



May 2009 Homeowners Association News and Information Letter

To: Belews Landing Property Owners

The development company and the HOA would like to pass along a few items of interest to all owners in Belews Landing.

Notice of Meeting:

The annual Belews Landing HOA Meeting will be held on Thursday, May 28th, 2009 at the Lakeside Special Events Center, located on Shelton Road at Carolina Marina. The facility will be open at 6:00; the meeting will begin at 6:30. The proposed agenda for the meeting will follow in a separate email; if there is a specific topic or item not listed on the agenda that you want addressed, please send your request via email to Bill Greco. In addition, if you have any specific questions or need additional information on any topic, please send your requests in advance so that the HOA and/or Development Co. will be prepared to respond, either individually prior to the meeting or publicly at the meeting.

Refreshments and beverages are being donated by various parties. The meeting does not have a specific ending time and the facility is rented for 8 hours; owners are invited to remain and socialize at the conclusion of the meeting.

Open House

The Development Co. will host an Open House at Belews Landing on Saturday, May 16th, 2009 from 11:00AM to 5:00PM. Complimentary lunch and refreshments, including wines from Stonefield Cellars of Stokesdale will be served at the Lakeside Cabana, along with pontoon boat and golf cart tours of the property.

If any current resident or lot owner in Belews Landing refers a buyer who purchases a lot in Belews Landing, he/she will receive a referral fee of \$2500.00 for Windward lots and \$5000.00 for Crows Nest lots. Additionally, for lot purchases in Crows Nest, the Development Co. will offer the buyer a \$10,000.00 credit towards the purchase of a boat from Get Wet Marine and a complimentary golf cart if the closing occurs on or before June 30, 2009. For lot purchases in Windward, the Development Co. will offer the buyer a complimentary golf cart if the closing occurs on or before June 30, 2009.

HOA Dues:

In order to operate more efficiently, to provide annual budgeting based on actual account balances and to simplify the collection of dues and fees, the due date(s) and fiscal year for all HOA Dues, Lease Payments, etc., will be changed to coincide with the calendar year. You will be receiving an invoice for the remaining 2009 dues shortly. Beginning in calendar year 2010, all dues and fees will be payable in January of each calendar year.

Belews Landing Amenities:

Boat Storage Facility:

The temporary boat storage facility has been removed to facilitate the development of Sailing Point at Belews Landing and the grading and site preparation of the proposed Amenity Site. The Development Co. appreciates the efforts of all those who moved their boats, trailers, etc. with short notice. The remaining undeveloped land at Belews Landing is in the process of being evaluated as to potential use as off site septic fields and future building lots. Upon completion of all necessary land planning and permitting activities, the owners will be provided further information regarding the potential location, size and construction and/or operating costs for a permanent boat storage facility at Belews Landing. At this time, there is no firm schedule or timeframe for the construction of the permanent boat facility, owners are asked to make other arrangements for storage of boats, trailers, etc., for the foreseeable future.

Golf Cart Path to Carolina Marina:

The Development Co. met simultaneously with representatives of both Duke Energy and Carolina Marina regarding the concept of a cart path from Belews Landing to South Cove at Carolina Marina. After careful review and consideration of issues such as privacy, maintenance, insurance, security and liability; the managing partners at Carolina Marina have determined that the cart path would not be in the best interest of Carolina Marina or of their existing customers. Duke Energy cited the same concerns, and in addition would only consider the cart path as a renewable / revocable license with no long term lease, agreement or guarantee and an option to terminate at any time without cause. The Development Co. will therefore remove any reference to this path from all documentation and will not pursue this matter any further.

Lakeside Cabana and Common Water Access Area:

The Development Co. has submitted plans to Duke Energy for a lakeside deck with seating benches and stairs leading down from the Lakeside Cabana to the deck. Duke Energy has tentatively approved the plans, subject to the completion and execution of a lease agreement with the HOA and payment of the \$1000.00 lease fee for the Common Water Access Area. Upon receipt of official approval, construction will begin immediately on this project. The lakeside deck (which is not designed, permitted or approved as a dock or pier) is intended to serve the Belews Landing owners by facilitating the pick up and drop off of boating passengers from within Belews Landing as well as fishing and other lakeside recreation activities. Boats will not be allowed to be moored overnight at this facility under any circumstances. Upon completion of the stairs and deck, the development of the common water access area will be complete; any references to sand installation shall be removed from all documentation.

Amenity Site:

The grading, site preparation and utility installation has begun at the Amenity Site. All horizontal construction is expected to be completed in 2009. Preliminary plans for a pool, clubhouse, tennis court and playground area have been developed and an overall site plan is attached for your review and comment. The attached plan is Conceptual and for Illustrative Purposes Only; the Conceptual Plan does not constitute a warranty or guarantee, either expressed or implied. The remaining obstacles to vertical construction are the lack of available credit lines and bank financing, as lot sales do not generate enough revenue to fund the construction, and as evidenced by the attached Comprehensive Budgets, the future HOA Dues at build out do not cover all the expenses for this proposed facility. Under the current circumstances, the Development Co. cannot provide a timeline for vertical construction, and assuming that financing could be secured immediately for the construction the annual operating costs must still be addressed. The completion of the Amenity Site is desired by all parties as soon as possible, therefore the Development Co. and the HOA are requesting that the existing owners at Belews Landing form a Financial Committee to evaluate all HOA financial matters including dues, amenities, budgets, funding and operating costs. This committee will be formed at the annual meeting and all owners are encouraged to participate.

Proposed Conditions, Covenants and Restrictions Amendment(s):

The Development Co. has retained legal counsel to make amendments to the existing Conditions, Covenants and Restrictions (CCR's) for Belews Landing. The majority of the revisions are routine

clean up and housekeeping items, which are fairly common with CCR's for residential projects. The most significant amendment is proposed language specific to lakefront owners, in order to require the lease payment to Duke Energy for the peripheral strip be made the responsibility of the lakefront lot owners in addition to their regular HOA dues, versus paying for the lease using funds from the general HOA dues. The lakefront owners have all been very understanding and cooperative in dealing with this situation and to pay for the 2008-2009 Duke Invoice, all lakefront property owners voluntarily reimbursed the HOA for the Duke Lease payment with one exception. As you review the budgets, please note and consider the impact that the Duke Energy Lakefront Lease Payments have on the HOA budget(s). The HOA and the Development Co. will rely on counsel's advice with regards to the proper procedures for making this amendment and will provide further details on procedures prior to the Annual Meeting. There is a possibility that we will conduct actual voting on the CCR amendments that apply to current owners; if you desire to vote by proxy arrangements will be made in advance of the meeting.

Budgets and Financial Reporting:

Attached are numerous budgets and reports for your review including a Belews Landing HOA Profit and Loss for 2005-2009, the proposed 2009-2010 Operating Budget, four different Comprehensive Budget Scenarios, Item Descriptions and Cost Estimates. The HOA Profit & Loss was prepared by Brumfield & Wooldridge, CPA, who provides all accounting services for the HOA, the budgets were prepared by Bill Greco, Project Manager. As with any budget, there are subjective items and the potential for revisions, updates and further reviews as circumstances and costs change. The Comprehensive Budgets have been prepared and distributed to all the owners at Belews Landing to ensure transparency, accountability and to provide accurate data. In response to questions and comments from owners who have either been provided inaccurate or incomplete information regarding the property improvements in 2008, and the use of HOA funds, the following is a summation of the improvements completed in 2008:

The HOA paid for regular monthly mowing and landscaping maintenance, removal and replacement of the large dead trees at the main entrance, the replacement of mulch and pine needles in all plant beds, repairs and maintenance of the irrigation system at the main entrance, installation of a water valve for irrigation at the Crows Nest entrance, stump grinding and re-seeding of the area behind the main entrance sign.

The Development Co. paid for the cart path installation and Private Trail signage, new development entrance signage, the Lakeside Cabana, all new plants that were installed in various beds, the Windward entrance sign, irrigation system and landscaping, irrigation system at the Crows Nest entrance, the removal of the original boat storage area, the installation of the temporary boat storage area, removal of trash and construction debris throughout the property and general property maintenance.

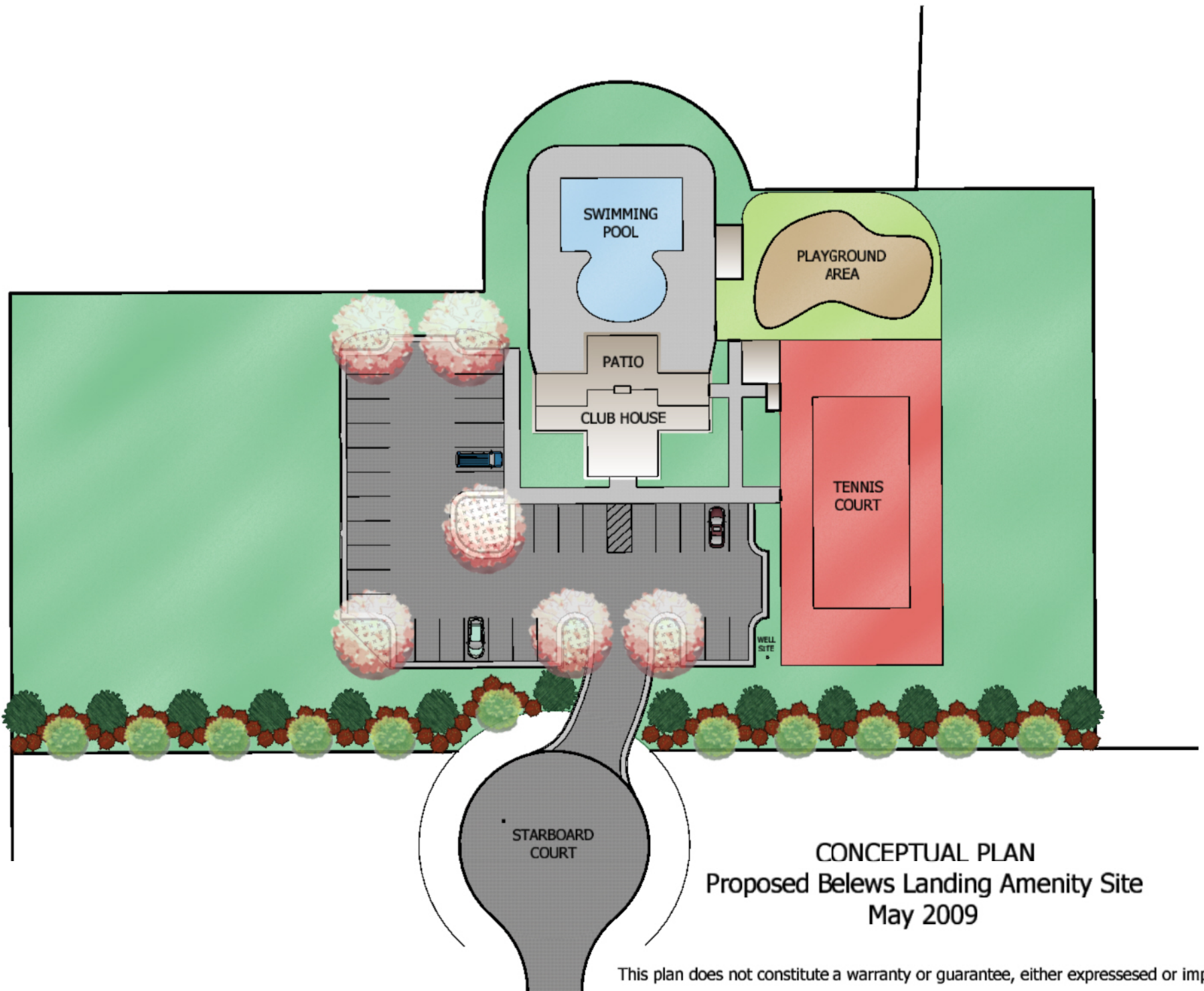
As mentioned previously, we will be forming a Financial Committee and representation from all sections is preferred; Crows Nest lakefront lots, Crows Nest lakeview lots and Windward lots. If anyone is considering serving on the Financial Committee and wishes to receive the budgets in Excel format, please let me know.

Volunteer Projects:

Belews Landing owners have voluntarily spearheaded two new projects; Rick Craig and Bernard Degree have installed the new ground lighting fixtures at the Windward Sign and have repaired, updated or replaced all the other ground lighting fixtures. Brian Siemon is exploring the possibility of creating a 9 hole, par 3 golf course in the large common area. The HOA appreciates and welcomes any volunteer efforts from owners.

If anyone has any questions or concerns, please do not hesitate to contact me.

Regards,
Bill Greco, Project Mgr.
bill@landsolutionspc.com



CONCEPTUAL PLAN
Proposed Belews Landing Amenity Site
May 2009

This plan does not constitute a warranty or guarantee, either expressed or implied



**Belews Landing Homeowners Association
Meeting of May 28, 2009
6:30 PM**

- I. 6:00-6:30 P.M. Welcome and Refreshments
- II. 6:30 P.M. Call To Order and Introductions
- III. Presentation of Proposed Conditions, Covenants and Restrictions Revisions by Legal Counsel
- IV. Review of May 2009 HOA Newsletter and Addendum
- V. Amenities Discussion
- VI. HOA Budget and Finances Discussion
- VII. Formation of Financial Committee
- VIII. Volunteer Projects and Committees
- IX. Speakers from the Floor
- X. Adjourn