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Prepared by and mail to after recording:
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Harborview Property Owners' Association, Inc.
c/o First Service Residential
11822 Highway 17 Bypass South
Murrells Inlet, SC 29576

STATE OF SOUTH CAROLINA

COUNTY OF Horry

**THIS DECLARATION CONTAINS A BINDING, IRREVOCABLE
AGREEMENT TO ARBITRATE AND IS SUBJECT TO ARBITRATION
PURSUANT TO TITLE 15, CHAPTER 48 (UNIFORM ARBITRATION ACT)
OF THE CODE OF LAWS OF SOUTH CAROLINA**

**DECLARATION OF PROTECTIVE COVENANTS,
RESTRICTIONS, EASEMENTS, CHARGES AND LIENS**

FOR

HARBORVIEW

Deed BK: 4218 PG: 961 Doctype: 082
06/20/2019 at 01:20:32 PM, 1 OF 71

Marion D. Foxworth III
Horry County, SC Registrar of Deeds

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OF THE CODE OF LAWS OF SOUTH CAROLINA**

STATE OF SOUTH CAROLINA)	DECLARATION OF PROTECTIVE
)	COVENANTS, RESTRICTIONS,
COUNTY OF HORRY)	EASEMENTS,
)	CHARGES AND LIENS FOR
)	HARBORVIEW

THIS DECLARATION OF PROTECTIVE COVENANTS, RESTRICTIONS, EASEMENTS, CHARGES AND LIENS FOR HARBORVIEW ("Declaration") is made by Beazer Homes, LLC, a Delaware limited liability corporation (hereinafter referred as the "Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of certain real estate, located in Horry County, South Carolina, which is more particularly described in Exhibit "A" (hereafter the "Real Estate") attached hereto and by this reference, made a part hereof, upon which Declarant intends to develop a residential subdivision.

WHEREAS, the undersigned Declarant desires to develop on the Real Estate, a residential subdivision (hereinafter, together with any property added thereto, called the "Subdivision"); and

WHEREAS, the Declarant desires to maintain design criteria, location and construction specifications, and other controls to assure the integrity of the Subdivision; and

WHEREAS, each owner of a Lot in the Subdivision will be required to maintain and construct homes in accordance with the design criteria herein contained; and

WHEREAS, the Declarant desires to provide for the preservation of the values and amenities in the Subdivision and for the maintenance of common lands and facilities, if any, and to this end, desires to subject the real property described in Exhibit "A" to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof; and,

NOW THEREFORE, the Declarant declares that the real property described in Exhibit "A", annexed hereto and forming a part hereof (the "Property"), is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I
Name

The Subdivision of the Property created by this Declaration shall be known and designated as Harborview.

ARTICLE II
Definitions

Unless otherwise specified, the capitalized terms in this Declaration and the attached exhibits shall be defined as follows:

- a. "Architectural Review Committee" or "ARC" shall mean and refer to the Architectural Review Committee established under Article XIV, Section 1, hereof.
- b. "Articles" means the Articles of Incorporation of the Association (as hereinafter defined) filed, or to be filed, with the Office of the Secretary of State of South Carolina, as the same are or hereafter may be amended from time to time.
- c. "Association" shall mean and refer to Harborview Property Owners' Association, Inc., its successors and assigns.
- d. "Builder" means a person or entity engaged in and responsible for the original construction of a residence on a Lot.
- e. "Common Area" shall mean and refer to those areas of land, including the facilities and amenities to be constructed thereon, if any, shown and specifically designated as "Open Space", "Common Area", "CA" or similar designation on any subdivision map of Harborview, filed by Declarant or by any other means so designated by Declarant. Such areas are intended to be devoted to the common use and enjoyment of the members of the Association as herein defined, and are not dedicated for use by the general public. Subject to the provisions of Article VIII hereof, any existing and future greenways, median strips, cul-de-sac centers, planting areas, lakes, bike trails, recreational areas and facilities, playgrounds, entrance signage, gate houses, open spaces, walking trails, sidewalks, if any, and any other areas designated as "Open Space", "Common Area", "CA" or similar designation on the plat of the Subdivision referred to in Exhibit "A" hereto shall become Common Areas upon conveyance by Declarant to the Association.

Provided however, the recording and reference to said plat shall not in and of itself be construed as creating any dedications, rights or easements (negative, reciprocal or otherwise), and all such dedications, rights and/or easements being made only specifically by this Declaration, any amendment or supplement hereto or any deed of conveyance from Declarant, its successors or assigns.

- f. "Common Expenses" shall mean and refer to expenses of administration of the Association, and expenses for the upkeep, maintenance, repair and replacement of all Common Area, and all sums lawfully assessed against the Owners by the Association, and all sums, costs and expenses declared by this Declaration to be Common Expenses.
- g. "Declarant" shall mean and refer to Beazer Homes, LLC, a Delaware limited liability corporation, its successors and/or assigns. A person or entity shall be deemed a "successor and assign" of Declarant only if specifically so designated in a duly recorded written instrument as a successor or assign of Declarant under this Declaration and/or a Supplemental Declaration and shall be deemed a successor and assign of Declarant only as to the particular rights or interests of Declarant under this Declaration or under such Supplemental Declaration which are specifically designated in the recorded written instrument.
- h. "Declarant Control Period" shall mean the period of time during which the Declarant is entitled to appoint at least a majority of the members of the Board of Directors.
- i. "Declaration" shall mean and refer to this Declaration of Protective Covenants, Restrictions, Easements, Charges and Liens for Harborview, as it may be amended from time to time.
- j. "Designated Builder" shall mean Beazer Homes, LLC, or such other builder or builders as designated by Declarant.
- k. "Development Period" means the period of time commencing with Declarant's acquisition of the Property and ending when Declarant has completed the development and sale of, and no longer owns, any Lot or any other portion of the Property. The Development Period shall recommence each time the Declarant acquires additional land.
- l. "Dwelling Unit" shall mean and refer to a completed single family home located upon a Lot.
- m. "Governing Documents" shall mean and refer to the Declaration, the Articles of Incorporation of the Association ("Articles"), the By-Laws of the Association ("By-Laws"), the Architectural, Construction Management, Landscaping Design and Environmental Standards ("ARC Guidelines and Procedures"), and the Rules and Regulations of the Association.
- n. "Lot" or "Lots" means, as the context requires, any parcel or parcels of land designated as such upon the Plat (as hereinafter defined) or, after construction, that parcel of land upon which there is constructed a Dwelling Unit that is conveyed to an Owner (as hereinafter defined) by the Declarant. Subject to any necessary approval of the appropriate governmental authority, a "Lot" may contain portions

of real estate greater or less than its originally platted dimensions should the Declarant deem it advisable in order to accommodate the construction of a Dwelling Unit.

- o. "Member" shall mean and refer to an Owner who is a member of the Association as provided in Article IV hereof.
- p. "Mortgagee" shall mean the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more of the Lots. As used in this Declaration, the term "Institutional Mortgagee" or "Institutional Holder" shall include banks, trust companies, insurance companies, mortgage insurance companies, savings and loan associations, trusts, mutual savings banks, credit unions, pension funds, mortgage companies, Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation (FHLMC), all corporations and any agency or department of the United States Government or of any state or municipal government, or any other organization or entity which has a security interest in any Lot. In the event any mortgage is insured by the Federal Housing Administration ("FHA) or guaranteed by the Veterans Administration ("VA"), then as to such mortgage the expressions "Mortgagee" and "Institutional Mortgagee" include the FHA or the VA as the circumstances may require, acting, respectively, through, the Federal Housing Commission and the Commissioner of Veterans' Benefits or through other duly authorized agents.
- q. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee-simple title to any Lot(s) later developed, but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure. Said term "Owner" shall also refer to the heirs, successors and assigns of any Owner.
- r. "Plat" means the subdivision plats of the Property, which are recorded with the Register of Deeds of the county in which the Property is located, as the same may be hereafter amended or supplemented pursuant to this Declaration.
- s. "Provider" shall mean and refer to the entity or entities which provides Provider Services.
- t. "Provider Services" shall mean, without limitation, television, cable, computer connection and/or internet connection by line, wire, cable, fiber optic, main, duct, pipe conduit, pole, antenna, microwave, satellite dish, or wire or wireless technology.
- u. "Setback" shall mean an area along the boundary of a Lot where no building or other structures including, without limitation, fences, patios or decks shall be permitted, without the express written permission of Declarant. However, the location of normal air handling and heat, ventilation and air conditioning units

within such Setback area shall be permissible so long as it is in conjunction with an approved residential building or other structure located on a Lot.

- v. "Subsequent Amendment" or "Supplemental Declaration" shall mean an amendment to this Declaration which adds property to this Declaration and makes it subject to the Declaration. Such Subsequent Amendment may, but is not required to, impose, expressly or by reference, additional restrictions and obligations on the land submitted by that Subsequent Amendment to the provisions of the Declaration.
- w. "Wetland Areas" shall mean and refer to those areas delineated as wetland by the U.S. Army Corps of Engineers and shown and referred to as "Wetlands", "Wetland Fill Area", "existing wetland", and/or "Wetlands Buffer", or any similar designation, if any, on the recorded plat of the Subdivision.

ARTICLE III

Property Rights, Easements, and Encroachments

Section 1. Owner's Easements of Enjoyment of Common Area. Subject to the provisions of Section 2 of this Article, every member shall have a right and easement of enjoyment in and to the Common Areas, and such easement shall be appurtenant to and shall pass with the title to every Lot. This right and easement shall be for use in common with all other such members, their tenants, guests and invitees. In the event that Declarant incorporates additional land under the provisions of this Declaration pursuant to Article XI, Section 2 of this Declaration, all Owners of Lots within such additional phases shall have the same rights and privileges with regard to use of the Common Areas as the Owners of Lots originally made subject to this Declaration.

Section 2. Extent of Member's Easements. The rights and easements created hereby shall be subject to the following:

- a. The right of the Association to charge reasonable admission and other fees for the use of recreational facilities, if any, situated upon the Common Area owned by the Association;
- b. The right of the Association to suspend the voting rights and right to use of any recreational facilities, if any, by any Owner (i) for any period during which any assessment remains unpaid and (ii) for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- c. The right of the Association to promulgate reasonable rules and regulations governing the use of the Common Area owned by the Association including, without limitation, parking, swimming, boating, fishing, (including the denial thereof of any such activities) and upon improvements, additions or alterations to the Lots and the Common Area owned by the Association;
- d. The rights of Declarant as provided in this Declaration, as the same may be amended from time to time;

e. The right of the Association to mortgage any or all of the Common Area owned by the Association, upon the approval of two-thirds ($\frac{2}{3}$) of the membership of each class of members of the Association;

f. The easements reserved elsewhere in this Declaration and the right of the Association through its Board of Directors to grant further reasonable utility easements across and through the Common Area owned by the Association for the benefit of its members;

g. The right of the Association through its Board of Directors to dedicate or transfer all or any part of the Common Area owned by the Association to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Board of Directors or otherwise allowed pursuant to this Declaration, as amended;

h. If ingress or egress to any Lot is through the Common Area, any conveyance or encumbrance of such Common Area is subject to such Lot Owner's easement for ingress and egress;

i. The right of the Declarant to erect any signs (i) advertising the sale of the Property or any Lot and/or (ii) identifying the Subdivision;

j. The right, but not the obligation, of the Declarant and its assigns to install, or cause to be installed, Technology Infrastructure in Common Areas;

k. The right of the Declarant and the Association to add Amenities or alter existing Amenities from time to time; and

l. All other rights, obligations and duties as set forth in this Declaration, as the same may be from time to time amended or supplemented.

Section 3. Delegation of Use.

a. Family. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be exercised by members of the Owners' family who occupy the residence of the Owner within the Subdivision.

b. Tenants. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be delegated by the Owner to the Owner's tenants who occupy a residence within the Subdivision.

c. Guests. Any recreational facilities and other Common Areas may be utilized by guests of Owners or tenants subject to this Declaration, the By-Laws of the Association and to the rules and regulations of the Association governing said use and as established by its Board of Directors.

Section 4. Certain Obligations and Access Rights to the Common Area.

a. Except as otherwise set forth in this Declaration, the Association, subject to the rights of the Owners as set forth in this Declaration, shall be responsible for the management and control, for the exclusive benefit of the Owners as provided herein, of the Common Area owned by the Association and for the maintenance of the same in good, clean, attractive, safe and sanitary condition, order and repair.

b. The Association shall have and is hereby granted a general right of access and easement to all of the Common Area owned by the Association and across the Lots, at reasonable times and at any time in case of emergency, as reasonably required by its officers, directors, employees and their agents and independent contractors, to the full extent necessary or appropriate to perform its obligations and duties as set forth in this Declaration. The easements and rights specified herein also are reserved for the benefit of Declarant so long as Declarant owns any portion of the Property and for so long as Declarant may be liable under any builder's warranty.

Section 5. Rules and Regulations. The use of the Common Areas by an Owner or Owners, and all other parties authorized to use same, shall be at all times subject to such reasonable rules and regulations as may be prescribed and established by the Association governing such use, or which may hereafter be prescribed and established by the Association.

Section 6. General Drainage, Utility, Sewer and Other Development Easements. The following rights and easements reserved in this Section 6 shall not be exercised with respect to a Lot, after the conveyance of such Lot, in a manner that (i) unreasonably and adversely affects any Dwelling Unit or portion thereof located upon such Lot or the Owner's use or enjoyment thereof, or (ii) unreasonably restricts the rights of ingress and egress to such Lot. The following rights and easements reserved by Declarant in this Section 6 shall run with the land, and Declarant's right to further alter or grant easements shall automatically terminate and pass to the Association one (1) year after Declarant shall have conveyed the last Lot within the Property. The following rights and easements reserved in this Section 6 are not intended to permit, and shall not be construed to permit, (i) any Provider to enter any easement reserved in this Section 6, or (ii) the Association to install or authorize to be installed, in any easement reserved in this Section 6, any Technology Infrastructure or any other equipment, facilities, or installations of any type for the purpose of bringing Provider Services to any Lot, Dwelling Unit, and/or any improvements on a Common Area.

a. Declarant hereby reserves unto itself, and unto any public or private utility, a general easement ("General Drainage, Utility, and Sewer Easement") for drainage, utility and sewer purposes in, on and over all of the Common Area and any Lot, so as to permit Declarant to properly install and allow to be installed and maintained all electrical, telephone, water, gas, and sanitary and storm sewer, to serve any Dwelling Unit constructed on the Property. This General Drainage, Utility, and Sewer Easement shall include all areas of the Property outside any Dwelling Units, with the exception of any areas covered by chimneys, or patios. Improvements or permanent structures installed within the Common Area are subject to the rights (including the right to remove where reasonably necessary without duty of replacement or reimbursement) of the Declarant and any public or private utility to construct, maintain, repair or remove any necessary facilities. The

rights hereunder and easements hereby reserved survive the conveyance, by the Declarant to the Association, of any Common Area. This easement shall be in addition to any easement identified or designated upon a Plat as a drainage, sewer, utility, cable, landscape, sign, transmission, flowage or similar type easement.

b. Declarant reserves unto itself during the Development Period, and thereafter unto the Association, an easement ("Lake Easement") and right-of-way in and to any Common Area on which a lake is later constructed by Declarant ("Lake Area") or areas now or hereafter shown on the Plat as a "Common Area", "Lake Maintenance Easement" or "Lake" or similar wording or any other Common Area within the Property used as a water retention or detention area, or on which a Lake now exists or is later constructed, for the purpose of fulfilling any maintenance obligations set forth in this Declaration and/or establishing and maintaining proper surface water drainage throughout the Property, and an easement of ingress and egress through so much of the remainder of the Property as is reasonably necessary or appropriate, to perform such actions as Declarant or the Association deem necessary or appropriate, for the purpose of establishing and maintaining proper surface water drainage throughout the Property, which such actions shall include the construction, repair and maintenance of retention and detention ponds or lakes in accordance with the requirements of applicable law and of all governmental agencies having jurisdiction (without undertaking any obligation or duty to exceed such requirements).

c. Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the right and an undefined sign and facilities easement ("Sign and Facilities Easement") to install, erect, construct and maintain an entryway sign or signs, directional signs, advertising signs advertising the Property or the Lots therein, lighting, walkways, pathways, fences, walls and any other landscaping, architectural and recreational features or facilities considered necessary, appropriate, useful or convenient, anywhere upon the Property (except upon any Lot after the first conveyance thereof). Any such signs shall comply with any applicable zoning requirements and all such facilities shall be maintained by the Association as a part of its Common Area maintenance obligations.

d. Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the full right, title and authority to:

- i. Relocate, alter or otherwise change the location of any Drainage, Flowage, Utility, Sewer and Lake, Sign and Facilities Easement, or any facility at any time located therein or thereon;
- ii. Grant such further easements, licenses and rights-of-way, temporary or permanent, exclusive or non-exclusive, surface or otherwise, as Declarant may deem necessary or appropriate, for ingress and egress, utility and similar purposes on or within any portion of the Property, for the benefit of the Property or any portion thereof; and,
- iii. Describe more specifically or to change the description of any Drainage, Flowage, Utility, Sewer, Lake, Sign and Facilities Easement or any other easement, license or right-of-way now or hereafter existing on the Property,

by written instrument, amended Plat or amendment to the Plat recorded in the Office of the Register of Deeds of the County in which the Property is located.

e. The title of the Association (as to the Common Area owned by the Association during the Development Period) and of any Owner of any Lot shall be subject to the rights and easements reserved herein.

Section 7. Declarant's General Network Easement. The following rights and easements reserved and retained in this Section 7 shall not be exercised with respect to a Lot, after the conveyance of such Lot in a manner that (i) unreasonably and absolutely affects any Dwelling Unit or portion thereof located upon such Lot or the Owners use or enjoyment thereof or (ii) unreasonably affects the rights of ingress and egress to such Lot. The Declarant hereby forever reserves, retains, and is granted a blanket, exclusive, perpetual easement over, above, across, under, upon, along, and through the Property and all Lots, Common Areas, and streets located therein (iii) for the purpose of owning, installing, maintaining, repairing, replacing, relocating, removing, improving, expanding and otherwise servicing the Technology Infrastructure, and any other equipment, facilities, and installations of any type bringing Provider Services to any Lot, Dwelling Unit, and/or any improvements on the Common Area. This General Network Easement may be conveyed, assigned, and transferred by the Declarant, in the Declarant's sole discretion, without notice or consent of the Association, the Owners, or any other person. The General Network Easement is for the exclusive benefit of the Declarant, and its successors, designees and assigns, and is an appurtenant easement which runs with the Property and all Lots, Common Areas, and streets therein. Only those Providers which receive the Declarant's explicit written permission shall be permitted within the General Network Easement. The Declarant's right under this Section 7 shall survive beyond the Development Period and exist in perpetuity, and this General Network Easement shall be in addition to any easement identified or designated on a plat. Nothing herein or otherwise shall prevent Declarant from continuing existing relationships for services or entering into ongoing relationships for services, which relationships shall be binding upon the Association.

Section 8. Easement for Emergency Purposes. An easement is hereby dedicated and granted for use, in the case of an emergency, by emergency vehicles such as fire trucks, police cars and ambulances and emergency personnel, public and private, over and upon the Common Area.

Section 9. Fee Title to Lot. The fee title to any Lot described as bounded by any street, lane, walkway, park, pond, or any other common property which has not been dedicated or accepted by the public and the fee title to any Lot shown on any Plat as abutting upon any such common property shall not extend upon such common property and the fee title to such common property is reserved to the grantor to be conveyed to the Association for the common enjoyment of all residents in the Subdivision.

Section 10. Designated Drainage, Utility, and Sewer Easements. There are strips of ground designated on the Plat as drainage easements, utility easements, sewer easements, sanitary sewer easements and storm sewer easements, or any combination thereof (hereafter collectively "DU&E Easements"), which are hereby reserved to the appropriate governmental entities, public utilities, private utilities and Provider(s) or Declarant for the installation and maintenance of swales,

ditches, pipes, drains, sanitary sewers, manholes, detention and retention areas or other drainage facilities, the Community Network and Technology Infrastructure; provided, however, that the only Providers which receive the Declarant's explicit written permission shall be permitted to be within the DU&E Easements. Purchasers of Lots in this Subdivision shall take title subject to such easements hereby created and subject at all times to the rights of proper authorities to service and maintain such drainage facilities and easements, and no permanent structure of any kind and no part thereof except fences which do not retard or impede the flow of drainage water and which are approved pursuant to Article XIV, Section 5, below, shall be built, erected or maintained on said drainage easements, except by the Declarant or its assigns. It shall be the responsibility of the Association and the Owners of the areas enclosed within such easements to maintain such areas in such conditions that the flow of storm drainage waters on, across and from said areas shall not be impeded, diverted or accelerated. Such use for storm water movement or retention or detention is hereby declared to be an easement and servitude upon said land for the benefit of the Owners of other land included within the Plat, upstream or downstream, affected by such use and for any proper governmental agency or department or any private or public utility. All proper governmental agencies or departments and public and private utilities are hereby given the right to obtain access to such areas to perform maintenance and to perform such maintenance as may be necessary to protect that easement and servitude rights. It shall be the responsibility of the Association and the Owner of any Lot or parcel of land within the Plat to comply at all times with the provisions of the drainage plan as approved for the applicable Plat by the appropriate governmental agency or department and the requirements of all drainage permits for such Plat issued by those agencies. Failure to so comply shall operate as a waiver and release of the Declarant, the developer, or their engineers and agents from all liability as to damage caused by storm waters or storm drainage.

Further, there are easements and servitudes upon the land within the Plat in favor of surface water runoff along natural valleys and drainage channels running to Owners of other land contained within the Plat, upstream and downstream. It shall be the responsibility of the Association and the Owners of these natural valleys and channels to use their land and maintain said natural valleys and channels in such manner and condition that the flow of storm drainage waters on, across, from and to such areas shall not be impeded, diverted or accelerated.

Section 11. Designated Easements for Landscaping, Mounding, Screening and Signage. Within any strips of ground shown or designated on a Plat as a landscape easement, berm easements, landscape maintenance easement, landscape maintenance access easement, or by any similar language indicating a landscaping purpose, Declarant hereby reserves unto itself during the Development Period and thereafter unto the Association, the exclusive and sole right to (i) erect signs which advertise the Property or availability of Lots, and/or identify the Subdivision and (ii) install landscaping, mounding, walls, and screening. Notwithstanding anything in this Declaration to the contrary, except as approved by Declarant or the Architectural Review Committee, no planting shall be done, and no hedges, walls, signs, fences or other improvements shall be erected or maintained in the area of such easements, except by the Declarant during the Development Period and thereafter by the Association. Furthermore, notwithstanding anything in this Declaration to the contrary, no planting shall be done, and no hedges, walls, fences, structures, signs, or other improvements shall be erected between (iii) the area of any such easements and (iv)

any perimeter roadway, public highway or right-of-way along the perimeter or boundary of the Property, except by the Declarant.

Section 12. Designated Network Easement. Any strips of ground identified on a Plat as a Network Easement are hereby forever exclusively for the Declarant, and the Declarant's successors, designees and assigns, for the purpose of installing, maintaining, repairing, replacing, improving, relocating, expanding, removing or otherwise servicing the Technology Infrastructure and Community Network, and any other equipment, facilities, and installations of any type bringing Provider Services to any Lot, Dwelling Unit, and/or any improvements on the Common Areas. Notwithstanding anything in the Declaration to the contrary, no planting, hedges, walls, structures, signs, fences, or any other improvements shall be constructed, placed, or erected within such Designated Network Easement, except as approved in writing by Declarant or the applicable provider. Only those Providers which receive the Declarant's explicit written permission shall be permitted within the Designated Network Easement. The Declarant's rights under this Section 12 shall survive beyond the Development Period and exist in perpetuity, and may be conveyed, assigned, or transferred by the Declarant, in the Declarant's sole discretion, without notice to or consent of the Association, Owners, or any other person.

Section 13. Private Streets. All streets now or hereafter located upon the Property are hereby private. The Declarant shall have the right, but not the obligation, to cause such streets and/or roads to be dedicated to any governmental entity. Furthermore, the Declarant shall have the right, but not the obligation, to cause such streets and/or roads to be conveyed to the Association.

Section 14. Easement Work. Notwithstanding any architectural approval under Article VI, below, during the course of any maintenance, service, repair or work upon any easement, the Declarant, the Association, any private utility, any public utility, and/or any governmental entity shall have the right and the authority, without any obligation or liability whatsoever planted, to any owner, to remove, damage, or destroy any fence or other structure or landscaping built, erected, maintained or planted in any easement described in Sections 9 and 10 above.

Section 15. No Access. There may be strips of ground designated on the Plat as "no access strips", "no access", "no access easement", "no access esmt", or by other similar language. Vehicular ingress, egress, and traveling and/or the construction of improvements for such ingress, egress and/or traveling, is prohibited on, over, or across any such strips or areas. Furthermore, vehicular access to any Lot shall only be from the adjoining public street and shall not cross any Common Area(s).

Section 16. Reservation of Right to Grant Easement. The Declarant hereby reserves the right, in its discretion, to (i) grant easements upon, under, over and across the Property for the benefit of land which is adjacent to the Property and/or (ii) to obtain, for the benefit of the Property, easements upon, under, over and across the real estate which is adjacent to the Property. Nothing herein or otherwise shall prevent Declarant from continuing existing relationships for services or entering into ongoing relationships for services, which relationships shall be binding upon the Association.

Section 17. Sales Offices, Rental Offices, Property Management Offices and Construction Offices. Notwithstanding any provisions or restrictions herein to the contrary, there is hereby reserved for the benefit of Declarant and Designated Builder, its successors and assigns, the perpetual, alienable and transferable right and easement in and to the Subdivision for the maintenance of signs, sales offices, rental offices, property management offices and construction offices, together with such other facilities as in the sole opinion of Declarant reasonably may be required, convenient or incidental to the completion, management, rental, improvement and/or sale of Lots or Common Area. A person or entity shall be deemed a "successor or assign" for this purpose only if so designated in a written instrument executed by Declarant or Designated Builder (as applicable). The Declarant also reserves the right to grant to any builder or builders the right to operate and maintain builder sales offices at any location within the subdivision upon such terms and conditions as the Declarant in the Declarant's sole discretion may determine.

Section 18. Displays. No rule shall abridge an Owner's right to display political, religious, or holiday symbols and decorations on his or her Unit of the kinds normally displayed in single-family residential neighborhoods, nor shall any rule regulate the content of political signs. However, the Association may adopt time, place, and manner restrictions with respect to signs, symbols, and displays visible from outside structures on the Unit, including reasonable limitations on size and number. Owners may display one "For Sale" or "For Rent" sign on their Units provided such signs are in compliance with the Association's approved template, are a similar size and quality as those used by local real estate brokers and agents and in no event exceed six square feet of surface area.

Section 19. Household Composition. No Rule shall interfere with an Owner's freedom to determine household composition, except that the Association may impose and enforce reasonable occupancy limitations and conditions based on Unit size and facilities and its fair share use of the Common Area.

ARTICLE IV Membership and Voting Rights in the Association

Section 1. Membership. Initially, the person(s) who serve as incorporator(s) of the Association shall be the member(s) (the "Initial Member(s)"). The Initial Member(s) shall remain member(s) of the Association until the Association Articles of Incorporation are accepted by the South Carolina Secretary of State, at which time the Initial Member(s) shall cease to be member(s) unless they also qualify as Class A or Class B members. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Apart from the Initial Member(s), a membership in the Association shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. Board of Directors. The Owners shall elect a Board of Directors of the Association as prescribed by the Association's Articles and By-Laws. The Board of Directors shall manage the affairs of the Association. Directors must be members of the Association.

Section 3. Articles of Incorporation and Bylaws. A copy of the Articles of Incorporation of the Association and Bylaws of the Association are attached hereto as Exhibit "C" and Exhibit "D" respectively, and made a part and parcel hereof.

Section 4. Professional Management. No contract or agreement for professional management of the Association, nor any other contract between Declarant and the Association, shall be for a term in excess of three (3) years. Any such agreement or contract shall provide for termination by either party with or without cause and without payment of any termination fee upon written notice of not less than sixty (60) days.

Section 5. Classes of Membership and Voting Rights. The Association shall have the following two classes of voting membership:

Class A. Class A members shall be all Owners with the exception of the Declarant. Class A members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as the members holding an interest in such Lot determine among themselves, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant. During the Declarant Control Period, the Class B Member shall have the right to appoint the members of the Board. Directors appointed by the Class B Member shall serve at the pleasure of the Class B Member. The Class B Membership and the Declarant Control Period shall cease and be converted to a Class A Membership on the happening of either of the following events, whichever occurs earlier:

- i. December 31, 2029; or
- ii. Upon the sale of One Hundred (100%) Percent of the Lots and Units within the Subdivision to Owners other than Builders; provided, however, that the Class B Membership shall recommence in the event that the Declarant subsequently records a plat of part of or all of the Property subjecting additional real estate to this Declaration.

Provided, further, that nothing herein shall be construed to prohibit Declarant from converting all or part of the Class B memberships to Class A membership, with the results set forth above at any time earlier than the date specified above, by written statement executed by Declarant and delivered to the Association.

Upon the termination of the Declarant Control Period, directors shall be elected as provided in Article III of the By-Laws.

ARTICLE V Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. Declarant, for each Lot now or hereafter owned by it within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

a. Regular Assessments (for maintenance, repairs and ordinary operating expenses, including Common Expenses); and

b. Special Assessments for capital improvements and operating deficits and for special maintenance or repairs as provided in this Declaration.

Such assessments shall be established, shall commence upon such dates and shall be collected as hereinafter provided. All such assessments, together with prejudgment interest at eight percent (8%) per annum, costs and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to such Owner's successors in title unless expressly assumed by them.

Section 2. Purpose of Regular Assessments. The Regular Assessments levied by the Association shall be used exclusively, in the reasonable discretion of the Board of Directors of the Association, for the promotion of the recreation, health, safety and welfare of the residents in the Property, for the improvement, maintenance and repair of the Common Area, for the performance of the obligations and duties of the Association and for other purposes only as specifically provided herein. As and if necessary, a portion of the Regular Assessments shall be set aside or otherwise allocated in a reserve fund for the purpose of providing repair and replacement of the Common Area, and other capital improvements which the Association is required to maintain.

Section 3. Regular Assessments. The Board of Directors from time to time may fix the Regular Assessment, without any vote of the membership.

Section 4. Special Assessments for Capital Improvements and Operating Deficits. In addition to the Regular Assessments authorized above, the Board of Directors of the Association may levy a Special Assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of any capital improvement which the Association is required to maintain, or to recover any operating deficits which the Association may from time to time incur.

Section 5. Quorum. Written notice of any meeting of the members of the Association called for the purpose of taking any action authorized under this Article shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast fifty-one percent (51%) of the total number of votes entitled to be cast (Class A and Class B votes combined) shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting

Section 6. Uniform Rate of Assessment. Regular Assessments and Special Assessments for capital improvements and to recover operating deficits must be fixed at a uniform rate for all Lots.

For so long as the Class B membership shall exist, in lieu of paying Assessments on the Lots owned by Declarant, Declarant may, at its option, pay to Association a contribution equal to the operating deficit of the Association for that year (the "Operating Deficit"). The Operating Deficit shall mean the actual operating expenses incurred for that year plus budgeted reserves and less assessments levied against Lots owned by Class A Members whether collected or not. **DECLARANT WILL NOT BE OBLIGATED TO PAY ANY OPERATING FUND DEFICIENCIES THAT ARE DUE TO NON-PAYMENT OF ASSESSMENTS BY CLASS A OWNERS, and such levied/assessed but unpaid assessments shall not be calculated as a part of the Operating Deficit. In that regard, nothing contained in this Section shall be deemed to relieve or release any Class A Owner from the obligation to pay its respective share of the assessments as and when due.** Should Declarant elect to fund the Operating Deficit, the obligation may be satisfied (1) by payment, (2) in the form of a cash substitute by "in kind" contributions of services and/or materials, or (3) a combination of payment of some portion of the Operating Deficit and an "in kind" contribution of some services and/or materials. All "in kind" contributions shall be valued at the reasonable market value of such service or materials. In the alternative, should Declarant elect to pay assessments for each Lot owned by Declarant, any obligation of Declarant to fund the Operating Deficit shall terminate and be of no further force and effect for that year. Furthermore, any overpayment by Declarant in any year shall be considered a loan to the Association payable upon demand.

Any Designated Builder shall be exempt from the payment of any Assessments for the earlier of: (i) a period of twelve (12) months from the date of receipt by the Designated Builder of the certificate of occupancy issued by the applicable governmental agency; or (ii) such time as the Lot or Lots is conveyed to a third party purchaser. Any Designated Builder shall also be exempt from the payment of any Assessments for any model homes or homes built by any Designated Builder for speculative sales purposes.

Section 7. Date of Commencement of Yearly Assessments; Due Dates. The Regular Assessment provided for herein shall commence as to each Lot within a recorded Plat on the first day of the first month following the recording of this Declaration and if any Supplementary Declaration (as to any additional real estate made subject hereto by such Supplementary Declaration. The Board of Directors shall fix any increase in the amount of the yearly assessments at least thirty (30) days in advance of the effective date of such increase. Written notice of any increase in the Regular Assessment, and written notice of any Special Assessment and such other assessment notices as the Board of Directors shall deem appropriate, shall be sent to every Owner subject thereto. The due dates for all assessments, and the assessment and collection period (i.e., annual, monthly, lump-sum or otherwise) for any Special Assessments, shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate in recordable form signed by an Officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate from the Association regarding the status of assessments for any Lot shall be binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. If any assessment (or periodic installment of such assessment, if applicable) is not paid on the due date established therefor pursuant to this Declaration, then the entire unpaid assessment (together with interest thereon, costs and attorneys' fees as provided in this Declaration) shall become delinquent and shall constitute a continuing lien on the Lot to which such assessment relates, binding upon the then Owner, his heirs, devisees, successors and assigns. The personal obligation of the then Owner to pay such assessments, however, shall not pass to such Owner's successors in title unless expressly assumed by them. If any assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eight percent (8%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Property, or both. In such event, there shall be added to the amount of such assessment the costs and attorney's fees of preparing and filing the complaint in such action; and in the event a judgment is obtained such judgment shall include interest on the assessment as above provided, costs of the action and reasonable attorneys' fees to be fixed by the court. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area owned by the Association or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages; Sale or Transfer. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. The sale or transfer of any Lot pursuant to the foreclosure of any first mortgage on such Lot (without the necessity of joining the Association in any such foreclosure action) or any proceedings or deed in lieu thereof shall extinguish the lien of all assessments becoming due prior to the date of such sale or transfer. No sale or transfer of any Lot (whether voluntary or pursuant to foreclosure or otherwise) shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof; and, except as hereinabove provided, the sale or transfer of any Lot shall not affect the lien of assessments becoming due prior to the date of such sale or transfer except to the extent that a purchaser may be protected against the lien for prior assessments by a binding certificate from the Association, issued pursuant to this Declaration, as to whether or not such assessments have been paid.

Section 10. Initial Contribution. Upon the closing of the initial sale of each lot by the Declarant or Designated Builder, its successors and assigns to an Owner other than the Designated Builder, the Owner of each Lot shall pay an initial contribution to the Association of Five Hundred and No/100 Dollars (\$500.00) to provide general operating funds for the Association. Such payment shall not in any way be considered a prepayment of any regular or Special Assessment. Such funds may be used by the Association in such manner as the Board of Directors thereof shall direct.

ARTICLE VI Uses of Property

Section 1. Lot Use and Conveyance. Subject to the provisions hereinafter contained, all Lots shall be used exclusively for single family detached residential purposes, except that Declarant reserves unto itself, its successors and assigns, the right to develop additional real estate as single family detached residences, duplexes or such other form as Declarant may, in its sole and absolute discretion, determine. Declarant may, in its sole and absolute discretion, submit all or any such

portions of the additional real estate to the terms of this Declaration, and may include such additional covenants, conditions and restrictions affecting such additional real estate as Declarant may deem necessary. Declarant may elect not to submit all or any portion of the additional real estate to the terms of this Declaration and Declarant specifically reserves such right. Furthermore, Declarant, during the Development Period, reserves (a) the rights provided in this Declaration respecting the Property generally, and (b) the right to subdivide, dedicate or otherwise convey or designate all or any portion of any one or more Lots which it may own from time to time for recreational or other common uses and benefit of all Owners and other members of the Association. Any Lot or portion thereof so designated for common use shall become part of the Common Area owned by the Association, and reasonable rules and regulations shall be promulgated and enforced with respect thereto so that the use and enjoyment of adjacent Lots by the Owners thereof shall not be unreasonably disturbed. Except as provided in the Declaration, no Lot shall be subdivided to form units of less area. Each Lot shall be conveyed as a separately designated and legally described freehold estate subject to the covenants, conditions and restrictions contained herein.

However, Declarant and the Designated Builder may maintain sales offices, models and construction offices upon one or more Lots until all Lots located or to be located within the Properties (including all subsequent phases) have been sold to third parties or Declarant no longer has the right to incorporate additional land under the terms of this Declaration. Easements are hereby reserved through the Common Area, including, without limitation, the easements shown on the plat(s) of the Property for use by Declarant, for its use and the use of its agents, employees, licensees and invitees, for all purposes in connection with the use, development and sales of the Property, including, without limitation, for the erection and maintenance of signage.

Section 3. Leasing. Subject to the provisions contained in this Section and in the remainder of this Declaration, any Lot may be leased by its Owner.

No timesharing, interval ownership or other related ownership scheme where the right to exclusive use rotates among multiple owners or members of the program shall be permitted. In addition, no leasing or rental of any Dwelling shall be permitted, having a duration of less than one (1) year nor shall less than the entirety of any Dwelling be leased. Declarant or its assignee may, however, maintain a sales office, models and construction office upon one or more Lots until all Lots to be located within the Subdivision have been sold. Furthermore, any such rental or leasing of any Lot shall be in writing with a copy of such agreement to be provided to the Association within ten (10) days after execution. Notwithstanding such leasing or rental of a Lot, the Owner thereof shall remain primarily responsible for ensuring the compliance of the tenants with this Declaration and the rules and regulations of the Association.

Section 4. Maintenance and Landscaping of Lots. It shall be the responsibility of each Owner to prevent the development of any unclean, unsightly, or unkempt condition of buildings or grounds on such Lot which shall tend to substantially decrease the beauty of the neighborhood as a whole or the specific area. Each Owner shall maintain such Owner's Lot and shall keep underbrush and weeds mowed. Such maintenance obligation shall also extend to the portion of any Common Area and/or public street right-of-way located between the boundary lines of each Lot and any pavement within such street right-of-way. Undeveloped lots must be maintained as needed.

Section 5. Nuisances. No noxious, unlawful or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or a nuisance to the neighborhood. No plants, poultry, animals, junk, junk automobiles, or devices or things of any sort, the normal activities or existence of which are in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property in the neighborhood shall be placed, kept or maintained on any Lot. Without limiting the foregoing, exterior lighting may not be so installed on any Lot so as to illuminate any portion of a neighboring Lot or to shine into any window or otherwise enter a Dwelling located on an adjoining Lot. Any propane tanks larger than twenty (20) pounds and any bottled gas containers which are not for the purpose of bringing Provider Services to any Lot, Dwelling Unit, and/or any improvements on a Common Area shall be submitted for approval to the Architectural Review Committee. No lot shall be used for storage of building materials prior to the issuance of the building permit for the primary residence.

Section 6. Permitted Uses. No use shall be made of any Lot except as permitted by the applicable zoning and subdivision control ordinances under which this Property is developed.

Section 7. Drains. No house footing drain or roof water drain shall be discharged into the sanitary sewers.

Section 8. Sign Limitations. No sign of any kind, other than those installed by Declarant, the Association, or a Builder, may be displayed to public view on any Lot, except that one (1) sign with an area of not more than six (6) feet and of a design approved by Declarant may be displayed with the purpose of advertising the Lot for sale.

Section 9. Prohibition Against Business Activity. No business activity, including but not limited to, a rooming house, boarding house, gift shop, antique shop, landscape business, professional office or beauty shop or the like or any trade of any kind whatsoever (in which clients or members of the public regularly come to any Lot or any significant business traffic is generated in the Subdivision) shall be carried on upon any Lot or Lots. Provided, however, that nothing contained herein shall be construed so as to prohibit use of any portion of a residence as a home office, so long as no clients or members of the public regularly come to any Lot and no significant business traffic is generated in the Subdivision on account of such use. Provided further, that nothing contained herein shall be construed so as to prohibit the construction of houses to be sold on said Lots, or the showing of said houses for the purpose of selling said houses in the Subdivision. Nothing herein shall be construed to prevent the Declarant or its permittees from erecting, placing or maintaining signs, structures and offices as Declarant may deem necessary for its operation and sales in the subdivision.

Section 10. Mining, Drilling and Excavation. No derrick or any other structure designed for use in boring for oil or natural gas shall be erected, placed or permitted upon any part of the Subdivision nor shall any oil, natural gas, petroleum, asphalt or hydrocarbon products or materials of any kind be produced on or extracted from the premises.

Section 11. Garbage Disposal. Each Lot Owner shall provide garbage receptacles or similar facilities in accordance with reasonable standards established by the Declarant, or a rollout garbage

rack of the type approved by the Declarant, which shall be visible from the streets on garbage pickup days only. No garbage or trash incinerator shall be permitted upon the premises. No burning, burying or other disposal of garbage on any Lot or within the Subdivision shall be permitted (except licensed contractors may burn construction debris during the period of construction of improvements on any Lot if they have been properly permitted). Provided, however, that the Declarant shall be permitted to modify the requirements of this Section where necessary to comply with orders of governmental bodies.

Section 12. Outside Storage. All equipment, garbage cans, trash receptacles, service yards, woodpiles or storage piles shall be screened (form of screening must be approved by the Architectural Review Committee pursuant to Article XIV) and kept from view of neighboring homes and streets. All rubbish, trash or garbage shall be regularly removed from the premises, and shall not be allowed to accumulate thereon. Trash must be stored in enclosed containers. No clotheslines shall be erected or maintained upon the Property.

Section 13. Parking Regulations/Prohibited Vehicles. There shall be no outside storage or parking upon any portion of the properties of any mobile home, trailer (either with or without wheels), motor home, tractor, truck (other than personal-use pick-up trucks and sport utility vehicles), commercial vehicle, camper, motorized camper or trailer, motorized go-cart, or other related forms of transportation devices. For purposes of this Declaration, "Commercial Vehicle" shall be deemed to include cars, pick-up trucks and vans in styles normally used for private purposes but painted with or carrying commercial advertising, logos, or business names or containing visible commercial materials, cargo, tools or equipment on the exterior of the vehicle or that extend beyond the length or width of the vehicle. No oversized/commercial vehicle (a vehicle wider than and/or longer than a standard parking space, 19 feet maximum, any vehicle that has more than two (2) axles, or those vehicles greater than 7,000 pounds) may park on the premises. No Owners or other occupants of any portion of the properties shall repair or restore any vehicle of any kind upon or within a property subject to this Declaration except (i) within enclosed garages, or (ii) for emergency repairs, and then only to the extent necessary to enable the movement thereof to a proper repair facility. No parking of vehicles on the streets of the Subdivision shall be permitted except for temporary parking of a vehicle for a period of not more than 24 hours within a two (2) day period. No parking of vehicles on lawns, grass, etc., of the properties shall be permitted. Violators of the prohibitions contained in this Section shall be subject to having their vehicles towed, at the Owner's expense, by or at the direction of the Association, and to the levy of fines by the Association in such amount as may be determined from time to time by the Board of Directors. This provision shall not preclude commercial vehicles from being on the property temporarily (less than 24 hours) to provide services to the Association or a resident. Additional rules and regulations regarding use, repair, parking and storage of vehicles in the properties may be promulgated from time to time by the Board.

Section 14. Sewer System. Private septic tanks and surface toilets are not permitted in the Subdivision. The grantee of any Lot assumes all responsibility for obtaining the necessary permits for attaching to the public sanitary sewer and water system for the project.

Section 15. Firearms and Fireworks. No firearms or fireworks of any variety shall be discharged upon the Lots or Common Areas. The term "firearms" shall include, without limitation, guns, "B-B" guns and pellet guns.

Section 16. Animal and Pets. No animals, wildlife, livestock, reptiles, or poultry of any kind shall be raised, bred, or kept on any portion of the Subdivision, except that dogs, cats, or other usual and common household pets may be permitted in a Dwelling. Dogs shall be leashed and under the control of the owner at any such time that the dog(s) is not within the bounds of the respective Owner's Lot. No dogs shall be permitted to roam the property and the Association may have strays and dogs that are not leashed and are found off their owner's lot picked up by governmental authorities. Those pets which, in the sole discretion of the Association, endanger health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Lots or the owner of any portion of the Subdivision shall be removed upon request of the Association. No pets shall be kept, bred, or maintained for any commercial purpose. Pets shall only be permitted on the Common Areas if such portions thereof are so designated by the Association. All persons bringing a pet onto the Common Area shall be responsible for immediately removing any solid waste of said pet.

Section 17. Animal Kennels. No animal quarters or kennels may be constructed unless approved by the ARC pursuant to Article XIV.

Section 18. Wells and Irrigation Systems. No sprinkler or irrigation systems of any type that draw upon water from creeks, streams, rivers, lakes, ponds, wetlands, canals, or other ground or surface waters within the Subdivision shall be installed, constructed, or operated within the Subdivision by any person, unless prior written approval has been received from the Declarant. This Section shall not apply to the Declarant, and it may not be amended without Declarant's written consent so long as Declarant has the right to add property to the Subdivision in accordance with Article XI, Section 2 of this Declaration. No private water wells or individual drinking water supply system shall be permitted upon any Lot.

Section 19. Wetland Areas. Lot Owner(s) are and shall be prohibited, unless prior written approval is obtained from the U.S. Army Corps of Engineers (the "Corps"), from filling, draining, flooding, dredging, impounding, clearing, burning, cutting or destroying vegetation, cultivating, excavating, erecting, constructing, or otherwise doing any work in the Wetland Areas; introducing exotic species into the Wetland Areas; and from changing the grade or elevation, impairing the flow or circulation of waters, reducing the reach of waters, and any other discharge or activity requiring a permit under clean water or water pollution control laws and regulations, as amended. Violation of this covenant shall subject Lot Owner(s) to enforcement actions by the Corps, the U.S. Department of Justice, and/or the South Carolina Department of Health and Environmental Control Office of Coastal Resources Management. The perimeter of the Wetland Areas shall at all times be plainly marked by permanent signs saying "Protected Natural Area," or by an equivalent, permanent marking system.

Section 20. Rules and Regulations. The Board of Directors from time to time may promulgate further rules and regulations concerning the use of Lots and the Common Area owned by the Association. Copies of all rules and regulations shall be furnished by the Board to all Owners, at

the Owner's last known address, prior to the time when the same shall become effective. The Association shall have current copies of the Declaration, Articles and By-Laws, and other rules concerning the Property as well as its own books, records and financial statements available for inspection by Dwelling Unit Owners or by holders, insurers and guarantors of first mortgages, that are secured by Dwelling Units in the Property. These documents shall be available during normal business hours or under other reasonable circumstances.

Section 21. Development and Sale Period. Nothing contained in this Article shall be construed or interpreted to restrict the activities of Declarant or Designated Builder in connection with the development of the Property and sale of Lots. During the Development Period, Declarant or Designated Builder shall be entitled to engage in such activities and to construct, install, erect and maintain such facilities, upon any portion of the Property at any time owned or leased by Declarant or Designated Builder, as in the sole opinion of Declarant or Designated Builder may be reasonably required, or convenient or incidental to, the development of the Property and sale of the lots; such facilities may include, without limitation, storage areas, signs, flags, banners, parking areas, model residences, construction offices, sales offices and business offices.

Section 22. Mailboxes. Mail receptacles shall be uniform and conform to design standards promulgated by Declarant (or after the Development Period, by the Architectural Committee). Such mail receptacles will be kiosks throughout the community in such locations to be designated by Declarant. A perpetual easement for the location, maintenance and use of such mail kiosks shall exist. The Association shall have the right to require maintenance and/or replacement of the aforesaid mail kiosks when such maintenance and/or replacement is necessary in Association's sole discretion.

Section 23. Wetlands. The Declarant reserves the right to make perpetual conservation easements or similar type restrictions on usage in any Common Areas or within any wetland areas on any Lot(s).

ARTICLE VII

Construction in Accordance with Plans and Specifications

Section 1. General. All structures of every type and description shall be constructed, placed or erected within the Subdivision in accordance with the provisions of this Article VII together with other applicable provisions of this Declaration. Only new construction of residential buildings shall be permitted, it being the intent of this covenant to prohibit the moving of an existing building or portion thereof on a lot and remodeling or converting same into a Dwelling.

Section 2. Size. Subject to any further restrictions imposed by any recorded commitment, every single-family dwelling erected, placed, altered or maintained on any Lot within shall have a minimum living area, exclusive of open porches, unfinished basements and attached garages, of not less than what is required by the applicable zoning and subdivision control ordinances.

Section 3. Setbacks. Front Building lines are hereby established as shown on the Plat. Between such Front Building lines and the right-of-way lines there shall be erected, placed or altered no structure or part thereof, except as provided in Article XIV, Section 5; provided,

however, except that in no case will such fences be permitted on the public right-of-way. The building lines which are from public right-of-way lines are parallel to and measured perpendicularly from these public right-of-way lines. The minimum side yard and minimum rear yard requirements shall be those as set forth on the plat. However, (a) the location of normal air handling and heat, ventilation and air conditioning units within such Setback area shall be permissible so long as it is in conjunction with an approved residential structure on said Lot, and (b) roof overhangs not to exceed eighteen (18") inches from and as a part of the main dwelling may extend unto the Setback area.

Section 4. No Impediments. Notwithstanding anything in this Declaration to the contrary, and unless permitted pursuant to the terms of the easement in question, no planting shall be done, and no hedges, walls, signs, fences or other improvements shall be erected or maintained in the area of easements which in any way interfere with the operation and/or use of the easement(s), except by the Declarant during the Development Period and thereafter by the Association. Furthermore, notwithstanding anything in this Declaration to the contrary, no planting shall be done, and no hedges, walls, fences, structures, signs, or other improvements shall be erected between (iii) the area of any such easements and (iv) any perimeter roadway, public highway or right-of-way along the perimeter or boundary of the Property, except by the Declarant.

ARTICLE VIII

Exterior Maintenance, Reasonable Access and Maintenance of Common Area

Section 1. Exterior Maintenance. Except as specifically provided in this Declaration, each Owner shall maintain the structures and grounds on each Lot, at all times, in a neat and attractive manner. Each Owner shall furnish and be responsible for the maintenance of all portions of his Lot. All fixtures and equipment installed within or as part of the Dwelling Unit, commencing at the points where the utility lines, pipes, wires, conduits or systems enter the Lot upon which said Dwelling Unit is located, shall be maintained and kept in repair by the Owner thereof. Each Owner shall promptly perform all maintenance and repair of his Lot and Dwelling Unit which, if neglected, might adversely affect any other Lot or Dwelling Unit or any part of the Common Area owned by the Association. Such maintenance and repairs include, but are not limited to, all exterior surface, siding, roof, gutters, internal water lines, plumbing, electric lines gas lines, appliances, and all other fixtures, equipment and accessories belonging to the Owner and a part of or appurtenant to his Dwelling Unit or Lot.

Section 2. Maintenance of Common Area.

a. Except as otherwise provided in Article VI, Section 4, of this Declaration, the Association, as part of its duties, and as part of the Common Expenses, shall provide for:

- i. Maintenance of the Common Area. Maintenance of the Common Area shall include, but shall not be limited to, fertilizing, treating any Lakes, mowing and replanting when necessary of the grass and trees and maintenance of any other improvement within the Common Area;

- ii. Maintenance of the entry signs, permanent subdivision identification sign, and landscaping installed by the Declarant in any Common Area, or any Landscape Easement, Landscape Maintenance Easement, Landscape Maintenance Access Easement or similar easement;
- iii. The maintenance of any street lights which are installed by Declarant and which are not located upon any Lot; and,
- iv. The maintenance of any brick surface installed by Declarant on any internal street or entryway.
- v. The maintenance of all streets within the Subdivision.

The Board of Directors may adopt such other rules and regulations concerning maintenance, repair, use and enjoyment of the Common Area owned by the Association (or any items deemed Common Area for purposes of maintenance only) as it deems necessary.

b. Notwithstanding any obligation or duty of the Association to repair or maintain any of the Common Area owned by the Association (or any items deemed Common Area for purposes of maintenance only), if, due to the willful, intentional or negligent acts or omissions of an Owner or a member of his family or of a guest, tenant, invitee or other occupant or visitor of such Owner, damage shall be caused to the Common Area owned by the Association (or any items deemed as such for purposes of maintenance only), or if maintenance, repairs or replacements shall be required thereby which would otherwise be at the Common Expense, then such Owner shall pay for such damage and such maintenance, repairs and replacements, as may be determined by the Association, unless such loss is covered by the Association's insurance with such policy having a waiver of subrogation clause. If not paid by such Owner upon demand by the Association, the cost of repairing such damage shall be added to and become a part of the assessment to which such Owner's Lot is subject.

Section 3. Access Easement. The authorized representatives of the Association, the Board of Directors and the Managing Agent for the Association (if any) are hereby granted an easement for access upon and to any Lot as may be required in connection with maintenance only, repairs or replacements of or to the Common Area owned by the Association or any items deemed as Common Area for purposes of maintenance only, including, but not limited to, access to any easements reserved by any Plat of any portion of the Property for such purposes.

ARTICLE IX
Insurance and Casualty Losses

Section 1. Insurance. The Association's Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain blanket all-risk insurance, if reasonably available, for all insurable improvements on the Common Areas. If blanket all-risk coverage is not reasonably available, then, at a minimum, an insurance policy providing fire and extended coverage shall be obtained. This insurance shall be in an amount sufficient to cover one hundred (100%) percent of the replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard. The Board shall also obtain a public liability policy covering the Common Areas, Association, and its Members for all damage or injury caused by the negligence of Association or any of its Members or agents. The public liability policy shall have at least a One Million and No/100 (\$1,000,000.00) Dollar single limit as respects bodily injury and property damage, a Two Million and No/100 (\$2,000,000.00) Dollar aggregate limit, if reasonably available in the discretion of the Board of Directors. Premiums for all insurance required under this Section shall be common expenses of the Association. This policy 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. The deductible shall be a common expense of Association. Cost of insurance coverage obtained by Association for the Common Area shall be included in the assessment. All such insurance coverage obtained by the Board of Directors shall be written in the name of Association as Trustee for the respective benefitted parties, as further identified in (b) below. Such insurance shall be governed by the provisions hereinafter set forth:

a. All policies shall be written with a company licensed to do business in South Carolina which holds a Best's rating of A or better as is assigned a financial size category of XI or larger as established by A. M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating;

b. All policies on the Common Area shall be for the benefit of Association and Declarant shall be named as additional insured;

c. Exclusive authority to adjust losses under policies in force on the Common Areas obtained by Association shall be vested in Association's Board of Directors;

d. In no event shall the insurance coverage obtained and maintained by Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners; and

e. 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 Association's Board of Directors, its manager, and Owners and their respective tenants, servants, agents, and guests;

- ii. that no policy may be canceled, invalidated, or suspended on account of the conduct of any director, officer, or employee of Association or its duly authorized manager without prior demand in writing delivered to Association to cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by Association, its manager, its Owner, or mortgage;
- iii. that any "other insurance" clause in any policy exclude individual Owner's policies from consideration; and
- iv. that no policy may be canceled or substantially modified without at least ten (10) days' prior written notice to Association.

In addition to the other insurance required by this Section, the Board shall obtain, as a common expense, worker's compensation insurance, if and to the extent necessary, and a fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds. However, no fidelity bond shall be required as long as the Class B Member exists. The amount of fidelity coverage shall be determined in the Directors' best business judgment but may not be less than three (3) months' assessments, plus reserves on hand. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be cancelled or substantially modified without at least ten (10) days' prior written notice to the Association.

The Association may purchase officers' and directors' liability insurance, if reasonably available, and the Board of Directors of Association approves the purchase of same. However, every director and every officer of the Property Owners Association shall be indemnified by Association against all expenses and liabilities, including attorney's fees, reasonably incurred by or imposed upon him/her in connection with any proceeding to which he/she may be a party, or in which he/she may be become involved by reason of his/her being or having been a director or officer of Association, whether or not he/she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided, that in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall only apply if the Board of Directors approves such settlement and reimbursement as being in the best interest of Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

Section 2. Disbursement of Proceeds. Proceeds of insurance policies shall be disbursed as follows:

a. If the damage or destruction for which the proceeds are paid is to be repaired or reconstructed, the proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repairs or reconstruction to the Common Areas or, in the

event no repair or reconstruction is made, shall be retained by and for the benefit of Association and placed in a capital improvements account.

b. If it is determined, as provided in Section 4 of this Article, that the damage or destruction to the Common Areas for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed in the manner provided for excess proceeds in Subsection (a) above. However, repair or replacement of the affected Common Areas must be made unless prevented by law or governmental rule or regulation.

c. If the insurance proceeds received by the Association as a result of any such fire or any other casualty or disaster are not adequate to cover the cost of repair and reconstruction, or in the event there are no insurance proceeds, the cost for restoring the damage and repairing and reconstructing the Common Area actually owned by the Association or any improvements damaged or destroyed (or the costs thereof in excess of insurance proceeds received, if any) shall be paid by the Association which shall then have the right to levy a Special Assessment against all Lots for such deficiency.

Section 3. Damage and Destruction.

a. Immediately after the damage or destruction by fire or other casualty to all or any part of the properties covered by insurance written in the name of 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 Common Areas. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Common Areas to substantially the same condition in which they existed prior to the fire or other casualty.

b. Any damage or destruction to the Common Areas shall be repaired or reconstructed unless the Voting Members representing at least sixty-seven (67%) percent of the total vote of the Association, shall decide within sixty (60) days after the casualty not to repair or reconstruct. 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 Association within said period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) additional days. No mortgagee shall have the right to participate in the determination of whether the Common Areas damaged or destroyed shall be repaired or reconstructed.

c. In the event that it should be determined in the manner described above that the damage and destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then, and in that event, the affected portion of the Common Area shall be restored to their natural state and maintained by Association in a neat and attractive condition.

Section 4. Repair and Reconstruction. 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 Members, levy a special assessment against all Owners in proportion to the number of Lots owned; provided, if

the damage or destruction involves a Lot(s), only Owners of the affected Lot(s) shall be subject to such assessment. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction.

ARTICLE X
Rights of Mortgagees

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots (together with any improvements thereon) in Harborview. The provisions of this Article apply in both this Declaration and to the By-Laws, notwithstanding any other provisions contained therein.

Section 1. Rights of Mortgagees. In addition to any other rights provided elsewhere in this Declaration to mortgagees, any lender or lenders holding a first mortgage or first mortgages upon any Lot or Lots, jointly or singly, may pay any real estate taxes or other taxes or charges which are in default and which may or have become a charge or lien against any Common Area owned by the Association or any other property owned by the Association; and may pay any overdue premiums on any hazard, casualty, liability or other insurance policies or secure new insurance coverage on the lapse of any policies for any such property owned by the Association or covering any property for which the Association has an obligation to maintain insurance coverage. Any such lender or lenders making payments in accordance with this Section shall be entitled to immediate reimbursement therefor from the Association along with any costs incurred, including reasonable attorneys' fees.

Section 2. Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its Mortgage relates, thereby 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 Harborview 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 a Lot subject to the Mortgage of such Eligible Holder, which such delinquency has continued for a period of 60 days, or any other violation of the Governing Documents relating to such Lot or the Owner or occupant which is not cured within 60 days;

c. Any lapse, cancellation, or material modification of any insurance policy maintained by the Association; or

d. Any proposed action which would require the consent of a specified percentage of Eligible Holders.

Section 3. No Priority. No provisions of this Declaration, or any amendment thereto, shall give an Owner, or any other party, priority over any rights of the first mortgagee of a Lot pursuant to

its mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of Common Area Property.

Section 4. Right of First Refusal. The Association DOES NOT have the "right of first refusal" to purchase any Dwelling Unit. Any "right of first refusal" subsequently granted to the Association through amendment of the Declaration, Association Articles, Association By-Laws or any other document governing the development and administration of the properties must receive the prior written approval of the Federal Housing Administration or Secretary of the Department of Housing and Urban Development. Any "right of first refusal" subsequently added in the Declaration, Association Articles, Association By-Laws or any other document governing the development and administration of the Property must not impair the rights of a first mortgagee to:

- a. Foreclose or take title to a Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, pursuant to the remedies in the mortgage;
- b. Accept a deed or assignment in lieu of foreclosure in the event of default by a mortgagor; or
- c. Sell or lease a unit acquired by the mortgagee.

Section 5. Unpaid Dues or Charges. Any first mortgagee who obtains title to a Dwelling Unit, and the Lot upon which the Dwelling Unit is situated, pursuant to the remedies in the mortgage or through foreclosure, will not be liable for the Dwelling Unit's unpaid dues or charges accrued before the acquisition of the title to the Dwelling Unit by the mortgagee.

Section 6. Notice to Association. Upon request, each Lot Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Lot Owner's Lot.

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 Association does not receive a written response from the Mortgagee within 30 days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

ARTICLE XI Phased Development

Section 1. Initial Phase. The real property which is, and shall be held, transferred, sold, conveyed and occupied subject to this Declaration is located in Horry County, South Carolina, and is more particularly described on Exhibit "A" attached hereto and made a part and parcel hereof.

Section 2. Additional Real Estate. The Declarant, its successor or assigns to which this right is specifically assigned, may, at its option, bring the additional real estate, or any part thereof, more particularly described in Exhibit "B" (the "Additional Real Estate") under the provisions hereof by recording a Supplemental Declaration stating its intention to so incorporate the Additional Real

Estate. Further, the Declarant may, at its option, from time to time bring other land adjacent to or near the Additional Real Estate under the provisions hereof by recording a Supplemental Declaration(s) stating its intention to so incorporate such additional land. Declarant may incorporate all or any portion of the additional land under the provisions hereof in any number of additional phases as it may so desire and may, in its discretion, change the character or nature of such future phases, including but not limited to changing the architectural theme, building materials, elevations, and minimum square footage requirements for buildings. Such Supplemental Declaration(s) shall not require the vote or consent of the Association or any Owner. Any such Supplemental Declaration(s) shall be effective upon the filing thereof in the public records of Horry County, South Carolina. Such Supplemental Declaration shall describe the additional land to be brought under the provisions hereof. Declarant may bring such additional land under the terms hereof either in whole or in part and may do so in multiple phases. Upon the Declarant's election to incorporate additional land hereunder, all of such additional land so incorporated shall be as fully covered hereby as if a part of the original Subdivision. All property so incorporated shall be subject to all the declarations, covenants, easements, liens, restrictions and duties as herein contained, together with such additional restrictions and obligations as Declarant may impose on the land being submitted to the provisions of this Declaration by such Supplemental Declaration(s). Declarant shall have the unilateral right to transfer to any other person or entity the said right to submit the additional land to the provisions of this Declaration. Declarant shall have no obligation to develop any land adjoining the Subdivision in accordance with this Declaration and may develop same in any manner it may desire and further, Declarant, in the event that it should decide to develop any additional land located adjacent to the Subdivision, in its sole discretion, shall have no obligation to make same a part of the Subdivision or subject to this Declaration. THE DECLARANT SHALL BE UNDER NO OBLIGATION TO DEVELOP ADDITIONAL PHASES AND NONE OF THE REMAINING PORTION OF THE PROPERTY DESCRIBED HEREIN SHALL BE DEEMED A PART OF ANY SCHEME OF DEVELOPMENT UNTIL ACTUALLY BROUGHT UNDER THESE RESTRICTIONS AS HEREIN PROVIDED. THE RIGHT TO ADD FUTURE PHASES SHALL TERMINATE 15 YEARS FOLLOWING THE DATE OF THE ORIGINAL HARBORVIEW DECLARATION.

Section 3. Reservation of Additional Easements and Rights. Declarant reserves for itself and its successors and assigns as developer (and all conveyances by Declarant to Association of Common Area shall be deemed to automatically reserve) easements over, under and across all Common Areas for ingress and egress and for construction and completion of construction and development of future phases including, without limitation, easements for the installation, construction, reconstruction, repair, maintenance and operation of all utility services; said easements to be in addition to and not in lieu of any other rights or easements reserved by Declarant herein or in any supplement hereto or any other conveyance by or to Declarant or its predecessors in title.

Further, Declarant reserves for itself and its successors and assigns, as developer, easements over, under and across all streets or roads now or hereafter construed within the Subdivision for access to the Additional Real Estate, regardless of whether or not the Additional Real Estate is subjected to the provisions of this Declaration.

Section 4. Extension of Roads. Declarant shall have the right, but shall have no obligation, to extend any street or road now or hereafter within the Subdivision, without seeking the approval of Association or any other party, for the purpose of serving additional phases of the Subdivision and/or for serving other parcels of property not included within the Subdivision.

Section 5. Voting Rights. As each phase, if any, is added to the Subdivision, the Lots comprising such additional phase shall be counted for the purpose of voting rights.

Section 6. Identification of Additional Phases. Nothing in this Declaration shall prohibit Declarant from naming or identifying any Phase or portions thereof by a name other than Harborview and any such other designation shall in no way prejudice the rights or obligations under this Declaration of any Owner of any Lot in any such section or Phase.

ARTICLE XII

Dispute Resolution and Limitation on Litigation

Section 1. Consensus for Association Litigation. Except as provided in this Section 1, no judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of 75% of the Class "A" Members. This Section 1 shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of lien), (b) the imposition and collection of assessments as provided in Article V hereof, (c) proceedings involving challenges to ad valorem taxation, (d) suits against providers of goods or services pursuant to a contract, or (e) counterclaims or cross-claims brought by the Association in proceedings instituted against it. This Section 1 shall not be amended unless such amendment is made by Declarant or is approved by the percentages votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

Section 2. Agreement to Encourage Resolution of Disputes Without Litigation

a. Declarant; the Association and its officers, directors, and committee members; all Persons subject to this Declaration; and any Person not otherwise subject to this Declaration who agrees to submit to this Article XII (collectively, "Bound Parties"), agree that it is in the best interest of all concerned to encourage the amicable resolution of disputes involving the Community or the operation of the Association without the emotional and financial costs of litigation. Accordingly, each Bound Party agrees not to file suit in any court with respect to a Claim described in Section 2 of this Declaration, unless and until it has first submitted such Claim to the alternative dispute resolution procedures set forth in Section 3 in a good faith effort to resolve such Claim.

b. As used in this Article XII, the term "Claim" shall refer to any claim, grievance or dispute arising out of or relating to:

- i. the interpretation, application, or enforcement of the Governing documents;
- ii. the rights, obligations, and duties of any Bound Party under the Governing documents; or

- iii. the design or construction of improvements within the Community, other than matters of aesthetic judgment under Article III of this Declaration, which shall not be subject to review.

The following shall not be considered "Claims" unless all parties to the matter otherwise agree to submit the matter to the procedures set forth in Section 3 of this Declaration:

- i. any suit by the Association to collect assessments or other amounts due from any Owner;
- ii. any suit by the Association to obtain a temporary restraining order (or emergency equitable relief) and such ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of this Declaration;
- iii. any suit between Owners, which does not include Declarant or the Association as a party, if such suit asserts a Claim which would constitute a cause of action independent of the Governing Documents;
- iv. any suit in which any indispensable party is not a Bound Party; and
- v. any suit as to which any applicable statute of limitations would expire within 180 days of giving the notice required by Section 3(a) of this Declaration, unless the party or parties against whom the Claim is made agree to toll the statute of limitations as to such Claim for such period as may reasonably be necessary to comply with this Article XII.

Section 3. Dispute Resolution Procedures.

a. Notice. The Bound Party asserting a Claim ("Claimant") against another Bound Party ("Respondent") shall give written notice to each Respondent and to the Board ("Notice"), stating plainly and concisely:

- i. the nature of the Claim, including the Persons involved and Respondent's role in the Claim;
- ii. the legal basis of the Claim (*i.e.*, the specific authority out of which the Claim arises);
- iii. the Claimant's proposed resolution or remedy; and
- iv. the Claimant's desire to meet with the Respondent to discuss in good faith ways to resolve the Claim.

b. Negotiation. The Claimant and Respondent shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation. If

requested in writing, accompanied by a copy of the Notice, the Board may appoint a representative to assist the parties in negotiating a resolution of the Claim.

c. Mediation. If the parties have not resolved the Claim through negotiation within 30 days of the date of the Notice (or within such other period as the parties may agree upon), the Claimant shall submit the Claim to mediation with an entity designated by the Association (if the Association is not a party to the Claim) or to an independent agency providing dispute resolution services in Horry County, South Carolina.

If the Parties do not settle the Claim within 30 days after submission of the matter to mediation, or within such time as determined reasonable by the mediator, the mediator shall issue a notice of termination of the mediation proceedings indicating that the parties are at an impasse and the date that mediation was terminated.

Each party shall bear its own costs of the mediation, including attorneys' fees, and each party shall share equally all fees charged by the mediator.

d. Arbitration.

i. Except as otherwise provided in Section 3(d)(ii), if a dispute, controversy or claim (whether based upon contract, tort, statute, common law or otherwise) (collectively a "Dispute") arises from or relates directly or indirectly to the subject matter of this Declaration, including all property, improvements, furniture, fixtures, appliances and the like conveyed pursuant thereto and if the Dispute cannot be settled through negotiation and mediation as set forth in Sections 3(b) and 3(c), any unresolved Dispute shall be submitted to and settled by binding arbitration pursuant to the South Carolina Uniform Arbitration Act (SC Code Sec. 15-48-10 et seq.) (the "Act"). The proceeding shall be conducted pursuant to the Commercial Arbitration Rules of the American Arbitration Association (the "AAA"). In the event of a conflict between the Act and the AAA rules, the Act shall control. The Parties shall be entitled to conduct limited written discovery (Interrogatories and Requests for Production of Documents) of directly relevant evidence only. Additionally, the Parties may conduct limited depositions restricted to depositions of the Parties and designated expert witnesses. The Arbitrator may limit the number of Interrogatories and Requests for Production of Documents upon application of a Party. The arbitration proceedings shall be conducted in the County in which the Home is located, or a mutually agreed upon location, on an expedited basis before a single neutral arbitrator who is a member of the bar of the state where the Home is located, and has been actively engaged in the practice of law for at least fifteen (15) years, specializing in transactions with substantial experience in the subject matter of this Declaration. Any attorney who serves as an arbitrator shall be compensated at a rate equal to his or her current regular hourly billing rate unless the arbitrator agrees otherwise. Upon the request of either party, the arbitrator's award shall include

findings of fact and conclusions of law provided that such findings may be in summary form. Unless otherwise deemed appropriate by the arbitrator(s), the prevailing party shall be entitled to an award of all reasonable out-of-pocket costs and expenses (including attorney's and arbitrator's fees) related to the entire arbitration proceedings (including review, if applicable). The arbitration shall be binding and final, and either party shall have the right to seek judicial enforcement of the arbitration award.

- ii. In the event a claim is, or may be, the subject of an express third party warranty issued to a Bound Party, then such claim shall be resolved in accordance with the dispute resolution procedures set forth in the warranty, and the provisions of Section 3(d)(i) shall not and are not intended to apply to such warranty disputes.

In the event a claim is, or may be, subject to provisions of a Purchase Agreement, the provisions of the Purchase Agreement shall control.

- iii. Except as otherwise provided, the Claimant agrees to have any Dispute decided by binding arbitration in accordance with the terms of this Article XII, and the Claimant knowingly and voluntarily waives and relinquishes any rights the Claimant might possess to have the Dispute litigated and resolved in a court or by a jury trial. In the event the provisions of this Paragraph shall cause an insurance provider to deny or call into question the availability of insurance coverages, the Parties may deem all or some provisions hereof inapplicable as necessary to preserve coverages.

e. All of the provisions of this Article XII shall survive (and continue to be effective after) Closing and/or any earlier termination of this Declaration. Any party to this Declaration may bring an action, including a summary or expedited proceeding, to compel arbitration of any Dispute to which this Article XII applies in any court having subject matter jurisdiction over such action.

f. Notice of Defect and Right to Cure pursuant to SC Code Section 40-59-810 et seq. contains important requirements that the Claimant must follow before filing any action (as that term is defined in the law) against the Respondent arising out of the construction of the home.

The Claimant acknowledges that no later than ninety (90) days before filing any action against a Contractor arising out of the construction of a dwelling, the Claimant must serve the Contractor with a written notice of the Claim setting forth the alleged construction defects in accordance with SC Code Section 40-59-810 et seq. Under the law, a Contractor has thirty (30) days from service of the notice to inspect, offer to remedy, offer to settle with the Claimant, or deny the Claim regarding the defects. There are strict deadlines and procedures under state law, and failure to follow them may affect the Claimant's ability to file an action.

g. Settlement. Any settlement of the Claim through negotiation or mediation shall be documented in writing and signed by the parties. If any party thereafter fails to abide by the terms of such agreement, then any other party may file suit or initiate administrative proceedings to enforce such agreement without the need to again comply with the procedures set forth in this Section. In such event, the party taking action to enforce the agreement or award shall, upon prevailing, be entitled to recover from the non-complying party (or if more than one non-complying party, from all such parties in equal proportions) all costs incurred in enforcing such agreement or award, including, without limitation, attorneys' fees and court costs.

ARTICLE XIII General Provisions

Section 1. Time of Essence. It is agreed that time is of the essence with regard to these restrictions, protective covenants, limitations, and conditions.

Section 2. Enforcement. Subject to the provisions of Article XIII hereof, in the event of a violation or breach of any of these restrictions by any Owner or agent, or agent of such Owner, Owners of Lots in the subdivision, or any of them, jointly or severally, Declarant, and/or Association shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any such event or to recover damages. In addition to the foregoing, Declarant, its successors and assigns, shall have the right, but shall be under no obligation, whenever there shall have been built on any Lot in the subdivision any structure which is in violation of these restrictions, to enter upon the property where such violation exists and summarily abate or remove the same at the expense of Owner if, after thirty (30) days written notice of such violation, it shall not have been corrected by Owner. Any such entry and abatement or removal shall not be deemed a trespass. The failure to enforce any rights, reservation, restriction, or condition contained in this Declaration, however, long continued, shall not be deemed a waiver of the rights to do so hereafter as to the same breach or as to a breach occurring prior or subsequent thereto and shall not bar or affect its enforcement. Should Declarant or Association employ counsel to enforce any of the foregoing covenants, condition, reservations, or restrictions because of a breach of the same, all costs incurred in such enforcement, including a reasonable fee for Declarant/Association's counsel, shall be paid by Owner of such Lot or Lots in breach thereof. Any amount assessed hereunder shall constitute a lien on such Lot and shall be enforceable as herein provided. Failure of Declarant, Association, or any Owner to enforce any covenant or restriction contained herein shall not be deemed a waiver of the right to do so thereafter. In addition, the Board of Directors shall have the authority to enforce the Covenants and Restrictions, including reasonable rules and regulations as outlined in the By-Laws.

Section 3. Fines. In addition to all other remedies, in the sole discretion of the Board of Directors of the Association, a reasonable fine or fines may be imposed upon an Owner for failure of an Owner, his family, guests, invitees, Lessees or employees to comply with any covenant, restriction, rule or regulation, provided notice and hearing procedures set out in Article III, Section 23 of the By-laws are followed. Once imposed, fines shall be treated as an assessment subject to the provisions for the collection of assessments as set forth in Article V, Section 1 of this Declaration.

Section 4. Responsibility of Declarant. Declarant herein shall not in any way or manner be liable or responsible for any violation of these restrictions by any person other than itself. In addition, nothing contained in this Declaration shall be deemed to be a representation by Declarant with regard to the requirements of any governmental authority and it shall be the duty of each Owner to comply with any such requirements in addition to the provisions of this Declaration.

Section 5. Rule Against Perpetuities. In the event that any of the provisions hereunder are declared void by a court of competent jurisdiction by reason of the period of time herein stated for which the same shall be effective, then, in the event, such term shall be reduced to a period of time which shall not violate the rule against perpetuities or any other law of the State of South Carolina, and such provision shall be fully effective for said reduced period of time.

Section 6. Binding Effect. All covenants, conditions, limitations, restrictions, easements, and affirmative obligations set forth in this Declaration shall be binding on the Owners of the Lot(s) and their respective heirs, successors, and assigns, and run with the land. All rights, easements and agreements reserved by or granted to Declarant herein shall inure to the benefit of Declarant, its successors and assigns including, without limitation, the right to develop and submit additional phases. Declarant reserves the right in addition to all other rights of Declarant, to assign its rights of consent and approval as set out in this Declaration and any amendment hereto or supplement thereof, to the Association, or any assignee of Declarant's development rights. At such time as Declarant, its successors and assigns no longer owns any Lots or property in the Subdivision, any right of approval reserved to Declarant by this Declaration shall be exercised by the Association.

Section 7. Notice. Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when personally delivered or mailed, postpaid, to the last known address of the person who appears as Member or Owner of the records of Association at the time of such mailing.

Section 8. Severability and Waiver. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect. No delay or failure by any person to enforce any of the restrictions or to invoke any available remedy with respect to a violation or violations thereof shall under any circumstances be deemed or held to be a waiver by that person of the right to do so thereafter, or as estoppel of that person to assert any right available to him upon the occurrence, recurrence or continuation of any violation or violations of the restrictions.

Section 9. Amendment of Declaration.

a. By Declarant. For so long as Declarant owns any Lot or Dwelling Unit within the Property, this Declaration may be amended by the Declarant, without the consent or joinder of any other Owner or the Association provided that any such amendment does not materially alter or change any Owner's right to use and enjoyment of such Owner's Lot or Dwelling Unit or of the Common Area as set forth in this Declaration. Any such amendment shall be effective upon recording of same in the Office of the Register of Deeds of Horry County, South Carolina. No amendment shall be binding upon any Lot or Owner until fifteen (15) days after a copy of such amendment has been provided to such Owner.

The covenants and restrictions of this Declaration, and any amendments thereto, are appurtenant to and shall run with and be binding upon the Property and the Owners thereof for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated or amended by a vote of the Owners as set forth below.

b. By Members. Except as otherwise specifically provided above and elsewhere in this Declaration and after Class B Lots cease to exist, the covenants, restrictions, easements, charges, and liens of this Declaration may be amended, changed, added to, derogated, or deleted only by the affirmative vote or written consent, or any combination thereof, of the Owners holding not less than two-thirds (2/3) vote of the membership in Association, provided, that so long as there is Class B membership, no amendment adopted by the Owners shall be effective unless and until such amendment is approved in writing by the Declarant. Further, the provisions for voting of Class A and Class B Members as hereinabove contained in this Declaration shall also be effective in voting for changes in this Declaration. In addition, the approval requirements set forth in Article IV shall be met, if applicable.

Section 10. Validity and Effective Date of Amendments. No amendment may remove, revoke or modify any right or privilege of Declarant without the written consent of the Declarant (or the assignee of such right or privilege). Any amendment shall become effective upon recording in the Office of the Register of Deeds for Horry County, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within six months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration.

Section 11. Assignment of Declarant Rights. Declarant reserves the right to assign its rights to a successor or assign who also assumes Declarant's responsibilities.

Section 12. Effective Date. This Declaration shall become effective upon its recordation in the Office of the Register of Deeds for Horry County, South Carolina.

Section 13. Plat. Reference to Exhibit A, "plat", "map" or other term synonymous therewith shall mean and include Exhibit "A" as recorded herewith and all subsequent revisions thereof as and when recorded in the Office of the Register of Deeds for Horry County, South Carolina.

Section 14. Changes in ownership of Lots. Within ten (10) days following any change in the name, address and phone number of a Lot Owner, the new Owner shall give the Board written notice of the changed information and such other information as the Board may reasonably require.

Section 15. Condemnation, Destruction or Liquidation. The Association shall be designated to represent the Owners in any proceedings, negotiations, settlements or agreements for the handling of any losses or proceeds from condemnation, destruction or liquidation of all or a part of the Common Area owned by the Association, or from the termination of the development. Each Dwelling Unit Owner, by his acceptance of a deed, appoints the Association as his attorney-in-fact for this purpose. Proceeds from the settlement will be payable to the Association for the benefit

of the Dwelling Unit Owners and their mortgage holders. Any distribution of funds in connection with the termination of this development shall be made on a reasonable and an equitable basis.

ARTICLE XIV
Architectural Control

Section 1. Architectural Review Committee. After the Development Period, the Board of Directors may appoint three (3) or more representatives to an Architectural Review Committee.

Declarant intends that the members of the Architectural Review Committee exercise discretion in the performance of their duties consistent with the provisions hereof, and every Owner by the purchase of a Lot shall be conclusively presumed to have consented to the exercise of discretion by such members. In any judicial proceeding challenging a determination by the Architectural Review Committee and in any action initiated to enforce this Declaration in which an abuse of discretion by the Architectural Review Committee is raised as defense, abuse of discretion may be established only if a reasonable person, weighing the evidence and drawing all inferences in favor of the Architectural Review Committee, could only conclude that such determination constituted an abuse of discretion.

The Architectural Review Committee has the right, but not the obligation, to inspect work being performed without the Owner's permission to assure compliance with these restrictions and applicable regulations.

Neither the Architectural Review Committee nor any agent thereof, nor the Declarant, or Association shall be liable in any way for costs, fees, damages, delays, or any charges or liability whatsoever relating to the approval or disapproval of any plans submitted to it, nor shall the Architectural Review Committee, Association or Declarant be responsible in any way for any defects in any plans, specifications or other materials submitted to it, or for any defects in any work done according thereto. Further, the Architectural Review Committee, Association and/or Declarant make no representation or warranty as to the suitability or advisability of the design, the engineering, the method of construction involved, or the materials to be used. All parties should seek professional construction advise, engineering, and inspections on each lot prior to proposing construction.

Section 2. General. Any change in the appearance or the color of any part of the exterior of a residence shall be deemed a change thereto and shall require the approval therefor as above provided. All applications for approval of any change in the appearance or the color of any part of the exterior of a residence shall be accompanied by the as-built survey (provided to Owner at the closing of the Owner's respective Lot) illustrating such requested change. The Architectural Review Committee may, in its sole discretion, impose standards for construction and development which may be greater or more stringent than standards prescribed in applicable building, zoning or other governmental codes. The Architectural Review Committee shall be a permanent committee of the Association and shall administer and perform architectural and landscape review and control functions of the Association.

No building, fence, satellite dish, wall or other structure, except original construction of Dwelling Units by or on behalf of the Declarant, shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein, other than by the Declarant, be made until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Declarant, until the end of the Development Period, and thereafter by the Board of Directors of the Association. No approval shall be required for improvements constructed by, or on behalf of, Declarant by Declarant.

Any change in the appearance or the color of any part of the exterior of a residence shall be deemed a change thereto and shall require the approval therefor as above provided. Nothing herein shall require the approval of other than substantial changes to the landscaping on any Lot. For purposes of this Declaration, "substantial changes" shall refer to matters such as addition or removal of street trees, changes to the overall landscape design on the Lot and changes to the overall appearance of the Lot. The planting of seasonal plants and flowers and changes or replacements of individual shrubs shall not require approval. However, there shall be no such approval of the planting of hedges, walls, fences, structures and/or other improvements prohibited under this Article, and any such approval shall be null and void. In the event that written approval is not received as required hereunder within thirty (30) days after complete plans and specifications have been submitted, then the request for approval shall be deemed denied.

Section 3. No Waiver of Future Approvals. Each owner acknowledges that the members of the Architectural Review Committee reviewing the applications under this Article will change from time to time and that opinions on aesthetic matters, as well as interpretation and application of these restrictions and applicable regulations, may vary accordingly. In addition, each Owner acknowledges that it may not always be possible to identify objectionable features of proposed work until the work is completed, in which case it may be unreasonable to require changes to the improvements involved, but the Architectural Review Committee may refuse to approve similar proposals in the future. Approval of applications or plans for any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar applications, plans or other matters subsequently or additionally submitted for approval.

Section 4. Certificate of Compliance. Any Owner may request that the Architectural Review Committee issue a certificate of compliance certifying that there are no known violations of this Article. The Association shall either grant or deny such request within thirty (30) days after receipt of a written request and may charge a reasonable administrative fee for issuing such certificates. Issuance of such a certificate shall estop the Association from taking enforcement action with respect to any condition as to which the Association had notice as of the date of such certificate.

Section 5. Fences. The Architectural Review Committee, prior to any installation, must approve any fencing and landscape screening. It is the goal to keep all fencing or screening harmonious with the architectural character of the community.

The exact location, material, color and height of the fence and rendering or photograph thereof shall be submitted to the Architectural Review Committee for written approval at least thirty (30) days prior to proposed construction. If however, approval has not been received by applicant in writing within thirty (30) days after submitted, then said request shall be considered DENIED.

If approved by the Architectural Review Committee, fences may be privately installed but must be constructed to professional levels of quality, design, material, composition, and color as determined by the Architectural Review Committee. Non-professionally installed fences may be inspected by the Architectural Review Committee after completion in order to ensure that the fence is of a professional quality, and final approval of such fence shall be deemed withheld until completion of this final review. All fences shall be kept in good repair by the Owner.

a. Style. Fences must be of an open picket style using black aluminum material, hardie plank and or brick with a height of not more than 48" above grade; however, fences directly adjacent and to the side of builder-installed patios, which shall extend not deeper than the edges of such patio, shall be not more than six (6') feet tall and shall be constructed of hardie plank and/or brick material and may be as a closed privacy design. Chain link, vinyl and treated wood fences are prohibited. The Architectural Review Committee will approve fencing materials, landscape screening materials, design, and location on an individual basis. However, the Architectural Review Committee, in its sole and absolute discretion, may promulgate standards for fence materials and styles whereby any fences must be of uniform style, color and materials.

b. Site Lines and Location of Fence. No fence or screen will be approved which obstructs necessary sight lines for vehicular traffic. Undue obstruction of views from adjoining properties and amenity areas and obstruction of easements will be taken into consideration by the Architectural Review Committee when reviewing fences for approval. No fence, wall, hedge or shrub planting which obstructs sight lines at elevations between two (2) feet and nine (9) feet above the street shall be placed or permitted to remain on any corner Lot within the triangular area formed by the street property lines and a line connecting points twenty-five (25) feet from the intersection of said street lines, or in the case of a rounded property corner from the intersection of the street lines extended. The same sightline limitations shall apply to any Lot within ten (10) feet from the intersection of a street line with the edge of a driveway pavement or alley line. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight lines. No fences shall be permitted to be constructed between the front set back line and the street curb. Except as approved by the Architectural Review, no fencing is allowed forward of the rear corner of the house.

It shall be permissible to screen the heating, ventilation and air-conditioning unit with plantings or two (2) sections of fencing which has been approved by the Declarant or the Architectural Review Committee for such purpose.

As provided in Article VII, Section 4, notwithstanding anything in this Declaration to the contrary, and unless permitted pursuant to the terms of the easement in question, fences shall be erected or maintained in the area of private easements but shall not interfere with the operation and/or use of the easement(s), except by the Declarant during the Development Period and thereafter by the Association. Furthermore, notwithstanding anything in this Declaration to the contrary, no fences, shall be erected between (i) the area of any such easements and (ii) any perimeter roadway, public highway or right-of-way along the perimeter or boundary of the Property, except by the Declarant. Landscaping improvements into Easements of record will be reviewed and approved or denied by the ARC on a case by case basis.

Section 6. Electrical Service and Telephone Lines. All electrical service and telephone lines shall be placed underground and no outside electrical lines shall be placed overhead. No exposed or exterior radio or television transmission or receiving antenna (collectively, the "Antennas") shall be erected, placed or maintained on any part of the premises except those expressly permitted pursuant to the applicable FCC Regulations and as set forth in any guidelines imposed by the Architectural Review Committee, which guidelines shall not conflict with the FCC Regulations. Provided, however, that the normal service pedestals, etc., used in conjunction with such underground utilities shall be permitted within the development. Pursuant to 47 C.F.R. Section 1.4000, as amended, to the extent that the Antennas can be installed in such a manner that does not prevent reception of an acceptable quality signal or as to impose unreasonable expense or delay, the Antennas shall be placed above the roof line at the eave; if such Antenna(s) is placed or maintained in such a manner, the Owner does not need to submit an application for approval to the Architectural Review Committee. If the Antenna(s) is placed or maintained anywhere other than the roof, the Owner shall submit an application to the Architectural Review Committee, pursuant to this Article, which shall include the applicable method of screening material the Owner desires to employ to screen the subject Antenna. Overhead utilities shall be permitted during the construction period and until utility companies can place them underground.

Section 7. Conformity and Approval of Structures. No structure, fence, sidewalk, wall, or other improvement shall be placed or altered on any Lot except in accordance with the provisions of this Declaration.

Section 8. Subdivision of Lot. No Lot shall be subdivided and no building or residence, including porches, decks or projections of any kind, shall be erected so as to extend over or across any of the Setbacks as hereinafter established except as herein provided.

Section 9. Increased Size of Lots. A Lot or Lots may only be subdivided provided the effect is to increase the size of both of the adjoining Lots. In such cases, the Declarant may alter the building lines to conform. Should the Owner or Owners of any Lots and/or portions of Lots which have been combined for a single building site subsequently wish to revert to the original plan of subdivision, or make any other combination which would not be in violation of this restriction, such may be done only if the written consent of the Declarant is first had and obtained. In such instances, the adjoining Lot Owners, or other Owners in the subdivision do not have the right to review, pass on or interfere with such Lots rearrangement, as such rights shall be exclusively that of the Declarant or any successors or assigns to whom the Declarant may expressly have

transferred such rights, but the Owner of any other Lot in the subdivision does not, by virtue of such status as an Owner, become any such successor or assign.

Section 10. Alteration of Setback Lines in the Best Interest of Development. Where because of size, configuration, natural terrain, or any other reason in the opinion of the Declarant, it would be in the best interest of the development of the Subdivision that the setback lines of any Lot should be altered or changed, then the Declarant reserves unto itself, its successors or assigns, and no other, the right to grant a variance to the Lot Owner or in the case of a Lot owned by Declarant, the Declarant may change said setback lines to meet such conditions. The Declarant specifically reserves the right to transfer and assign this right of approval to the ARC hereinafter established. Notwithstanding the forgoing, any proposed change of setback lines that is less than the minimum established by Horry County, South Carolina zoning ordinance must also be approved by the applicable governmental authorities of Horry County, South Carolina.

Section 11. Temporary Structures. Except as provided herein, no structure of a temporary character, tent, shack, basement, garage, barn or other out-building shall be erected, placed, or altered upon any Lot for use as a residence either temporarily or permanently, or at any time be used for such purpose. A storage building conforming to the provisions contained herein may be approved by the Architectural Review Committee to be located on any Lot provided that the same conforms to the architectural guidelines set forth herein and such further guidelines as may be promulgated by the Architectural Review Committee from time to time; however, such storage buildings shall not be permitted on any Lot that is adjacent to a Lake, unless Declarant (or, after expiration of the Declarant Control Period, the Architectural Review Committee) expressly permits, in writing, such storage building to be located on the applicable Lot that is adjacent to a Lake. Any such storage building shall have floor measurements no larger than eight (8') feet by ten (10') feet and shall be no higher than nine (9') feet overall. With respect to material and color, the exterior finish of any such storage building must conform to and match the exterior finish of the main dwelling house on the Lot and must be permitted by all applicable governmental authorities, as well as the Architectural Review Committee. The location of such storage building must be approved by the Architectural Review Committee and by all applicable governmental authorities, including, but not limited to Horry County. Further, such storage building shall only be permitted to be constructed no closer to the Lot boundary line than the setback lines within the rear yard of approvable Lots.

Section 12. Driveways. All private driveways, right-of-ways, and culverts installed therein, shall be of a type and quality approved by Declarant or the ARC and the grade of same shall be set by Declarant or the ARC.

Section 13. Garages. No garage shall be utilized for other than the purpose of parking and storage of vehicles and other types of items normally stored in garages in residential neighborhoods. No garage shall be converted into or used for living space without prior ARC approval.

Section 14. Outside Use of Lots. Except in an individual patio area appurtenant to a Dwelling Unit, no planting or gardening shall be done, and no fences, hedges, walls or other improvements shall be erected or maintained upon the Property except such as installed in accordance with the

initial construction of the buildings located thereon or as approved by the ARC. Except as approved by the ARC, vegetable gardens may only be located in the rear yard of a Lot and cannot exceed 8' x 10' in size.

Section 15. Artificial Vegetation, Exterior Sculpture and Similar Items. No artificial vegetation shall be permitted on the exterior of any portion of the Subdivision. Exterior sculpture, fountains, gazebos, arboretums, flags, and similar items are subject to Declarant's or ARC's prior approval; provided, however, that nothing contained herein shall prohibit the appropriate display of the American flag, provided such flag is no greater than 4' by 6' in dimension.

Section 16. Play Structures and Yard Accessories. All yard accessories and play structures, including fixed and portable basketball backboards or hoops, as well as any other fixed game structures, shall be subject to ARC review and prior approval. Should it be determined that a play structure or yard accessory was erected on a Lot without the necessary approval, the Declarant, its agents or assigns shall have the right from time to time to enter said Lot without any liability for damage, wrongful entry, trespass or otherwise for the purpose of removing the unauthorized structure/accessory.

Section 17. Elevation and Drainage Changes. No changes in the elevation, topography or drainage characteristics of any Lot within the Subdivision shall be made without the prior written approval of the Declarant or the ARC once Declarant Class B status has been terminated.

Section 18. Swimming Pools. Only below ground swimming pools constructed in accordance with applicable law and with prior written approval of the ARC shall be permissible in the Subdivision. No above ground swimming pools are permitted in Harborview. Notwithstanding the foregoing, the Declarant, in its sole discretion and without obligation, may elect to provide a swimming pool as part of any amenities constructed for Harborview.

Signature page to follow.

EXHIBIT "A"

Description of Real Estate

ALL AND SINGULAR, those certain pieces, parcels or lots of land located in the Socastee Township, Horry County, South Carolina, and designated as Lots 1-67, inclusive, Open Space #1, Open Space #2, Open Space #3, Open Space #4, Open Space #5, Open Space #6, Open Space #7, and those certain private rights-of-way shown as "Safe Haven Drive 50' Private R/W", "Pelagic Loop 50' Private R/W", "Gammon Drive 50' Private R/W" and "Waterline Drive 50' Private R/W", all as shown on the plat prepared by DDC Engineers, Inc., entitled "Harborview – Phase 1, Socastee Township, Horry County, South Carolina, Final Plat, Prepared for Beazer Homes", dated April 30, 2019, and recorded June 18, 2019, in Plat Book 287, at Page 84, records of Horry County, South Carolina.

EXHIBIT "B"

Additional Real Estate

ALL AND SINGULAR that certain piece, parcel or lot of land, situate, lying and being in Horry County, South Carolina, being designated as "Parcel A", containing 55.828 acres, 2,431,857 square feet, more or less, as shown on that certain map or plat prepared by Cox Surveyors & Associates entitled "Survey of Parcel A 55.828 AC. ± (2,431,857 S.F. ±) Prepared for South Star Investors II, LLC, Socastee Township, Horry County, South Carolina", dated November 28, 2017, and recorded December 7, 2017 in Plat Book 278 at Page 243, records of Horry County, South Carolina, which plat is incorporated herein and made a part hereof by reference.

Less and excepting from the above-referenced Parcel A:

ALL AND SINGULAR, those certain pieces, parcels or lots of land located in the Socastee Township, Horry County, South Carolina, and designated as Lots 1-67, inclusive, Open Space #1, Open Space #2, Open Space #3, Open Space #4, Open Space #5, Open Space #6, Open Space #7, and those certain private rights-of-way shown as "Safe Haven Drive 50' Private R/W", "Pelagic Loop 50' Private R/W", "Gammon Drive 50' Private R/W" and "Waterline Drive 50' Private R/W", all as shown on the plat prepared by DDC Engineers, Inc., entitled "Harborview – Phase 1, Socastee Township, Horry County, South Carolina, Final Plat, Prepared for Beazer Homes", dated April 30, 2019, and recorded June 18, 2019, in Plat Book 287, at Page 84, records of Horry County, South Carolina.

EXHIBIT "C"

Articles of Incorporation

The State of South Carolina



Office of Secretary of State Mark Hammond

Certificate of Existence

I, Mark Hammond, Secretary of State of South Carolina Hereby Certify that:

Harborview Property Owners' Association, Inc., a nonprofit corporation duly organized under the laws of the State of South Carolina on January 28th, 2019, has as of the date hereof filed as a nonprofit corporation for religious, educational, social, fraternal, charitable, or other eleemosynary purpose, and has paid all fees, taxes and penalties owed to the State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to S.C. Code Ann. §33-31-1421, and that the nonprofit corporation has not filed articles of dissolution as of the date hereof.

Given under my Hand and the Great Seal
of the State of South Carolina this 28th day
of January, 2019.


Mark Hammond, Secretary of State

STATE OF SOUTH CAROLINA
SECRETARY OF STATE

ARTICLES OF INCORPORATION
Nonprofit Corporation – Domestic
Filing Fee \$25.00

Pursuant to S.C. Code of Laws Section 33-31-202 of the 1976 S.C. Code of Laws, as amended, the undersigned corporation submits the following information

1. The name of the nonprofit corporation is

Harborview Property Owners' Association, Inc.

2. The initial registered office (registered agent's address in SC) of the nonprofit corporation is
11822 Highway 17 Bypass South

(Street Address)

Murrells Inlet, South Carolina 29576

(City, State, Zip Code)

The name of the registered agent of the nonprofit corporation at that office is

First Service Residential

(Name)

I hereby consent to the appointment as registered agent of the corporation.

(Agent's Signature)

3. Check "a", "b", or "c", whichever is applicable. Check only one box.

- a. The nonprofit corporation is a public benefit corporation.
- b. The nonprofit corporation is a religious corporation.
- c. The nonprofit corporation is a mutual benefit corporation.

4. Check "a" or "b" whichever is applicable

- a. This corporation will have members.
- b. This corporation will not have members.

5. The principal office of the nonprofit corporation is
4703 Oleander Drive

(Street Address)

Myrtle Beach, South Carolina 29577

(City, State, Zip Code)

Harborview Property Owners' Association, Inc.

Name of Corporation

6. If this nonprofit corporation is either a **public benefit** or **religious corporation** complete either "a" or "b", whichever is applicable, to describe how the remaining assets of the corporation will be distributed upon dissolution of the corporation. **If you are going to apply for 501(c)(3) status, you must complete section "a"**.

a. Upon dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future Federal tax code, or shall be distributed to the Federal government, or to a state or local government, for a public purpose. Any such asset not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

If you choose to name a specific 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

OR

b. If the dissolved corporation is not described in Section 501(c)(3) of the Internal Code, upon dissolution of the corporation, the assets shall be distributed to one or more public benefit or religious corporation or to one or more of the entities described in (a) above.

If you chose to name a specific public benefit, religious corporation or 501(c)(3) entity to which the assets should be distributed, please indicate the name of the selected entity.

7. If the corporation is mutual benefit corporation complete either "a" or "b", whichever is applicable, to describe how the (remaining) assets of the corporation will be distributed upon dissolution of the corporation.

a. Upon dissolution of the mutual benefit corporation, the (remaining) assets shall be distributed to its members, or if it has no members, to those persons to whom the corporation holds itself out as benefiting or serving.

b. Upon dissolution of the mutual benefit corporation, the (remaining) assets, consistent with the law, shall be distributed to

8. The optional provisions which the nonprofit corporation elects to include in the articles of incorporation are as follows [See S.C. Code of Laws Section 33-31-202(c)].

Harborview Property Owners' Association, Inc.

Name of Corporation

9. The name and address of each incorporator is as follows (only one is required, but you may have more than one).

Stephanie Warren

(Name)

4703 Oleander Drive

(Business Address)

Myrtle Beach, South Carolina 29577

(City, State, Zip Code)

(Name)

(Business Address)

(City, State, Zip Code)

(Name)

(Business Address)

(City, State, Zip Code)

10. Each original director of the nonprofit corporation must sign the articles but only if the directors are named in these articles.

(Name – only if names in articles)

(Signature of Director)

(Name – only if names in articles)

(Signature of Director)

(Name – only if names in articles)

(Signature of Director)

Harborview Property Owners' Association, Inc.

Name of Corporation

11. Each incorporator listed in #9 must sign the articles

Signed as Filer: Phillip Albergotti

(Signature of Incorporator)

(Signature of Incorporator)

(Signature of Incorporator)

12. If the document is not to be effective upon filing by the Secretary of State, the delayed effective date/time is:

Business Name: Harborview Property Owners' Association, Inc.

Signature Page for a Secretary of State Business Filing

This page must be completed, scanned, and attached to any business filing where one of the following is true.

- The filing party signs the digital form on behalf of official signee.
- An attorney's signature is required. (Articles of Incorporation for Corporation and Benefit Corporation)

Official Signatures

(Officer, Incorporator, Director, Agent, Partner, etc)

Required for forms where the signee is not present upon online submission and a filing party is providing a digital signing on their behalf. If the provided space is not enough, please attach multiple pages.

<u>Stephanie Warren</u> Name	<u>01/28/19</u> Date
<u>Stephanie Warren</u> Signature	<u>Incorporator</u> Title / Position
_____ Name	_____ Date
_____ Signature	_____ Title / Position
_____ Name	_____ Date
_____ Signature	_____ Title / Position
_____ Name	_____ Date
_____ Signature	_____ Title / Position
_____ Name	_____ Date
_____ Signature	_____ Title / Position

Scan and Upload this document to the Business Filing System during the filing process.
File must be PDF format.