect shall be named by the party of the first part, its successors or assigns, and the two architects thus named shall select the third member to serve on said Review Board. Any lot owner desiring to take an appeal shall give written notice of this fact to the party of the first part, its successors or assigns, within thirty (30) days after the disapproval of any such plans and specifications, giving therein the name and address of the architect designated by said lot owner to serve on said Review Board. Within fifteen (15) days after receipt of said notice of appeal, the party of the first part, its successors or assigns, shall name one of the said architects to serve on the Review Board and shall notify the lot owner in writing of the selection thus made. Within fifteen (15) days thereafter, the two members of said Review Board thus selected shall designate the third member thereof. The Review Board thus constituted shall meet within fifteen (15) days thereafter to review the plans and specifications at issue and hear the contentions of the lot owner and the party of the first part, its successors or assigns, and within seven (7) days after the conclusion of the said hearing shall render a decision in writing which shall be conclusive of the issues and shall be binding upon both the lot owner and party of the first part, its successors or assigns. The lot owner taking such appeal shall be responsible for the compensation and expenses, if any, charged by the architects and shall bear the compensation and expenses, if any, charged by the third member of said Review Board.

Whenever two or more adjoining lots are acquired in single ownership, and the same are devoted to use as a single building site, the interior side-yard and/or the interior rear-yard set-back line, or lines thereof as the case may be, shall be applicable thereto only as to the common rear line or side boundary line, or lines, between such lots or land area and the adjoining lots or land area held in other ownership.

ARTICLE E (Use of Roads)

The party of the first part hereby gives and grants to the party of the second part, his heirs, executors, administrators or assigns, and to all other persons now or hereafter entitled to occupy any lots within the area described above, the right, in common with the party of the first part, its successors or assigns, of free and uninterrupted use of the roads and any other ways hereafter laid out and opened in or through the said lands for the general use of all lot owners, for convenient ingress, egress, and passage to and from various parts of the lands hereby conveyed, and to and from points outside of the area described above.

The use of said ways or means of ingress, egress, and passage, herein granted, shall be restricted to the right of passage only, and no wagon, vehicle, or movable stands or platforms of any kind for the display or sale of food, drinks, goods, wares and merchandise of any description, nor any nuisance or obstruction shall be maintained or permitted on any of said ways, and the party of the first part, its successors or assigns, reserves the right at all times to make such reasonable traffic regulations and to adopt such other measures for the proper handling of traffic over such ways, as it may deem expedient. In addition, the party of the first part reserves the right to transfer any or all of said streets, roads, or ways to the State of Delaware for the purpose of using said roads or ways for the public good and improvement of the same.

The party of the first part, for itself, its successors or assigns, reserves the right, in the interest of the health, comfort, rest and welfare of the owners and occupants of lots within the area herein conveyed, to establish, maintain, and enforce regulations for the disposal and removal of garbage, sewage and rubbish, for the delivery of ice, milk, other necessities, provision, merchandise, the visitations of tradesmen, and any other similar services. The party of the first part, its successors or assigns, reserves the right at any and all times to exclude, expel and remove from all such nuisances, obstructions, vehicles, or persons, upon whom no privilege for the use of the ways is conferred by this deed, or by written permission of the party of the first part, its successors or assigns. The party of the first part, its successors or assigns, may maintain such watchmen, and erect, maintain and control, at its discretion, such gates, or adopt, at its discretion, other measures to enforce the rights mentioned in this Article, and the enforcement thereof shall not constitute the creation or maintenance of a nuisance or obstruction, nor constitute any limitation or annulment of the foregoing grant of free and uninterrupted use of the ways or means of ingress, egress and passageway to lot owners.

The party of the first part, for itself, its successors or assigns, reserves the right to promulgate and establish regulations against bonfires, campfires, the setting fire to brush or other planting, the burning of leaves and rubbish, and other fires within the area herein conveyed.

No public or private way, road, lane, alley or other thoroughfare, except the ways laid out on said plot, as recorded in the Sussex County Office of the Recorder of Deeds, or any revision thereof, or change therein, like-wise recorded for the use of the lot owners, shall be opened or used, over, across or upon, any of the lots hereby conveyed, by the party of the second part, his heirs and assigns, save only with the written consent of the party of the first part, its successors or assigns, nor shall any such thoroughfare or way be extended or continued into or out of the said lots, from or to adjoining or adjacent premises without similar consent, nor shall any easement, public or private license, or permission be granted by the party of the second part, his heirs or assigns, for purposes of ingress, egress, or passage over, upon, or across of any of said lots, save upon similar consent of the party of the first part.

The party of the first part expressly reserves unto itself, its successors or assigns, the exclusive right to grade, regrade, change the location of, close or partly close any way, or means of ingress, egress and passage, providing such alterations shall not materially interfere with the foregoing right of convenient ingress, egress and passage to or from any lot, or shall not take any portion of any lot sold or conveyed by the party of the second part, or his successors in interest and title, before such change of location or closing. If the permission of the party of the first part, its successors or assigns, has been secured, nothing contained in this deed shall prevent the installation of any utilities and drains, in, on, over or under any ways or means of ingress, egress, and passage in the area herein conveyed.

Nothing contained in this deed shall be construed to obligate the party of the first part, its successors or assigns, or the party of the second part, his heirs or assigns, to construct, build or otherwise provide improved surfaces for any of said ways, or means in ingress, egress and passage, in the area herein conveyed.

Nothing contained in this deed shall impose upon the party of the first part, its successors or assigns, or upon the party of the second part, his heirs or assigns, any liability for property damage and/or personal injury occurring to any person whomsoever, by reason of the use of the ways and/or easements mentioned in this deed, and all persons using such ways and/or easements shall do so at their own risk and without liability on the party of the first part, and/or the party of the second part, its or his respective successors, legal representatives, heirs, devisees, or assigns.

ARTICLE F (Modification of Restrictions)

The party of the first part reserves unto itself, its successors or assigns, easements for the erection, construction, maintenance, and use of poles, wires, conduits, and the necessary, proper, or desirable attachments in connection therewith, for the transmission of electricity for lighting, heating, telephone, and other purposes; for public and private sewers; storm water drains; pipe lines for supplying gas, water and heat; and for any other public or quasi-public utility or function conducted, maintained, or performed, or to be installed in the future, in any manner above or beneath the surface of the ground. Such easements shall be confined to the locations delineated upon the recorded plot of this development. The party of the first part, its successors, assigns, agents and employees, and (with the permission of the party of the first part, its successors or assigns), the representatives of utility companies private or quasi-public, and the representatives of public agencies, shall have the right to enter upon such strips subject to said easements at any time, for any of the utilitarian purposes for which said easements are reserved.

No reservation or creation of any easement for any purpose shall be construed to obligate either the party of the first part and/or the party of the second part, its or his successors, heirs, devisees, or personal representatives, to construct, maintain, or provide any utilities.

The party of the first part, for itself, its successors or assigns, expressly reserves the right to assign or transfer, in whole or in part, any or all of such easements to any public or quasi-public service company, municipal corporation or agency, lot owners' association or corporation, or to any other person, firm, association, or corporation.

Any or all of the conditions, covenants, agreements, reservations, restrictions, and charges, created and established in this deed may be waived, abandoned, terminated, modified, altered, changed, or added to, as to any lands herein conveyed, at any time the same are owned either by the party of the first part or by the party of the second part, and, with the consent of the then owner or owners, as to any other lands of those herein conveyed, provided such change can be made without the objections of the owners of more than one-half in area of all of the lands herein conveyed, signed by the lot owners so objecting, as being prejudicial to the use of their property. Such objections shall be made in writing within thirty (30) days after the mailing of notice of such proposed changes to all land owners within the area herein conveyed by the party of the first part, its successors and assigns. No such changes shall become effective until an instrument of writing setting forth such changes in detail, and certified by parties of the first part, its successors or assigns, that such changes have not been objected to within the time herein provided by a majority of the then property owners of more than one-half of the land herein conveyed, shall be recorded in the Office of the Recorder of Deeds, in and for Sussex County aforesaid.

The party of the first part, its successors or assigns, may at any time hereafter remap, replot, or change the layout of any of the lots, provided that if such remapping, replotting, or change of layout involves the remapping, replotting, or change of the layout of lots theretofore sold by the party of the first part, the consent of such lot owners to such change or changes shall have been secured and recorded by separate instrument or on the face of the new plot.

All the restrictions, conditions, covenants, and agreements contained in this deed shall continue in force until the 15th day of September, A.D., one thousand nine hundred and eightyfive and shall, as then in force, be continued automatically and without further notice from that time for a period of ten years, and thereafter for successive periods of ten years without limitation, unless, within the six months prior to the 15th day of September,

one thousand nine hundred and eighty-five, or within the six months prior to the expiration of any successive ten-year period thereafter, a written agreement executed by the then record owners of more than one-half in area of all of the lands herein conveyed be placed on record in the Office of the Recorder of Deeds, in and for Sussex County aforesaid, by the terms of which agreement any of said conditions, restrictions, covenants, liens, or charges are changed, modified, or extinguished, in whole or in part, as to all or any part of the property originally subject thereto, in the manner and to the extent therein provided. In the event that any such written agreement of change or modification be duly executed and recorded, the original conditions, restrictions, covenants, liens, and charges as therein and thereby modified, shall continue in force for successive periods as outlined above, unless and until further changed, modified, or extinguished in the manner herein provided.

ARTICLE G (Organization and Operation of Property Owners Association)

It is the intention of the party of the first part that a non-profit corporation to be called "Rehoboth Beach Yacht & Country Club Property Owners Association" Phase 1 and all future phases, hereinafter called "Association", is to be formed, at any time, to care for roads, streets, canals, lagoons and other open or community areas maintained for the general good of the development, and vacant and unimproved lots in this development, whether such lots be owned by party of the first part, its successors or assigns, or not; and to do any other things and perform any labor necessary or desirable in the judgment of such non-profit Association to maintain the development in good repair and condition, and to landscape any property in the development not owned by private parties.

It is also the intention of the party of the first part that future phases be added, and that there be a single association for this and all future phases, and that all phases be subject to the same restrictions.

After more than 50% of the lots in any phase have been sold to individual purchasers by the party of the first part, then all privileges, rights, powers, duties, and authority of the party of the first part contained in these Restrictive Covenants, shall thereupon vest in the Association as to that particular phase (subject to assessment provision of the following paragraph) and thereafter such privileges, rights, powers, duties and authority shall be exercisable by the Association and thereafter whenever herein the expression "party of the first part" is used, it shall be taken to mean the "Association."

All persons purchasing property (exclusive of the party of the first part) within the area herein conveyed, by acceptance of their deeds, do agree to the formulation of the said "Association" and do further agree to become a member thereof and pay their pro rata share of the funds necessary for the performance of its functions. Assessments on private property owners (exclusive of the party of the first part) may be made annually and shall not exceed \$200.00 per annum per lot unless any assessment over and above this amount is approved by a majority of the property owners in the Development, (all phases) each lot being entitled to one vote regardless of how title thereto may be held or how many lots may be owned by one person, partnership or corporation. The party of the second part, his heirs and assigns hereby agree to be contractually liable for said assessment at law if the same is made in accordance herewith.

IN WITNESS WHEREOF, Bay Vista, Inc. has caused these Restrictions to be executed by its proper corporate officers and its corporate seal to be hereunto affixed this 7th day of October, A.D. 1975.

Bay Vista, Inc.

By: Larry S. Guenewill
President

Attest: Robert W. Tunnell
Secretary

RECEIVED
MARY ANN MCCABE
NOV 16 2 34 PM '75
RECORDER OF DEEDS
SUSSEX COUNTY

J. & R.
11-24-75