

STATE OF NORTH CAROLINA
DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES
DIVISION OF WATER QUALITY

STATE STORMWATER MANAGEMENT PERMIT

LOW DENSITY DEVELOPMENT

In accordance with the provisions of Article 21 of Chapter 143, General Statutes of North Carolina as amended, and other applicable Laws, Rules and Regulations

PERMISSION IS HEREBY GRANTED TO

Gordon Ackley and Lockwood Folly POA

Lockwood Folly Subdivision

NCSR 1122 and NCSR 1119, near Varnum, Brunswick County

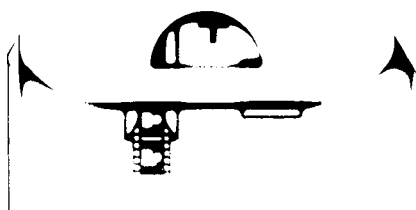
FOR THE

construction, operation and maintenance of a 25% low density subdivision in compliance with the provisions of 15A NCAC 2H .1000 (hereafter referred to as the "stormwater rules") and the approved stormwater management plans and specifications, and other supporting data as attached and on file with and approved by the Division of Water Quality and considered a part of this permit.

The Permit shall be effective from the date of issuance until rescinded and shall be subject to the following specific conditions and limitations:

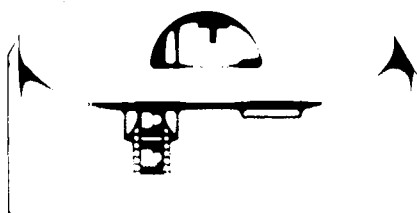
I. DESIGN STANDARDS

1. Each of the 607 lots is limited to a maximum amount of built-upon area as indicated in Section II.11 of this permit and as indicated in the approved plans. CAMA regulations may reduce the allowable built-upon area for those lots within the AEC.
2. The overall tract built-upon area percentage for the project is not being increased with this modification, and must be maintained at 25% or less per the requirements of Section .1005 of the stormwater rules.
3. Approved plans and specifications for projects covered by this permit are incorporated by reference and are enforceable parts of the permit.
4. Projects covered by this permit will maintain a minimum 30 foot wide vegetative buffer between all impervious areas and surface waters.
5. The only runoff conveyance systems allowed will be vegetated conveyances such as swales with minimum side slopes of 3:1 (H:V) as defined in the stormwater rules and approved by the Division.
6. All roof drains must terminate at least 30' from the mean high water mark.
7. Swales shall discharge into wetlands or surface waters at a non-erosive velocity.

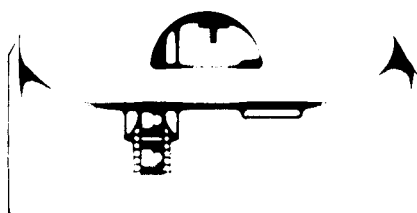


II. SCHEDULE OF COMPLIANCE

1. Swales and other vegetated conveyances shall be constructed in their entirety, vegetated, and be operational for their intended use prior to the construction of any built-upon surface.
2. During construction, erosion shall be kept to a minimum and any eroded areas of the swales or other vegetated conveyances will be repaired immediately.
3. The permittee shall at all times provide the operation and maintenance necessary to operate the permitted stormwater management systems at optimum efficiency to include:
 - a. Inspections
 - b. Sediment removal.
 - c. Mowing, and re-vegetating of the side slopes.
 - d. Immediate repair of eroded areas.
 - e. Maintenance of side slopes in accordance with approved plans and specifications.
 - f. Level spreaders.
4. The permittee shall submit to the Director and shall have received approval for revised plans, specifications, and calculations prior to construction, for any modification to the approved plans, including, but not limited to, those listed below:
 - a. Any revision to any of the items shown on the approved plans, including the stormwater management system, design concept, built-upon area, details, etc.
 - b. Project name change.
 - c. Transfer of ownership.
 - d. Redesign or addition to the approved amount of built-upon area or to the drainage area.
 - e. Further subdivision, acquisition, or selling of the project area.
 - f. Filling in, altering or piping any vegetative conveyance shown on the approved plan.
5. The Director may determine that other revisions to the project should require a modification to the permit.
6. The permittee shall submit all information requested by the Director or his representative within the time frame specified in the written information request.
7. No additional piping beyond that shown on the approved plans shall be allowed except that minimum amount necessary to direct runoff beneath an impervious surface such as a road and that minimum amount needed under driveways to provide access to lots.
8. Unless specified elsewhere, permanent seeding requirements for the swales must follow the guidelines established in the North Carolina Erosion and Sediment Control Planning and Design Manual.
9. The permittee is responsible for verifying that the proposed built-upon area does not exceed the allowable built-upon area. Once the lot transfer is complete, the built-upon area may not be revised without approval from the Lockwood Folly HOA and the Division of Water Quality, and responsibility for meeting the built-upon area limit is transferred to the individual property owner, provided that the permittee complies with the requirements of Section II.11 and II.12 of this permit.



10. Within 30 days of completion of the project, the permittee must certify in writing that the project's stormwater controls, and impervious surfaces have been constructed within substantial intent of the approved plans and specifications. Any deviation from the approved plans must be noted on the Certification.
11. Deed restrictions are incorporated into this permit by reference and must be recorded with the Office of the Register of Deeds prior to the sale of any lot. Recorded deed restrictions must include, as a minimum, the following statements related to stormwater management:
 - a. The following covenants are intended to ensure ongoing compliance with State Stormwater Management Permit Number SW8 900225, as issued by the Division of Water Quality under NCAC 2H.1000.
 - b. The State of North Carolina is made a beneficiary of these covenants to the extent necessary to maintain compliance with the Stormwater Management Permit.
 - c. These covenants are to run with the land and be binding on all persons and parties claiming under them.
 - d. The covenants pertaining to stormwater may not be altered or rescinded without the express written consent of the State of North Carolina, Division of Water Quality.
 - e. Alteration of the drainage as shown on the approved plans may not take place without the concurrence of the Division of Water Quality.
 - f. The maximum built-upon area per lot is as shown on Attachment A to the permit. This allotted amount includes any built-upon area constructed within the lot property boundaries, and that portion of the right-of-way between the front lot line and the edge of the pavement. Built upon area includes, but is not limited to, structures, asphalt, concrete, gravel, brick, stone, slate, and coquina, but does not include raised, open wood decking, or the water surface of swimming pools.
 - g. Filling in or piping of any vegetative conveyances (ditches, swales, etc.) associated with the development except for average driveway crossings, is strictly prohibited by any persons.
 - h. Lots within CAMA's Area of Environmental Concern may have the permitted built-upon area reduced due to CAMA jurisdiction within the AEC.
 - i. Each lot will maintain a 30' wide vegetated buffer between all impervious areas and surface waters.
 - j. All roof drains shall terminate at least 30' from the mean high water mark.
12. The permittee shall submit a copy of the recorded deed restrictions within 30 days of the date of recording.
13. If the permittee sets up an Architectural Review Committee or Board (ARC or ARB) to review plans for compliance with the restrictions, the plans reviewed must include all proposed built-upon area (BUA). Any approvals given by the ARC or ARB do not relieve the lot owner of the responsibility to maintain compliance with the permitted BUA limit.
14. The Director may notify the permittee when the permitted site does not meet one or more of the minimum requirements of the permit. Within the time frame specified in the notice, the permittee shall submit a written time schedule to the Director for modifying the site to meet minimum requirements. The permittee shall provide copies of revised plans and certification in writing to the Director that the changes have been made.
15. All stormwater conveyances will be located in dedicated rights-of-way (public or private), recorded common areas or recorded drainage easements. The final plats for the project will be recorded showing all such required easements, in accordance with the approved plans.



III. GENERAL CONDITIONS

1. Failure to abide by the conditions and limitations contained in this permit may subject the Permittee to an enforcement action by the Division of Water Quality, in accordance with North Carolina General Statutes 143-215.6A to 143-215.6C.
2. The permit issued shall continue in force and effect until revoked or terminated.
3. The permit may be modified, revoked and reissued or terminated for cause. The filing of a request for a permit modification, revocation and re-issuance, or termination does not stay any permit condition.
4. The issuance of this permit does not prohibit the Director from reopening and modifying the permit, revoking and reissuing the permit, or terminating the permit as allowed by the laws, rules, and regulations contained in Title 15A of the North Carolina Administrative Code, Subchapter 2H.1000; and North Carolina General Statute 143-215.1 et. al.
5. The permit is not transferable to any person or entity except after notice to and approval by the Director. The Director may require modification or revocation and re-issuance of the permit to change the name and incorporate such other requirements as may be necessary. A complete Name/Ownership Change Form, signed by both parties, must be submitted to the Division of Water Quality accompanied by the appropriate documentation as listed on page 2 of the form. The approval of this request will be considered on its merits, and may or may not be approved.
6. The permittee is responsible for compliance with all permit conditions until such time as the Division approves the permit transfer request. Transfers to third parties by the permittee where the required documentation has not been submitted to and approved by the Division does not relieve the permittee of responsibility for transferring the permit.
7. The issuance of this permit does not preclude the Permittee from complying with any and all statutes, rules, regulations, or ordinances, which may be imposed by other government agencies (local, state and federal), which have jurisdiction. If any of those permits result in revisions to the plans, a permit modification must be submitted.
8. The permittee grants permission to DENR Staff to enter the property during business hours for the purposes of inspecting the stormwater management system and its components.
9. The permittee shall notify the Division of Water Quality in writing of any name, ownership or mailing address changes at least 30 days prior to making such changes.

Permit issued this the 29th day of September 2008.

NORTH CAROLINA ENVIRONMENTAL MANAGEMENT COMMISSION



for Coleen H. Sullins, Director
Division of Water Quality

By Authority of the Environmental Management Commission

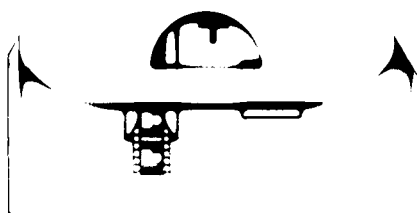


Exhibit A: Impervious Surface Data SW8-900225

Location and Maximum Allowable Square Footage of Impervious Footage (in parentheses) per Lot

Phase 1 (5200) Lots P1-001 thru P1-055

Phase 1 (4500) Lots P1-056 thru P1-106

Phase 1 (5200) Lots P1-107 thru P1-178

Phase 2 (5200) Lots P2-200 thru P2-299

Phase 2 (7000) Lot P2-299A&B

Phase 3 (7000) Lots P3-300 thru P3-348

Phase 3 (4500) Lots P3-349 thru P3-365

Phase 4 (5200) Lots P4-001 thru P4-058

SPRING BRANCH (4500) SB-001 thru SB-070

North Point (5200) Lots NP-001 thru NP-064

WINDWARD VILLAGE (4500) Lots WV-001 thru WV-057

Proposed Tr. 6 Condos (75000)

Genoa Pt. Tr. 2 (101-103) (11640)

SALES OFFICE (23509)

Links Townhomes (35458)

Channelside Condo Lot (8000)

Genoe's Point Condos (91-93) (17791)

POA Clubhouse (9084)

PRO Shop / Cart Barn (79506)

Proposed Clubhouse Expansion (9000)

Pool Deck Expansion (5400)

MAINT. AREA (27892)

ROADWAYS (991,773)

CART PATHS (218,891)

Reserved for POA Redistribution (425,000)

ALL OTHER (Common Areas, Golf Course, Ponds, ect.) (9,207,206)

TOTALS 2,809,829 Sq. Ft. of Impervious Surface at full build out

Lots with square footages that are over the allotted square footage for the neighboring lots were developed before the current DENR certificate SW*-900225 and are grandfathered at their current total. August 2008

