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DORCHESTER COUNTY, SC

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DECLARATION OF PROTECTIVE COVENANTS

FOR

LEGEND OAKS PLANTATION

WEST END

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DECLARATION OF PROTECTIVE COVENANTS

FOR

LEGEND OAKS PLANTATION

THIS DECLARATION is made on the date hereinafter set forth by Legend Oaks West Venture, LLC, a South Carolina limited liability corporation (hereinafter sometimes called "Declarant").

Background Statement

Declarant is the owner, or if not the owner has the written consent of the owner, of the real property described in Article II, Section 1, of this Declaration.

Declarant desires to subject the real property described in Article II, Section 1, hereof to the provisions of this Declaration to create a planned residential community and to provide for the subjecting of other real property to the provisions of this Declaration.

NOW, THEREFORE, Declarant hereby declares that the real property described in Article II, Section 1, of this Declaration, including the improvements constructed or to be constructed thereon, is hereby subjected to the provisions of this Declaration and shall be held, sold, transferred, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens, hereinafter set forth, which are for the purpose of protecting the value and desirability of, and which shall run with the title to, the real property hereby or hereafter made subject hereto, and shall be binding on all Persons having any right, title, or interest in all or any portion of the real property now or hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title, and assigns and shall inure to the benefit of each and every owner of all or any portion thereof.

Article I Definitions

Unless the context shall prohibit, certain words used in this Declaration shall be defined as set forth in Exhibit "A" attached hereto and by reference made a part hereof.

Article II Property Subject To This Declaration

Section 1. Property Hereby Subjected To This Declaration. The real property which is, by the recording of this Declaration, subject to the covenants and restrictions hereafter set forth and which, by virtue of the recording of this Declaration, shall be held, transferred, sold, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to this Declaration is the real property described in Exhibit "B" attached hereto and by reference made a part hereof.

Section 2. Other Property. Only the real property described in Section 1 of this Article II is hereby made subject to this Declaration; provided, however, by one or more Supplementary Declarations, Declarant has the right, but not the obligation, to subject other real property to this Declaration, as set on Exhibit "C". When other property is subjected to this Declaration, votes per Lot attributable to each Lot within such other property shall be in accordance with Article III hereinafter set out.

Article III Community Association Membership and Voting Rights

Section 1. Membership. Every Person who is the record owner of a fee or undivided fee interest in any Lot that is subject to this Declaration shall be deemed to have a membership in the Community Association. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in this Declaration and in the Bylaws. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a member or the member's spouse, but in no event shall more than one (1) vote be cast for each Lot owned.

Section 2. Voting. Members shall be entitled to one (1) vote for each Lot owned; provided, however, Declarant shall be entitled to six (6) votes for each Lot owned until the total votes of Owners other than Declarant shall equal or exceed the total votes of Declarant. When more than one Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners themselves determine and advise the Secretary of the Community Association prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended in the event more than one Person seeks to exercise it. Notwithstanding the foregoing, Declarant shall retain control over the Architectural Review Process and Landscape Maintenance Functions as more particularly set out hereinafter. If a Neighborhood Association is created as hereinafter provided, the number of votes which each Owner within the Neighborhood Association has in the Community Association shall be determined at that time, but in no event shall it be any greater than one vote for each dwelling unit.

Article IV Assessments

Section 1. Purpose of Assessment. The assessments provided for herein shall be used for the general purposes of promoting the recreation, health, welfare, common benefit, and enjoyment of the Owners and Occupants of Lots, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

Section 2. Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees to pay to the Community Association: (a) annual assessments or charges; (b) special assessments, such assessments to be established and collected as hereinafter provided; and (c) specific assessments against any particular Lot which are established pursuant to the terms of this Declaration, including, but not limited to, reasonable fines or penalties as may be imposed in accordance with the terms of this Declaration, as established from time to time. All such assessments, together with late charges, interest, not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum, costs, and reasonable attorney's fees actually incurred, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made. Each such assessment, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, shall also be the personal obligation of the Person who was the Owner of such Lot at the time the assessment fell due. Each Owner shall be personally liable for his or her portion of each assessment coming due while he or she is the Owner of a Lot, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, the liability of a grantee for the unpaid assessments of its grantor shall not apply to any first Mortgagee taking title through foreclosure proceedings or deed in lieu of foreclosure.

The Community Association shall, within ten (10) days after receiving a written request therefor and for a reasonable charge, furnish a certificate signed by an officer of the Community Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Community Association as to the status of assessments on a Lot shall be binding upon the Community Association as of the date of issuance.

Assessments shall be paid at a uniform rate per Lot in such manner and on such dates as may be fixed by the Board of Directors, which may include, without limitation, acceleration, upon ten (10) days' written notice, of the annual assessment for delinquents. Unless otherwise provided by the Board, the assessment shall be paid in annual installments.

The monthly costs of operating the Community Association may fluctuate dramatically during each budget year. Therefore, the Board is not required to prorate the annual assessment obligation of any Owner who has not lived in the Community for a full year.

Section 3. Computation. It shall be the duty of the Board to prepare a budget covering the estimated costs of operating the Community Association during the coming year, which may include a capital contribution or reserve in accordance with a capital budget separately prepared. The Board shall cause the budget and the assessment to be levied against each Lot for the following year and to be delivered to each member at least sixty (60) days prior to the end of the current fiscal year (or at least sixty (60) days prior to the due date of the first installment in the case of the initial budget). The assessment shall become effective unless disapproved at a meeting by a Majority of the Total Community Association Vote. Notwithstanding the foregoing, however, in the event the membership disapproves the proposed budget or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined, as provided herein, the budget in effect for the then current year shall continue for the succeeding year.

Section 4. Special Assessments. In addition to the other assessments authorized herein, the Community Association, with the consent of Declarant, may levy special assessments any year. So long as the total amount of special assessments allocable to each Lot does not exceed one hundred fifty percent of the then current annual assessment, in any one fiscal year, the Board may impose the special assessment. Except as provided in Article VII, Section 2, hereof, any special assessment which would cause the amount of special assessments allocable to any Lot to exceed this limitation shall be effective only if approved by a Majority of the Total Community Association Vote. Special assessments shall be paid as determined by the Board, and the Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

Section 5. Lien for Assessments. All sums assessed against any Lot pursuant to this Declaration, together with late charges, interest, costs, and reasonable attorney's fees actually incurred, as provided herein, shall be secured by a lien on such Lot in favor of the Community Association. Such lien shall be superior to all other liens and encumbrances on such Lot, except for (a) liens of ad valorem taxes, or (b) liens for all sums unpaid on a first Mortgage, or (c) liens for all sums on any Mortgage to Declarant duly recorded in the land records of the Office of Dorchester County Register of Mesne Conveyance and all amounts advanced pursuant to such Mortgage and secured thereby in accordance with the terms of such instrument.

All other Persons acquiring liens or encumbrances on any Lot after this Declaration shall have been recorded in such records shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

Section 6. Effect of Nonpayment of Assessments: Remedies of the Community Association. Any assessments or installments thereof which are not paid when due shall be delinquent. Any assessment or installments thereof delinquent for a period of more than ten (10) days shall incur a late charge in such amount as the Board may from time to time determine. The Community Association shall cause a notice of delinquency to be given to any member who has not

paid within ten (10) days following the due date. If the assessment is not paid within sixty (60) days, a lien, as herein provided, shall attach and, in addition, the lien shall include the late charge, interest, not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum, on the principal amount due, and all late charges from the date first due and payable, all costs of collection, reasonable attorney's fees actually incurred, and any other amounts provided or permitted by law. In the event that the assessment remains unpaid after ninety (90) days, the Community Association may, as the Board shall determine, institute suit to collect such amounts and/or to foreclose its lien. Each Owner, by acceptance of a deed or as a party to any other type of a conveyance, vests in the Community Association or its agents the right and power to bring all actions against him or her, personally, for the collection of such charges as a debt or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The lien provided for in this Article shall be in favor of the Community Association and shall be for the benefit of all other Owners. The Community Association, acting on behalf of the Owners, shall have the power to bid on the Lot at any foreclosure sale or to acquire, hold, lease, mortgage, or convey the same.

No Owner may waive or otherwise exempt himself from liability for the assessments provided for herein, including, by way of illustration, but not limitation, abandonment of the Lot. No diminution or abatement of any assessment shall be claimed or allowed by reason of any alleged failure of the Community Association to take some action or perform some function required to be taken or performed by the Community Association under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Community Association, or from any action taken by the Community Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay assessments being a separate and independent covenant on the part of each Owner.

All payments shall be applied first to costs and attorney's fees, then to late charges, then interest and then to delinquent assessments.

Section 7. <u>Date of Commencement of Annual Assessments/Assessment Obligation of Declarant.</u>

- (a) The annual assessments provided for herein shall commence as to all Lots then existing and subject to assessment under this Declaration on the first day of the month following the conveyance of the first Lot by the Declarant to a Person other than Declarant and shall be due and payable in a manner and on a schedule as the Board of Directors may provide.
- (b) After the commencement of assessment payments as to any Lot, Declarant and Builders, on behalf of themselves and their successors and assigns, covenant and agree to pay the full amount of the assessments provided herein for each Lot owned containing an occupied residence; provided, however, each Lot owned by Declarant or a Builder which does not contain an occupied

residence shall be subject only to twenty-five percent (25%) of the assessment provided for herein for Lots subject to assessment under this Declaration.

(c) Notwithstanding anything to the contrary herein, the Declarant may contribute assessments due from it in services or materials or a combination of services and materials, rather than in money (herein collectively called "in kind contribution"). The amount by which monetary assessments shall be decreased as a result of any in kind contribution shall be the fair market value of the contribution. If the Declarant and the Community Association agree as to the value of any contribution, the value shall be as agreed. If the Community Association and the Declarant cannot agree as to the value of any contribution, the Declarant shall supply the Community Association with a detailed explanation of the service performed and material furnished, and the Community Association shall acquire bids for performing like services and furnishing like materials from three (3) independent contractors approved by the Declarant who are in the business of providing such services and materials. If the Community Association and the Declarant are still unable to agree on the value of the contribution, the value shall be deemed to be the average of the bids received from the independent contractors.

Section 8. Specific Assessments. The Board, with the consent of Declarant, shall have the power to specifically assess pursuant to this Section as, in its discretion, it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Community Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future with respect to any expenses, including an expense for which the Board has not previously exercised its authority under this Section. Fines levied pursuant to Article XIII, Section 1, of this Declaration and the costs of maintenance performed by the Community Association which the Owner is responsible for under Article V, Section 2, of this Declaration shall be specific assessments. The Board may also specifically assess Lots for the following Community Association expenses:

- (a) Expenses of the Community Association which benefit less than all of the Lots may be specifically assessed equitably among all of the Lots which are benefited according to the benefit received.
- (b) Expenses of the Community Association which benefit all Lots, but which do not provide an equal benefit to all Lots, may be assessed equitably among all Lots according to the benefit received.

Section 9. <u>Budget Deficits During Declarant Control</u>. For so long as the Declarant has the authority to appoint the directors and officers of the Community Association, Declarant may (a) advance funds to the Community Association sufficient to satisfy the deficit, if any, between the actual operating expenses of the Community Association and the sum of the annual, special and specific assessments collected by the Community Association in any fiscal year, and such advances shall be evidenced by promissory notes from the Community Association in favor of the Declarant, or (b) cause the Community Association to borrow such amount from a commercial lending

institution at the then-prevailing rates for such a loan in the local area of the Community. The Declarant in its sole discretion may guarantee repayment of such loan, if required by the lending institution, but no Mortgage secured by the Common Property or any of the improvements maintained by the Community Association shall be given in connection with such loan.

Article V Maintenance

Section 1. Community Association's Responsibility. The Community Association shall maintain and keep in good repair the Common Property. This maintenance shall include, without limitation, maintenance, repair, and replacement, subject to any insurance then in effect, of all landscaping and improvements situated on the Common Property. The Community Association shall maintain all entry features for the Community including street signs originally installed by the Declarant, if any. The Community Association shall also maintain all drainage detention and retention areas which were originally maintained by the Declarant, to the extent such areas are not maintained on an ongoing basis by a local governmental entity, and there is hereby reserved to the Community Association a blanket easement upon, across, over, and under all property within the Community for access, ingress, and egress as necessary to permit the Community Association to perform such maintenance. The Community Association may, but shall not be obligated to, maintain, repair, or replace, as necessary, all mailboxes or mailbox posts located within the Community.

The Community Association shall also maintain all property outside of Lots located within the Community which was originally maintained by Declarant. In addition, the Community Association shall have the right, but not the obligation, to maintain property not owned by the Community Association where the Board has determined that such maintenance would benefit all Owners.

Section 2. Owner's Responsibility. Except as provided in Section 1 above, all maintenance of the Lot and all structures, parking areas, landscaping, and other improvements thereon shall be the sole responsibility of the Owner thereof, who shall maintain such Lot in a manner consistent with the Community-Wide Maintenance Level and this Declaration. If the Board of Directors of the Community Association determines that (a) any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair, or replacement of items for which such Owner is responsible hereunder; or (b) that the need for maintenance, repair, or replacement, which is the responsibility of the Community Association hereunder, is caused through the willful or negligent act of an Owner, or the family, guests, lessees, or invitees of any Owner, and is not covered or paid for by insurance, in whole or in part, then the Community Association may perform the repair, replacement or maintenance and shall, except in the event of an emergency situation, give the Owner written notice of the Community Association's intent to provide such necessary maintenance, repair, or replacement, at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repairs, or replacement deemed necessary. The Owner shall have ten (10) days within which to complete such

maintenance, repair, or replacement, or, in the event that such maintenance, repair, or replacement is not capable of completion within a ten (10) day period, to commence such work which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Community Association may provide any such maintenance, repair, or replacement at such Owner's sole cost and expense, and all costs shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against the Lot.

Section 3. Ponds. The Community Association shall be responsible for the maintenance, upkeep and repair of the storm water management ponds located throughout the development, whether such ponds are located on property of the Community Association, lots within the association, the golf course, or adjacent land. Ponds shall be inspected not less than twice yearly to determine that they continue to function for the purposes intended. The Community Association shall submit reports by a professional engineer to the Dorchester County Public Works department on the form prescribed by Dorchester County Public Works, and as frequently as they may require.

Section 4. <u>Declarant's Maintenance Oversight</u>. So long as the Declarant owns any property subject to this Declaration, the Declarant shall have control over the management and discharge of the Community Association's maintenance responsibility. Without limiting the foregoing, the Declarant shall approve any third party provider of maintenance services to the association, or in its sole and unfettered discretion, provide such maintenance services at a cost to the Community Association commensurate with general market conditions for similar services provided by unrelated parties to the Community Association.

Article VI Use Restrictions and Rules

Section 1. General. This Article, beginning at Section 2, sets out certain use restrictions which must be complied with by all Owners and Occupants. These use restrictions may be amended only in the manner provided in Article XIII, Section 4, hereof regarding amendment of this Declaration. The Board of Directors may, from time to time, without consent of the members, promulgate, modify, or delete use restrictions and rules and regulations applicable to the Lots and the Common Property. This authority shall include, but shall not be limited to, the right to limit the type and size of vehicles within the Community; provided, however, the vehicle speed limit within the Community until amended by the Board shall be twenty (20) miles per hour. The Board shall also have the authority to impose all other necessary traffic and parking regulations and to restrict the maximum noise levels of vehicles in the Community. Such regulations and use restrictions shall be distributed to all Owners and Occupants prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, cancelled, or modified in a regular or special meeting by a Majority of the Total Community Association Vote.

Section 2. <u>Use of Lots</u>. All Lots shall be used for single-family residential purposes exclusively. No business or business activity shall be carried on or upon any Lot at any time except with the prior written approval of the Board. Leasing of residences on a Lot shall not be considered a

business or business activity. Use of lots for sales models, sales offices or builders offices shall be permitted at the sole discretion of the Declarant.

Section 3. Signs. No sign of any kind shall be erected by an Owner or Occupant within the Community without the written consent of the Board except: (a) such signs as may be required by legal proceedings; (b) not more than one (1) "For Sale" sign consistent with the Community-Wide Maintenance Level (as may hereinafter be established from time to time by the Declarant, or in the absence thereof, by the Community Association by specific bylaw), having a maximum area of four (4) square feet and a maximum height of six (6) feet above existing grade; and (c) signs erected by Declarant and Builders. The Board shall have the right to erect any reasonable and appropriate signs.

Section 4. <u>Vehicles</u>. Vehicles shall not be parked on any street within the Community. Vehicles shall not be parked on the Common Property or on any portion of a Lot other than the driveway and the garage. Vehicles shall not be parked so as to be visible from any Lot for periods of more than twenty-four (24) continuous hours. Vehicles bearing any commercial identification shall not be permitted to park over-night on any street, nor in any driveway of any Lot. The term "vehicles," as used herein, shall include, without limitation, motor homes, boats, trailers, motorcycles, minibikes, scooters, go-carts, trucks, campers, buses, vans, SUV's and automobiles.

Section 5. Leasing. Residences on Lots may be leased for residential purposes.

Section 6. Occupants Bound. All provisions of the Declaration and of any rules and regulations or use restrictions promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Occupants of any Lot even though Occupants are not specifically mentioned. Fines may be levied against Owners or Occupants. If a fine is first levied against an Occupant and is not paid timely, the fine may then be levied against the Owner.

Section 7. Animals and Pets. No animals, livestock, or poultry of any kind may be raised, bred, kept, or permitted on any Lot, with the exception of dogs, cats, or other usual and common household pets in reasonable number, as determined by the Board; provided, however, those pets which are permitted to roam free, or, in the sole discretion of the Board, endanger the health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Lots or the owner of any property located adjacent to the Community may be removed by the Board. No pets shall be kept, bred or maintained for any commercial purpose. Dogs which are household pets shall at all times whenever they are outside a Lot be confined on a leash. Without prejudice to the Board's right to remove any such household pets, no household pet that has caused damage or injury may be walked in the Community.

Section 8. Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her Lot. No Lot shall be used, in whole or in part, for the storage of any property or thing that will cause

such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any Lot that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to any Person using any property adjacent to the Lot. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Community. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes, shall be located, installed or maintained upon the exterior of any Lot unless required by law.

Section 9. <u>Unsightly or Unkempt Conditions</u>. The pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken in any part of the Community.

Section 10. Architectural Standards. No exterior construction, alteration, addition, or erection of any nature whatsoever (including, without limitation, fences, pools, tennis courts, exterior lighting, treehouses and play equipment) shall be commenced or placed upon any part of the Community, except such as is installed by the Declarant, or as is approved in accordance with this Section, or as is otherwise expressly permitted herein. No exterior construction, addition, erection, or alteration shall be made unless and until the plans and specifications showing the nature, kind, shape, height, materials, and location shall have been submitted in writing to and approved by the Board or its designee. Until such time as the Declarant does not own any land subject to this declaration, the Board or its designee may promulgate written guidelines for the exercise of this review.

Until such time as the Declarant does not own any land subject to this declaration, the Board or its designee shall be the sole arbiter of such plans and may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction in violation of these restrictions. Any member of the Board or its designee or the representatives thereof shall have the right, during reasonable hours, to enter upon any Lot to inspect any Lot and any improvements thereon for the purpose of ascertaining whether or not these restrictive covenants have been or are being complied with. Such Person or Persons shall not be deemed guilty of trespass by reason of such entry. In the event the Board or its designee fails to approve or to disapprove such design and location within thirty (30) days after the plans and specifications have been submitted to it, approval will not be required, and this Section will be deemed to have been fully complied with.

All activities commenced pursuant to plans which have been deemed approved shall be consistent with such plans. As a condition of approval under this Section, each Owner, on behalf of such Owner and such Owner's successors-in-interest shall assume all responsibilities for

maintenance, repair, replacement, and insurance to and on any change, modification, addition, or alteration. In the discretion of the Board or its designee, an Owner may be made to verify such condition of approval by a recordable written instrument acknowledged by such Owner on behalf of such Owner and such Owner's successors-in-interest.

PLANS AND SPECIFICATIONS ARE NOT APPROVED FOR ENGINEERING OR STRUCTURAL DESIGN OR QUALITY OF MATERIALS, AND BY APPROVING SUCH PLANS AND SPECIFICATIONS NEITHER THE BOARD, ITS DESIGNEE, NOR THE COMMUNITY ASSOCIATION ASSUMES LIABILITY OR RESPONSIBILITY THEREFOR. NOR FOR ANY DEFECT IN ANY STRUCTURE CONSTRUCTED FROM SUCH PLANS AND NEITHER DECLARANT, THE COMMUNITY ASSOCIATION, THE SPECIFICATIONS. BOARD, THE BOARD'S DESIGNEE, NOR THE OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES, AND AGENTS OF ANY OF THEM SHALL BE LIABLE IN DAMAGES TO ANYONE SUBMITTING PLANS AND SPECIFICATIONS TO ANY OF THEM FOR APPROVAL, OR TO ANY OWNER OF PROPERTY AFFECTED BY THESE RESTRICTIONS BY REASON OF MISTAKE IN JUDGMENT, NEGLIGENCE, OR NONFEASANCE ARISING OUT OF OR IN CONNECTION WITH THE APPROVAL OR DISAPPROVAL OR FAILURE TO APPROVE OR DISAPPROVE ANY SUCH PLANS OR SPECIFICATIONS. EVERY PERSON WHO SUBMITS PLANS OR SPECIFICATIONS AND EVERY OWNER AGREES THAT SUCH PERSON OR OWNER WILL NOT BRING ANY ACTION OR SUIT AGAINST DECLARANT, THE COMMUNITY ASSOCIATION, THE BOARD, THE BOARD'S DESIGNEE, OR THE OFFICERS, DIRECTORS, MEMBERS, EMPLOYEES, AND AGENTS OF ANY OF THEM TO RECOVER ANY DAMAGES AND HEREBY RELEASES, REMISES, QUITCLAIMS, AND COVENANTS NOT TO SUE FOR ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION ARISING OUT OF OR IN CONNECTION WITH ANY JUDGMENT, NEGLIGENCE, OR NONFEASANCE AND HEREBY WAIVES THE PROVISIONS OF ANY LAW WHICH PROVIDES THAT A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS, DEMANDS, AND CAUSES OF ACTION NOT KNOWN AT THE TIME THE RELEASE IS GIVEN.

Until such time as the Declarant does not own any land subject to this declaration, the architectural review process as contemplated herein, shall be administered by the Declarant, or as it may further direct. The Community Association shall forward all architectural review requests to the Declarant for review and disposition, together with all required supporting documentation. Time for rendering a decision by the Declarant shall not run until the Declarant is in receipt of all necessary and required material. Notwithstanding anything to the contrary, failure of the Declarant to render a decision within 30 days as herein elsewhere provided shall not constitute an acceptance or permission to proceed by the Community Association member.

The Declarant reserves the right to publish from time to time, guidelines for the implementation of these covenants to further amplify, clarify, and augment the architectural standards by which properties may be improved.

Section 11. Antennas. No exterior antennas of any kind shall be placed, allowed, or maintained upon any portion of the Community, including any Lot, without the prior written consent of the Board or its designee. However, the Board reserves the right to (but shall not be obligated to) erect a master antenna, satellite dish or other similar master system for the benefit of the Community.

Section 12. Gardens, Basketball Goals, Etc. Grass, ornamental plants and shrubbery (and only the foregoing) may be planted in the front or side yard of any Lot. All other planting, including trees, may be done only with prior written approval of the Board or its designee or in accordance with the guidelines previously established by the Board or its designee. Any planting shall not obscure the view corridor from the street to the golf course, unless specifically varied by ruling of the Board, with the consent of the owner of the Golf Course. Overseeding of fescue lawns and sodding of lawns with Bermuda or zoysia grasses shall not require prior approval pursuant to this Section. No vegetable garden, hammocks, statuary, or recreational equipment may be placed, erected, allowed or maintained upon any Lot without the prior written consent of the Board or its designee. This provision shall not, however, apply to basketball goals which may be installed after the type and location have been previously approved in writing by the Board or its designee.

Section 13. Tree Removal. No trees which are left on a Lot as of the date of conveyance of such Lot to a Person other than Declarant or a Builder shall be removed without the express consent of the Board or its designee, except for diseased or dead trees. In addition, the Board may direct an Owner to remove any tree which dies or becomes a hazard (such as trees that have been hit by lightning).

Section 14. Lighting. Notwithstanding Article VI, Section 10 above, the following exterior lighting may be installed without the necessity of obtaining the prior approval of the Board or its designee: (a) seasonal decorative lights during the Christmas season; (b) illumination of other than the front or side yards of a Lot; (c) illumination of model homes and entrance features constructed by the Declarant or a Builder; and (d) other lighting originally installed by the Declarant or a Builder. Plans for all other exterior lighting must be submitted and approved in accordance with Article VI, Section 10 hereof. Decorative post lights will not be approved unless they conform with established street lighting.

Section 15. Drainage. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or Occupant of any Lot may obstruct or rechannel the drainage flows after the location and installation of drainage swales, storm sewers, or storm drains. Declarant reserves the right to prepare sloping banks, cut or fill on all streets and roads. Declarant hereby reserves a perpetual easement across all Community property for the purpose of altering drainage and water flow. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

Section 16. Sight Distance at Intersections. All property located at street intersections shall be so landscaped as to permit safe sight across the street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain at any corner where this would create a traffic or sight problem.

Section 17. Clotheslines, Garbage Cans, Woodpiles, Etc. No clotheslines shall be permitted on any Lot. All garbage cans, woodpiles, and other similar items shall be located or screened so as to be concealed from view of neighboring Lots, streets, and property located adjacent to the Lot. All rubbish, trash, and garbage shall be regularly removed from the Lot and shall not be allowed to accumulate thereon. Notwithstanding the foregoing, the Community Association reserves the right to provide and maintain a dumpster for the use of residents within the Community. Declarant, however, hereby expressly reserves the right to dump and bury rocks and trees on property within the Community as needed for efficient construction and to allow Builders within the Community to do so.

Section 18. <u>Subdivision of Lot</u>. No Lot shall be subdivided or its boundary lines changed except with the prior written approval of the Declarant or its designee. Declarant, however, hereby expressly reserves the right to replat any Lot(s) or other property in the Community. Any such division, boundary line change, or replatting shall not be in violation of the applicable subdivision and zoning regulations.

Section 19. <u>Solar Devices</u>. No artificial or man-made device which is designed or used for collection of or heating by solar energy or other similar purposes shall be placed, allowed, or maintained upon any portion of the Community, including any Lot, without the prior written consent of the Board or its designee.

Section 20. Fences. No fence or fencing type barrier of any kind shall be placed, erected, allowed, or maintained upon any portion of the Community, including any Lot, without the prior written consent of the Declarant or its designee. Under no circumstances shall any fence be placed, erected, allowed or maintained closer to any street than the rear of the residence constructed on such Lot. The Declarant or its designee may issue guidelines detailing acceptable fence styles or specifications, but in no event may a chain link fence or hog wire fence be approved. Notwithstanding the foregoing, the Declarant reserves the right to determine fencing for Lots 1000-1033 having regard to the specific housing integration of this area. No fencing of any kind shall be permitted within the thirty (30°) feet of any rear yard that is adjacent to the golf course property. Further no tree cutting, nor planting, shall be permitted within the rear thirty (30°) feet of a golf course adjacent lot without the express written consent of the owners from time to time of the golf course property.

Section 21. Exterior Colors. The exterior of all improvements, including, without limitation, residences, constructed, erected, allowed, or maintained upon any Lot must be painted or repainted in a color approved by Declarant or its designee.

Section 22. <u>Mailboxes</u>. All mailboxes and mailbox posts shall be of the same type and color as that originally approved by the Declarant.

Section 23. <u>Detached Structures</u>. No detached structure shall be placed, erected, allowed, or maintained upon any Lot without the prior written consent of the Board or its designee. All detached structures must be consistent in design materials and color with the dwelling on the Lot.

Section 24. Entry Features and Street Signs. Owners shall not alter, remove or add improvements to any entry features or street signs constructed by the Declarant on any Lot, or any part of any easement area associated therewith without the prior written consent of the Board or its designee.

Section 25. Above Ground Pools. Above ground swimming pools shall not be permitted in the Community.

Section 26. Lot Standards. So long as the Declarant owns property subject to this declaration, the Declarant reserves the right to establish, and amend from time to time, lot maintenance standards, for both vacant or improved lots, including the right to determine the amount and frequency of any fines or penalties to be levied by the Community Association against a lot owner for failure to comply within 30 days of being so notified of failing to meet these standards.

Section 27. Street Trees. The Community Association shall be responsible for the maintenance of any street tree on or fronting the lot, irrespective of whether the tree was planted on the lot, or over an easement on the lot, or in the right of way immediately adjacent to the lot, consistent with Dorchester County Public Works (or any succeeding jurisdictional body) guidelines. If the street tree is planted in any right of way, or utility easement, and such tree is damaged by public or utility workers in the ordinary performance of their duties, the Community Association shall be responsible for the repair or replacement of the street tree of a specimen no less in caliper size than originally planted by the Declarant pursuant to its subdivision approvals.

Section 28. Exterior Finishes: All building and other structures located on any Lot shall be finished in fiber-cement siding, brick, stucco or stone. Vinyl siding shall be prohibited. Vinyl trim elements will be permitted in the sole discretion of the Declarant.

Article VII Insurance and Casualty Losses

Section 1. <u>Insurance</u>. The Community Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements located on the Common Property or required to be maintained by the Community Association under Article V, Section 1 hereof. This insurance shall cover loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or

destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

If available at reasonable cost, as determined in the sole discretion of the Board, the Board shall obtain a public liability policy applicable to the Common Property insuring the Community Association and its members for all damage or injury caused by the negligence of the Community Association or any of its members or agents. The public liability policy shall have a combined single limit of at least One Million Dollars (\$1,000,000.00). If available at reasonable cost, as determined in the sole discretion of the Board, the Board shall also obtain directors' and officers' liability insurance. The Board is hereby authorized to contract with or otherwise arrange to obtain the insurance coverage required hereunder through the Declarant and to reimburse Declarant for the cost thereof, and Declarant shall be authorized, but not obligated, to purchase such insurance coverage for the benefit of the Community Association and the Owners upon Declarant and Community Association agreeing upon the terms and conditions applicable to reimbursement by the Community Association for costs incurred by Declarant in obtaining such coverage. Notwithstanding anything contained in this Declaration to the contrary, the Board shall not be required to comply with the provisions of this Article if the Board has contracted for or otherwise arranged to obtain the required insurance coverage through the Declarant.

Premiums for all insurance shall be common expenses of the Community Association. The policies may contain a reasonable deductible, and the amount thereof shall be added to the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

All such insurance coverage obtained by the Board of Directors shall be written in the name of the Community Association, as trustee, for the respective benefited parties, as further identified in subparagraph (b), below. Such insurance shall be governed by the provisions bereinafter set forth:

- (a) All policies shall be written with a company authorized to do business in South Carolina.
- (b) Exclusive authority to adjust losses under policies obtained by the Community Association shall be vested in the Community Association's Board of Directors; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.
- (c) In no event shall the insurance coverage obtained and maintained by the Community Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, Occupants, or their Mortgagees, and the insurance carried by the Community Association shall be primary.

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- (d) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available and all insurance policies shall be reviewed annually by one or more qualified Persons, at least one of whom must be in the real estate industry and familiar with construction in the county where the Community is located.
- (e) The Community Association's Board of Directors shall be required to-make every reasonable effort to secure insurance policies that will provide for the following:
- (i) a waiver of subrogation by the insurer as to any claims against the Community Association's Board of Directors, its manager, the Owners and their respective tenants, servants, agents, and guests;
- (ii) a waiver by the insurer of its rights to repair and reconstruct instead of paying cash;
- (iii) that no policy may be cancelled, subjected to nonrenewal, invalidated, or suspended on account of any one or more individual Owners;
- (iv) that no policy may be cancelled, subjected to nonrenewal, invalidated, or suspended on account of any defect or the conduct of any director, officer, or employee of the Community Association or its duly authorized manager without prior demand in writing delivered to the Community Association to cure the defect or to cease the conduct and the allowance of a reasonable time thereafter within which a cure may be effected by the Community Association, its manager, any Owner or Mortgagee;
- (v) that any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and
- (vi) that no policy may be cancelled, subjected to nonrenewal, or substantially modified without at least ten (10) days' prior written notice to the Community Association.

In addition to other insurance coverage required by this Section, the Board shall obtain workers compensation insurance, if and to the extent necessary to satisfy the requirements of applicable law, and, if available at reasonable cost, as determined in the sole discretion of the Board, a fidelity bond or employees dishonesty coverage covering directors, officers, employees, and other Persons handling or responsible for the Community Association's funds. The amount of fidelity or employees dishonesty coverage, if obtained, shall be determined in the directors' best business judgment. Such coverage, if obtained, shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation and shall not be subject to cancellation, nonrenewal or substantial modification without at least ten (10) days' prior written notice to the Community Association.

Section 2. <u>Damage and Destruction -- Common Property</u>.

- (a) In General. Immediately after the damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Community Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty allowing for any changes or improvements necessary to comply with applicable building codes. The Board of Directors shall have all enforcement powers specified in Article XIII, Section 1, of this Declaration necessary to enforce this provision.
- (b) Repair and Reconstruction. Any damage or destruction to Common Property required to be covered by insurance written in the name of the Community Association shall be repaired or reconstructed unless, within sixty (60) days after the casualty, at least seventy-five percent (75%) of the Total Community Association Vote otherwise agree. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Community Association within such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed.

If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof, the Board of Directors shall, without the necessity of a vote of the Community Association's members, levy a special assessment against all Owners in proportion to the number of Lots owned by such Owners. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Community Association.

In the event that it should be determined by the Community Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event the property shall be restored to its natural state and maintained as an undeveloped portion of the Community by the Community Association in a neat and attractive condition.

Section 3. <u>Damage and Destruction -- Lots</u>. The damage or destruction by fire or other casualty to all or any portion of any improvement on a recorded Lot shall be repaired by the Owner thereof within seventy-five (75) days after such damage or destruction or, where repairs cannot be completed within seventy-five (75) days, they shall be commenced within such period and

shall be completed within a reasonable time thereafter. Alternatively, the Owner may elect to demolish all improvements on the Lot and remove all debris therefrom within seventy-five (75) days after such damage or destruction. In the event of noncompliance with this provision, the Board of Directors shall have all enforcement powers specified in Article XIII, Section 1 of this Declaration.

Section 4. <u>Insurance Deductible</u>. The deductible for any casualty insurance policy carried by the Community Association shall, in the event of damage or destruction, be allocated among the Persons who are responsible hereunder, or under any declaration or contract requiring the Community Association to obtain such insurance, for maintenance of the damaged or destroyed property.

Article VIII Condemnation

Whenever all or any part of the Common Property shall be taken (or conveyed in lieu of and under threat of condemnation by the Board, acting on its behalf or on the written direction of all Owners of Lots subject to the taking, if any) by any authority having the power of condemnation or eminent domain, the Community Association shall represent the Owners. The award made for such taking shall be payable to the Community Association as trustee for all Owners. The provisions of Article VII, Section 2, above, applicable to Common Property improvements damage or destruction, shall govern replacement or restoration and the actions to be taken in the event that the improvements are not restored or replaced.

Article IX Annexation of Additional Property

As the owner thereof or, if not the owner, with the consent of the owner thereof, Declarant shall have the unilateral right, privilege, and option from time to time at any time until twenty (20) years after the recording of this Declaration to subject all or any portion of the real property described in Exhibit "C" attached hereto and by reference made a part hereof to the provisions of this Declaration and the jurisdiction of the Community Association by filing for record in the land records of the Office of Dorchester County Register of Mesne Conveyance a Supplementary Declaration describing the property being annexed. Any such annexation shall be effective upon the filing for record of such Supplementary Declaration unless a later effective date is provided therein. As long as covenants applicable to the real property previously subjected to this Declaration are not changed and as long as rights of then Owners are not adversely affected, the Declarant may unilaterally amend this Declaration to reflect the different character of any such annexed real property.

The rights reserved unto Declarant to subject additional land to the Declaration shall not and shall not be implied or construed so as to impose any obligation upon Declarant to subject any of such additional land to this Declaration or to the jurisdiction of the Community Association. If such additional land is not subjected to this Declaration, Declarant's reserved rights shall not

impose any obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by Declarant or any subsequent owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

Article X Mortgagee Provisions

The following provisions are for the benefit of holders of first Mortgages on Lots in the Community. The provisions of this Article apply to both this Declaration and to the Bylaws, notwithstanding any other provisions contained therein.

- Section 1. Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage, who provides written request to the Community Association (such request to state the name and address of such holder, insurer, or guarantor and the Lot number), (therefore becoming an "eligible holder"), will be entitled to timely written notice of:
- (a) any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such eligible holder;
- (b) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first Mortgage, upon request, is entitled to written notice from the Community Association of any default in the performance by an Owner of a Lot of any obligation under the Declaration or Bylaws of the Community Association which is not cured within sixty (60) days;
- (c) any lapse, cancellation, or material modification of any insurance policy maintained by the Community Association; or
- (d) any proposed action which would require the consent of a specified percentage of Mortgage holders.
- Section 2. No Priority. No provision of this Declaration or the Bylaws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Property.
- Section 3. Notice to Community Association. Upon request, each Lot Owner shall be obligated to furnish to the Community Association the name and address of the holder of any Mortgage encumbering such Owner's Lot.

Section 4. Amendments by Board. Should the Federal National Mortgage Community Association, the Federal Home Loan Mortgage Corporation, the U.S. Department of Housing and Urban Development ("HUD"), or the U.S. Department of Veterans Affairs ("VA") subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

Section 5. VA/HUD Approval. As long as the Declarant has the right to appoint and remove the directors and officers of the Community Association and so long as the project is approved by HUD for insuring any Mortgage in the Community (as determined by consulting the current list of approved subdivisions regularly published by HUD and furnished to Mortgage companies) or the VA for guaranteeing any Mortgage in the Community (as determined by telephone inquiry to VA), and such regulatory agency has not relinquished or otherwise terminated its rights of review, the following actions shall require the prior approval of the VA and/or HUD, as applicable: annexation of additional property to the Community, except for annexation by Declarant in accordance with Article IX, Section 1, hereof pursuant to a plan of annexation previously approved by the VA and/or HUD, as applicable; dedication of Common Property to any public entity; mergers and consolidations; dissolution of the Community Association; mortgaging of Common Property; and material amendment of the Declaration, Bylaws, or Articles of Incorporation.

Section 6. Applicability of Article X. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, Bylaws, or South Carolina law for any of the acts set out in this Article.

Section 7. Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Community Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Community Association's request.

Article XI Easements

Section 1. Easements for Use and Enjoyment.

- (a) Every Owner of a Lot shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Property which shall be appurtenant to and shall pass with the title to his Lot, subject to the following provisions:
- (i) the right of the Community Association to charge reasonable admission and other fees for the use of any portion of the Common Property, to limit the number of guests of Lot Owners and tenants who may use the Common Property, and to provide for the

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exclusive use and enjoyment of specific portions thereof at certain designated times by an Owner, his family, tenants, guests, and invitees;

(ii) the right of the Community Association to suspend the voting rights of a Lot Owner and the right of an Owner to use the recreational facilities available for use by the Community, if any, for any period during which any assessment against his Lot which is hereby provided for remains unpaid; and, for a reasonable period of time for an infraction of the Declaration, Bylaws, or rules and regulations;

(iii) the right of the Community Association to borrow money for the purpose of improving the Common Property, or any portion thereof, or for construction, repairing or improving any facilities located or to be located thereon, and give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property; provided, however, the lien and encumbrance of any such Mortgage given by the Community Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for the benefit of Declarant, or any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Lot Owner encumbering any Lot or other property located within the Community (Any provision in this Declaration or in any such Mortgage given by the Community Association to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default thereunder shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of Declarant, or any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Lot Owner encumbering any Lot or other property located within the Community.) (No such Mortgage shall be effective unless an instrument agreeing to such Mortgage has been approved by Owners of at least two-thirds (2/3) of the Lots (other than Lots of Declarant so long as the consent of Declarant is required) and the consent of Declarant (so long as the Declarant owns any property for development and/or sale in the Community or has the right unilaterally to annex property to the Community.); and

(iv) the right of the Community Association to dedicate or transfer all or any portion of the Common Property subject to such conditions as may be agreed to by the members of the Community Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved by Declarant (so long as Declarant owns any property for development and/or sale within the Community or has the right unilaterally to annex additional property to the Community) and Owners representing at least two-thirds (2/3) of the total vote of the Community Association (other than Declarant so long as the consent of Declarant is required).

(b) Any Lot Owner may delegate his or her right of use and enjoyment in and to the Common Property and facilities located thereon to the members of his family, his tenants and guests and shall be deemed to have made a delegation of all such rights to the Occupants of such Owner's Lot if leased.

Section 2. Easements for Utilities. There is hereby reserved to the Community Association blanket easements upon, across, above and under all property within the Community for access, ingress, egress, installation, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof, including, but not limited to, gas, water, sanitary sewer, telephone and electricity, as well as storm drainage and any other service such as, but not limited to, a master television antenna system, cable television system, or security system which the Declarant or Community Association might decide to have installed to serve the Community. It shall be expressly permissible for the Declarant, the Community Association or the designee of either, as the case may be, to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining of such wires, conduits, cables and other equipment related to the providing of any such utility or service. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Board shall have the right to grant such easement.

Section 3. Easement for Community Association Maintenance. Excluding all areas comprising the Golf Course Facility and its clubhouse, cart, and maintenance facilities and other real property which is not recorded Lots and Common Property, Declarant hereby expressly reserves a perpetual easement for the benefit of the Community Association across such portions of the Community, determined in the sole discretion of the Community Association, as are necessary to allow for the maintenance required under Article V. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment to Owners' property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

Section 4. Easements for Maintenance and Repair. There shall be reciprocal appurtenant easements between adjacent Lots for the purpose of maintaining or repairing the improvements, including, without limitation, landscaping located on each Lot which easement shall extend to a distance of not more than five (5) feet as measured from any point on the common boundary between the Lots and along a line perpendicular to such boundary at such point. The easement shall be used only for such period of time as is reasonably necessary in order to complete the needed maintenance or repair. The Lot Owner exercising this easement right shall be liable for the prompt repair of any damage to the Lot over which this easement is exercised which is caused by the maintenance or repair work. The damaged portions of such Lot shall be restored to substantially the same condition as existed prior to the damage.

Section 5. Easement for Entry. In addition to the right of the Board to exercise self-help as provided in Article XIII, Section 2 hereof, the Board shall have the right, but shall not be obligated, to enter upon any property within the Community for emergency, security, and safety reasons, which right may be exercised by the manager, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner, and the entering party shall be responsible for any damage caused. This right of entry shall include

the right of the Board to enter to cure any condition which may increase the possibility of a fire, slope erosion, or other hazard in the event an Owner or Occupant fails or refuses to cure the condition upon request by the Board.

Section 6. Easements for Entry Features and Street Signs. There is hereby reserved to the Declarant and the Community Association an easement over and upon each Lot for ingress, egress, installation, construction, landscaping and maintenance of entry features and street signs for the Community. The easement and right herein reserved shall include the right to cut, remove and plant trees, shrubbery, flowers and other vegetation around all entry features and the right to grade the land under and around the entry features.

Section 7. Easements for Golf Course.

- Every Lot and the Common Property are burdened with an easement permitting golf balls unintentionally to come upon such Common Property or Lots and for golfers at reasonable times and in a reasonable manner to come upon the Common Property or the portions of a Lot not containing a structure to retrieve errant golf balls; provided, however, if any Lot is fenced or walled, the golfer shall seek the Owner's permission before entry. The existence of this easement shall not relieve golfers of liability for damage caused by errant golf balls. Under no circumstances shall any of the following Persons be held liable for any damage or injury resulting from errant golf balls or the exercise of this easement: the Declarant; the Community Association or its members (in their capacity as such); the owner of the Golf Course Facility, its successors, successors-in-title, or assigns; any successor Declarant; any Builder or contractor (in their capacities as such); and any officer, director or partner of any of the foregoing, or any officer or director of any partner.
- (b) The owner of the Golf Course Facility, its respective agents, successors and assigns, shall at all times have a right and non-exclusive easement of access and use over those portions of the Common Property reasonably necessary to the operation, maintenance, repair and replacement of the Golf Course Facility.
- (c) Property immediately adjacent to the Golf Course Facility is hereby burdened with a non-exclusive easement in favor of the Golf Course Facility for overspray of water from any irrigation system serving the Golf Course Facility. Under no circumstances shall the Community Association or the owner of the Golf Course Facility be held liable for any damage or injury resulting from such overspray or the exercise of this easement.
- (d) The owner of the Golf Course Facility, its respective successors and assigns, shall have a perpetual, exclusive easement of access over the Community for the purpose of retrieving golf balls from bodies of water within the Common Property lying reasonably within range of golf balls hit from the Golf Course Facility.

Article XII Golf Course Facility

Section 1. Ownership and Operation of Golf Course Facility. All Persons, including all Owners, are hereby advised that no representations or warranties, either written or oral, have been or are made by the Declarant or any other Person with regard to the nature or size of improvements to, or the continuing existence, ownership or operation of, the Golf Course Facility including swimming pool and tennis courts, if any, and no purported representation or warranty in such regard, either written or oral, shall ever be effective without an amendment to this Declaration executed or joined into by the Declarant. Further, the ownership and/or operation of the Golf Course Facility including swimming pool and tennis courts, if any, may change at any time and from time to time by virtue of, but without limitation, (a) the sale to or assumption of operations of the Golf Course Facility by an independent entity or entities; (b) the creation or conversion of the ownership and/or operating structure of the Golf Course Facility to an "equity" club or similar arrangement whereby the Golf Course Facility or the rights to operate it are transferred to an entity which is owned or controlled by its members; or (c) the transfer of ownership or control of the Golf Course Facility to one or more affiliates, shareholders, employees, or independent contractors of the Declarant. No consent of the Community Association or any Owner shall be required to effectuate such transfer or conversion.

Section 2. Right to Use. Neither membership in the Community Association nor ownership or occupancy of a Lot shall confer any ownership interest in or right to use the Golf Course Facility. Rights to use the Golf Course Facility will be granted only to such persons, and on such terms and conditions, as may be determined from time to time by the owner of the Golf Course Facility. The owner of the Golf Course Facility shall have the right, from time to time in its sole and absolute discretion and without notice, to amend or waive the terms and conditions of use of the Golf Course Facility, including, without limitation, eligibility for and duration of use rights, categories of use and extent of use privileges, and number of users, and shall also have the right to reserve use rights and to terminate use rights altogether, subject to the provisions of any outstanding membership documents.

Section 3. <u>View Impairment</u>. Neither the Declarant, the Community Association, nor the owner or operator of the Golf Course Facility guarantees or represents that any view over and across the Golf Course Facility from adjacent Lots will be preserved without impairment. The owner of the Golf Course Facility, if any, shall have no obligation to prune or thin trees or other landscaping, and shall have the right, in its sole and absolute discretion, to add trees and other landscaping to the Golf Course Facility from time to time. In addition, the owner of the Golf Course Facility may, in its sole and absolute discretion, change the location, configuration, size and elevation of the tees, bunkers, fairways and greens on the Golf Course Facility from time to time. Any such additions or changes to the Golf Course Facility may diminish or obstruct any view from the Lots and any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

Section 4. Rights of Access and Parking. The Golf Course Facility and its members (regardless of whether such members are Owners hereunder), if any, their guests and invitees, and the employees, agents, contractors, and designees of the owner of the Golf Course Facility shall at all times have a right and nonexclusive easement of access and use over all roadways located within the Community reasonably necessary to travel from/to the entrance to the Community from/to the Golf Course Facility, respectively, and over those portions of the Community (whether Common Property or otherwise) reasonably necessary to the operation, maintenance, repair, and replacement of the Golf Course Facility. Without limiting the generality of the foregoing, members of the Golf Course Facility, if any, and permitted members of the public shall have the right to park their vehicles on the roadways located within the Community at reasonable times before, during, and after golf tournaments and other similar functions held by or at the Golf Course Facility.

Section 5. <u>Assessments</u>. The Golf Course Facility shall not be obligated to pay assessments as provided in Article IV hereof.

Section 6. Architectural Control. The Board or its designee or any architectural control committee created hereunder shall not approve or permit any construction, addition, alteration, change, or installation on or to any portion of the Community which is adjacent to, or otherwise in the direct line of sight of, the Golf Course Facility without giving the Declarant, or as the Declarant may further direct, the owner of the Golf Course Facility at least twenty-five (25) days prior written notice of its intent to approve or permit the same together with copies of the request and all other documents and information finally submitted in such regard. The Declarant or owner of the Golf Course Facility, as the case may be, shall have twenty-five (25) days in its complete discretion to approve or disapprove the proposal in writing delivered to the Board, its designee, or architectural control committee stating in detail the reasons for any disapproval. The failure of the Declarant or the owner of the Golf Course Facility, as the case may be, to respond to the notice within the twenty-five (25) day period shall constitute a waiver of such Person's right to object to the matter. This Section shall also apply to any work on the Common Property. The Golf Course Facility shall not be subject to any of the architectural control provisions contained herein.

Section 7. Limitations on Amendments. In recognition of the fact that the provisions of this Article are for the benefit of the Declarant and the owner of the Golf Course Facility, no amendment to this Article, and no amendment in derogation of any rights reserved or granted to the owner of the Golf Course Facility by other provisions of this Declaration, may be made without the written approval of the Declarant and owner of the Golf Course Facility. The foregoing shall not apply, however, to amendments made by the Declarant.

Section 8. <u>Jurisdiction and Cooperation</u>. It is Declarant's intention that the Community Association and the owner of the Golf Course Facility shall cooperate to the maximum extent possible in the operation of the Community and the Golf Course Facility. Each shall reasonably assist the other in upholding the Community-Wide Maintenance Level. The Community Association shall have no power to promulgate rules and regulations affecting activities on or use of the Golf Course Facility.

Article XIII Neighborhood Associations

Section 1. Establishment by Declarant. The Declarant, in its sole discretion, prior to any conveyance of the parcel of land constituting a Neighborhood, may establish Neighborhoods within the Community by designation on Exhibit 'A' to this Declaration, a Supplemental Declaration, or a plat. Until such time as the Declarant own no property in the Community, the Declarant may unilaterally amend this Declaration or any Supplemental Declaration from time to time to assign property to a specific Neighborhood, to redesignate Neighborhood boundaries, or to remove property from a specific Neighborhood. The units/lots within a particular Neighborhood may be subject to additional covenants and/or the unit/lot Owners may all be members of a Neighborhood Association in addition to the Community Association. However, a Neighborhood Association shall not be required except in the case of a condominium or otherwise as required by law. Any Neighborhood which does not have a Neighborhood Association may, but shall not be obligated to, elect a Neighborhood Committee, as described in the By-Laws or Supplemental Declaration, to represent the interests of Owners of Units/Lots in such Neighborhood.

Section 2. Service Level. Any Neighborhood may request that the Community Association provide a higher level of service or special services for the benefit of Owners in such Neighborhood and, upon the affirmative vote, written consent, or a combination thereof, of Owners of a Majority of the Units/Lots within the Neighborhood, the Association, may, in its sole discretion, provide the requested services. The cost of such services, which may include a reasonable administrative charge in such amount as the Board deems appropriate (provided any such administrative charge shall apply at a uniform rate per Unit/Lot to all Neighborhoods receiving the same service), shall be assessed against the Units/Lots within such Neighborhood as a Neighborhood Assessment.

Section 3. Voting. The Owners within each Neighborhood shall in the case of individual platted lots, shall have one vote per platted lot, and in the case of Units in a multi family building, shall have the number of votes as set out in the supplement declaration creating the Neighborhood, as determined by the Declarant in the creation of the Neighborhood for purposes of votes in the Community Association. All units or lots shall have one vote within the Neighborhood Association if one be created by the supplemental declaration.

Section 4. Community Association Authority. The Community Association may veto any action taken or contemplated by any Neighborhood Association which the Board reasonably determines to be adverse to the interests of the Association or its Members or inconsistent with the Community-Wide Standard. The Community Association also may require specific action to be taken by any Neighborhood Association to fulfill its obligations and responsibilities under any Governing Document. If the Neighborhood Association fails to comply with such requirements within a reasonable time as specified in writing by the

Community Association, the Community Association may effect such action on behalf of the Neighborhood Association and assess the Owners of Units/Lots within such Neighborhood for any expenses incurred by the Community Association in taking such action.

Section 5. Neighborhood's Responsibility. Upon resolution of the Board of Directors, the Owners of Units/Lots within each Neighborhood shall be responsible for paying, through Neighborhood Assessments, the costs of operating, maintaining and insuring their designated Exclusive Common Areas and portions of the Area of Common Responsibility within or adjacent to such Neighborhood as determined by the Board. This may include, without limitation, the costs of maintaining signage, entry features, right-of-way and green space between the Neighborhood and adjacent public roads, private streets within the Neighborhood, and ponds either within or without the Neighborhood but deemed essential to the Neighborhood, regardless of ownership and regardless of the fact that such maintenance may be performed by the Community Association, provided however, all Neighborhoods which are similarly situated shall be treated the same.

Section 6. Standard of Care. All maintenance shall be performed in a manner consistent with the Community-Wide Standard and all applicable covenants.

Section 7. Assessments. All unit/lot owners shall be liable for assessments established by the Community Association in addition to any assessments specific to the Neighborhood, be they established by the Community Association, or by a Neighborhood Association. Neighborhood Association assessments shall be enforceable and collectable to the extent as if established by the Community Association, and any action to enforce or collect, shall be brought by the Community Association on behalf of the Neighborhood Association.

Article XIV Master Association

Section 1. Right to Join. The Board may authorize the joinder of this Community Association with any other association in the Legend Oaks Plantation development, that the Board considers is of common purpose. In such event, the restrictive covenants contained herein shall nonetheless continue to apply to the property subject to this declaration as provided for herein, save and except any term or condition of a master association that is more restrictive than that provided for herein shall take precedence.

Section 2. <u>Master Association Assessments</u>. Assessments for participation in the master association shall be in addition to any assessments provided for herein, such rates of assessment to be determined in accordance with the Master Association documents as approved by the Board.

Article XV General Provisions

Section 1. Enforcement. Each Owner and every Occupant of a Lot shall comply strictly with the Bylaws, the rules and regulations, the use restrictions, as they may be lawfully amended or modified from time to time, and with the covenants, conditions, and restrictions set forth in this Declaration and in the deed to his or her Lot, if any. The Board of Directors may impose fines or other sanctions, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration, the Bylaws or the rules and regulations shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Board of Directors, on behalf of the Community Association, or, in a proper case, by an aggrieved Owner. Failure by the Community Association or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Board shall have the right to record in the appropriate land records a notice of violation of the Declaration, Bylaws, rules and regulations, or use restrictions and to assess the cost of recording and removing such notice against the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing.

Section 2. Self-Help. In addition to any other remedies provided for herein, the Community Association or its duly authorized agent shall have the power to enter upon a Lot or any portion of the Common Property to abate or remove any structure, thing or condition which violates this Declaration, the Bylaws, the rules and regulations, or the use restrictions. Unless an emergency situation exists, the Board shall give the violating Lot Owner ten (10) days' written notice of its intent to exercise self-help. Notwithstanding the foregoing, vehicles may be towed after reasonable notice. All costs of self-help, including reasonable attorney's fees actually incurred shall be assessed against the violating Lot Owner and shall be collected as provided for herein for the collection of assessments.

Section 3. Duration. The covenants and restrictions of this Declaration shall run with and bind the Community, and shall inure to the benefit of and shall be enforceable by the Community Association or any Owner, their respective legal representatives, heirs, successors, and assigns, perpetually to the extent permitted by law; provided, however, any provision of this Declaration affected thereby shall run with and bind the land so long as permitted by law, after which time any such provision shall be (a) automatically extended for successive periods of twenty (20) years, unless such extension is disapproved by at least two-thirds (2/3) of the Total Community Association Vote (a written instrument reflecting disapproval must be recorded within the year immediately preceding the beginning of a twenty (20) year renewal period) or (b) extended as may be otherwise provided by law. Every purchaser or grantee of any interest (including, without limitation, a security interest) in any real property subject to this Declaration, by acceptance of a deed or other conveyance therefor, thereby agrees that such provisions of this Declaration may be extended and renewed as provided in this Section.

Section 4. Amendment. This Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule, or regulation or judicial determination which shall be in conflict therewith; (b) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration; (c) if such amendment is required by an institutional or governmental lender or purchaser of Mortgage loans, including, for example, the Federal National Mortgage Community Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Lots subject to this Declaration; or (d) if such amendment is necessary to enable any governmental agency or reputable private insurance company to guarantee or insure Mortgage loans on the Lots subject to this Declaration; provided, however, any such amendment shall not adversely affect the title to any Owner's Lot unless any such Lot Owner shall consent thereto in writing. Further, so long as Declarant has the right unilaterally to subject additional property to this Declaration as provided in Article IX hereof, Declarant may unilaterally amend this Declaration for any other purpose; provided, however, any such amendment shall not materially adversely affect the substantive rights of any Lot Owner hereunder, nor shall it adversely affect title to any Lot without the consent of the affected Lot Owner.

In addition to the above, this Declaration may be amended upon the affirmative vote or written consent, or any combination thereof, of Owners of at least two-thirds (2/3) of the Lots (other than Lots of Declarant so long as the consent of Declarant is required) and the consent of Declarant (so long as the Declarant owns any property for development and/or sale in the Community or has the right unilaterally to annex additional property to the Community). Amendments to this Declaration shall become effective upon recordation, unless a later effective date is specified therein. No provision of this Declaration which reserves or grants special rights to the Declarant shall be amended without the prior written consent of the Declarant so long as the Declarant owns any property primarily for development and/or sale in the Community or subject to annexation by the Declarant to the Community.

Section 5. Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

Section 6. Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any Person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and, to this end, the provisions of this Declaration are declared to be severable.

Section 7. Captions. The captions of each Article and Section hereof, as to the contents of each Article and Section, are inserted only for convenience and are in no way to be

construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer.

Section 8. Conveyance of Common Property by Declarant to Community Association: Assignment of Contracts. The Declarant may transfer or convey to the Community Association any personal property and any improved or unimproved real property, leasehold, easement, or other property interest. Such conveyance shall be accepted by the Community Association, and the property shall thereafter be Common Property to be maintained by the Community Association for the benefit of all or a part of its members. Declarant shall not be required to make any improvements whatsoever to property to be conveyed and accepted pursuant to this Section.

Section 9. <u>Perpetuities</u>. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

Section 10. Indemnification. In accordance with the South Carolina Nonprofit Corporation Code and to the full extent allowed, the Community Association shall indemnify every Person who was or is a party or who is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Community Association), by reason of the fact that such Person is or was serving as a director or officer of the Community Association against any and all expenses, including attorneys' fees, imposed upon or reasonably incurred in connection with any action, suit, or proceeding, if such Person acted in a manner reasonably believed to be in or not opposed to the best interests of the Community Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. Any indemnification hereunder shall be made by the Community Association only as authorized in a specific case upon a determination that indemnification of the Person is proper under the circumstances.

Section 11. Construction and Sale Period. Notwithstanding any provisions contained in this Declaration, the Bylaws, Articles of Incorporation, rules and regulations, use restrictions, and any amendments to any of the foregoing, the Declarant hereby expressly reserves unto itself, its successors and assigns, and Builders a non-exclusive, perpetual right, privilege, and easement with respect to the Community for the benefit of the Declarant, its successors and assigns, and Builders over, under, in, and/or on the Community, without obligation and without charge to the Declarant or Builders, for the purposes of taking all actions related to or connected with construction, installation, relocation, development, sale, maintenance, repair, or replacement in the Community and any other property now owned or which may in the future be owned by the Declarant or a Builder (such other property is hereinafter referred to as "Additional Property"). The reserved easement shall constitute a burden on the title to the Community and specifically includes, but is not limited to:

- (a) the right of access, ingress, and egress for vehicular and pedestrian traffic over, under, on, or in the Community; and the right to tie into any portion of the Community with streets, driveways, parking areas, and walkways; and the right to tie into and/or otherwise connect and use (without a tap-on or any other fee payable to the Community Association or any Owner for so doing), replace, relocate, maintain, and repair any device which provides utility or similar services, including, without limitation, electrical, telephone, natural gas, water, sewer, and drainage lines and facilities constructed or installed in, on, under, and/or over the Community; and
- (b) the right to construct, install, replace, relocate, maintain, repair, use, and enjoy signs, model residences, construction trailers, and sales offices in the Community.

No rights, privileges, and easements granted or reserved herein shall be merged into the title of any property, including, without limitation, the Community, but shall be held independent of such title, and no such right, privilege, or easement shall be surrendered, conveyed, or released unless and until and except by delivery of a quitclaim deed from the Person so releasing such right, privilege, or easement which releases such right, privilege, or easement by express reference thereto.

If these reserved easements are exercised without annexing any Additional Property to the Community, the Owners of the affected Additional Property shall share the costs, if any, of using and maintaining utility and similar facilities, including, without limitation, electrical, telephone, natural gas, water, sewer, and drainage lines and facilities with the Owners in the Community in the proportion that the number of completed dwellings on the affected Additional Property bears to the total number of completed dwellings upon the affected Additional Property and the number of Lots in the Community. The costs of maintenance and repair of Community streets and driveways shall likewise be apportioned to the affected Additional Property if the only means of vehicular access to the affected Additional Property is across the Community. For the purposes of this provision, a dwelling on the affected Additional Property shall be considered completed when a certificate of occupancy has been granted. The allocation of expenses and the collection therefor may be done on a monthly, quarterly, or annual basis as may reasonably be determined by the Community Association in accordance with this Declaration. If any of the Additional Property is added to the Community, from the time of the annexation, the sharing of costs and expenses and the use of any property so added shall be governed by this Declaration, rather than by these reserved easements.

This Section shall not be amended without the prior written consent of the Declarant and any Builders affected by such amendment so long as the Declarant or any such Builders own any property primarily for development and/or sale in the Community.

Section 12. Books and Records.

(a) <u>Inspection by Members and Mortgagees</u>. This Declaration, the Bylaws, copies of rules and use restrictions, membership register, books of account, and minutes of meetings of the members of the Board and of committees shall be made available for inspection and copying by any

member of the Community Association or by his duly appointed representative and by holders, insurers, or guarantors of any first Mortgage at any reasonable time and for a purpose reasonably related to his or her interest as a member or holder, insurer, or guarantor of a first Mortgage at the office of the Community Association or at such other reasonable place as the Board shall prescribe.

- (b) Rules for Inspection. The Board shall establish reasonable rules with respect to:
 - (i) notice to be given to the custodian of the records;
 - (ii) hours and days of the week when such an inspection may be

made; and

- (iii) payment of the cost of reproducing copies of documents.
- (c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Community Association and the physical properties owned or controlled by the Community Association. The right of inspection by a director includes the right to make extra copies of documents at the reasonable expense of the Community Association.
- Section 13. <u>Financial Statements</u>. Financial statements for the Community Association shall be compiled annually in the manner as the Board of Directors may decide; provided, however, after having received the Board's financial statements at the annual meeting, the Owners, by a Majority vote, may require that the financial statements of the Community Association be audited as a common expense by a certified public accountant. Upon written request of any institutional holder of a first Mortgage and upon payment of all costs associated therewith, such holder shall be entitled to receive a copy of the audited financial statements of the Community Association within ninety (90) days of the date of the request.
- Section 14. Notice of Sale or Lease. In the event an Owner sells or leases his or her Lot, the Owner shall give to the Community Association, in writing, the name of the purchaser or lessee of the Lot and such other information as the Board may reasonably require.
- Section 15. Agreements. Subject to the prior approval of Declarant, so long as the Declarant has an option to unilaterally subject additional property to this Declaration as provided in Article IX above, all agreements and determinations, including settlement agreements regarding litigation involving the Community Association, lawfully authorized by the Board of Directors shall be binding upon all Owners, their heirs, legal representatives, successors, assigns, and others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community.
- Section 16. <u>Variances</u>. Notwithstanding anything to the contrary contained herein, the Board of Directors or its designee shall be authorized to grant individual variances from any of

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the provisions of this Declaration, the Bylaws and any rule, regulation or use restriction promulgated pursuant thereto if it determines that waiver of application or enforcement of the provision in a particular case would not be inconsistent with the overall scheme of development for the Community.

Section 17. Litigation. No judicial or administrative proceeding shall be commenced or prosecuted by the Community Association unless approved by at least seventy-five percent (75%) of the Total Community Association Vote. This Section shall not apply, however, to (a) actions brought by the Community Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided in Article IV hereof, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Community Association in proceedings instituted against it. This Section shall not be amended unless such amendment is made by the Declarant pursuant to Article XIII, Section 4, hereof, or is approved by the percentage votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

Section 18. Implied Rights. The Community Association may exercise any right or privilege given to it expressly by this Declaration, the Bylaws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

SIGNATURES ON ATTACHED SHEET

IN WITNESS WHEREOF, the un this day of August., 2004.	dersigned has executed this instrument and affixed his seal
Signed, sealed and delivered in the presence of: corporation	LEGEND OAKS WEST VENTURE, LLC a South Carolina limited liability
Dermans	By: A gyller A Roselly (Vice) President 491
Witness	(Viee) President 451
Rotary Public	[Corporate Seal]
STATE OF NORTH CAROLINA	
COUNTY OF MECKLENBURG	·
that (s)he saw the within name steppen known a company, sign the viscal said document, and as its ac	d before me Poloch A Buccis and made oath ed LEGEND OAKS WEST VENTURE, LLC by within document, and the said corporation, by said officer, with essed the execution thereof.
SWORN to before me the [Seal] Famule Khart Notary Public Witness	is a day of succest, 2004. Ader Marine
My commission expires: 8-1-07	PAM CANAL PAMENTAL PA

CONSENT

The undersigned, does hereby consent to the recording of this declaration of restrictive covenants and conditions to any lands which the undersigned may own within those lands described in any Schedules attached hereto.

IN WITNESS WHEREOF, the undersigned has executed this instrument and affixed his seal this day of August, 2004.

Signed, sealed and delivered
in the presence of:
corporation
1 1 1

LEGEND OAKS	WE21	FUNDING,	, LLL
_	0 41.	C 11	1::

a South Carolina limited liability

Robert n Burn	By: M. Korent M.
Witness	(Vice) President
Pamla, KNart	[Corporate Seal]
Notary Public	

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

PERSONALLY appeared before me Rollis and made oath that (s)he saw the within named LEGEND OAKS WEST FUNDING, LLC by Seed said document, and as its act and deed, deliver the same, and that (s)he with witnessed the execution thereof.

SWORN to before me this a day of August, 2004.

Seal] Tunulu K Nort

Notary Public Witness

My commission expires: $\sqrt{-1.00}$

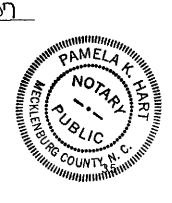


EXHIBIT "A"

Definitions

The following words, when used in this Declaration or in any amendment thereof (unless the context shall prohibit), shall have the following meanings:

- a) "Community Association" shall mean and refer to Legend Oaks Plantation Community Association, Inc., a nonprofit South Carolina corporation, its successors and assigns.
- b) "Board of Directors" or "Board" of the Association shall be the appointed or elected body, as applicable, having its normal meaning under South Carolina corporate law.
- c) "Builder" shall mean any Person which purchases one or more Lots for the purpose of constructing improvements for later sale to consumers or parcels of land within the Community for further subdivision, development, and/or resale in the ordinary course of such Person's business.
- d) "Bylaws" shall refer to the Bylaws of Legend Oaks Plantation Community Association, Inc.
- e) "Common Property" shall mean any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Community Association for the common use and enjoyment of the Owners.
- f) "Community" shall mean and refer to that certain real property and interests therein described in Exhibit "B", attached hereto, and (i) such additions thereto as may be made by Declarant (or its Mortgagee or transferee, as provided in the Declaration) of all or any portion of the real property described in Exhibit "C", attached hereto; and (ii) such additions thereto as may be made by the Community Association (as provided in the Declaration) of other real property.
- g) "Community-Wide Maintenace Level" shall mean the standard of conduct, maintenance, or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Board of Directors of the Community Association. Such determination, however, must be consistent with the Community-Wide Maintenance Level originally established by the Declarant.

- h) "Declarant" shall mean and refer to Legend Oaks West Venture, LLC, a South Carolina limited liability corporation and its successors-in-title and assigns, provided any such successor-in-title or assign shall acquire for the purpose of development or sale all or any portion of the remaining undeveloped or unsold portions of the real property described in Exhibit "B", attached hereto, or in Exhibit "C", attached hereto, and provided further, in the instrument of conveyance to any such successor-in-title or assign, such successor-in-title or assign is designated as the "Declarant" hereunder by the grantor of such conveyance, which grantor shall be the "Declarant" hereunder at the time of such conveyance; provided, further, upon such designation of such successor Declarant, all rights of the former Declarant in and to such status as "Declarant" hereunder shall cease, it being understood that as to all of the property described in Exhibit "B", attached hereto, and in Exhibit "C", attached hereto, which is now or hereafter subjected to this Declaration, there shall be only one Person or legal entity entitled to exercise the rights and powers of the "Declarant" hereunder at any one point in time.
- i) "Golf Course Facility" shall mean any parcel of land adjacent to or within the Community which is privately owned by the Declarant, its successors, successors-in-title, assigns, or transferees, and which is operated as a golf course, tennis courts, swimming pool and related facilities, and all related and supporting facilities and improvements operated in connection with such golf course.
- j) "Lot" shall mean any plot of land within the Community, whether or not improvements are constructed thereon, which constitutes or will constitute, after the construction of improvements, a single dwelling site as shown on the plat for the Community, or amendments thereto, recorded in the land records of the Office of Dorchester County Register of Mesne Conveyance. The ownership of each Lot shall include, and there shall pass with each Lot as an appurtenance thereto, whether or not separately described, all of the right, title, and interest of an Owner in the Common Property, which shall include, without limitation, membership in the Community Association.
- k) "Majority" means those eligible votes, Owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total eligible number.
- "Mortgage" means any mortgage, deed to secure debt, and any and all other similar instruments used for the purpose of conveying or encumbering real property as security for the payment or satisfaction of an obligation.
- m) "Mortgagee" shall mean the holder of a Mortgage.
- n) "Neighborhood" shall mean a separately developed area within the Community, whether or not governed by a Neighborhood Association (as hereinafter defined), in which the Owners of Units/Lots may have common interests other than those common to all Members of the

Community Association. Neighborhood boundaries may be established and modified as provided in the declaration.

- o) "Neighborhood" shall mean a separately developed area within the subject Property, whether or not governed by a Neighborhood Association, in which the Owners of Units/Lots may have common interests other than those common to all Members of the Community Association. Neighborhood boundaries may be established and modified as provided herein.
- p) "Neighborhood Assessment" shall mean assessments levied against the Units/Lots in a particular Neighborhood or Neighborhoods to fund Neighborhood Expenses.
- q) "Neighborhood Association" shall mean any condominium or other owners association having concurrent jurisdiction with the Community Association over any Neighborhood.
- r) "Neighborhood Expenses" shall mean the accrual and estimated expenses incurred or anticipated to be incurred by the Community Association for the benefit of Owners of Units/Lots within a particular Neighborhood or Neighborhoods, which may include a reasonable reserve fro capital repairs and replacements, as the Board may specifically authorize from time to time and as may be authorized herein or in Supplemental Declarations applicable to such Neighborhood(s).
- s) "Occupant" shall mean any Person occupying all or any portion of a Lot or other property located within the Community for any period of time, regardless of whether such Person is a tenant of the Owner of such property.
- t) "Owner" shall mean and refer to the record owner, whether one or more Persons, of the fee simple title to any Lot located within the Community, excluding, however, any Person holding such interest merely as security for the performance or satisfaction of any obligation.
- u) "Person" means any natural person, as well as a corporation, joint venture, partnership (general or limited), association, trust, or other legal entity.
- v) "Supplementary Declaration" means an amendment or supplement to this Declaration which subjects additional property to this Declaration or imposes, expressly or by reference, additional restrictions and obligations on the land described therein, or both.
- w) "Total Community Association Vote" means all of the votes attributable to members of the Community Association (including votes of Declarant) and the consent of Declarant (so long as Declarant owns any property for development and/or sale in the Community or has the right unilaterally to annex additional property to the Community).

EXHIBIT B

Being all of Lots 1000 through 1033, inclusive, of The Club at Legend Oaks Plantation Back 9 Phase 1 (aka Phase 9 Section 1) as shown on that plat thereof recorded as Plat K-110, Dorchester County Public Registry.

Being all of Lots 1036 through 1049, inclusive, and Lots 1052 through 1080, inclusive, of The Club at Legend Oaks Plantation Phase 9 Section 2 as shown on that plat thereof recorded as Plat K-110, Dorchester County Public Registry.

EXHIBIT C

BEING all of Tract 8, 9 and 10 all as shown on that survey prepared for Legend Oaks Country Club, dated October 2, 2001 and prepared by Trico Engineering Consultants, Inc., and recorded in Plat Cabinet K Slide 5, Dorchester Register of Mesne Conveyances.

SAVE AND EXCEPT: THAT PORTION OF Tract 10 shown on that Plat recorded in Plat Cabinet J Slide 160, Dorchester Register of Mesne Conveyances.

FURTHER SAVE AND EXCEPT: ALL THAT PIECE, PARCEL, OR TRACT OF LAND, SITUATE, LYING, AND BEING IN DORCHESTER COUNTY, STATE OF SOUTH CAROLINA, BEING DESIGNATED AS "TRACT 9A"; AS SHOWN ON A CERTAIN PLAT ENTITLED "SUBDIVISION PLAT SHOWING TRACT 9A, A 5.116 ACRE TRACT OF LAND, A PORTION OF TRACT 9", LEGEND OAKS PLANTATION, PROPERTY OF PROVIDENCE DEVELOPMENT PARTNERS, SC, LLC., DATED AUGUST 9, 2002, BY RICHARD A. ALDRIDGE, S.C.P.L.S. NO. 20854, PROPERTY IS MORE FULLY DESCRIBED AS FOLLOWS TO WIT:

TO LOCATE THE POINT OF BEGINNING FOR TRACT 9A, LOCATE THE NORTHEAST CORNER OF THE SECOND FAIRWAY OF LEGEND OAKS GOLF AND COUNTRY CLUB. SAID POINT IS THE POINT OF BEGINNING, THENCE TURNING AND RUNNING N83°44'28"W, A DISTANCE OF 83.19' TO A POINT, THENCE TURNING AND RUNNING ALONG A CURVE TO THE RIGHT HAVING A RADIUS OF 189.97', A DELTA ANGLE OF 34°49'26", AN ARC DISTANCE OF 115.46', A BEARING OF N66°19'45"W AND A CHORD OF 113.69' TO A POINT, THENCE TURNING AND RUNNING \$41°04'58"W, A DISTANCE OF 35.41' TO A POINT, THENCE TURNING AND RUNNING N05°27'54"W, A DISTANCE OF 32.54' TO A POINT, THENCE TURNING AND RUNNING N19°10'15"W, A DISTANCE OF 52.75' TO A POINT, THENCE TURNING AND RUNNING ALONG A CURVE OF A NON TANGENT CURVE TO THE RIGHT, A RADIUS OF 189.97; A DELTA ANGLE OF 24°04'06", AN ARC DISTANCE OF 79.80', A BEARING OF N15°26'58"W AND A CHORD OF 79.22' TO A POINT, THENCE TURNING AND RUNNING N24°47'39"W A DISTANCE OF 83.54' TO A POINT, THENCE TURNING AND RUNNING N07°30'53"W, A DISTANCE OF 66.88' TO A POINT, THENCE TURNING AND RUNNING N62°15'33"W, A DISTANCE OF 12.90' TO A POINT, THENCE TURNING AND RUNNING N19°16'57"W, A DISTANCE OF 301.45' TO A POINT, THENCE TURNING AND RUNNING N33°58'07"E, A DISTANCE OF 2.11' TO A POINT, THENCE TURNING AND RUNNING ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 25.00', A DELTA ANGLE OF 99°31'44", AN ARC DISTANCE OF 43.43', A BEARING OF N15°47'45"W AND A CHORD OF 38.17' TO A POINT, THENCE TURNING AND RUNNING N65°33'37"W, A DISTANCE OF 18.23' TO A POINT, THENCE TURNING AND RUNNING N37°48'53"W, A DISTANCE OF 203.70' TO A POINT, THENCE

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TURNING AND RUNNING N42°33'02"W, A DISTANCE OF 65.82' TO A POINT, THENCE TURNING AND RUNNING N74°00'01"E, A DISTANCE OF 265.96' TO A POINT, THENCE TURNING AND RUNNING N69°24'12"E, A DISTANCE OF 340.27' TO A POINT, THENCE TURNING AND RUNNING S14°19'30"W, A DISTANCE OF 155.39' TO A POINT, THENCE TURNING AND RUNNING S36°14'40"W, A DISTANCE OF 222.37' TO A POINT, THENCE TURNING AND RUNNING S71°28'49"E, A DISTANCE OF 91.22' TO A POINT, THENCE TURNING AND RUNNING S12°11'02"W, A DISTANCE OF 301.01' TO A POINT, THENCE TURNING AND RUNNING S07°34'41"W, A DISTANCE OF 200.00' TO A POINT, TO A POINT, THENCE TURNING AND RUNNING AND RUNNING ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 139.97', A DELTA ANGLE OF 91°19'09", AN ARC DISTANCE OF 223.09', A BEARING OF S38°04'53"E AND A CHORD OF 200.21' TO A POINT, THENCE TURNING AND RUNNING S83°44'28"E, A DISTANCE OF 87.67' TO A POINT, THENCE TURNING AND RUNNING S34°00'50"W, A DISTANCE OF 4.92' TO A POINT, THENCE TURNING AND RUNNING S08°59'12"W, A DISTANCE OF 45.70' TO A POINT, THE POINT OF BEGINNING FOR TRACT 9A.

SAID TRACT 9A AS DESCRIBED CONTAINS 222,847.95 S.F. OR 5.116 AC., MORE OR LESS.

SAID TRACT 9A IS SUBJECT TO AN ACCESS BETWEEN LOTS 30 AND 31 OF SECTION "W", PROPERTY OF WIELAND HOMES OF S.C., INC., AND SAID ACCESS IS MORE FULLY DESCRIBED AS FOLLOWS TO WIT:

TO FIND THE POINT OF BEGINNING FOR THE ACCESS, LOCATE THE CENTER LINE INTERSECTION OF PLANTATION HOUSE ROAD AND OUT OF BOUNDS DRIVE, THENCE TURNING AND RUNNING IN A SOUTHWEST DIRECTION ALONG THE CENTER LINE OF PLANTATION HOUSE ROAD, A DISTANCE OF ±162.4', THENCE TURNING AND RUNNING IN A NORTHWEST DIRECTION, A DISTANCE OF 25' TO THE WESTERN RIGHT OF WAY OF PLANTATION HOUSE ROAD, THE POINT OF BEGINNING FOR THE ACCESS, THENCE TURNING AND RUNNING ALONG A CURVE TO THE LEFT HAVING A RADIUS OF 299,92', A DELTA ANGLE OF 8°24'21", AN ARC DISTANCE OF 44.00', A BEARING OF S16°20'19"W AND A CHORD OF 43,96' TO A POINT, THENCE TURNING AND RUNNING ALONG THE NORTHERN BOUNDARY OF LOT 30, N73°16'29"W, A DISTANCE OF 156.25' TO A POINT, THENCE TURNING AND RUNNING N08°59'59"E, A DISTANCE OF 3.84' TO A POINT, THE POINT OF BEGINNING FOR TRACT 9A, THENCE RUNNING N08°59'59"E, A DISTANCE OF 45.70' TO A POINT. THENCE TURNING AND RUNNING N34°00'50"E, A DISTANCE OF 5.86' TO A POINT, THENCE TURNING AND RUNNING ALONG THE SOUTHERN BOUNDARY OF LOT 31. S69°27'38"E, A DISTANCE OF 161.23' TO A POINT, THE POINT OF BEGINNING FOR THE ACCESS.

SAID ACCESS AS DESCRIBED CONTAINS 7,844.51 S.F. OR 0.180 AC., MORE OR LESS.

EXHIBIT "D"

BYLAWS

OF

LEGEND OAKS PLANTATION COMMUNITY ASSOCIATION, INC.

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BYLAWS

OF

LEGEND OAKS PLANTATION COMMUNITY ASSOCIATION TWO, INC.

Article I Name, Membership, and Definitions

Section 1. Name. The name of the Association shall be Legend Oaks Plantation Community Association Two, Inc. (the "Association").

Section 2. <u>Membership</u>. The Association shall have one (1) class of membership, as is more fully set forth in that Declaration of Protective Covenants for Legend Oaks Plantation (this Declaration, as amended, renewed, or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), the terms of which pertaining to membership are specifically incorporated by reference herein.

Section 3. <u>Definitions</u>. The words used in these Bylaws shall have the same meaning as set forth in the Declaration, unless the context shall prohibit.

Article II Association: Meetings, Quorum, Voting, Proxies

Section 1. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board of Directors, either in the Community or as convenient thereto as possible and practical.

Section 2. First Meeting and Annual Meetings. An annual or special meeting shall be held within one (1) year from the date the Declaration is recorded. Annual meetings shall be set by the Board so as to occur no later than sixty (60) days after the close of the Association's fiscal year. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday (excluding Saturday and Sunday).

Section 3. Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a Majority of the Board of Directors or upon a petition signed by at least

be held. If an Owner wishes notice to be given at an address other than his or her Lot, he or she shall have designated by notice in writing to the Secretary such other address. The mailing or delivery of a notice of meeting in the manner provided in this Section shall be considered service of notice. Notices shall be served not less than ten (10) nor more than thirty (30) days before a meeting.

Section 5. <u>Waiver of Notice</u>. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after such

meeting. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waiver by such member of notice of the time, date, and place thereof, unless such member specifically objects to lack of proper notice at the time the meeting is called to order.

- Section 6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a Majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.
- Section 7. <u>Voting</u>. The voting rights of the members shall be as set forth in the Declaration, and such voting rights are specifically incorporated herein.
- Section 8. <u>Proxies</u>. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his or her Lot, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a member, or of written revocation, or upon the expiration of eleven (11) months from the date of the proxy.
- Section 9. Quorum. The presence, in person or by proxy, of twenty-five percent (25%) of the total eligible Association vote shall constitute a quorum at all meetings of the Association. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.
- Section 10. Action Without A Formal Meeting. Any action to be taken at a meeting of the members or any action that may be taken at a meeting of the members may be taken without a meeting if one or more consents, in writing, setting forth

regular or special meeting of members may be taken without a meeting if approved by written ballot as provided herein. The Association shall deliver a written ballot to each member entitled to vote on the matter. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot of an action shall only be valid when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting held to authorize such action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall indicate the number of responses needed to meet the quorum requirements; state the percentage of approvals necessary to approve each matter (other than election of directors); and specify the time by which a ballot must be received by the Association in order to be counted. A timely written ballot received by the Association may not be revoked without the consent of the Board of Directors. The results of each action by written ballot shall be certified

by the Secretary and shall be included in the minutes of meetings of members filed in the permanent records of the Association.

Article III Board of Directors: Number, Powers, Meetings

A. Composition and Selection.

Section 1. Governing Body: Composition. The affairs of the Association shall be governed by a Board of Directors. Except as provided in Section 2 of this Article, the directors must reside in the Community and shall be members or spouses of such members; provided, however, no Person and his or her spouse may serve on the Board at the same time.

Section 2. <u>Directors Appointed by Declarant</u>. Declarant shall have the right to appoint or remove any member or members of the Board of Directors or any officer or officers of the Association until such time as the first of the following events shall occur: (a) the expiration of twenty (20) years after the date of the recording of the Declaration; or (b) the surrender by Declarant in writing of the authority to appoint and remove directors and officers of the Association. Each Owner, by acceptance of a deed to or other conveyance of a Lot, vests in Declarant such authority to appoint and remove directors and officers of the Association. The directors selected by the Declarant need not be Owners or residents in the

committee is established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

Section 5. Election and Term of Office. Owner-elected directors shall be elected and hold office as follows:

- (a) After the Declarant's right to appoint directors and officers terminates, the Association shall call a special meeting to be held at which Owners shall elect five (5) directors.
- (b) At annual meetings of the membership thereafter, directors shall be elected. All eligible members of the Association shall vote on all directors to be elected, and the candidate(s) receiving the most votes shall be elected; provided, however, the initially elected directors shall serve the remainder of their terms.

The term of one (2) directors shall be fixed at one (1) year, and the term of one (1) director shall be fixed at two (2) years. At the expiration of the initial term of office of each respective member of the Board of Directors, a successor shall be elected to serve for a term of two (2) years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the Association.

Section 6. Removal of Directors. At any regular or special meeting of the Association duly called, any one (1) or more of the members of the Board of Directors may be removed, with or without cause, by a Majority of the Total Association Vote and a successor may then and there be elected to fill the vacancy thus created. A director whose removal has been proposed by the Owners shall be given at least ten (10) days' notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. Additionally, any director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than twenty (20) days may be removed by a Majority vote of the directors at a meeting, a quorum being present. This Section shall not apply to directors appointed by Declarant.

Section 7. <u>Vacancies</u>. Vacancies in the Board of Directors caused by any reason, excluding the removal of a director by vote of the Association, shall be filled by a vote of the Majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. Each Person so selected shall serve the unexpired portion of the term.

B. Meetings.

Section 8. Organization Meetings. The first meeting of the members of the Board of Directors following each annual meeting of the membership shall be held

shall be held when requested by the President, Vice President or by any two (2) directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a Person at the director's home or office who would reasonably be expected to communicate such notice promptly to the director; (d) by telegram, charges prepaid; or (e) by commercial delivery service to such director's home or office. All such notices shall be given or sent to the director's address or telephone number as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph company shall be given at least forty-eight (48) hours before the time set for the meeting.

Section 11. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 12. Quorum of Board of Directors. At all meetings of the Board of Directors, a Majority of the directors shall constitute a quorum for the transaction of business, and the votes of a Majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a Majority of the required quorum for that meeting. If any meeting cannot be held because a quorum is not present, a Majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time that the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 13. <u>Compensation</u>. No director shall receive any compensation from the Association for acting as such unless approved by a Majority of the Total Association Vote.

meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors.

Section 17. Telephonic Participation. One (1) or more directors may participate in and vote during any regular or special meeting of the Board by telephone conference call or similar communication equipment by means of which all directors participating in the meeting can hear each other at the same time, and those directors so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a regular meeting of the Board.

C. Powers and Duties.

Section 18. <u>Powers</u>. The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles, or these Bylaws directed to be done and exercised exclusively by the members. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and be responsible for the following, in way of explanation, but not limitation:

- (a) preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the common expenses;
- (b) making assessments to defray the common expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment;
- (c) providing for the operation, care, upkeep, and maintenance of all areas which are the maintenance responsibility of the Association;
- (d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;
- (e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;
 - (f) making and amending use restrictions and rules and regulations;
 - (g) opening of bank accounts on behalf of the Association and designating

provided in the Declaration, and paying the premium cost thereof;

- (j) paying the cost of all services rendered to the Association or its members which are not directly chargeable to Owners;
- (k) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, and specifying the maintenance and repair expenses and any other expenses incurred; and
- (1) contracting with any Person for the performance of various duties and functions. The Board shall have the power to enter into common management agreements with trusts, condominiums, or other associations. Any and all functions of the Association shall be fully transferable by the Board, in whole or in part, to any other entity.
- Section 19. <u>Management Agent</u>. The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Declarant or an affiliate of the Declarant may be employed as managing agent or Manager. The term of any management agreement shall not exceed one (1) year and shall be subject to termination by either party, without cause and without penalty, upon ninety (90) days' written notice.
- Section 20. <u>Fining Procedure</u>. The Board shall not impose a fine (a late charge shall not constitute a fine) unless and until the following procedure is followed:
- (a) <u>Demand</u>. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying:
 - (i) the alleged violation;
 - (ii) the action required to abate the violation; and
- (iii) a time period, not less than ten (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a fine, if the violation is not continuing. The Board or its designee may demand immediate abatement in such circumstances which, in the Board's determination, pose a danger to safety or property.
- (b) <u>Notice</u>. Within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board may, upon notice, impose a fine.

the alleged violator at the hearing; and

- (iv) that all rights to have the fine reconsidered are waived if a hearing is not requested within ten (10) days of the date of the notice.
- (c) <u>Hearing</u>. If a hearing is requested, it shall be held before the Board in executive session, and the alleged violator shall be given a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing.

Article IV Officers

- Section 1. Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer. Any two (2) or more offices may be held by the same Person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the members of the Board of Directors.
- Section 2. Election, Term of Office, and Vacancies. Except during the period in which the Declarant has the right to appoint the officers of the Association under Article III, Section 2, of these Bylaws, the officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.
- **Section 3.** Removal. Any officer may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association will be served thereby.
- Section 4. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the Association and of the Board of Directors. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the South Carolina Nonprofit Corporation Code.
- Section 5. <u>Vice President</u>. The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.
- Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct and shall, in general, perform all duties incident to the office of the secretary of a corporation organized in

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designated by the Board of Directors.

Section 8. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Article V Committees

Committees to perform such tasks and to serve for such periods as may be designated by the Board are hereby authorized. Each committee shall be composed and shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Article VI Miscellaneous

- **Section 1.** <u>Fiscal Year</u>. The fiscal year of the Association shall be determined by resolution of the Board. In the absence of such a resolution, the fiscal year shall be the calendar year.
- Section 2. <u>Parliamentary Rules</u>. <u>Roberts Rules of Order</u> (current edition) shall govern the conduct of all Association proceedings, when not in conflict with South Carolina law, the Articles of Incorporation, the Declaration, these Bylaws, or a ruling made by the Person presiding over the proceeding.
- Section 3. <u>Conflicts</u>. If there are conflicts or inconsistencies between the provisions of South Carolina law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of South Carolina law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.
- Section 4. Amendment. The provisions of the Declaration applicable to amendment of that instrument shall apply to any amendment of these Bylaws; provided, however, that the U.S. Department of Veterans Affairs ("VA") (if it is then guaranteeing any Mortgage in the Community as determined by telephone inquiry to VA) and/or the U.S. Department of Housing and Urban Development ("HUD") (if it is then insuring any Mortgage in the Community (as determined by consulting the current list of approved subdivisions regularly published by HUD and furnished to Mortgage companies) shall have the right to veto material amendments to these Bylaws for as long as the Declarant has the right to appoint and remove the directors and officers of the Association.

STATE OF SOUTH CAROLINA
COUNTY OF DORCHESTER
Filed for record this 3/5/
Day of 2007 M and recording
in book 4308 page 8

LINDA T MESSERVY
REGISTER OF MESNE CONVEYANCES