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**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS
AND RESTRICTIONS
FOR
ETIWAN POINTE TOWNHOMES
HOMEOWNERS ASSOCIATION, INC.**

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**AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS
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ETIWAN POINTE TOWNHOMES
HOMEOWNERS ASSOCIATION, INC.**

This Amended and Restated Declaration of Covenants, Conditions and Restrictions for Etiwan Pointe Townhomes is made this 31 day of July 2007, by Etiwan Pointe Townhomes Homeowners Association, Inc. (hereinafter referred to, together with its successors-in-title who come to stand in the same relation to the Property as its predecessor did, the "Declarant"). Pursuant to a meeting of the Association, held on or about April 22, 2007, it was agreed by over two thirds of the Members that this Amended and Restated Declaration of Covenants, Conditions and Restrictions for Etiwan Pointe Townhomes Homeowners Association, Inc., supersedes and replaces the Declaration of Covenants, Conditions and Restrictions for Etiwan Pointe Townhomes, which was recorded in Book M370, at Page 846 in the RMC office for Charleston County.

WITNESSETH:

Declarant represents the owners of the real property described in Exhibit "A" attached hereto and incorporated herein by this reference. Declarant intends, by this Declaration, to impose upon the Exhibit "A" property mutually beneficial restrictions under a general plan of improvement and development for the benefit of all Owners of Property within Etiwan Pointe Townhomes. Declarant desires to provide a flexible and reasonable procedure for the overall management and operation of the Property and the inter-relationship of the dwellings within the Property, and to establish a method for the administration, maintenance, preservation, use and enjoyment of such Property as is now or may hereafter be submitted to this Declaration.

This Declaration and the By-Laws recorded herewith set out the method of use and administration for the Etiwan Pointe Townhomes development.

NOW, THEREFORE:

- (1) Declarant hereby declares that all of the Property described on Exhibit "A" and any Additional Property (as defined herein), as may, by subsequent amendment, be added and subjected to this Declaration, shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions which are for the purpose of protecting the value and desirability of, and which shall run with the title to the real property submitted to this Declaration, and which shall be binding on all parties having any right, title and interest in the described Property or any part thereof, their heirs, successors, successors-in-title and assigns, and shall inure to the benefit of each Owner now or hereafter existing thereof;
- (2) In consideration of the premises and mutual covenants herein contained, Declarant does, by these presents, subject the Property as described on Exhibit "A" attached hereto to this

Declaration, and each and every covenant, condition, restriction, easement, charge or lien hereinafter set forth and the Declarant does hereby declare that from and after the date hereof, the Exhibit "A" Property and any and all parts thereof, including all lots and townhomes thereon, and any and all portions of the Additional Property, as may from time to time be subjected hereafter to the terms hereof, pursuant to the terms hereof, shall be owned, transferred, sold, conveyed and occupied subject to this Declaration, such to be construed as covenants, easements and conditions running with the title and ownership of such Property creating mutual and equitable servitudes for the benefit of each Owner and the Declarant, binding on all parties having any right, title or interest in such Property, and their respective heirs, successors and assigns.

ARTICLE I. NAME

The name of the property is ETIWAN POINTE TOWNHOMES (hereinafter sometimes referred to as "Etiwan Pointe"), which property is a residential property owners development and which property is hereby submitted and subject to this Declaration of Covenants, Conditions and Restrictions.

ARTICLE II. DEFINITIONS

Generally, terms used in this Declaration, the By-Laws, and the Articles of Incorporation shall have their normal, generally accepted meanings or the meanings given in the South Carolina Nonprofit Corporation Code. Unless the context otherwise requires, certain terms used in this Declaration, the By-Laws, and the Articles of Incorporation shall be defined as follows:

Section 1. Additional Property shall mean any property described in Exhibit "B" attached hereto, which may be added to the Etiwan Pointe Townhomes development by subsequent amendment, and subjected to this Declaration after the date of this Declaration.

Section 2. Area of Common Responsibility shall mean and refer to the Common Property, together with those areas, if any, which by the terms of this Declaration or by contract or agreement with any other person or entity become the responsibility of the Association and shall specifically include by way of example and not limitation, any and all docks as may be constructed and be appurtenant to the Property. In addition, any and all monuments along the roadways and at the entranceway shall be deemed within the Area of Common Responsibility as shall also be any boat storage facility constructed on the Common Property. The office of any property manager employed by or contracting with the Association, if located on the Property, or any public rights-of-way within or adjacent to the Property, may be part of the Area of Common Responsibility.

Section 3. Articles or Articles of Incorporation shall mean the Articles of Incorporation of The Etiwan Pointe Townhomes Homeowners Association, Inc., which have been filed with the Secretary of State of the State of South Carolina.

Section 4. Association shall mean the Etiwan Pointe Townhomes Homeowners Association, Inc., a South Carolina non-profit corporation, its successors and assigns.

Section 5. Association Legal Instruments shall mean this Declaration and all exhibits to this Declaration, including the By-Laws of the Association, and the plats and plans, all as may be supplemented or amended from time to time.

Section 6. Board or Board of Directors shall mean the elected body responsible for management and operation of the Association having its normal meaning under the South Carolina Non-Profit Corporation Code.

Section 7. By-Laws shall mean the By-Laws of Etiwan Pointe Townhomes Homeowners Association, Inc., attached to this Declaration as Exhibit "C" and incorporated herein by this reference.

Section 8. Common Property shall mean any and all real and personal property and easements and other interests therein, together with the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners.

Section 9. Common Expenses shall mean the expenses anticipated or actually incurred by the Association in maintaining, repairing, replacing, and operating the Common Property and otherwise as may be for the benefit of the Lots, and the same shall include any reasonable reserve, all as may be imposed hereunder or found to be necessary and appropriate by the Board, pursuant to the terms of this Declaration, the By-Laws or the Articles of Incorporation.

Section 10. Community-Wide Standard shall mean the standard of conduct, maintenance, or other activity generally prevailing in the Property. Such standard may be more specifically determined by the Board of Directors of the Association.

Section 11. Eligible Mortgage Holder shall mean those holders of first mortgages secured by Lots in the Property who have requested notice of certain items as set forth in this Declaration.

Section 12. Full-time Resident Owner shall mean an Owner that resides in their Etiwan Pointe townhome unit for not less than seven (7) months of each calendar year and who lists their Etiwan Pointe townhome unit address as their legal residence for Federal and State income tax purposes.

Section 13. Lot shall mean a portion of the Property intended for ownership and use as a single-family dwelling site, together with improvements thereon located, as permitted in this Declaration and as shown on the plats for the Property, or amendments or supplements thereto, recorded in the RMC Office for Charleston County, South Carolina. A Lot shall be numerically

and alphabetically described by reference to a building (i.e. 101, 102, etc.) and a letter (i.e., Townhome A, B, C, etc.)

Section 14. Majority shall mean those eligible votes, Owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total eligible number.

Section 15. Member shall mean and refer to a person or entity entitled to membership in the Association, as provided herein.

Section 16. Mortgage shall refer to any deed of trust, or other transfer or conveyance for the purpose of securing the performance of an obligation, including, but not limited to, a transfer or conveyance of fee title for such purpose.

Section 17. Mortgagee or Mortgage Holder shall mean the holder of any mortgage.

Section 18. Mortgagor shall mean one who mortgages property; the mortgage-debtor, or borrower. The term Mortgagor shall also include the grantor of a deed of trust.

Section 19. Occupant shall mean any Person occupying all or any portion of a dwelling or other property located within the Property for any period of time, regardless of whether such Person is a tenant or the Owner of such Property.

Section 20. Officer shall mean those individuals who are elected by the Board to serve as President, Vice President, Secretary, or Treasurer, or such other subordinate officers as the Board may determine necessary.

Section 21. Owner shall mean the record title holder of a Lot within the Property, whether one or more persons or entities, but shall not include a Mortgage Holder.

Section 22. Person shall mean any individual, corporation, firm, association, partnership, trust or other legal entity.

Section 23. Property shall mean that real estate which is submitted to the provisions of this Declaration, as described in Exhibit "A", attached hereto and incorporated herein by this reference, and shall further refer to such Additional Property, or any portions thereof, as may be hereafter annexed by amendment to this Declaration, or which is owned in fee simple by the Association. The Property is not and by the terms hereof is not intended to be submitted to the terms of the Horizontal Property Act of South Carolina, Code of Laws of South Carolina § 27-31-10 *et seq.*

Section 24. Quorum, shall mean the presence of Owners in person or by proxy, entitled to cast fifty percent (50%) of the Association votes; provided, however, Owners whose voting rights have been suspended pursuant to this Declaration of the By-Laws shall not be counted as eligible votes toward the quorum requirement.

ARTICLE III. LOCATION, PROPERTY DESCRIPTION AND PLATS.

The Property subject to this Declaration and the Act is located in the town of Mount Pleasant, Charleston County, South Carolina, being more particularly described on that certain Plat of survey prepared by Thomas & Hutton Engineering Co., dated March 21, 2001, and recorded in the RMC Office for Charleston County in Plat Book EE, Pages 772 and 773, excepting, however, any and all property shown on said plat as being within the rights-of-way of public streets and roads. The plat of survey is incorporated herein by reference as fully as if the same were set forth in their entirety herein.

ARTICLE IV. ASSOCIATION MEMBERSHIP AND VOTING RIGHTS.

Section 1. Membership. Subject to Section 2 hereinafter, every person who is a record owner of a fee or undivided fee interest in any Lot that is subject to this Declaration, shall have a membership in the Association. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's membership. No Owner, whether one or more Persons, shall have more than one (1) membership per Lot owned. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in this Declaration and in the By-Laws. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a member or the member's spouse, but in no event shall more than one (1) vote be cast nor office held for each Lot owned; provided, however, that the right to hold office is further subject to the restrictions contained in Article III, Section 1 of the Etiwan Pointe Townhomes Homeowners Association By-Laws.

Section 2. Voting. The Association shall have one class of membership. Members shall be all Owners, who shall be entitled on all issues to one (1) equal vote for each Lot in which they hold the interest required for membership by Section 1 hereof. When more than one (1) Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners determine among themselves and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended in the event more than one (1) Person seeks to exercise it.

ARTICLE V. ALLOCATION OF LIABILITY FOR COMMON EXPENSES.

Except as otherwise provided herein, and subject to the terms of this Declaration including this Article and the rights of Declarant, each Lot is hereby allocated equal liability for Common Expenses.

Section 1. Except as provided below, including the rights of Declarant, or otherwise provided in the Association Legal Instruments, the amount of all Common Expenses shall be assessed against all the Lots, excepting, however, as provided hereinbelow.

Section 2. The Board of Directors shall have the power to assess specially each Owner, pursuant to this Article as, in its discretion, it shall deem appropriate. Failure of the Board of Directors to exercise its authority under this paragraph shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Article in the future with respect to any expense, including an expense for which the Board has not previously exercised its authority under this Article.

(a) Except for expenses incurred for maintenance and repair of items which are the Association's maintenance responsibility under the Association Legal Instruments, any Common Expenses benefiting less than all of the Lots or significantly disproportionately benefiting all Lots may be specially assessed equitably among all of the Lots.

(b) Any Common Expenses occasioned by the conduct of less than all of those entitled to occupy all of the Lots or by the licensees or invitees of any such Lot or Lots may be specially assessed against such Lot or Lots.

For purposes of Section 2 of this Article, nonuse shall constitute a benefit to less than all Lots or a significant disproportionate benefit among all Lots only when such nonuse results in an identifiable, calculable reduction in cost to the Association.

(c) Notwithstanding anything herein to the contrary, any and all assessments provided for in this Declaration shall commence against a respective Lot as in this Section provided. Any and all assessments shall commence as to a respective Lot at the time of conveyance of such Lot to an Owner, and no such assessment shall be applicable or levied as against Lots, otherwise.

ARTICLE VI. ASSOCIATION RIGHTS AND RESTRICTIONS

The Association, acting through its Board of Directors, shall have the right and authority, in addition to and not in limitation of all other rights it may have:

Section 1. To enter into Lots for maintenance, emergency, security or safety purposes, which right may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all police officers, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall be only during reasonable hours and after reasonable notice to the Owner or Occupant of the Lot;

Section 2. To make and to enforce reasonable rules and regulations governing the use of the Property, including the Lots and the Common Property. No rule or regulation shall,

however, diminish, alter or affect the rights of use, easements, permits, privileges or licenses existing in Declarant, its successors and assigns. Furthermore, no rule or regulation shall affect or treat Declarant, its successors and assigns, or the invitees of Declarant in a manner differently than the Association's rules may affect or treat its Members. Copies of such rules and regulations and any amendments thereto shall be furnished by the Association to all Owners and the Declarant prior to the rule's effective date. Such regulation shall be binding upon the Owners and users, their families, tenants, guests, invitees and agents until and unless such rule, regulation or requirement is specifically overruled, cancelled or modified by the Board. The Board shall have the authority to impose reasonable monetary fines and other sanctions for violation of its rules, and monetary fines may be collected by lien or foreclosure as is applicable to assessments hereunder. In addition, the Board shall have the right to suspend votes and rights to use the Common Property, other than for the access of one's Lots, for violation of its rules as well as to proceed judicially to enjoin and abate violations of such rules as if such rules or use restrictions contained herein as covenants on the Property;

Section 3. To enforce use restrictions, other Declaration and By-Laws provisions, and rules and regulations by the imposition of reasonable monetary fines and suspension of use and voting privileges and of services paid for as a Common Expense as provided for herein and as otherwise may be provided in the Association's Legal Instruments. Said fines shall include any fees and costs required to enforce these rules, including but not limited to attorneys fees. These powers, however, shall not be construed as limiting any other legal means of enforcing the use restrictions or rules and regulations of the Association. Any fines imposed shall be considered an assessment against the Lot and may be collected in the manner provided for collection of other assessments;

Section 4. To grant permits, licenses, utility easements, and other easements, permits, or licenses necessary for the proper maintenance or operation of the Property under, through or over the Common Property, as may be reasonably necessary to or desirable for the ongoing development and operation of the Property;

Section 5. To control, manage, operate, maintain, improve and replace all portions of the Property for which the Association is assigned maintenance responsibility under this Declaration;

Section 6. To deal with the Property in the event of damage or destruction as a result of casualty loss, condemnation or eminent domain, in accordance with the provisions of this Declaration;

Section 7. To represent the Owners in dealing with governmental entities;

Section 8. To acquire, hold, and dispose of tangible and intangible personal property and real property;

Section 9. The Association covenants to accept title to all or any portions of the Common Property when offered by the Declarant;

Section 10. To enforce the terms and conditions of the buffer easements contained in that certain Conservation Easement, dated April 15, 1997, and recorded in Book P-282, page 830, RMC office for Charleston County, as modified or amended. The obligation to enforce the terms and conditions of the Conservation Easement shall apply to all modifications or amendments that may occur in the future.

Section 11. Notwithstanding any other provision contained herein to the contrary, neither the Board of Directors acting on behalf of the Association, nor the Association as an entity, shall have any right, privilege, power nor standing to proceed on any cause of action, claim or demand arising from or related to any property, real, personal or intangible, unless such property is owned and titled to the Association and the Association shall have no right, title, power or privilege to act on behalf of any other Person, including Owners, derivatively or otherwise, in respect to any other property not owned and titled to the Association; and

Section 12. Notwithstanding any other provisions contained herein to the contrary, the Association shall not have any responsibility, liability or obligation in respect to any leaking water, including leaking water resulting from the melting of snow or ice, and any damages resulting therefrom to any Property or Lot, unless the leaking water results from a willful or grossly negligent act or omission on the part of the Board or the Declarant.

ARTICLE VII. ASSESSMENTS

Section 1. Purpose of Assessment. The Association shall have the power to levy assessments as provided herein, which shall commence against a respective Lot as provided for in Article V, Section 2, subparagraph (c), above. The assessments for Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and Occupants of Lots in the Property as may be more specifically authorized from time to time by the Board. Assessments may not be used to compensate officers and Directors.

Section 2. Creation of the Lien and Personal Obligation For Assessments. 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 from and after commencement thereof: (i) annual assessments or charges; (ii) special assessments, such assessments to be established and collected as hereinafter provided; and (iii) specific assessments against any particular Lot which are established pursuant to the terms of this Declaration, including but not limited to, reasonable fines as may be imposed in accordance with the terms of this Declaration.

All such assessments and amounts determined by the Board, together with charges, interest, costs and reasonable attorney's fees actually incurred, in the maximum amount permitted under South Carolina law, shall be a charge on the Lot and shall, in accordance with the terms hereof, be a continuing lien upon the Lot against which each assessment is made.

The Association shall have a right to secure a lien on the interests of each Owner of a Lot as security for the prompt and faithful performance by such Owner of the obligations under this Declaration, and the payment of costs of enforcement and reasonable attorney's fees, all as aforesaid. Such lien shall be perfected by filing with the Clerk of the Court for Charleston County, with a copy to be mailed to the Owner by certified mail, return receipt requested, a Statement of a True and Just Account of the amount due him, together with a description of the Property intended to be covered by the lien, which Certificate shall be subscribed and sworn to by the person claiming a lien, or by someone on his behalf. Priority of liens shall be established by the date on which they are filed with the Office of the Clerk of the Court.

Upon commencement of a lawsuit, notice shall be given to the Owner and to all the creditors who have a lien on the same Lot. If any other creditor has an interest in the Lot, she shall be entitled to become a party to the action. If the Owner does not contest the claim, a judgment shall be entered. However, nothing in this paragraph shall prevent the Owner from requesting that the case be submitted to a jury. If the lien is established in favor of any of the creditors whose claims are presented, the court shall order a sale of the Lot to be made by such officer as may be authorized by law to make sales of property. The proceeds from such sale shall first be applied to the most senior lien with any remainder being returned to the Owner.

In all such cases, the above described lien and foreclosure procedure shall apply only to the interest of the Owner in his Lot created by this document. No creditor or court shall be permitted to partition the Property, but shall look only to the Lot and the Owner's interest therein.

The aforesaid right to obtain a lien and judicial sale shall be in addition to and not in substitution for all other rights and remedies which the Association may have hereunder. Additionally, the Owner shall also be subject to any lien rights or enforceable remedies which may be hereinafter enacted by the South Carolina legislature relating to property such as the Lot.

Notwithstanding the provisions hereinabove stated, each such assessment above referred, together with the charges, interests, costs, reasonable attorney's fees actually incurred, and other amounts set forth hereunder due and payable to the Association by a respective Owner, shall also be the personal obligation of the person who is the Owner of such Lot at the time the assessment became due, and his or her grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance; provided, however, any Mortgagee who obtains title to a Lot pursuant to the remedies provided in the Mortgage, or foreclosure of the Mortgage or deed in lieu of foreclosure, will not be liable for such Lot's unpaid assessments which accrued prior to the acquisition of title to such Lot by the Mortgagee.

Section 3. Delinquent Assessments. All assessments and related charges not paid on or before the due date shall be delinquent, and the Owner shall be in default.

(a) Monthly installments of annual assessments are due on the fifteenth (15th) day of the month. If an Owner fails to pay their monthly installment by the fifteenth (15th) of

the month, the Owner's right to vote and the right of the Owner or Owner's tenant to use the Common Property shall be suspended until the monthly assessment, along with any late charges or associated fees, as described in Section 3 (b), below, are paid in full.

(b) If any monthly installment or annual assessments or any part thereof is not paid in full by the fifteenth (15th) day of the month or if any other charge is not paid within ten (10) days of due date, a late charge in the amount of Twenty Five and No/100 Dollars (\$25.00) or ten percent (10%) of the amount of the assessment (as may be determined by the Board) shall be imposed without further notice or warning to the delinquent Owner, along with interest at the rate of ten percent (10%) per annum or such higher rate as may be authorized by applicable laws of the state of South Carolina at the date of accrual of the fines.

(c) If part payment of assessments and related charges is made, the amount received shall be applied first to costs and attorney's fees, then to late charges, then to interest, then to delinquent assessments, and then to current assessments.

(d) Payment will not be deemed delinquent if it is postmarked on or before the fifteenth (15th) day of the month that the assessment payment is due.

(e) If assessments, fines or other charges, or any part thereof due from an Owner remain delinquent and unpaid for a period greater than fifteen (15) days from the date due, a notice of delinquency shall be given to that Owner stating that if the assessment or charge remains delinquent for more than ten (10) days from the date of the notice of delinquency, the Board will accelerate and declare immediately due all of that Owner's unpaid installments of the annual assessment for that fiscal year. If an Owner fails to pay all assessments and related charges currently due within the ten (10) days of the date of the notice of delinquency, the Board shall then accelerate and declare immediately due all installments of the annual assessment and any special assessment, without any further notice being given to the delinquent Owner. Should any assessments, fines or other charges, or any part thereof due from an Owner remain delinquent and unpaid for a period greater than fifteen (15) days from the due date for two (2) consecutive months, the Board shall then accelerate and declare immediately due all of that Owner's unpaid installments of the annual assessment for that fiscal year. Upon acceleration, that Owner shall thereby lose the privilege of paying the annual assessment for that fiscal year in monthly installments. Failure on the part of the Board to either provide a notice of delinquency or to accelerate and declare the balance due immediately shall in no way constitute a waiver, and the Board retains all rights under this paragraph. Furthermore, the Owner in default shall be liable for any and all fees and costs associated with collection of delinquent dues, including but not limited to attorneys fees, court costs, and property management fees in connection with collection procedures against the Lot Owner.

(f) If assessments and other charges or any part thereof remain unpaid more than thirty (30) days after the assessment payments first become delinquent, the Association, acting through the Board of Directors, may institute suit to collect all amounts due pursuant to the provisions of the Declaration, the By-Laws. Notwithstanding the foregoing, the Board may not limit ingress or egress to or from the Lot.

(g) In the event any assessment is delinquent for sixty (60) days or more, in addition to all other rights provided in this Declaration, the Association shall have the right upon ten (10) days written notice and in compliance with any requirements set forth herein, to suspend any cable television service as might be available to the Lot, the costs of which are a Common Expense of the Association, until such as the delinquent assessments and all costs permitted to this subparagraph are paid in full. Any costs incurred by the Association in discontinuing and/or reconnecting any such service, including reasonable attorney's fees, shall be an assessment against the Lot and shall be collected as provided herein for the collection of assessments. The notice requirement of this subparagraph shall be deemed complied with if the notice is sent by certified mail to the Lot address and to any other address the Owner of the Lot has provided in writing to the Association.

(h) If any Owner of a Lot fails to pay assessments for Common Expenses as set forth herein or amounts as may be due pursuant to any rules and regulations of the Association as may hereafter be approved, then the Association may bring legal action or take other reasonable actions to collect any amounts from such Owner liable for payment thereof, without waiving the lien hereinafter described. All amounts due by said Owner which are unpaid shall constitute a lien solely and exclusively on the Lot of the Owner failing to pay such amount in accordance with the provisions hereof. The priority of the lien shall be established from the date on which the lien is filed in the Office of the Clerk of the Court. Such lien may be foreclosed by the Association in like manner as a mortgage on property. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceedings, including reasonable attorney's fees and court costs, together with the costs and expenses otherwise set forth in this Declaration.

Section 4. Computation of Operating Budget and Assessment. It shall be the duty of the Board prior to the beginning of the Association's fiscal year to prepare a budget covering the estimated costs of operating the Property during the coming year. The Board shall cause the budget and notice of proposed assessments to be levied against each Lot for the following year to be delivered to each member at least thirty (30) days prior to the Association's annual meeting. The budget and the assessment shall become effective unless disapproved by a Majority of the eligible Association voters, in person or by proxy, at a duly called and constituted annual meeting attended by a Quorum of the Association; provided, however, if a quorum is not obtained at the annual meeting, the budget shall become effective even though a Majority of the eligible Association voters, in person or by proxy, vote to disapprove the budget. Notwithstanding the foregoing, however, in the event that a Majority of the eligible Association voters disapproves the proposed budget at a meeting attended by a Quorum of the Association or the Board fails for any reason so to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as provided herein, the budget in effect for the current year shall continue for the succeeding year. Under such circumstances, the Board may propose a new budget at any time during the year by causing the proposed budget and proposed assessment, along with a proposed effective date, to be delivered to the members at least thirty (30) days prior to a special meeting of the Association. The proposed budget shall become

effective on the proposed date unless disapproved by a Majority of the eligible Association voters, in person or by proxy, at the special meeting attended by a Quorum of the Association.

The budget shall reflect all amounts to be received from assessments, from all easement agreements and shared cost agreements with other entities or persons, and from all other sources.

Section 5. Special Assessments. In addition to the annual assessment provided for in Section 2 above, the Board may levy at any time, upon notice to the Association, a special assessment of less than Two Hundred and No/100 Dollars (\$200.00) per occurrence and less than Five Hundred and No/100 Dollars (\$500.00) for all special assessments in a fiscal year; provided however that a proposed special assessment of more than Two Hundred and No/100 Dollars (\$200.00) for one occurrence or Five Hundred and No/100 Dollars (\$500.00) for all occurrences in a fiscal year must be approved by a Majority of the eligible Association voters. However, any special assessment required for purposes of paying the deductible for insurance shall not be subject to this provision.

Section 6. Capital Budget and Contribution. The Board of Directors shall annually prepare a capital budget which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution, if any, in an amount sufficient to permit meeting the projected capital needs of the Association, as shown on the capital budget, with respect both to amount and timing by equal annual assessments over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and included within the budget and assessment as provided in Sections 4 and 5 of this paragraph. A copy of the capital budget shall be distributed to each member in the same manner as the operating budget.

Section 7. Working Capital Fund. Upon acquisition of record title to a Lot by an Owner thereof, a contribution shall be made by the purchaser, or on behalf of the purchaser by the seller, to the working capital of the Association in an amount equal one half of one percent (.5%) of the purchase price.. This amount shall be in addition to, not in lieu of, the annual assessment levied on the Lot and shall not be considered an advance payment or any portion thereof. This amount shall be deposited into the Association's account and disbursed by the Association for use in covering operating expenses and other expenses incurred by the Association pursuant to the terms of this Declaration and the By-Laws.

Section 8. Statement of Account. Any Owner, Mortgagee, or a Person having executed a contract for the purchase of a Lot, or a lender considering a loan to be secured by a Lot, shall be entitled, upon written request, to a statement from the Association setting forth the amount of assessments due and unpaid, including any late charges, interest, fines, or other charges against a Lot. The Association shall respond in writing within five (5) days of receipt of the request for a statement; provided, however, the Association may require the payment of a fee, not exceeding Twenty Five and No/100 Dollars (\$25.00), as a prerequisite to the issuance of such a statement. Such written statement shall be binding on the Association as to the amount of assessments due on the Lot as of the date specified therein.

Surplus Funds and Common Profits. Common profits from whatever source shall be applied to the payment of Common Expenses. Any surplus funds remaining after the application of such common profits to the payment of Common Expenses shall, at the option of the Board of Directors, either be distributed equally to the Owners or credited to the next assessment chargeable to the Owners, or added to the Association's reserve account.

ARTICLE VIII. INSURANCE

Section 1. Insurance on Common Property. The Association's Board of Directors or its duly authorized agent shall have the authority to and may obtain insurance for all insurable improvements on the Common Property and other property, if any, which the Association is obligated to maintain. The Association's Board of Directors or its duly authorized agent shall have the authority to and shall obtain insurance for all townhomes constructed on the Property. This insurance shall provide, at a minimum, fire and extended coverage, including vandalism and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

The Board shall obtain a public liability policy applicable to the Common Property covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents and, if reasonably available, directors' and officers' liability insurance. The public liability policy shall have a combined single limit of at least One Million and No/100 Dollars (\$1,000,000.00).

Premiums for all insurance shall be a Common Expense of the Association. The policies may contain a reasonable deductible, and the deductible amount shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

All insurance coverage obtained by the Board of Directors shall be written in the name of the Association, as trustee for the respective benefited parties, except as otherwise provided above and shall be governed by the provisions set forth below:

(a) The policies shall be written with a company authorized to do business in South Carolina.

(b) Authority to adjust losses under policies obtained by the Association shall be vested in the Association's Board of Directors or its duly authorized agent, provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in any settlement negotiations.

(c) In no event shall the insurance coverage obtained and maintained by the Association's Board of Directors hereunder be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.

(d) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available and all insurance policies shall be reviewed annually by the Board of Directors. In conducting such reviews, the Board may engage an expert whom in its sole discretion it deems fit.

(e) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(i) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners and their respective tenants, servants, agents and guests;

(ii) A waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

(iii) That no policy may be canceled, invalidated, or suspended on account of any one or more individual Owners;

(iv) That no policy may be canceled, subjected to nonrenewal, invalidated, or suspended on account of any defect or the conduct of any director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct and the allowance of a reasonable time thereafter within which a cure may be effected by the Association, its manager, any Owner or Mortgagee;

(v) That any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

(vi) That no policy may be canceled, subjected to nonrenewal or substantially modified without at least thirty (30) days prior written notice to the Association.

(f) In addition to the other insurance required by this paragraph, the Board may obtain workmen's compensation insurance, if and to the extent necessary to satisfy the requirements of applicable laws, and a fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds. The amount of fidelity coverage shall be determined in the directors' best business judgment, but if reasonably available after the time of determination of Declarant control of the Board, shall not be less than three (3) months assessments plus a reasonable amount to cover all or a reasonable portion of reserve funds in the custody of the Association at any time during the term of the bond; provided, however, fidelity coverage herein required by be reduced based on financial controls which take one or more of the following forms: (i) the Association or management company, if any, maintains a separate bank account for the working account and the reserve account, each with appropriate access controls and the bank in which funds are deposited sends copies of the monthly bank statements directly to the Association; (ii) the management company, if any,

maintains separate records and bank accounts for each association that uses its services and the management company does not have the authority to draw checks on, or to transfer funds from the Association's reserve account; or (iii) two members of the Board of Directors must sign any checks written on the reserve account. Bonds shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation and may not be canceled, substantially modified, or subjected to nonrenewal without at least thirty (30) days' prior written notice to the Association. The Association shall also obtain construction code endorsements, steam boiler coverage, and flood insurance, if and to the extent necessary to satisfy the requirements of The Mortgage Corporation or the Federal National Mortgage Association.

Section 2. Individual Insurance. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner covenants and agrees with all other Owners and with the Association that such Owner shall carry insurance on the contents located in his or her townhome, and shall not look to the Association to carry such contents insurance. Each Owner may carry blanket all-risk casualty insurance, if reasonably available, or if not reasonably available, fire and extended coverage, on his or her Lot and structures constructed thereon. This insurance shall be in addition to and not in lieu of the insurance provided by the Association. All policies of insurance shall be written with a company licensed to do business in the State of South Carolina. The company shall provide insurance certificates to the Owner and Mortgagee upon request. At the request of the Association, the Owner shall provide a certificate of insurance and the insurance policy.

ARTICLE IX. REPAIR AND RECONSTRUCTION

Section 1. Damage and Destruction. Immediately after damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association or in the name of an Owner, the Board of Directors or its duly authorized agent or the Owner, as appropriate, shall proceed with the filing and adjustment of all claims covered under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes.

Section 2. Repair and Reconstruction.

(a) Common Property Insured by the Association. The Board of Directors must proceed to repair or reconstruct any damage or destruction to the Common Property on behalf of the Association unless within sixty (60) days after the casualty, provided at least two-thirds (2/3) of the Association does not vote to disapprove the repair or reconstruction. If the damage or destruction is such that the insurance proceeds are not sufficient to cover the cost of repair or reconstruction, the Board of Directors shall, without the necessity of a vote of the Association's members, levy a special assessment against all Owners in proportion to the number of Lots owned by such Owners; provided, however, the authority of the Board of Directors to impose a special assessment without the Owners' approval shall be governed by the special

assessment thresholds described in Article VII, Section 5, hereof. 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 the sixty (60) day period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed.

Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be retained by and for the benefit of the Association in an Association account.

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

(b) Property of Owners Insured by the Association. In the event there is any damage or destruction to the Property of Owners (Townhomes) covered by insurance held by the Association, the Association shall promptly adjust the insurance claim with the insurance company..

The Association must proceed to reconstruct any damage or destruction to the Townhome or other areas that were covered under the insurance maintained by the Association unless within sixty (60) days after the casualty, the Owner obtains the agreement of at least eighty percent (80%) of the total Association vote not to repair or reconstruct his or her Townhome. The damage or destruction by fire or other casualty to all or any portion of any improvement on a Lot shall be repaired by the owner within seventy five (75) days after the damage or destruction. However, where repairs cannot be completed within seventy five (75) days, they shall begin within the required period and shall be diligently and continuously pursued until their completion.

Each Owner further covenants and agrees that in the event of damage and destruction of structures on his Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article 9 of this Declaration, unless a determination not to rebuild is made in accordance with this subparagraph. The Owner shall pay any costs of repair or reconstruction which is not covered by insurance proceeds. In the event that the structure is totally destroyed and a determination is made not to rebuild or to reconstruct, the Owner shall clear the Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction and thereafter the Owner shall continue to maintain the Lot in a neat and attractive condition consistent with the Community-Wide Standard.

(c) Insured by Owners. The Owner must proceed to report or reconstruct any damage or destruction to the Lot unless within sixty (60) days after the casualty, the Owner obtains the agreement of at least eighty percent (80%) of the total Association vote not to repair or reconstruct. The damage or destruction by fire or other casualty to all or any portion of any improvement on a Lot shall be repaired by the owner within seventy five (75) days after the damage or destruction. However, where repairs cannot be completed within seventy five (75) days, they shall begin within the required period and shall be diligently and continuously pursued until their completion.

Each Owner further covenants and agrees that in the event of damage and destruction of structures on his Lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article 9 of this Declaration, unless a determination not to rebuild is made in accordance with this subparagraph. The Owner shall pay any costs of repair or reconstruction which is not covered by insurance proceeds. In the event that the structure is totally destroyed and a determination is made not to rebuild or to reconstruct, the Owner shall clear the Lot of all debris and return it to substantially the natural state in which it existed prior to the beginning of construction and thereafter the Owner shall continue to maintain the Lot in a neat and attractive condition consistent with the Community-Wide Standard.

(d) Failure to build by the Owner. Should any Owner fail to comply with this Article, and refuse to rebuild within the prescribed time period, the Association shall retain all legal and equitable rights against the Owner. Said rights but are not limited to fining the non-complying Owner, and retaining legal counsel. The non-complying Owner shall be responsible for all court costs and legal fees associated with their noncompliance.

ARTICLE X. ARCHITECTURAL CONTROLS

Section 1. Architectural Standards. Except as provided herein, no Owner, Occupant, or any other person may make any encroachment onto the Common Property, or make any exterior change, alteration, or construction (including painting and landscaping), nor erect, place or post any object, sign, antenna, window air conditioning units, playground equipment, light (except for reasonable seasonal decorative lights displayed between Thanksgiving and January 15), storm door or window, artificial vegetation, exterior sculpture, fountains, flags, or exterior deck or patio or other thing on the exterior of the buildings, in any windows, or on any Common Property, without first obtaining the written approval of the Architectural Standards Committee ("ASC"). However, the Board of Directors by a majority vote, may approve or disapprove proposed improvements, modifications, or changes previously approved by the ASC. The foregoing shall apply regardless of whether or not any governmental jurisdiction approves any such exterior change, alteration or construction or any of the foregoing enumerated items. The standard for approval of such improvements shall include, but not be limited to, aesthetic consideration, materials to be used, harmony with the external design of the existing buildings, Lots and structures, and the location in relation to the surrounding structures and topography.

The primary purpose of these architectural controls is to protect and preserve property values in the community by maintaining architectural and aesthetic harmony and compatibility among the Lots and the structures on the Lots in the community. The architectural controls and standards may be designed and applied to reflect that Lots within the community are of varying sizes, topographies and locations, and that improvements and modifications suitable for one Lot may be inappropriate for another Lot. Therefore, the Architectural Standards Committee or, in their absence, the Board of Directors is authorized to apply or adopt different standards for different Lots to reflect the varying layouts of Lots within the community. Specifically, the Architectural Standards Committee or, in their absence, the Board of Directors may, for example, allow an improvement, modification or change which cannot be seen from any street or other Lot within the community at any time during the year, including winter, but prohibit the same change if it can be seen from any street or other Lot within the community.

Applications for approval of any such architectural modification shall be in writing and shall provide such information as the Architectural Standards Committee, or in their absence, the Board may reasonably require. The Architectural Standards Committee, or in their absence, the Board shall be the sole arbiter of such application and may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction which is not in conformance with approved plans. The Architectural Standards Committee, or in their absence, the Board may publish written architectural standards for exterior and Common Property alterations or additions, and any request in substantial compliance therewith shall be approved; provided, however, each such requested change shall be in harmony with the external design of the existing buildings and Lots and the location in relation to surrounding structures and topography of the vicinity.

The Board of Directors, subject to this Section 1, may allow such encroachments on the Common Property as it deems acceptable.

In the event that the Architectural Standards Committee, or in their absence, the Board fails to approve or to disapprove such application within forty-five (45) days after the application and such information as the Architectural Standards Committee, or in their absence, the Board may reasonably require shall have been submitted, its approval will not be required and this Section 1 will be deemed complied with; provided, however, even if the requirements of this Section are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Declaration, the By-Laws or the rules and regulations.

In the event that the Architectural Standards Committee, or in their absence, the Board denies an application, the individual submitting the application may at the next scheduled meeting of all of the Members, request that his application be submitted to all of the Members for a vote to override the determination reached by the Architectural Standards Committee, or the Board in their absence. However, in order to override the determination of the Architectural Standards Committee, or the Board in their absence, the individual submitting the application must receive a Supermajority vote of the Members.

Section 2. Condition of Approval. As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on behalf of himself or herself and his or her successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement and insurance to and on such change, modification, addition, or alteration. The owner shall also comply with all applicable city, county, state and federal licensing requirements, and produce any such licenses or other similar materials required to commence work, to the Board, or in their absence, the Architecture Review Board upon their request. In the discretion of the Board, an Owner may be made to verify such condition of approval by written instrument in recordable form acknowledged by such Owner on behalf of himself or herself and all successors-in-interest.

Section 3. Limitation of Liability. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and the Architectural Standards Committee, or in their absence, the Board shall not bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. Neither the Association, the Board or members of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction or modifications to any Lot.

Section 4. No Waiver of Future Approvals. Each Owner acknowledges that the members of the Architectural Standards Committee, or in their absence, the Board will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. The approval of either the Architectural Standards Committee, or in their absence, the Board of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Architectural Standards Committee, or in their absence, the Board shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters whatever subsequently or additionally submitted for approval or consent.

Section 5. Enforcement. Any construction, alteration, or other work done in violation of this Article shall be deemed to be nonconforming. Upon written request from the Board, Owners shall, at their own cost and expense, remove such construction, alteration, or other work and shall restore the property to substantially the same condition as existed prior to the construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the Board or its designees shall have the right to enter the property, remove the violation and restore the property to substantially the same condition as existed prior to the construction, alteration or other work. The Board may also take any appropriate legal or equitable action, including but not limited to seeking to enjoin the owner from build on the premises. Furthermore, the Board may assess per diem fines at a reasonable amount to be determined by the Board, for every day that the Owner is in noncompliance with this section. The Board may also hire legal counsel to enforce this provision. Any and all costs associated with the enforcement of this article shall be the responsibility of the non-complying homeowner.

All costs thereof, including reasonable attorney's fees, shall be assessed against the benefited Lot and collected as an assessment pursuant to this Declaration.

In addition to the foregoing, the Board of Directors shall have the authority and standing, on behalf of the Association, to impose reasonable fines and to pursue all legal and equitable remedies available to enforce the provisions of this paragraph and its decisions.

If any Owner or Occupant makes any exterior change, alteration, or construction (including landscaping) upon the Common Property in violation of this Article, he or she does so at his or her sole risk and expense. The Board may require that the change, alteration or construction remain on the Common Property without reimbursement to the Owner or Occupant for any expense he or she may have incurred in making the change, alteration or construction.

ARTICLE XI. USE RESTRICTIONS

Each Owner of a Lot shall be responsible for ensuring that the Owner's family, guests, tenants and Occupants comply with all provisions of this Declaration, the By-Laws and the rules and regulations of the Association. Furthermore, each Owner and Occupant shall always endeavor to observe and promote the cooperative purposes for which the Association was established. In addition to any rights the Association may have against the Owner's family, guests, tenants or Occupants, the Association may take action under this Declaration against the Owner as if the Owner committed the violation in conjunction with the Owner's family, guests, tenants or Occupants.

Use restrictions regarding use of Lots and the Common Property are as follows and also as may be adopted by the Board of Directors in accordance with the terms hereof and as specified in the By-Laws.

Section 1. Use of Lots.

(a) Residential Use. Each Lot shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Lot or any part of the Property, including business uses ancillary to a primary residence use, except that the Owner or Occupant residing in a dwelling on a Lot may conduct such ancillary business activities within the dwelling so long as (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from the exterior of the dwelling; (ii) the business activity does not involve visitation of the Lot by employees, clients, and customers; (iii) the business activity conforms to all zoning requirements for the Property; (iv) the business activity does not increase traffic in the Property; (v) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; and (vi) the business activity is consistent with the residential character of the property and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Property, as may be determined in the sole discretion of the Board of Directors.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required therefor. Notwithstanding the above, the use of a Lot by an on-site management company operating on behalf of the Association shall not be considered a trade or business within the meaning of this Section.

(b) Single Families. No Lot shall be occupied by more than a single family. As used herein, the term "single family" shall mean one (1) or more persons, provided all persons occupying the Lot are interrelated by blood, adoption or marriage. If persons occupying a Lot are not all interrelated by blood, adoption, or marriage, then the number of persons occupying such Lot shall be limited to a maximum number of persons equal to the number of bedrooms in the dwelling on the Lot (as such bedrooms are depicted on the original plats and plans filed in the Charleston County, South Carolina records), plus two (2) additional persons; provided, however, that persons occupying a Lot who are interrelated by blood, adoption, or marriage may occupy that Lot with two (2) persons who are not related by blood, adoption or marriage. The words "by blood" shall be deemed to encompass only children, grandchildren, grandparents, brothers, sisters, nieces, nephews, parents, aunts, uncles and first cousins, and no other degree of kinship. "Occupancy," for purposes of this Declaration, shall be defined as staying overnight in a Lot for a total of more than thirty (30) days, either consecutive or nonconsecutive, in any year.

"Marriage" shall include common law marriage as provided for under South Carolina law, and "by marriage" shall include in-laws and step-relatives.

This single family occupancy restriction shall not apply to require the removal of any person occupying a Lot on the date on which this Declaration is recorded in the Charleston County, South Carolina records. However, no person not an Occupant of a Lot on the date on which this Declaration is recorded in the Charleston County, South Carolina records, shall be permitted to occupy a Lot if either before or after the occupancy by such person that Lot does not or would not comply with the single family occupancy restriction set forth in this Section.

Section 2. Subdivision of Lots and Outbuildings. No Lot may be subdivided into a smaller Lot and no structure of a temporary character, including but not limited to a trailer, tent, shack, carport, garage, barn or other outbuilding shall be erected or used by any Owner or Occupant on any portion of the Property, at any time, either temporarily or permanently.

Section 3. Use of Common Property. There shall be no obstruction of the Common Property, nor shall anything be kept, parked or stored on any part of the Common Property without the prior written consent of the Association, except as specifically provided herein.

Section 4. Prohibition of Damage, Nuisance and Noise. Without the prior written consent of the Association, nothing shall be done or kept on the Property or any part thereof which would increase the rate of insurance on the Property or any Lot or part thereof, or which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirements of any governmental body, or which would increase the Common Expense.

Noxious, destructive or offensive activity shall not be carried on upon the Property. Each Owner shall refrain from any act or use of his or her Lot which could reasonably cause embarrassment, discomfort, nuisance or annoyance to other Owners or Occupants. No Owner or Occupant of a Lot may use or allow the use of the Lot or any portion of the Property in any way or for any purpose which may endanger the health or unreasonably annoy or disturb other Owners or Occupants of a portion of the Property, or in such a way as to constitute, in the sole opinion of the Board of Directors, a nuisance. Nothing herein, however, shall be construed to affect the rights of an aggrieved Owner to proceed individually for relief from interference with his or her property or personal rights. No Owner or Occupant of a Lot may use or allow the use of the Lot or the Common Property in any manner which creates disturbing noises between the hours of Ten O'clock (10:00) PM and Seven-Thirty O'clock (7:30) AM that might interfere with the rights, comfort or convenience of the other Owners or Occupants; provided, however, that the Board may, at their sole discretion, amend these times to be more or less restrictive.

No Owner shall do any work which, in the reasonable opinion of the Association's Board of Directors or its designee, would jeopardize the soundness or safety of the Property or any structure created thereon, would induce the value thereof, or would impair any easement or hereditament thereto, without in every such case the unanimous, prior written consent of all members of the Association and their Mortgagees. No damage to or waste of the Common Property, or any part thereof, or of the exterior of any building constructed upon any Lot shall be permitted by any Owner or member of his or her family or any invitee of any Owner. Each Owner shall indemnify and hold the Association and the other Owners harmless against all loss to the Association or other Owners resulting from any such damage or waste caused by such Owner, members of his or her family, guests, invitees, or Occupants of his or her Lot.

The Board shall retain all legal and equitable rights to enforce this provision, including but not limited to the ability to fine, and seek legal counsel. The noncomplying Owner shall be liable for all fees and costs associated with the enforcement of this provision.

Section 5. Firearms and Fireworks. The term "firearms" includes "B-B" guns, pellet guns, and other firearms of all types, regardless of size. The term "fireworks" shall include those items as may be listed in accordance with South Carolina law. The display or discharge of firearms or fireworks on the Common Property is prohibited; provided, however, that the firearms may be displayed during the transport of the firearms across the Common Property to or from the Owner's Lot. In addition, the Board may, at their sole discretion, authorize a written waiver to allow the discharge of fireworks on Common Property as part of a nationally-recognized holiday.

Section 6. Pets. No Owner or Occupant may keep any pets other than generally recognized household pets on any portion of the Property, and no Owner or Occupant may keep more than two (2) generally recognized household pets per Lot; provided, however, any Owner may submit a written request to the Board for approval to keep more than two (2) generally recognized household pets on their Property.

No Owner or Occupant may keep, breed or maintain any pet for any commercial purpose.

Pets may not be left unattended outdoors except in approved fenced or courtyard areas, if any, provided pets in fenced or courtyard areas do not make any unreasonable amount of noise as determined in the sole discretion of the Board of Directors. If the Board determines that a pet has made an unreasonable amount of noise, the Board may suspend the privilege of keeping a pet unattended in a fenced or courtyard area. No structure for the care, housing, or confinement of any pet shall be constructed or maintained on any part of the Property without the prior written approval of the Board of Directors as provided in Article IX, Section 1 hereof. Pets approved in accordance with this Section must be kept under the physical control of a responsible person at all times while outdoors. It is the responsibility of persons maintaining physical control of pets to ensure that pets do not urinate or defecate on any Common Property or any other Owners' Property. Notwithstanding the above, feces left by pets, regardless of the location, must be removed by the Owner of the pets or the persons responsible for the pets in accordance with laws or ordinances of the City of Mount Pleasant (currently, within two (2) minutes of being deposited).

No pot bellied pigs, pit bulldogs or other dogs determined in the sole discretion of the Board to be dangerous dogs may be brought onto or kept on the Property at any time by any Lot Owner, Occupant or guest of an owner or Occupant. Any pet which endangers the health of any Owner or Occupant of any Lot or which creates a nuisance or unreasonable disturbance, as may be determined in the sole discretion of the Board of Directors, must be permanently removed from the Property upon seven (7) days' written notice by the Board of Directors. If the Owner or Occupant fails to comply with such notice, the Board may remove the pet, at the Owner's expense. Any pet which, in the sole discretion of the Board, presents an immediate danger to the health, safety or property of any member of the community may be removed by the Board without prior notice to the pet's owner.

Any Lot Owner who keeps or maintains any pet upon any portion of the Property shall be deemed to have indemnified and agreed to hold the Association, its directors, officers, and the Association's management company, if any, free and harmless from any loss, claim or liability of any kind or character whatever arising by reason of keeping or maintaining such pet within the Property.

Section 7. Parking. Without the prior written consent of the Board of Directors, no vehicles may be parked overnight on the Common Property, to include the roadway cut-outs and cul-de-sacs contained within Etiwan Pointe.

Disabled and stored vehicles are prohibited from being parked on the Property. Boats, boat trailers, trucks with a load capacity of one (1) ton or more, full-size vans (excluding mini-vans used as passenger vehicles), recreational vehicles (RV's and motor homes), vehicles used primarily for commercial purposes, and vehicles with commercial writings on their exteriors are also prohibited from being parked on the Property, except in garages, if any. Notwithstanding the above, trucks, vans, commercial vehicles and vehicles with commercial writings on their exteriors shall be allowed temporarily on the Common Property during normal business hours for the purpose of serving any Lot or the Common Property; provided, that, without the written consent of the Board, no such vehicle shall be authorized to remain on the Common Property overnight or for any purpose except serving a Lot or the Common Property.

For purposes of this Section, a vehicle shall be considered "disabled" if it does not have a current license tag or is obviously inoperable. A vehicle shall be considered "stored" if it remains on the Property for seven (7) consecutive days or longer without the prior written permission of the Board of Directors.

If any vehicle is parked on any portion of the Property in violation of this Section 7 or in violation of the Association's rules and regulations, the Board may place a notice on the vehicle specifying the nature of the violation and stating that after twenty-four (24) hours the vehicle may be towed. The notice shall include the name and telephone number of the person or entity which will do the towing and the name and telephone number of a person to contact regarding the alleged violation. If, twenty-four (24) hours after such notice is placed on the vehicle, the violation continues or thereafter occurs again within six (6) months of such notice, the vehicle may be towed in accordance with the notice, without further notice to the Owner or user of the vehicle. The Board, at its sole discretion, may elect to recover the cost of towing the vehicle by assessing a fine against the owner of the vehicle; provided, however, if the owner of the vehicle is not a Lot Owner or Occupant, the Board may assess the fine against the Lot Owner or Occupant that was hosting the owner of the vehicle in question. Any fine imposed pursuant to this Section shall be deemed an assessment against the Lot and may be collected in the same manner as provided herein for the collection of assessments.

If a vehicle is parked in a fire lane, is blocking another vehicle or access to another Owner's or Occupant's Lot or dwelling, is obstructing the flow of traffic, is parked in any grassy area, is parked in a space which has been assigned as exclusively serving another Lot, or otherwise creates a hazardous condition, no notice shall be required and the vehicle may be towed immediately. If a vehicle is towed in accordance with this Section, neither the Association nor any officer or agent of the Association shall be liable to any person for any claim of damage as a result of the towing activity. Notwithstanding anything to the contrary herein, the Board of Directors may elect to impose fines or use other available sanctions, rather than exercise its authority to tow.

Section 8. Abandoned Personal Property. Personal property, other than an automobile as provided for in this Article, is prohibited from being stored, kept, or allowed to remain for a period of more than twenty-four (24) hours upon any portion of the Common Property without the prior written permission of the Board.

If the Board or its designate, in its sole discretion, determines that property is kept, stored, or allowed to remain on the Common Property in violation of this Section, then the Board may remove and either discard or store the personal property in a location which the Board may determine. The Board, at its sole discretion, may elect to recover the cost of removing, discarding, or storing the abandoned property by assessing a fine against the Lot Owner or Occupant. Any fine imposed pursuant to this Section shall be deemed an assessment against the Lot and may be collected in the same manner as provided herein for the collection of assessments.

If the Board or its designate, in its sole discretion, determines that property is being abandoned or stored in violation of this Section, the Board may place a notice on the personal property and/or on the front door of the Lot of the Owner of such property, if known, specifying the nature of the violation and stating that after two (2) days the property may be removed and either discarded or stored by the Board in a location which the Board may determine. The notice shall include the name and telephone number of the person or entity which will remove the property and the name and telephone number of a person to contact regarding the alleged violation.

If two (2) days after such notice is placed on the personal property and/or the front door of the Lot, the violation continues or thereafter occurs again within six (6) months of such notice, the personal property may be removed in accordance with the notice without further notice to the owner or user of the personal property.

In addition to the provisions above, the Board, in its discretion, may determine that an emergency situation exists, and the personal property abandoned or stored in violation of this Section may, without prior notice to the owner or user of the personal property, be removed and either discarded or stored by the Board in a location which the board may determine; provided, however, the Board shall give to the owner, if known, notice of the removal of the property and the location of the personal property within three (3) days after the personal property is removed.

If personal property is removed in accordance with this Section, neither the Association nor any officer or agent of the Association shall be liable to any person for any claim of damage resulting from the removal activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to remove abandoned or improperly stored personal property, as set forth herein.

Section 9. Heating of Dwellings in Colder Months. In order to prevent breakage of water pipes during colder months of the year resulting in damage to the Property, increased Common Expenses, and increased insurance premiums or cancellation of insurance policies due to numerous damage claims, the thermostats within the dwelling on Lots shall be maintained with the heat in an "on" position and at a minimum temperature setting of fifty-five degrees (55°) Fahrenheit (except during power failures or periods when heating equipment is broken) whenever the temperature is forecasted to or does reach thirty-two degrees (32°) Fahrenheit or below. In the alternative, if possible, the pipes may be drained and the water cut off. Owners

and Occupants of Lots shall take all steps possible on a timely basis to keep heating equipment, including but not limited to, the thermostat, in good working order and repair. At any time during the months specified above when the heating equipment is not working properly, the Lot Owner or Occupant shall immediately inform the Association of this failure of the equipment and of the time needed to repair the equipment. The Board of Directors may fine any Owner or Occupant up to Five Hundred and No/100 Dollars (\$500.00), or actual repair costs, whichever is higher for failure to comply with this section, in addition to any other remedies of the Association. Any fine imposed pursuant to this Section shall be deemed an assessment against the Lot and may be collected in the same manner as provided herein for collection of assessments.

Section 10. Signs. Except as may be required by legal proceedings, no signs, advertising posters or billboards of any kind shall be erected, placed or permitted to remain on the Property without the prior written consent of the Board or its designee, except as follows: (a) that professionally lettered security decals not to exceed four inches (4") by four inches (4") in size may be displayed from within a dwelling on a Lot and one professionally lettered security sign having a maximum face area of one (1) square foot may be located by the front steps of the dwelling; and (b) one (1) professionally lettered "For Rent" or "For Sale" sign not to exceed five (5) square feet in size may be displayed from within a dwelling or outside the dwelling near the steps on a Lot being offered for sale or for lease. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association.

Section 11. Rubbish, Trash and Garbage. All rubbish, trash and garbage shall be regularly removed from the Lot and shall not be allowed to accumulate therein. No garbage or trash shall be placed on the Common Property, temporarily or otherwise, except as provided herein. Rubbish, trash and garbage shall be disposed of in sealed plastic bags stored in containers maintained in an area on the Lot that is not visible from outside the Lot.

Section 12. Impairment of Dwelling and Easements. An Owner shall do no act nor any work that will impair the structural soundness or integrity of another dwelling or impair any easement or hereditament, nor do any act nor allow any condition to exist which will adversely affect the other Lots or their Owners or Occupants.

Section 13. Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including but not limited to the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Property; provided, however, motor vehicles may be washed and emergency minor repairs may be made on motor vehicles. Clothing, bedding, rugs, mops, appliances, indoor furniture, and other household items shall not be placed or stored outside the dwelling. Appropriate outdoor items, such as neatly stacked firewood, patio furniture, grills and bicycles may be kept on the patio or deck serving the Lot only. No clothesline which is visible from outside the Lot shall be permitted. No lumber, bricks, stones, cinder blocks, or any other building materials, scaffolding, mechanical devices, or any other things used for building purposes shall be stored in any Lot. No exposed above ground

tanks for the storage of fuel, water or any other substance shall be permitted, without the written approval of the Board of Directors.

Section 14. Garage Sales. No garage sale, carport sale, yard sale, flea market, or similar activity shall be conducted in any portion of the Property; provided, however, the Association, through the Board, may elect to conduct community-wide garage sales. Under such circumstances, items to be sold shall be displayed only on Owners' Lots and only between the hours of Seven Thirty O'clock (7:30) AM and Three O'clock (3:00) PM.

Section 15. Window Treatments. Unless otherwise approved in writing by the Board of Directors, all windows which are part of a Lot shall have window treatments and any portion thereof visible from outside the dwelling shall be white or off-white in color; provided, any window treatments in use in a dwelling on the date of recording of this Declaration shall not be subject to this Section but shall be required to comply with the provisions of the Original Declaration, the Original By-Laws, and rules of the Association in effect prior to the date of recording hereof.

Section 16. Garages. No Owner or Occupant shall park his or her car or other motor vehicle on any portion of the Property, other than in the garage, unless the maximum number of cars or similarly sized motor vehicles which can be parked in the garage according to its design capacity are already parked in said garage. Garage doors shall remain closed at all times, except for necessary use, ingress and egress. All garages shall be maintained in such a manner that parking for the maximum number of motor vehicles for which it was originally designed to hold is allowed and possible; provided, however, that all garage conversions in existence at the time of the adoption of this Declaration, and made in compliance with all of the terms of the Original Declaration, shall not constitute a violation of this requirement.

Section 17. Antennas and Satellite Dishes. Except as may be allowed by applicable law, outside radio, television, or short wave antennas and Satellite dishes which are visible from outside the Lot are prohibited, unless specifically approved by the Board..

ARTICLE XII. LEASING

The Board shall have the power to make and enforce reasonable rules and regulations and to fine, in accordance with the Declaration and By-Laws, in order to enforce the provisions of this Article.

Section 1. Definition. "Leasing," for the purpose of this Declaration, is defined as regular, exclusive occupancy of a Lot by any person or persons other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument. The term "Leasing" shall also include any act of "sub-leasing."

Section 2. Leasing Provisions. Leasing of Lots shall be governed by the following provisions:

(a) General. Lots may be leased only in their entirety; no fraction or portion may be leased without prior written approval of the Board of Directors. All leases shall be in writing, with a copy provided to the Board of Directors. There shall be no subleasing of Lots or assignment of leases unless prior written approval is obtained from the Board of Directors. All leases must be for an initial term of not less than one (1) year; provided, however, that the Board shall have the power to allow leases for an initial term of less than one (1) year on such terms and conditions as the Board may establish, upon a showing by the Owner that such a lease is required to avoid undue hardship to the Owner. Within seven (7) days after executing a lease agreement for the lease of a Lot, the Lot Owner shall provide the Board of Directors with the name of the lessee and the names of all other people to occupy the Lot. The Lot Owner must make available to the lessee copies of the Declaration, the By-Laws, and the rules and regulations.

(c) Notice. Upon leasing the Property, the Owner shall leave his or her new address with the Board of Directors. Any such notice as is required pursuant to the Covenants or Bylaws shall be sent to this address. It is the Owner's responsibility to ensure that the Board has the proper address, and if the Owner shall move again, it is the Owners responsibility to provide the new address to the Board. Notice is effective once the Board, or an agent acting with the Board's consent, sends such notice to the last known address issued to the Owner by the Board.

(d) Compliance with Declaration, By-Laws, and Rules and Regulations, Use of Common Property, and Liability for Assessment. Any lease of a Lot shall be deemed to contain the following provisions, whether or not expressly therein stated, and each Owner and each lessee, by occupancy of a Lot, covenants and agrees that any lease of a Lot shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant on the Lot:

(1) Compliance with Declaration, By-Laws and Rules and Regulations.

The lessee shall comply with all provisions of the Declaration, By-Laws, and rules and regulations adopted pursuant thereto and shall control the conduct of all other Occupants and guests of the leased Lot in order to ensure compliance with the foregoing. The Owner shall cause all Occupants of his or her Lot to comply with the Declaration, By-Laws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations by such Occupants, notwithstanding the fact that such Occupants of the Lot are fully liable and may be sanctioned for any violation of the Declaration, By-Laws, and rules and regulations adopted pursuant thereto. In the event that the lessee, or a person living with the lessee, violates the Declaration, By-Laws or a rule or regulation for which a fine is imposed, notice of such violation shall be given to the Owner and the lessee, and such fine shall be assessed against the lessee in accordance with this Declaration and the By-Laws. If the fine is not paid by the lessee within the time period set by the Board of Directors, the Owner shall pay the fine upon notice from the Association of the lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Lot.

Any violation of the Declaration, By-Laws, or rules and regulations adopted pursuant thereto by the lessee, any Occupant, or any person living with the lessee, is deemed to be a

default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with South Carolina law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, By-Laws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. In the event the Association proceeds to evict the lessee, any costs, including attorney's fees and court costs, associated with the eviction shall be specifically assessed against the Lot and the Owner thereof, such being deemed hereby as an expense which benefits the leased Lot and the Owner thereof.

(2) Use of Common Property. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Common Property, including, but not limited to, the use of any and all recreational facilities.

ARTICLE XIII. SALE OF LOTS

Within thirty (30) days after receiving title to a Lot, the purchaser of the Lot shall give written notice to the Board of Directors of his or her ownership of the Lot.

ARTICLE XIV. MAINTENANCE RESPONSIBILITY

Section 1. Association's Responsibility. The Association shall maintain and keep in good repair the Common Property except as provided below. This maintenance shall include, without limitation, maintenance, repair and replacement subject to any insurance then in effect, of all landscaping grass areas, paving and other improvements situated on the Common Property. The Association shall also maintain and keep in good repair all water and sewer pipes or facilities which serve more than one (1) Lot, whether located within or without the Lot's boundaries to the extent that such pipes and facilities are not maintained by public, private, or municipal utility companies.

The Association shall be responsible for the Area of Common Responsibility which shall be deemed to include the following: (1) exterior painting of all Lots; (2) maintaining and painting of all architectural fenestration, including, but not limited to wrought iron fences; (3) all landscaping grassed areas as may exist within the boundaries of any Lot; (4) replacement of all roofs which shall be limited to shingles, felt and flashing; (5) cleaning, repair and replacement of gutters and downspouts; (6) foundations and footings of the buildings in which improvements on the Lots are located; and (7) maintenance, replacement, and structural repair of siding and the stoops (to include decking, handrails/banisters, and patio roofs/supports) in front of each dwelling. The Association shall be obligated to maintain a termite bond. Specifically excluded from such Area of Common Responsibility shall be the following: (1) walkways, patio surfaces, driveways, and garage floors; (2) landscaping within the patios or courtyards of the Lots; (3) staircases and handrails/banisters from the street level to the front stoop of each dwelling; (4) HVAC or similar equipment and associated enclosures located outside the residence; (5) all

doors, including garage doors, screen and storm doors, hinges, frames; door frames and hardware which are part of the entry system; (6) hose bibs contained in exterior walls of residences; (7) lighting fixtures pertaining to a particular residence and being located outside an entryway or in a garage; and (8) repair and replacement of roof supports (including, but not limited to roof joists and trusses, cross beams, roof decking and underlaying); provided, however, the Association shall be responsible for repair and replacement of roof supports (including, but not limited to roof joists and trusses, cross beams, roof decking and underlaying) damaged during an occurrence covered by the required property insurance carried by the Association as described in Article VIII, Section 1 hereto.

Upon resolution of the Board of Directors and approval of a Majority of the members present or represented by proxy at a duly constituted meeting of the members, the Association may assume responsibility for providing additional exterior maintenance upon Lot improvements and/or responsibility for maintenance of landscaping and walkways within the boundaries of Lots. The Association shall have the right, but not the obligation, to maintain other property not owned by the Association where the Board has determined that such maintenance would benefit all Owners.

The foregoing maintenance shall be performed consistent with the Community-Wide Standard.

Section 2. Owner's Responsibility. Except as provided in Section 1 above, all maintenance of the Lot shall be the responsibility of the Owner thereof. In addition, the Owner shall maintain all pipes, lines, ducts, conduits, or other apparatus which serve only the Lot, whether located within or without a Lot's boundaries (including all gas, electricity, water sewer and air conditioning pipes, lines, ducts, conduits and other apparatus serving only the Lot). Such maintenance shall be performed consistent with this Declaration and the Community-Wide Standard established pursuant hereto. Any maintenance which involves an exterior change, including, without limitation, repainting of the exterior of improvements in a different color, shall require prior approval of the Board or its designee pursuant to Article X of this Declaration. Each Owner acknowledges that although the Association shall paint the exterior of dwellings in Lots, each Owner shall be responsible for repair of any wood rot on the dwelling, whatever the cause of the rot. Each Owner shall also be responsible for maintenance and repair of all portions of the roof. Subject to the terms of Section 1, the Association shall be responsible for replacement of the roofs at such time as shall be deemed appropriate by the Board of Directors in their sole discretion.

Subject to the maintenance responsibilities herein provided, any maintenance or repair performed on or to the Common Property by an Owner or Occupant which is the responsibility of the Association hereunder (including, but not limited to landscaping of Common Property) shall be performed at the sole expense of such Owner or Occupant, and the Owner or Occupant shall not be entitled to reimbursement from the Association even if the Association accepts the maintenance or repair.

Each Owner shall also be obligated:

(a) To perform his or her responsibility in such manner so as not to unreasonably disturb other persons in other Lots.

(b) To promptly report to the Association or its agent any defect or need for repairs, for which the Association is responsible.

(c) Not to make any alterations in the portions of the Lot which are to be maintained by the Association or to remove any portion thereof or to make any additions thereto or do anything with respect to the exterior or interior of the Lot which would or might jeopardize or impair the safety or soundness of any Lot without first obtaining the written consent of the Board of Directors of the Association and all Lot Owners and Mortgagees of the Lots affected, nor shall any Lot Owner impair any easement without first obtaining written consent of the Association and of the Lot Owner or Owners and their Mortgagees for whose benefit such easement exists.

(d) To pay for the cost of repairing, replacing or cleaning up any item which is the responsibility of the Lot Owner but which responsibility such Owner fails or refuses to discharge, or to pay for the cost of repairing, replacing, or cleaning up any item which, although the responsibility of the Association, is necessitated by reason of the willful or negligent act of the Lot Owner, his or her family, tenants or guests, with the cost thereof to be added to and become part of the Lot Owner's next chargeable assessment.

The Association shall not be liable for injury or damage to person or property caused by the elements or by the Owner of any Lot, or any other person, or resulting from any utility, rain, snow or ice which may leak or flow from any portion of the Common Property or from any pipe, drain, conduit, appliance or equipment which the Association is responsible to maintain hereunder unless the Association is negligent in performance of its maintenance responsibility. The Association shall not be liable to the Owner of any Lot or such Owner's Occupant, guest, or family, for loss or damage, by theft or otherwise, of any property which may be stored in or upon any of the Common Property. Unless the Association has been grossly negligent in performance of its obligations under this Declaration, it shall not be liable to any Owner, or any Owner's Occupant, guest or family for any damage or injury caused in whole or in part by the Association's failure to discharge its responsibilities under this Article, where such damage or injury is not a foreseeable, natural result of the Association's failure to discharge its responsibilities. No diminution or abatement of assessments shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

The Association shall repair incidental damage to any Lot resulting from performance of work which is the responsibility of the Association.

In performing its responsibilities hereunder, the Association shall have the authority to delegate to such persons, firms or corporations of its choice, such duties as are approved by the Board of Directors.

Section 3. Failure to Maintain. If the Board of Directors determines that any Owner has failed or refused to discharge properly his or her obligation with regard to the maintenance, repair, or replacement of items of which he or she is responsible hereunder, then, the Association shall give the Owner written notice of the Owner's failure or refusal and of the Association's right to provide necessary maintenance, repair or replacement at the Owner's cost and expense. The notice shall set forth with reasonable particularity the maintenance, repair, or replacement deemed necessary by the Board of Directors.

Unless the Board of Directors determines that an emergency exists, the Owner shall have ten (10) days within which to complete maintenance or repair, or if the maintenance or repair is not capable of completion within such time period, to commence replacement or repair within ten (10) days. If the Board determines that: (1) an emergency exists; or (2) that an Owner has not complied with the demand given by the Association as herein provided; then the Association may provide any such maintenance, repair or replacement at the Owner's sole cost and expense, and such costs shall be added to and become a part of the assessment to which such Owner is subject, shall become and be a lien against the Lot and shall be collected as provided herein for the collection of assessments.

If the Board determines that the need for maintenance or repair is in the Area of Common Responsibility and is caused through the willful or negligent act of any Owner or Occupant or their family, guests, lessees, or invitees, then the Association may assess the cost of any such maintenance, repair or replacement against the Owner's or Occupant's Lot, which shall become a lien against the Lot and shall be collected as provided herein for the collection of assessments.

Notwithstanding anything to the contrary herein, the Association has no responsibility nor will its insurance respond to any claim for damage resulting from the Owners' failure or refusal to maintain as provided for herein.

Section 4. Maintenance Standards and Interpretation. The maintenance standards and the enforcement thereof and the interpretation of maintenance obligations under this Declaration may vary from one term of the Board of Directors to another term of the Board. These variances shall not constitute a waiver by the Board of the right to adopt and enforce maintenance standards under this Section. No decision or interpretation by the Board shall constitute a binding precedent with respect to subsequent decisions or interpretations of the Board.

ARTICLE XV. PARTY WALLS AND FENCES

Section 1. General Rules of Law to Apply. Each wall or fence built as a part of the original construction of the dwellings or Lots which shall serve and separate any two (2)

adjoining Lots or dwellings shall constitute a party wall or fence and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall or fence shall be shared by the Owners who make use of the wall or fence in equal proportions.

Section 3. Damage and Destruction. If a party wall or fence is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has benefitted by the wall or fence may restore it to its previous condition, and the other Owner or Owners thereafter who are benefitted by the wall or fence shall contribute to the cost of restoration thereof in equal proportions, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Section shall be appurtenant to the land and shall pass to such Owner's successors-in-title.

Section 5. Arbitration. In the event of any dispute arising concerning a party wall or fence, or under the provisions of this Article, each party shall appoint one (1) arbitrator. Should any party refuse to appoint an arbitrator within ten (10) days after written request therefor by the Board of Directors, the Board shall appoint an arbitrator for the refusing party. The arbitrators thus appointed shall appoint one (1) additional arbitrator and the decision by a majority of all three (3) arbitrators shall be binding upon the parties. Compliance with this Section shall be a condition precedent to any right of legal action that either party may have against the other in a dispute arising under the provisions of this Article.

ARTICLE XVI. MORTGAGEE'S RIGHTS

Section 1. Unless at least two-thirds (2/3) of the Lot Owners give their consent, the Association or the membership shall not:

- (a) By act or omission seek to abandon or terminate the Property or the Association;
- (b) Change the pro rata interest or obligations of any individual Lot for the purpose of (1) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards;
- (c) Partition or subdivide any Lot;

(d) By act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Property (the granting of utility easements or easements for public purposes consistent with the intended use of the Common Property by the Association or architectural changes, as authorized herein, shall not be deemed a transfer within the meaning of this clause); or

(e) Use hazard insurance proceeds for losses to any portion of the Property (whether to Lots or to Common Property) for other than the repair, replacement, or reconstruction of such portion of the Property.

The provisions of this Section shall not be construed to reduce the percentage vote that must be obtained from Lot Owners where a larger percentage vote is otherwise required by the Association Legal Instruments for any of the actions contained in this Article.

Section 2. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Lot obtains title pursuant to judicial or nonjudicial foreclosure of the Mortgage, it shall not be liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all the Lots, including such acquirer, its successors and assigns. Additionally, such acquirer shall be responsible for all charges accruing subsequent to the passage of title, including, but not limited to, all charges for the month in which title is passed.

Section 3. Upon written request to the Association, identifying the name and address of the holder and the Lot number or address, any Eligible Mortgage Holder will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Property or any Lot on which there is a first Mortgage held by such Eligible Mortgage Holder;

(b) Any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to a first Mortgage held by such Eligible Mortgage Holder which remains unsatisfied for a period of sixty (60) days, and any default in the performance by an individual Lot Owner of any other obligation under the Association Legal Instruments which is not cured within sixty (60) days;

(c) Any lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association; or

(d) Any proposed action which would require the consent of a specified percentage of Eligible Mortgage Holders, as specified herein.

Section 4. Any holder of a first Mortgage shall be entitled, upon written request, to receive within a reasonable time and at a reasonable fee, after request, a copy of the financial statement of the Association for the immediately preceding fiscal year.

Section 5. Notwithstanding anything to the contrary herein contained, the provisions of Articles XII and XIII governing leases and sales shall not apply to impair the right of any first Mortgage to:

- (a) Foreclose or take title to a Lot pursuant to remedies contained in its Mortgage; or
- (b) Take a deed or assignment in lieu of foreclosure; or
- (c) Sell, lease or otherwise dispose of a Lot acquired by the Mortgagee.

ARTICLE XVII. GENERAL PROVISIONS

Section 1. Security. The Association may, but shall not be required to, from time to time, provide measures or take actions which directly or indirectly improve safety on the property; however, each Owner, for himself or herself and his or her tenants, guests, licensees, and invitees, acknowledges and agrees that the association is not a provider of security and shall have no duty to provide security on the property. It shall be the responsibility of each Owner to protect his or her person and property and all responsibility to provide security shall lie solely with each Lot Owner.

The Association shall not be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. This section shall apply to all Common Areas.

Section 2. Dispute Resolution. Any Lot Owner or Occupant must give written notice to the Board requesting a hearing with the Board and attend such hearing to discuss amicable resolution of any dispute before that Owner or Occupant (or the Association) files any lawsuit against the Association, the Board, any officer or director, the property manager of the Association or the Declarant. The Owner or Occupant (or the Association, as the case may be) shall, in such notice and at the hearing, make a good faith effort to explain the grievance to the Board, and resolve the dispute in an amicable fashion, and shall give the Board, a reasonable opportunity to address the complaining party's grievance before filing suit. Upon receiving a request for a hearing, the Board shall give notice of the date, time and place of the hearing to the person requesting the hearing. The Board shall schedule this hearing for a date not less than seven (7) nor more than twenty-one (21) days from the date of receipt of the notice of hearing from the person requesting the hearing.

Section 3. No Discrimination. No action shall be taken by the Association or the Board of Directors which would discriminate against any person on the basis of race, creed, color national origin, religion, sex, familial status or handicap; provided, however, this Section

does not prevent the Association from discriminating in their hiring or contracting practices against an alien not authorized to work in the United States.

Section 4. Indemnification. The Association shall indemnify every officer and director, against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer or director, in connection with any action, suit, or other proceeding to which such officer or director may be a party by reason of being or having been an officer or director or otherwise acted in accordance with the terms hereof or on behalf of the Association hereunder. Neither the officers and directors shall be liable for any mistake of judgment, negligent or otherwise, except for individual willful misfeasance, malfeasance, misconduct, or bad faith. Neither the officers or directors shall have any personal liability with respect to any contract or other commitment made by any of them, in good faith, on behalf of the Association (except to the extent that such officers, or directors may also be members of the Association), and the Association shall indemnify and forever hold each such officer, and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other right to which any officer, or director, or former officer or director, may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

Section 5. Implied Rights. The Association may exercise any right or privilege given to it expressly by this Declaration, the By-Laws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

ARTICLE XVIII. EMINENT DOMAIN

Whenever all or any part of the Common Property shall be taken (or conveyed in lieu of or under threat of condemnation by the Board acting upon the written direction of at least two thirds (2/3) of all Owners) by any authority having power of condemnation or eminent domain, each Owner shall be entitled to notice thereof. If the taking involves a portion of the Common Property on which improvements have been constructed, then, unless within sixty (60) days after such taking at least seventy-five percent (75%) of the Owners shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Property to the extent lands are available therefor. The provisions of Article IX above, applicable to Common Property improvements damage, shall govern replacement or restoration and the actions to be taken in the event that the improvements are not restored or replaced.

ARTICLE XIX. EASEMENTS

Section 1. Easements for Encroachment and Overhang. There shall be reciprocal appurtenant easements for encroachment and overhang as between each Lot and such portion or portions of the Common Property adjacent thereto or as between adjacent Lots due to the

unintentional placement or settling or shifting of the improvements constructed, reconstructed or altered therein (in accordance with the terms of this Declaration) to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Property or as between adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, Occupant or the Association.

Section 2. Easements for Use and Enjoyment. Every Owner of a Lot shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Property which shall be appurtenant to and shall pass with the title to his or her Lot, subject to the following provisions:

(a) The right of the Association to suspend the voting rights of an Owner for any period during which any assessment against his or her Lot which is provided for herein remains unpaid and for a reasonable period of time for an infraction of the Declaration, By-Laws, or rules and regulations;

(b) The right of the Association to borrow money for the purpose of improving the Common Property, or any portion thereof, or for construction, repairing or improving any facilities located or to be located thereon, and to give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Property; provided, however, the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements and privileges herein reserved or established for any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, encumbering any Lot or other property located within the Property (any provision in this Declaration or in any such Mortgage given by the Association to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default thereunder shall not cancel or terminate any rights, easements or privileges herein reserved or established for the benefit of any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, encumbering any Lot or other property located within the Property);

(c) The right of the Association to dedicate or transfer all or any portion of the Common Property subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved by at least a Majority of the Owners present or represented by proxy at a meeting duly called for such purpose; and

(d) The right of the Association to establish a first come, first serve limitation on use as respects any boat storage facility as might exist on the Common Property, and to limit portions of the Common Property's use, from time to time, including seasonally.

Section 3. Any Lot Owner may delegate his or her right of use and enjoyment in and to the Common Property and facilities located thereon to the members of his or her family, his or

her tenants and guests and shall be deemed to have made a delegation of all such rights to the Occupants of his or her Lot, if leased.

Section 4. Easements for Utilities, Etc.

(a) The Association shall have the right to dedicate, transfer or grant permits, licenses or easements in and to the Common Property for utilities, roads and other purposes reasonably necessary for the proper development, maintenance or operation of the Property or the Additional Property, or as benefit the Additional Property or the Property or any portions thereof.

(b) There is hereby reserved to the Declarant, for so long as Declarant's right to annex Additional Property exists, and thereafter to the Association, the power to grant blanket easements upon, across, over and under all of the Property, including Lots, for ingress, egress, installation, replacing, repairing and maintaining master television antenna or cable systems, security, and other similar systems, walkways and all utilities, including but not limited to water, sewer, telephones, gas, cable television and electricity; provided this easement shall not authorize entry into or physical damage to any structure as might exist, unless owned by Declarant, if the Declarant is so acting or the Association, if the Association is so acting. In furtherance of this easement, from and after such time as the Association is empowered as referred to herein, the Board shall, upon written request of Declarant, grant such easements as may reasonably be necessary for the development of any Property described on Exhibit A, or the Additional Property. In addition, Declarant reserves the easements and rights of way as shown on any and all plats of any portion of the Property, including Lots, for the purpose of constructing, maintaining and repairing a system or systems of electrical lighting, electrical power, telegraph and telephone poles or lines, gas, sewers or any other utility Declarant determines to install in, across and or under the Property; provided, however, the Declarant reserves the right to relocate and make changes in and additions to the above easements for the purpose of most efficiently and economically installing the improvements.

Section 5. Easement for Entry. The Association shall have an easement to enter onto any Lot for purposes of performing its maintenance responsibility as outlined in Article XIV of this Declaration, which right may be exercised by the Association's Board of Directors, officers, agents, employees, and managers, in the performance of their respective duties. Except in an emergency situation, entry shall be only during reasonable hours and after notice to the Owner or Occupant. This right of entry shall include the right of the Association to enter a Lot to cure any condition which may increase the possibility of a fire or other hazard in the event that an Owner fails or refuses to cure the condition upon request by the Board.

Section 6. Reserved Easement to Declarant.

(a) The Common Property shall be subject to and there is reserved therefrom, to the benefit of the Declarant, a transferable reserved easement to the benefit of Declarant and the Additional Property and its successors and assigns in interest thereto, to enter and travel upon, over and across the Common Property and to use and enjoy the Common Property and all

of its appurtenants, attachments and parts thereof, for the purposes of completion and repair of the improvements within the Property, and the completion, design, construction and repair of the Additional Property, and for all reasonable purposes to further assist and enhance the marketing of the Property, the Additional Property, and all Lots located or to be located on the Property or Additional Property, and, furthermore, for the purpose of making improvements in and to the Property and any Additional Property, and for the purpose of doing all things reasonably necessary and proper in connection therewith.

(b) The Common Property shall be subject to and there is reserved therefrom a transferable reserved easement to the benefit of the Declarant and to the Additional Property and its successors and assigns in interest thereto, to use and enjoy the Common Property, including any and all lines, conduits, pipes, roadways, accessways, open space, signage and entranceways, such right and easement being appurtenant to the Additional Property, and which easement may be used and enjoyed, by way of example and not limitation, within the furtherance of development, marketing and sale of the Additional Property and any Lots constructed thereon.

(c) The Common Property shall be subject to and there is reserved therefrom, a transferable reserved easement to the benefit of the Declarant and its duly authorized agents, representatives and employees for the maintenance of sales office and model units on the Property, so long as Declarant owns any Lot primarily for the purpose of sale, or owns the Additional Property or any right to annex the Additional Property to the terms hereof, continues.

ARTICLE XX. AMENDMENTS

This Declaration may be amended by the affirmative vote, in person or by proxy given by members to vote on their behalf, representing at least two thirds (2/3) of the members of the Association authorized to vote. Any amendment must be recorded among the official records of Charleston County, South Carolina. No amendment may remove, revoke or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege. Notice of any meeting at which the proposed amendment shall be considered shall state the fact of consideration and the subject matter of the proposed amendment.

In addition to the above, material amendments to this Declaration must be approved by Eligible Mortgage Holders who represent at least fifty-one percent (51%) of the votes of Lots that are subject to Mortgages held by Eligible Mortgage Holders. Notwithstanding the above, approval of any proposed amendment by an Eligible Mortgage Holder shall be deemed implied and consented to if the Eligible Mortgage Holder fails to submit a response to any written proposal for an amendment within thirty (30) days after the Eligible Mortgage Holder received notice of the proposed amendment sent by certified or registered mail, return receipt requested.

Notwithstanding the foregoing, either the Board of Directors, without the necessity of a vote from the Owners, may amend this Declaration to comply with any applicable state, city or federal law, including but not limited to compliance with applicable guidelines of the Federal National Mortgage Association ("Fannie Mae"), the Department of Housing and Urban

Development ("HUD"), the Veterans Administration ("VA"), and the Department of Homeland Security (DHS).

Any action to challenge the validity of an amendment adopted under this Article must be brought within one (1) year of the effective date of such amendment. No action to challenge such amendment may be brought after such time.

ARTICLE XXI. SEVERABILITY

Invalidation of any one of these covenants or restrictions by judgment or court order or otherwise shall in no way affect the applicability of such provision to other circumstances or affect any other provision(s), which shall remain in full force and effect.

ARTICLE XXII. RULE AGAINST PERPETUITY

If any provision of this Declaration shall be held invalid or violative of the Rule against Perpetuities or any other limitation on the duration of a provision contained herein or imposed by law, then such provision shall be deemed to remain in effect only for the maximum permissible period permitted by law, or until twenty one (21) years after the death of the last survivor of the now living descendants of the Governor of the State of South Carolina existing as of the date of recording hereof.

ARTICLE XXIII. SUCCESSORS

The provisions of this Declaration shall be binding upon all parties having or requiring any right, title or interest in the Property or any part thereof, and shall be for the benefit of each Owner and his heirs, successors and assigns. Each Owner shall be fully discharged and relieved of liability on the covenants hereunder, and so far as the same relate to each Lot and the Property, upon ceasing to own any interest therein, and paying all sums and performing all obligations hereunder in respect of such Lot to the time his ownership interest terminates.

ARTICLE XXIV. NO EXEMPTION

Once the assessments hereunder as against a respective Lot commence, thereafter such shall continue and no Owner may exempt himself from liability for any obligation therefore as set forth herein by any waiver of the use or enjoyment of the Common Property or waiver or use and enjoyment of his or her Lot or any other actions.

ARTICLE XXV. INTERPRETATION

Titles at the beginning of each number section of this Declaration are for convenience only, and the words contained therein shall not be considered to expand, modify or aid in the interpretation, construction or meaning of this Declaration. As used herein, the singular shall include the plural and the masculine and neuter gender shall include the other genders. In the

event of interpretation of this Declaration, any rule of construction requiring or implying that this document shall be construed against the person comparing it, shall not be applicable.

ARTICLE XXVI. DURATION

The Covenants and restrictions of this Declaration shall run with and bind the land for a term of fifteen (15) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years, unless during the last year of such initial or then current renewal term, the Owners of seventy five percent (75%) of the Lots agree in writing to terminate this Declaration at the end of such term.

ARTICLE XXVII. ACKNOWLEDGEMENT OF RIGHTS OF USE

Each Owner, by acceptance of a deed to a Lot, is deemed to accept the reservation, rights of use, license, easements and permits existing in, through and over the Common Property as set forth herein.

ARTICLE XXVIII. CONSTRUCTION AND SALE

Despite any provision contained in this Declaration to the contrary, it is and shall be expressly permissible for Declarant to maintain and carry on upon such portions of the Property as the Declarant may deem necessary, including but not limited to the Common Property, such facilities and activities as in the sole opinion of Declarant may be reasonably required, convenient or incidental to the construction or sale, including without limitation, business offices, signs, model homes and sales offices, so long as construction on, marketing of or offering for sale by Declarant (or any other party designated by Declarant) of all or any portion of the Property or Additional Property, including Lots, continues. The right to maintain and carry on such facilities and activities shall include specifically the right to use Lots owned by Declarant as models and sales offices and to authorize sales and construction personnel to travel upon and enter the Common Property.

ARTICLE XXIX. NO PARTITION

Except as permitted in this Declaration, there shall be no partition of the Common Property or any portion thereof, nor shall any person acquiring any interest in any of the Property or any part thereof, seek any such partition, judicial or otherwise, unless the affected area has been removed from the provisions of this Declaration. This Article shall not be construed or to prohibit the Board of Directors from acquiring and disposing of tangible personal property, nor from acquiring title to a property which may or may not be subject to this Declaration.

ARTICLE XXX. ASSIGNMENT OF DECLARANT RIGHTS

Declarant may assign its rights as Declarant to all or any portion of the Property or Additional Property to any party or parties who take title to all or any portion of the Property or Additional Property for the purpose of development and sale. Declarant however, unless

otherwise specifically assigned, may, so long as it owns any interest in the Property, retain all Class B votes despite any transfer or assignment.

ARTICLE XXXI. VARIANCE AND WAIVERS OF RESTRICTIONS

So long as permitted by South Carolina law, and so long as Declarant owns any Lot or interest in Property subject to this Declaration, Declarant may not waive or otherwise allow and authorize variances from the terms and restrictions hereof, without the written consent of two-thirds (2/3) of the members of the Association authorized to vote.

ARTICLE XXXII. RESERVATION FROM LOT CONVEYANCE

It is expressly agreed and understood that the title conveyed by Declarant to any Lot within the Property shall be subject to the terms hereof, including any easement affecting the same for roadways or drainage, water, gas, sewer, stormwater, electrical light, electrical power, telegraph, telephone or television purposes.

ARTICLE XXXIII. INCORPORATION BY REFERENCE

All dedications, limitations, restrictions and reservations shown on any recorded plat are incorporated herein and made a part hereof as if fully set forth herein, and shall be construed as being adopted in each and every contract, deed or conveyance executed or to be executed by and on behalf of Declarant, and thereafter each successor owner conveying any portion of the Property, whether specifically referred to therein or not.

IN WITNESS WHEREOF, the Declarant has executed this Declaration on the day and year first hereinabove written.

The Etiwan Pointe Townhome Homeowners Association *

By: Janet Hilton
PRESIDENT

Its:

Witnesses:

[Signature]
[Signature]

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

PERSONALLY APPEARED BEFORE ME, the undersigned witness and made oath that (s)he saw the within named Janet Hilton, President of the Etiwan Pointe Townhomes Homeowners Association, Inc., sign, seal and as its act and deed, deliver the within written Declaration of Covenants, Conditions and Restrictions and that (s)he with the other witnesses above named, witnessed the execution thereof.

[Signature]

Sworn to before me this
31 day of July, 2007
[Signature]
Notary Public of South Carolina
My Commission Expires: Aug 2008

EXHIBIT A
(PROPERTY)

ALL those certain pieces, parcels or lots of land situate lying and being in the Town of Mt. Pleasant, Charleston County, South Carolina, together with improvements thereon, and being known as Lot 101A, Lot 101B, Lot 101C, Lot 101D, Lot 101E, Lot 101F, Lot 101G, Lot 101H, Lot 102A, Lot 102B, Lot 102C, Lot 102D, Lot 102E, Lot 102F, Lot 102G, Lot 102H, Lot 103A, Lot 103B, Lot 103C, Lot 103D, Lot 104A, Lot 104B, Lot 104C, Lot 104D, Lot 104E, Lot 104F, Lot 105A, Lot 105B, Lot 105C, Lot 105D, Lot 105E, Lot 105F, Lot 106A, Lot 106B, Lot 106C, Lot 106D, Lot 106E, Lot 106F, in the Etiwan Pointe Townhomes as shown and designated on a plat entitled "FINAL PLAT OF THE ETIWAN POINTE TOWNHOMES, PHASE 1A, OWNED BY THE RETREAT AT ETIWAN POINTE, LLC, TOWN OF MT. PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA," prepared by Thomas & Hutton Engineering Co. dated March 21, 2001, and duly recorded in the RMC Office for Charleston County, SC in Plat Book EE, at pages 772 and 773. SAID lots having such size, shape, location, buttings, and bounding as shown on said plat reference to which is hereby made for as more complete description.

ALSO

ALL those certain pieces, parcels or tracts of land, situate, lying and being in the Town of Mt. Pleasant, County of Charleston, State of South Carolina, known H.O.A.-1, containing 14,062 sq.ft., and H.O.A.-2, containing 16,309 sq. ft., more or less, and being shown on that certain plat entitled "A FINAL PLAT OF THE ETIWAN POINTE TOWNHOMES, PHASE 1A, OWNED BY THE RETREAT AT ETIWAN POINTE, LLC, TOWN OF MT. PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA," prepared by Thomas & Hutton Engineering Co. dated March 21, 2001, and duly recorded in the RMC Office for Charleston County, SC in Plat Book EE, at pages 772 and 773. Said parcels having such size, shape, buttings and boundings as will more fully appear by reference to said plat.

Being a portion of the property conveyed to the Grantor herein by deed of Belle Hall Land, LLC dated December 10, 1999, and recorded in Book A-339 page16 in the RMC office for Charleston County, South Carolina.

EXHIBIT B

(Additional Property)

ALL that certain piece, parcel or tract of land situate, lying and being on the East side of I-526 Mark Clark Expressway 200' right-of-way in the Town of Mt. Pleasant, Charleston County, South Carolina, known as Tract 11, consisting of 35.285 acres, more or less, as shown on that certain plat dated June 1, 1996 entitled "A BOUNDARY SURVEY OF TRACTS 7 THROUGH 12 BEING A PORTION OF BELLE HALL PLANTATION OWNED BY LONGPOINT ROAD LIMITED PARTNERSHIP LOCATED IN THE TOWN OF MT. PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA" prepared by Southeastern Surveying, Inc. and recorded in the RMC Office for Charleston County in Plat Book EB, at page 739. Said tract of land having such size, shape, dimensions, buttings and boundings as will by reference to said plat more fully appear.

SAVING AND EXCEPTING from the above described Tract 11, the following described property: ALL that certain piece, parcel or tract of land situate, lying and being on the north side of I-526 Mark Clark Expressway 200' right-of-way in the Town of Mt. Pleasant, Charleston County, South Carolina, known as Tract 11-C, consisting of 4.68 acres, more or less, as shown on that certain plat dated May 5, 1998 and revised September 22, 1999 entitled "A CONDITIONAL PLAT OF WANDO PARK BOULEVARD EXTENSION, TRACTS B, C, 12-A, -B, -C, TRACT 11-C, AND PUMP STATION, ETIWAN POINTE SOUTH, TOWN OF MT. PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA" prepared by Thomas & Hutton Engineering Co. and recorded in the RMC Office for Charleston County in Plat Book ED, at pages 550, 551, 552, and 553. Said tract of land having such size, shape, dimensions, buttings and boundings as will by reference to said plat more fully appear.

SAVING AND EXCEPTING from the above described Tract 11, the following described properties:

ALL those certain pieces, parcels or lots of land situate lying and being in the Town of Mt. Pleasant, Charleston County, South Carolina, together with improvements thereon, and being known as Lot 101A, Lot 101B, Lot 101C, Lot 101D, Lot 101E, Lot 101F, Lot 101G, Lot 101H, Lot 102A, Lot 102B, Lot 102C, Lot 102D, Lot 102E, Lot 102F, Lot 102G, Lot 102H, Lot 103A, Lot 103B, Lot 103C, Lot 103D, Lot 104A, Lot 104B, Lot 104C, Lot 104D, Lot 104E, Lot 104F, Lot 105A, Lot 105B, Lot 105C, Lot 105D, Lot 105E, Lot 105F, Lot 106A, Lot 106B, Lot 106C, Lot 106D, Lot 106E, Lot 106F, in the Etiwan Pointe Townhomes as shown and designated on a plat entitled "FINAL PLAT OF THE ETIWAN POINTE TOWNHOMES, PHASE 1A, OWNED BY THE RETREAT AT ETIWAN POINTE, LLC, TOWN OF MT. PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA,"

prepared by Thomas & Hutton Engineering Co. dated March 21, 2001, and duly recorded in the RMC Office for Charleston County, SC in Plat Book EE, at pages 772 and 773. SAID lots having such size, shape, location, buttings, and bounding as shown on said plat reference to which is hereby made for as more complete description.

ALSO

ALL those certain pieces, parcels or tracts of land, situate, lying and being in the Town of Mt. Pleasant, County of Charleston, State of South Carolina, known H.O.A. - 1, containing 14,062 sq.ft., and H.O.A. - 2, containing 16,309 sq. ft., more or less, and being shown on that certain plat entitled "A FINAL PLAT OF THE ETIWAN POINTE TOWNHOMES, PHASE 1A, OWNED BY THE RETREAT AT ETIWAN POINTE, LLC, TOWN OF MT. PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA," prepared by Thomas & Hutton Engineering Co. dated March 21, 2001, and duly recorded in the RMC Office for Charleston County, SC in Plat Book EE, at pages 772 and 773. Said parcels having such size, shape, buttings and boundings as will more fully appear by reference to said plat.

EXHIBIT C

AMENDED AND RESTATED

BY-LAWS

OF

ETIWAN POINTE TOWNHOMES HOMEOWNERS ASSOCIATION, INC.

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AMENDED AND RESTATED

BY-LAWS

OF

ETIWAN POINTE TOWNHOMES HOMEOWNERS ASSOCIATION, INC.

ARTICLE I.**General**

Section 1. Applicability. These Amended and Restated By-Laws provide for the self-government of Etiwan Pointe Townhomes Homeowners Association, Inc., in accordance with the Articles of Incorporation filed with the Secretary of State of South Carolina and the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Etiwan Pointe Townhomes, recorded in Book M370, at Page 846 in the RMC Office, for Charleston County, South Carolina (the "Declaration"). These Amended and Restated By-Laws of Etiwan Pointe Townhomes Homeowners Association, Inc., supersede and replace the Bylaws of Etiwan Pointe Townhomes Homeowners Association, Inc., which are recorded in Book M370, at Page 892, in the RMC office for Charleston County.

Section 2. Name. The name of the corporation is Etiwan Pointe Townhomes Homeowners Association, Inc. ("Association").

Section 3. Definitions. The terms used herein shall have their generally accepted meanings or such meanings as are specified in Article II of the Declaration.

Section 4. Membership. Every Person who is a record owner of a fee or undivided fee interest in any Lot that is subjected to this Declaration shall have a membership in the Association. The foregoing is not intended to include Persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate the Owner's Membership. No Owner, whether one or more Persons, shall have more than one (1) Membership per Lot owned. In the event of multiple Owners of a Lot, votes and rights of use and enjoyment shall be as provided in these By-Laws and in the Declaration. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The rights and privileges of Membership, including the right to vote and to hold office, may be exercised by a member or the member's spouse, but in no event shall more than one (1) vote be cast nor office held for each Lot owned.

Section 5. Entity Members. In the event an Owner is a corporation, partnership, trust, or other legal entity not being a natural person or persons, then any natural person who is an officer, director, or other designated agent of such corporation, partner of such partnership, beneficiary or other designated agent of such trust, or manager of such other legal entity shall be eligible to represent such entity or entities in the affairs of the Association. Such person's relationship with the Association shall terminate automatically upon the termination of such

person's relationship with the entity or entities which are the Owner, and termination of the person's relationship with the Association will create a vacancy in any elected or appointed position within the Association in which such person may have been serving and such vacancy will be filled in accordance with these By-Laws.

Section 6. Voting. The Association shall have one class of membership,.

Members shall be all Owners of Lots in Etiwan Pointe Phase 1. Members shall be entitled on all issues to one (1) equal vote for each Lot in which they hold the interest required for membership by Section 1 hereof. When more than one (1) Person holds an ownership interest in any Lot, the vote for such Lot shall be exercised as those Owners determine among themselves and advise the Secretary of the Association prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended in the event more than one (1) Person seeks to exercise it.

No Member shall be eligible to vote, either in person or by proxy or to be elected to the Board of Directors if that Member is shown on the books or management records of the Association to be more than thirty (30) days delinquent in the payment due the Association or if the Member has its voting rights suspended for the infraction of any provision of the Declaration, these By-Laws or any rules of the Association. If the voting rights of a Member have been suspended, that Member shall not be counted as eligible for the purposes of establishment of a majority or a quorum.

Section 7. Majority. As used in these By-Laws, the term "majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than fifty percent (50%) Unless otherwise specifically stated, the words "majority vote" mean more than fifty percent (50%) of those voting in person or by proxy. Except as otherwise specifically provided in the Declaration or these By-Laws, all decisions shall be by majority vote.

Section 8. Super-Majority. As used in these By-Laws, the term "Super-Majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than two-thirds (2/3) of the total number of eligible votes, Owners, or other group, respectively.

Section 9. Purpose. The Association shall have the responsibility of administering the Property and the Area of Common Responsibility, establishing the means and methods of collecting the contributions to the Common Expenses, arranging for the management of the Property and performing all of the other acts that may be required to be performed by the Association pursuant to the South Carolina Nonprofit Corporation Code and the Declaration, except as limited by the Declaration or Articles of Incorporation. Except as to those matters which the Declaration or the South Carolina Nonprofit Corporation Code specifically require to be performed by the vote of the Association membership, the administration of the foregoing responsibilities shall be performed by the Board of Directors as more particularly set forth below.

ARTICLE II.
Meeting of Members

Section 1. Annual Meetings. The regular annual meeting of the members shall be held during the month of December of each year with the date, hour, and place to be set by the Board of Directors.

Section 2. Special Meetings. Special meetings of the members may be called for any purpose at any time by the President, the Secretary or by request of the majority of the Board of Directors, or upon written petition of twenty-five percent (25%) of the Owners. Any such written petition by the members must be submitted to the Association's Secretary. The Secretary shall then verify that the required number of members have joined in the petition and shall submit all proper petitions to the Association's President. The President shall then promptly call a special meeting for the purpose stated in the petition, and the Secretary shall send notice of the meeting in accordance with these By-Laws.

Section 3. Notice of Meetings. It shall be the duty of the Secretary to mail or deliver to each Owner of record or to the Lots a notice of each annual or special meeting of the Association at least fifteen (15) days prior to each meeting. The notice shall state the purpose of any special meeting, as well as the time and place where it is to be held. The notice of an annual meeting shall state the time and place of the meeting. If any Owner wishes notice to be given at an address other than his or her Lot, the Owner shall have designated by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered proper service of notice.

Section 4. Waiver of Notice. Waiver of notice of meeting of the Owners shall be deemed the equivalent of proper notice. Any Owner may, in writing, waive notice of any meeting of the Owners, either before or after such meeting. Attendance at a meeting by an Owner, whether in person or represented by proxy, shall be deemed waiver by such Owner of such notice of the time, date, and place thereof unless such Owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted at such meeting unless objection to lack of notice is raised before the business, of which proper notice was not given, is put to a vote.

Section 5. Quorum. Except as may be provided elsewhere, the presence of Owners, in person or by proxy, entitled to cast fifty percent (50%) of the vote of the Association shall constitute a quorum. Once a quorum is established for a meeting, it shall conclusively be presumed to exist until the meeting is adjourned and shall not need to be reestablished. Owners whose voting rights have been suspended pursuant to the Declaration or these By-Laws shall not be counted as eligible votes toward the quorum requirement.

Section 6. Adjournment. Any meeting of the Owners may be adjourned from time to time for periods not exceeding ten (10) days by vote of the Owners holding the Majority of the votes represented at such meeting, regardless of whether a quorum is present. Any business

which could be transacted properly at the original session of the meeting may be transacted at a reconvened session, and no additional notice of such reconvened session shall be required.

Section 7. Proxy. Any member entitled to vote may do so by written proxy duly executed by the member setting forth the meeting at which the proxy is valid. To be valid, a proxy must be signed, dated, and filed with the Secretary prior to the opening of the meeting for which it is to be used. Proxies may be delivered to the Board by personal delivery, U.S. mail or telefax transmission to any Board member or the property manager. Proxies may be revoked only by written notice delivered to the Association, except that the presence in person by the giver of a proxy at a meeting for which the proxy is given shall automatically invalidate the proxy for that meeting. A proxy holder may not appoint a substitute proxy holder unless expressly authorized to do so in the proxy.

Section 8. Action Without a Meeting. Any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the Association delivers a written ballot to every member entitled to vote on the matter.

(a) A written ballot shall:

- (1) Set forth each proposed action; and
- (2) Provide an opportunity to vote for or against each proposed action.

(b) Approval by written ballot pursuant to this Section shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

(c) All solicitations for votes by written ballot shall:

- (1) Indicate the number of responses needed to meet the quorum requirements;
- (2) State the percentage of approvals necessary to approve each matter other than election of directors; and
- (3) Specify the time by which a ballot must be received by the Association in order to be counted.

(d) A written ballot may not be revoked. The Association shall maintain such ballots in its file for a period of at least three (3) years.

Section 9. Order of Business. All meetings of the Association shall be conducted in such a way as to maintain order and decorum. Notwithstanding, the President may invoke

Roberts Rules of Order (latest edition) to maintain this order and decorum when not in conflict with the Declaration, these By-Laws, or Articles of Incorporation.

Section 10. Record Date. The Association may establish such record date for Membership as may be authorized by the South Carolina Nonprofit Corporation Act or applicable South Carolina law.

ARTICLE III.

Board of Directors

A. Composition and Selection.

Section 1. Composition. The affairs of the Association shall be governed by a Board of Directors. The Board shall be composed of three (3) persons, all of whom must be a Full Time Resident Owner of a Lot in Etiwan Pointe Phase 1 or spouses of such Owners, who shall be a Full Time Resident Owner; provided, however, no Owner and his or her spouse may serve on the Board at the same time, and no co-owners may serve on the Board at the same time. For the purposes of these By-Laws, a Full Time Resident Owner shall have the same meaning as defined in the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Etiwan Pointe Townhomes, Phase I.. If the Association is unable to identify three (3) Full Time Resident Owners to serve on the Board, the position on the Board may be filled by non-resident Owners; provided, however, the non-resident Owner must be nominated and elected in accordance with the procedures outlined by these Amended and Restated Bylaws, and the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Etiwan Pointe Townhomes. Any member of the existing Board may nominate a non-resident Owner for election by the Association; provided, however, that a non-resident Owner must be approved by a super majority of the Association, as defined in Article I, Section 8 of these By-Laws.

Section 2. Election and Term of Office.

(a) The initial term of the Directors shall be fixed as provided herein, to wit: initially, the term of one (1) Director shall be fixed at one (1) year; the term of one (1) Director shall be fixed at two (2) years; and the term of one (1) Director shall be fixed at three (3) years. At the expiration of the initial term of office of each respective member of the Board of Directors, a successor shall be elected to serve for a term of three (3) years. If additional directors shall exist, their initial terms shall be fixed so as to create a staggered term thereafter. The members of the Board of Directors shall hold office until the adjournment of the meeting at which their respective successors shall have been elected by the Association or until they resign, whichever first occurs.

(b) Directors shall be elected by members of the Association in accordance with their voting powers, as further specified in the Declaration and the Articles of Incorporation. Members shall vote on all directors to be elected, and the candidates receiving a plurality of votes shall be elected.

Section 3. Removal of Members of the Board of Directors. At any regular or special meeting of the Association duly called, any one or more of the members of the Board of Directors may be removed with or without cause by a Majority of the members of the Association and a successor may then and there be elected to fill the vacancy thus created. Moreover, any Director who has had three (3) consecutive unexcused absences from regularly scheduled Board meetings or is more than sixty (60) days past due in payment of any assessment may be removed by the vote of a Majority of the other directors. Any director whose removal has been proposed shall be given at least ten (10) days notice of the calling of the meeting to consider his or her removal and the purpose thereof and shall be given an opportunity to be heard at the meeting.

Section 4. Vacancies. Vacancies in the Board of Directors caused by any reason, except the removal of a director by vote of the membership, shall be filled by a vote of the Majority of the remaining directors, even though less than a quorum, at any meeting of the Board of Directors. The successor Director so selected shall hold office until the next Meeting of the Association, at which time the Association shall be given an opportunity to confirm the successor Director to serve for the remainder of the vacated term of the original Director or elect a new Director to serve for the remainder of the vacated term of the original Director.

Section 5. Compensation. Directors shall not be compensated for services as such unless and only to the extent that compensation is authorized by a Supermajority vote of the members. Directors may be reimbursed for the expenses incurred in carrying out their duties as directors upon approval of such expenses by the Board of Directors.

Section 6. Director Conflicts of Interest. Nothing herein shall prohibit a Director or immediate family member from entering into a contract and being compensated for services or supplies furnished to the Association in a capacity other than as director, provided that the director's interest is disclosed to the Board, the contract is endorsed by a Majority of the directors who are at a meeting of the Board of Directors at which a quorum is present, excluding the director with whom the contract is made; and the proposed contract, if its value exceeds Five Hundred Dollars (\$500.00) (or the cumulative value of such contracts awarded to the director for the year exceeds Five Hundred Dollars (\$500.00)) is presented to the Association for a vote and a majority of the members of the Association authorized to vote approve the contract. Such vote by the Association may be conducted in person (in accordance with Article I, Sections 6 and 7 of these By-Laws) or by mail (in accordance with Article II, Section 8 of these By-Laws). The interested director shall not count for purposes of establishing a quorum of the Board. The interested director shall be entitled to be present at any meeting at which the proposed contract is discussed and to discuss the proposed contract, unless requested by any other director to leave the room during the discussion.

Section 7. Nomination of Directors. Nomination for election to the Board shall be made by a Nominating Committee. The Nominating Committee shall consist of the vice president of the Board of Directors, and two members of the Association. The vice president shall act as the Chairman. The Chairman shall nominate the other two members of the Association to assist the Chariman in the nominating process. The two members shall be

approved by a majority of the Board before being able to serve on the Committee. The Nominating Committee shall be appointed not less than thirty (30) days prior to each annual meeting of the members to serve from the time of appointment until the close of the annual meeting, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event less than the number of vacancies or terms to be filled. Nominations shall be permitted from the floor, also. All candidates shall have a reasonable opportunity, if they so desire, to communicate their qualifications to the members and to solicit votes.

B. Meetings.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by the Board, but such meetings shall be held at least twice during each fiscal year. The newly elected Board shall meet within ten (10) days after each annual meeting of the membership. For purposes of this section, electronic methods of communication, such as facsimiles or emails, will be acceptable for obtaining the directors' consent to such actions.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each director given by mail, in person, by telephone, or by facsimile transmission, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President, Vice President, Secretary, or Treasurer in like manner on like notice on the written request of at least two (2) directors.

Section 10. Waiver of Notice. Any director may, at any time, in writing, waive notice of any meeting of the Board of Directors, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board of Directors shall also constitute a waiver of the notice by him or her of the time and place of such meeting. If all directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 11. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book recorded therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. A Majority of directors shall constitute a quorum for the transaction of business. One or more directors who participate in a meeting by means of telephone or electronic communication shall be deemed present and in attendance for all purposes at such meeting, provided all persons participating in the meeting can hear each other.

Section 12. Open Meetings. All meetings of the Board shall be open to all members, but members other than directors may not participate in any discussion or deliberation unless expressly so authorized by the Board. Notwithstanding the above, the Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters,

litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 13. Action Without a Meeting. Any action by the Board of Directors required or permitted to be taken at any meeting may be taken without a meeting if all of the directors consent in writing to such action. Such written consent must describe the action taken and be signed by no fewer than all of the directors and such written consent or consents shall be filed with the minutes of the Board of Directors.

C. Powers and Duties.

Section 14. Powers and Duties. The Board of Directors shall manage the affairs of the Association and shall have all the powers and duties necessary for the administration of the Property and may do all such acts and things as are not by the Declaration, the Articles of Incorporation, or these By-Laws directed to be done and exercised exclusively by the members. In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to and shall be responsible for the following (subject, however, to the limitation provided for in the Declaration), in way of explanation, but not limitation:

(a) preparation and adoption of an annual budget, in which there shall be established the contribution of each Owner to the Common Expenses;

(b) making assessments to defray the Common Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment (Unless otherwise determined by the Board of Directors, the annual assessment for each Lot's proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month.);

(c) providing for the operation, care, upkeep, and maintenance of all of the Area of Common Responsibility as defined in Article 14 of the Declaration;

(d) designate, hiring, and dismissing the personnel necessary for the operation of the Association and the maintenance, repair, and replacement of the Common Property, Association property, and the Area of Common Responsibility and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(e) collecting the assessment, depositing the proceeds thereof in a financial depository or institution which it shall approve, or otherwise investing the proceeds, and using the proceeds to administer the Association;

(f) making and amending rules and regulations and imposing sanctions for violation thereof, including, without limitation, monetary fines;

(g) opening of bank or other financial accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions, and improvements to, or alterations of the Common Property in accordance with the other provisions of the Declaration and these By-Laws, after damage or destruction by fire or other casualty;

(i) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

(j) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(k) paying the costs of all services rendered to the Association or its members and not directly chargeable to specific Owners;

(l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expense incurred; and

(m) contracting with any Person for the performance of various duties and functions. The Board shall have the power to enter into common management agreements with trusts, condominium associations, or other associations or corporations. Any and all functions of the Association shall be fully transferable by the Board, in whole or in part, to any other entity.

Section 15. Limitations on Powers and Duties of the Association. Notwithstanding any other provision contained herein to the contrary, neither the Board of Directors acting on behalf of the Association, nor the Association as an entity, shall have any right, privilege, power nor standing to proceed on any cause of action, claim or demand arising from or related to any property, real, personal or intangible, unless such property is owned and titled to the Association and the Association shall have no right, title, power or privilege to act on behalf of any other Person, including Owners, derivatively or otherwise, in respect to any other property not owned and titled to the Association.

Section 16. Management Agent. The Association may, but shall not be required to, hire a professional management agent or agents, at a compensation established by the Board, to perform such duties and services as the Board of Directors shall authorize. The Board shall use reasonable efforts in any management contract to provide for termination of such contract with or without cause and without penalty, upon no more than thirty (30) days written notice. No management contract shall have a term in excess of one (1) year.

Section 17. Borrowing. The Board of Directors shall have the power to borrow money for the purpose of maintenance, repair, restoration or improvement of the Common Property and facilities, provided the amount to be borrowed does not exceed three thousand dollars (\$3,000.00) for any single occurrence or five thousand dollars (\$5,000.00) for the combined occurrences in any single fiscal year. Where the amount to be borrowed exceeds three thousand dollars (\$3,000.00) for any single occurrence or five thousand dollars (\$5,000.00) for the combined occurrences in any single fiscal year, the Board shall obtain membership approval in the same manner as provided in Article 7 of the Declaration for special assessments. If the proposed borrowing is for the purpose of modifying, improving, or adding amenities to the Property, the Board shall obtain membership approval in the same manner as provided in Article 7 of the Declaration for special assessments, regardless of the amount to be borrowed.

Section 18. Liability and Indemnification of Officers and Directors. To the extent permitted by and subject to the laws of the State of South Carolina, the Association shall indemnify any present or former officer or director, and the Declarant, against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer or director or the Declarant in connection with any action, suit, or other proceedings to which such officer or director may be a party by reason of being or having been an officer, director or otherwise acted in accordance with the terms hereof or on behalf of the Association hereunder. Neither the officers and directors nor Declarant shall not be liable for any mistake of judgment, negligent or otherwise, except for individual willful misfeasance, malfeasance, misconduct or bad faith. Neither the officers and directors nor Declarant shall have any personal liability with respect to any contract or other commitment made by any of them, in good faith, on behalf of the Association (except to the extent that such officers and directors or Declarant may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and director and Declarant free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director or Declarant, or former officer or director may be entitled. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

D. Committees.

Section 19. Nominating Committee. Pursuant to Section 7 of this Article, there shall be a Nominating Committee composed of the Vice President and two members of the Association, who shall be nominated and appointed in the manner and to perform the functions specified in Section 7 of this Article.

Section 20. Other Committees. There shall be such other committees as the Board shall determine with the powers and duties that the Board shall authorize.

Section 21. Service on Committees. Unless otherwise provided in these By-Laws or in the resolution authorizing a particular committee, the President shall appoint members of any committee, to serve at the pleasure of the Board of Directors. With the exception of the

requirement that the Chairman of the Nominating Committee be a member of the Board (see Article III, Section 9), no member of the Board shall serve in any capacity on any other committee authorized by the Board, unless the Board is unable to fill the required number of positions on such committee with non-Board Members of the Association.

ARTICLE IV. Officers

Section 1. Designation. The principal offices of the Association shall be the President, the Vice President, the Secretary, and the Treasurer. The President and Vice President shall be elected by and from the Board of Directors. The Secretary and Treasurer shall be elected by the Board of Directors, but need not be Board members. The Board of Directors may appoint one or more Assistant Treasurers, Assistant Secretaries, and such other subordinate officers as in its judgment may be necessary. Any assistant or subordinate officers shall not be required to be members of the Board of Directors. Except for the offices of Secretary and Treasurer, which may be held by the same person, no person may hold more than one (1) office.

Section 2. Election of Officers. The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board following each annual meeting of the members and shall hold office at the pleasure of the Board of Directors and until a successor is elected.

Section 3. Removal of Officers. Upon the affirmative vote of a Majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and a successor may be elected.

Section 4. Vacancies. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the chief executive officer of the Association and shall preside at all meetings of the members and of the Board of Directors. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the South Carolina Nonprofit Corporation Code, including, but not limited to, the power to appoint committee from among the members from time to time as he or she may in his or her discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 6. Vice President. The Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

Section 7. Secretary. The Secretary shall keep the minutes of all meetings of the members and of the Board of Directors and shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all duties incident to the office of the secretary of a corporation organized under South Carolina law.

Section 8. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall be responsible for the preparation of the budget as provided in the Declaration. The Treasurer may delegate all or a part of the preparation and notification duties associated with the above responsibilities to a management agent.

Furthermore, upon written request from a Member, the Treasurer shall provide a certificate as to the status of payment of assessments with respect to the requesting Member. However, Members are only entitled to a maximum of two requests per year.

Section 9. Other Officers. Other officers may be created by the Board, and the Board members which hold such offices shall have such titles and duties as are defined by the Board.

Section 10. Agreements, Contracts, Deeds, Leases, Etc. All agreements, contracts, deeds, leases, checks, promissory notes, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated in writing by resolution of the Board of Directors; provided, however:

- (a) The Association shall solicit competitive bids before executing an Agreement or signing a Contract for goods or services whose amount exceeds five hundred dollars (\$500.00). The Board of Directors shall choose the lowest bid presented by those deemed qualified to perform the work. In such a case where a lower bid is rejected, the minutes of the board shall clearly state the reasons why the low bid was rejected. .
- (b) The Board may, by a majority vote, authorize another individual to execute an agreement, contract, or check on behalf of the Board, provided that individual is properly bonded and insured and otherwise authorized to execute such agreement, contract, or check.
- (c) If the Board has authorized another individual to execute agreements, contracts, or checks in accordance with Article IV, Section 10 (b), above, at least one (1) member of the Board must approve the execution of those agreements, contracts, and checks.
- (d) The Association shall require that Vendors or Contractors certify to the Association that all employees assigned to work on the Lots, Structures, or Common Property of Etiwan Pointe Phase 1 are eligible to work in the United States. Where questions arise as to the eligibility of Vendor's or Contractor's employees to work in the United States, the burden of proof shall rest with the Vendor or Contractor to show proof of their employee(s)' eligibility to work in the United States. Such proof of eligibility may be proven through the use of generally accepted documentation, such as the Department of Homeland Security Form I-9, Employment Eligibility Verification. Furthermore, the Board may require that any contractor hired provide an affidavit verifying the eligibility of its workers to work in the United States.

ARTICLE V.
Rule Making and Enforcement

Section 1. Authority and Enforcement. The Property shall be used only for those uses and purposes set out in the Declaration. The Board of Directors shall have the authority to make, modify, repeal and enforce reasonable rules and regulations governing the conducts, use, and enjoyment of Lots and the Common Property; provided, copies of all such rules and regulations shall be furnished to all Owners and Occupants. The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the Owner's Lot, and to suspend an Owner's right to vote or to use the Common Property for violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the Association or the Board of Directors to limit ingress and egress to or from a Lot. In the event that any Occupant of a Lot violates the Declaration, By-Laws, or a rule or regulation and a fine is imposed, notice of such violation shall be sent to the Owner and the Occupant, and the fine shall first be assessed against such Occupant; provided, however, if the fine is not paid by the Occupant within the time period set by the Board, the Lot Owner shall pay the fine upon notice of the Association, and the fine shall be an assessment and a lien against the Lot until paid. The Owner shall also be liable for any fees or costs associated with enforcing these Covenants and Bylaws. Said fees and costs include but are not limited to attorney's fees, management fees associated with enforcement, as well as any costs associated with the filing of legal or equitable actions. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

Section 2. Fining and Suspension Procedures. The Board shall not impose a fine or suspend an Owners right to vote or an Owner's or resident's right to use Common Property unless and until notice of violation is given as provided in subsection 2(a) below. Notwithstanding, the Board shall automatically suspend an Owner's right to vote and to use the Common Property if that Owner is shown on the books or the management accounts of the Association to be thirty (30) days delinquent in any payment due the Association.

However, failure of the Board to provide notice shall in no way constitute a waiver, and the Board shall retain all legal and equitable rights against an Owner or Resident, should the Owner or Resident violate these Covenants or Bylaws.

(a) Notice. If any provision of the Declaration or By-Laws or any rule or regulation of the Association is violated, the Board shall serve the violator with written notice sent certified mail, return receipt requested, which shall state: (i) the nature of the alleged violation; (ii) the proposed sanction to be imposed; (iii) a statement that the violator may challenge the fact of the occurrence of a violation, the proposed sanction, or both; (iv) the name, address, and telephone number of a person to contact to challenge the proposed action; and (v) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days from the date the notice is sent. If a challenge is not made, the sanction shall be effective upon the date of the notice; provided, the Board may, in its

discretion, waive any sanction if the violation is cured within ten (10) days from the date of notice. In the event of a continuing violation, each day the violation continues constitutes a separate offense, and fines may be imposed on a per diem basis without further notice to the violator. Should the Owner of the property not reside at the Lot that is subjected to fines under these Covenants and Bylaws, then the Owner shall leave his or her current mailing address with the Board of Directors. Any such notice as is required pursuant to these Bylaws and Covenants, shall be sent to this address. It is the owners responsibility to ensure that the Board has the proper mailing address, and if the Owner shall move again, it is the Owners responsibility to provide the new address to the Board. Notice is effective once the Board, or an agent operating with the Board's permission, sends such Notice to the last known address issued to the Board by the Owner.

Section 3. Additional Enforcement Rules. Notwithstanding anything to the contrary herein contained, the Association, acting through its Board of Directors, may elect to enforce any provision of the Declaration, the By-Laws, or the rules and regulations by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and monetary damages or both without the necessity for compliance with the procedure set forth in Section (2) of this Article. In any such action, to the maximum extent permissible, the Owner or Occupant responsible for the violation for which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

The Association or its duly authorized agent shall have the power to enter a Lot or upon any portion of the Common Property to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Declaration, the By-Laws, or the rules and regulations. All costs of self-help, including reasonable attorney's fees, shall be assessed against the violating Lot Owner and shall be collected as provided herein for the collection of assessments.

ARTICLE VI.

Miscellaneous

Section 1. Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally; sent by United States mail, first class postage prepaid:.

(a) If to a Lot Owner, at the address which the Lot Owner has designated in writing and filed with the Secretary, or if no such address has been designated, at the address of the Lot of such Owner;

(b) If to an Occupant, at the address of the Lot occupied; or

(c) If to the Association, the Board of Directors or the managing agent at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated in writing and filed with the Secretary.

Section 2. Severability. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability, or effect of the balance of these By-Laws or the Declaration.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of these By-Laws or the intent of any provisions thereof.

Section 4. Gender and Grammar. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

Section 5. Fiscal Year. The fiscal year of the Association may be set by resolution of the Board of Directors. In the absence of such resolution by the Board of Directors, the fiscal year shall be the calendar year.

Section 6. Financial Review. A financial review of the accounts of the Association shall be performed annually in the manner provided by the Board. However, after having received the Board's financial review at the annual meeting, the Owners may, by a Majority of the Association vote, require that the accounts of the Association be audited as a Common Expense by an independent accountant.

Section 7. Accounting and Transfer Records. The Association shall maintain accounting records in accordance with sound business and generally accepted accounting principles and shall maintain accurate and current records of Members, and assessments. These records shall be maintained by the Treasurer, or a Management Agent as designated by the Board of Directors.

All such corporate books and records shall be available for inspection by the Members during reasonable hours.

Section 8. Conflicts. The duties and powers of the Association shall be those set forth in the South Carolina Nonprofit Corporation Code, the Declaration, these By-Laws, and the Articles of Incorporation, together with those reasonably implied to affect the purposes of the Association; provided, however, that if there are conflicts or inconsistencies between the South Carolina Nonprofit Corporation Code, the Declaration, these By-Laws, or the Articles of Incorporation, then the provisions of the South Carolina Nonprofit Corporation Code, as may be applicable, the Declaration, the Articles of Incorporation and these By-Laws, in that order, shall prevail, and each Owner of a Lot, by acceptance of a deed or other conveyance therefor, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies.

Section 9. Amendment. These Bylaws may be added to, amended, or repealed by the affirmative vote of at least a Super-Majority of Members present in person or by proxy at any

regular meeting of Members or at any special meeting, provided that notice has been given as hereafter provided.

Any action to challenge the validity of an amendment adopted under this Section must be brought within one (1) year of the amendment's effective date. No action to challenge any such amendment may be brought after such time.

We, the undersigned, being all of the directors of the Etiwan Pointe Townhomes Homeowners Association, Inc. do hereby certify:

That we are entitled to exercise all of the voting power of said corporation's Board of Directors;

That we hereby assent to the within and foregoing By-Laws and adopt the same as the By-Laws of said corporation.

IN WITNESS WHEREOF, we have hereunto set our names, this 31 day of July, 2007.

WITNESSES:

[Signature]
[Signature]

ETIWAN POINTE TOWNHOMES
HOMEOWNERS ASSOCIATION, INC.

By [Signature]
Janet Hilton, its President

[illegible]

PERSONALLY APPEARED BEFORE ME, the undersigned witness and made oath that (s)he saw the within named Janet Hilton, President of the Etiwan Pointe Townhomes Homeowners Association, Inc., sign, seal and as its act and deed deliver the within written instrument, and that (s)he, with the other witness named above witnessed the execution thereof.

SWORN TO AND SUBSCRIBED
BEFORE ME THIS 31 DAY
OF April, 2007.
[Signature]
NOTARY PUBLIC FOR SOUTH CAROLINA
MY COMMISSION EXPIRES: Aug 2008

BK R 636PG379

RECORDER'S PAGE

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P.O. Box 20667

Charleston

SC 29413

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BK R 636PG310

Charlie Lybrand, Register
Charleston County, SC

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AMEND/COV/REST	\$ 75.00
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TOTAL	\$ 75.00
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STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON) AMENDMENT TO AMENDED AND
) RESTATED DECLARATION OF COVENANTS,
) CONDITIONS AND RESTRICTIONS FOR
) ETIWAN POINTE TOWNHOMES
) HOMEOWNERS ASSOCIATION, INC.

THIS AMENDMENT to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Etiwan Pointe Townhomes Homeowners Association, Inc. ("Association") made and entered into as of the ____ day of February, 2012.

WITNESSETH:

WHEREAS, the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Etiwan Pointe Townhomes Homeowners Association, Inc. ("Restated Declaration") was recorded in the RMC Office for Charleston County, South Carolina on the 23rd day of August, 2007 in Book R-636 at Page 310; and

WHEREAS, at the annual meeting of the Association held December 8, 2010, Members of the Association holding at least two-thirds (2/3) of the total votes in the Association voted to amend Article XII of the Restated Declaration entitled "Leasing" by adding sub paragraph (3) to Section 2, paragraph (d) as hereinafter more specifically set forth.

NOW, THEREFORE, Article XII of the Restated Declaration is amended as follows:

- (3) Liability for Assessments. When an Owner who is leasing his Lot fails to pay any annual, special, or specific assessment of any other charge for a period more than thirty (30) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and , upon request by the Board, lessee shall pay to the Association all unpaid annual, special and specific assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. If lessee fails to comply with the Board's request to pay assessments or other charges, lessee shall pay to the Association all amounts authorized under this Amended and Restated

Declaration, as amended from time to time, as if lessee were an Owner and Association shall have the right to collect all past due assessments or other charges from lessee as per article VII hereof. The above provision shall not construed to release the Owner from any obligation for all assessments, for which he or she would otherwise be responsible. Lessee acknowledges receipt of a copy of the Amended and Restated Declaration as amended from time to time, the Bylaws and Rules and Regulations of the Association.

EXCEPT AS AMENDED HEREIN, all other terms and conditions of the Restated Declaration shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned President and Treasurer of Etiwan Pointe

Townhomes Homeowners Association, Inc. have set their hands and seals this _____ day of February, 2011.

WITNESSES:

ETIWAN POINTE TOWNHOMES
HOMEOWNERS ASSOCIATION, INC.

BY: _____
Tom Lasek
Its: President

BY: _____
Tom Massey
Its: Treasure

[illegible]

PERSONALLY appeared before me, the undersigned witness and made oath that (s)he saw the within named Etiwan Pointe Townhomes Homeowners Association, Inc. by Todd Lasek, its President, and Tom Massey, its Treasurer, sign, seal and as its act and deed, deliver the within written instrument, and that (s)he with the other witness, subscribe above, witnessed the execution thereof.

SWORN to before me this
day of February, 2011

NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires:

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

CERTIFICATION

We, the undersigned Todd Lasek, as President and Tom Massey as Treasurer, of Etiwan Pointe Townhomes Homeowners Association, Inc., respectively, do hereby certify that at least two-third (2/3) of the total votes in the Association have approved the foregoing Amendment by voting in favor of the said Amendment at the Annual Meeting of the Members held December 8, 2010.

WITNESSES:

ETIWAN POINTE TOWNHOMES
HOMEOWNERS ASSOCIATION, INC.

BY: _____

Tom Lasek

Its: President

BY: _____

Tom Massey

Its: Treasurer

STATE OF SOUTH CAROLINA)

)

COUNTY OF CHARLESTON)

PERSONALLY appeared before me, the undersigned witness, and made oath that (s)he saw the within named Etiwan Pointe Townhomes Homeowners Association, Inc. by and through Todd Lasek, its President, and Tom Massey, its Treasurer, sign, seal and as its act and deed, sign the within Certification; and that (s)he with the other witness, subscribed above, witnessed the execution thereof.

SWORN to before me this
_____ day of February, 2011

NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: _____

RESOLUTION
OF
ETIWAN POINTE TOWNHOMES HOA

COLLECTION POLICY

WHEREAS, the Board of Directors is charged with the responsibility for collection of all assessments of the members in a fair and uniform manner, and...

WHEREAS, the Bylaws of the Association directs this responsibility to the Board of Directors for such collection (Article III C, Section 14b) and...

WHEREAS, the Association has contracted with a professional management company to provide management services to carry out the following policy with respect to all delinquent accounts, reserving to itself the right to modify or intervene in certain cases, as the Board may see fit.

NOW THEREFORE, be it resolved that the Board of Directors has elected to authorize the managing agent to carry out the following policy with respect to all delinquent accounts, reserving to itself the right to modify or intervene in certain cases, as the Board may see fit.

1. The payment of any assessment or installment thereof due the Association shall be in default if such assessment, or any installment thereof, is not paid unto the Association on or before the due dates for such installment. (Article VII, Section 3 of the Covenants, Conditions and Restrictions)
2. Member assessments and any other charges that are not received by the fifteen (15) day of the month in which they are due shall be charged a late fee equal to ten percent (10%) of the amount of the assessment and a ten dollar (\$10.00) collection fee continuing every month thereafter in which the account remains delinquent.
3. Member assessments that remain unpaid for thirty (30) days from the due date will be sent a "First Letter of Collection" demanding immediate payment. The Board may also accelerate and declare immediately due all of that Owner's unpaid installments of the annual assessment for that fiscal year.
4. Member assessments that remain unpaid for sixty (60) days from the due date will be sent a "Second Letter of Collection". This serves as a reminder that the account is past due and payment must be remitted immediately to avoid further late penalties.

5. Member assessments that remain unpaid for ninety (90) days from the due date will be sent a "Third Letter of Collection" stating that a lien may be recorded against the property if payment is not received within ten (10) days. Further, all collection costs and fees including reasonable attorney fees, interest computed at the highest legal rate and acceleration of the annual Association assessment levied against such unit may be added to the account.
6. Member accounts that remain unpaid for one hundred twenty (120) days from the delinquent date and which have not responded to previous collection efforts will be referred to legal counsel at the direction of the Board of Directors.

This is to certify that the foregoing resolution was adopted by the Board of Directors and is to become effective as of _____, 2008 until such date as it may be modified, rescinded or revoked.

President

Date

BK C 296PG753

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)
AGREEMENT TO MODIFY CONSERVATION
EASEMENT OF APRIL 15, 1997
Recorded in Book P-282, Page 830
RMC Office for Charleston County

This agreement is made as of this 16th day of September, 1997, between Belle Hall Land, L.L.C. ("Belle Hall") and collectively the National Wildlife Federation, South Carolina Wildlife Federation, Sierra Club, National Audubon Society, Charleston Natural History Society, and Save the Wando Association, Inc. ("the Beneficial Owners").

WHEREAS, Belle Hall Land, L.L.C., a Delaware limited liability company, is the sole owner in fee simple of certain real property, shown and delineated as Tracts 7 through 12 containing approximately 203.718 acres ("the Property") on a plat prepared by Southeastern Surveying, Inc. and dated June 1, 1996, and recorded in the Office of the Register of Mesne Conveyances for Charleston County (the "RMC Office") in Plat Book EB at Page 738-740 (the "Plat"); and

WHEREAS, Belle Hall purchased the Property from Cynthia Jordan Lowery, the duly appointed Chapter 7 Trustee for the Bankruptcy Estate of Long Point Road Limited Partnership on June 26, 1997 by deed recorded June 26, 1997 in Book B-286, Page 426, RMC Office for Charleston County; and

WHEREAS, Belle Hall purchased the Property subject to a Conservation Easement granted in favor of the Beneficial Owners, dated April 15, 1997 and recorded April 15, 1997 in Book P-282, Page 830, RMC Office for Charleston County ("the Conservation Easement"); and

WHEREAS, the Conservation Easement recites the rights and obligations of Belle Hall and the Beneficial Owners; and

WHEREAS, in accordance with the terms of the Conservation Easement Belle Hall and the Beneficial Owners wish to modify the Conservation Easement.

NOW, THEREFORE, in consideration of the mutual covenants, terms, conditions and restrictions contained herein and in the Conservation Easement of April 15, 1997 and pursuant to the South Carolina Conservation Easement Act of 1991, the parties agree as follows:

1. Belle Hall disclaims its right under subsection 1(c)(1) of the Conservation Easement to construct a road on or through the marshland adjoining Tract 7 between Lines L-1 and L-60 as shown on the Plat.
2. Belle Hall disclaims its right under subsection 1(c)(2) of the Conservation Easement to construct a road on or through the

BK C 296PG754

marshland adjoining Tracts 8, 10 and 11 between Lines L-1 and L-113 as shown on the Plat.

3. The Beneficial Owners grant to Belle Hall, its successors and assigns the right to construct a road whose width will not exceed one hundred feet (100') on or through the buffer and marshland adjoining Tract 7 between Lines L-281 and L-331 as shown on the Plat, and such right shall be incorporated into the Conservation Easement and shall be hereafter designated as subsection 1(c)(1).

4. The Beneficial Owners grant to Belle Hall, its successors and assigns the right to construct a road whose width will not exceed one hundred feet (100') on or through the buffer and marshland adjoining Tract 12 between Lines L-234 and L-238 as shown on the Plat, and such right shall be incorporated into the Conservation Easement and shall be hereafter designated as subsection 1(c)(2).

Belle Hall hereby agrees that any road constructed across marsh or water within the permitted area shall be by bridge and not by causeway.

This Agreement is meant to modify the Conservation Easement only to the extent of the terms herein and nothing herein shall be construed as altering or lessening the property interests or other rights possessed by The Nature Conservancy or the University of South Carolina by virtue of earlier conveyances and agreements.

This Agreement and the Conservation Easement shall constitute one and the same instrument.

IN WITNESS HEREOF, the undersigned parties have caused these presents to be executed in their respective corporate names by their duly authorized officers as of the day and year set forth above.

WITNESSES:

BELLE HALL LAND, L.L.C.

Cornelia J. Burn
Bachman S. Smith

By: BELLE HALL I, LLC,
Managing Member

By: RETAIL DEVELOPMENT GROUP INC.,
Managing Member

By: Hartmut Wiederhold, President

BK C 296PG755

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

I, Bachman S. Smith III, Notary Public for South Carolina, do hereby certify that Belle Hall Land, L.L.C. by Belle Hall I, LLC, Managing Member, by Retail Development Group, Inc., Managing Member, by Hartmut Wiederhold, President, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my Hand and Seal this 16th day of September, 1997.

Bachman S. Smith III
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 5/2/2000

BK C 296PG756

Eileen May Johnson
Sybil Westenberg

NATIONAL WILDLIFE FEDERATION

By: Mark Van Putten
Its: President, CEOSTATE OF VIRGINIA
COUNTY OF FAIRFAX:

I, GRETCHEN ROSE GWYN, Notary Public for the COUNTY OF
FAIRFAX do hereby certify that National Wildlife Federation by
MARK VAN PUTTEN, its PRESIDENT, personally
appeared before me this day and acknowledged the due execution of
the foregoing instrument.

WITNESS my Hand and Seal this 19th day of December,
1997.

Gretchen Rose Gwyn
NOTARY PUBLIC

My Commission Expires: July 31, 2001

BK C 296PG757

Andrena Lee
Juliet B. Hux

SOUTH CAROLINA WILDLIFE FEDERATION

By: Angela Viney
Its: Executive Director

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

I, JOAN O. MALONE, Notary Public for South Carolina,
do hereby certify that South Carolina Wildlife Federation by
Angela Viney, its Executive Director personally
appeared before me this day and acknowledged the due execution of
the foregoing instrument.

WITNESS my Hand and Seal this 16th day of December,
1997.

Joan O. Malone
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: AUG 2, 2005

BX C 296PG758

SIERRA CLUB

Lisa Elaine Alexander
Perry Hunter Siver

By: Gerard Michel
Its: Chapter Chair

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

ACKNOWLEDGMENT

I, Ernest Lee Heitman, Notary Public for South Carolina, do hereby certify that Sierra Club by Gerard Michel, its Chapter Chair, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my Hand and Seal this 3 day of November, 1997.

Ernest Lee Heitman
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 3-5-99

BK C 296PG759

Sabita Sadoo
Adeline Dwyer NATIONAL AUDUBON SOCIETY
By: James A. Cunningham
Its: Sr. VP Finance Admin.

STATE OF NEW YORK)
BOROUGH OF MANHATTAN)

I, William E. Hoot, Notary Public for New York, do hereby certify that National Audubon Society by James A. Cunningham, its Sr. VP Finance Admin., personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my Hand and Seal this 19 day of November, 1997.

William E. Hoot
NOTARY PUBLIC FOR NEW YORK
My Commission Expires: _____

WILLIAM E. HOOT
Notary Public, State of New York
No. 4869113
Qualified in New York County
Commission Expires July 28, 1998

BK C 296PG760

Cheri Sams
San Paffum

CHARLESTON NATURAL HISTORY SOCIETY

By:

Jane E. Lareau
its: President

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

I, Margaret P. Blackmes, Notary Public for South Carolina,
do hereby certify that Charleston Natural History Society by
Jane Lareau, its President, personally
appeared before me this day and acknowledged the due execution of
the foregoing instrument.

WITNESS my Hand and Seal this 3 day of November,
1997.

Margaret P. Blackmes
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: October 16, 2006

BK C 296PG761

Gordon B. Hennig

SAVE THE WANDO ASSOCIATION, INC.

Alys Anne W. WiedersBy: Gordon B. HennigIts: PresidentSTATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

I, ALYS ANNE W. WIEDERS, Notary Public for South Carolina, do hereby certify that Save the Wando Association, Inc. by GORDON B. HENNIG, its PRESIDENT, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my Hand and Seal this 10th day of December, 1997.

Alys Anne W. Wieders
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: My Commission Expires
March 19, 2006

Charleston County, S.C.

10c:\8944\1\modify.02

SINKLER & BOYD
PROFESSIONAL ASSOCIATION
P.O. BOX 340
CHARLESTON, S.C. 29402

CFB I
Jal

BK C 296PG762

FILED

C 296-753

98 JAN 20 AM 11:14

CHARLIE LYBRAND
REGISTER
CHARLESTON COUNTY SC

15.00
C

BKF 340PG823

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

SECOND AMENDMENT TO
CONSERVATION EASEMENT

This Second Amendment To Conservation Easement (the "Second Amendment") is made as of this 15th day of September, 1999, by and between Regent River Oaks, Inc., a corporation organized and existing under Georgia law ("Regent") and collectively the National Wildlife Federation, South Carolina Wildlife Federation, Sierra Club, National Audubon Society, Charleston Natural History Society, and Save the Wando Association, Inc. (collectively the "Beneficial Owners").

WITNESSETH:

WHEREAS, By deed from Belle Hall Land, L.L.C. dated July 1, 1998 and recorded in the Charleston County RMC Office on July 1, 1998 in Book Y-305, Page 549, Regent River Oaks, LLC acquired title to certain real property known and identified as Tract 12-B containing approximately 24.92 acres more or less, TMS# 540-00-00-053 ("the Property") as shown and delineated on the plat prepared by Thomas & Hutton Engineering Co. recorded in the RMC Office for Charleston County in Plat Book EC, Pages 558, 559, 560 and 561 ("the Plat");

WHEREAS, Regent River Oaks, LLC purchased the Property subject to a Conservation Easement granted in favor of the Beneficial Owners dated April 15, 1997 and recorded on April 15, 1997 in the Charleston County RMC Office in Deed Book P-282, Page 830 (the "Conservation Easement");

WHEREAS, the Conservation Easement was modified by that certain Agreement To Modify The Conservation Easement dated as of September 16, 1997 and recorded in the Charleston County RMC Office on January 20, 1998 in Deed Book C-296, Page 753;

WHEREAS, by Certificate of Merger filed in the Office of the Secretary of State of Georgia on August 19, 1998, Regent River Oaks, LLC merged with Regent River Oaks I, Inc., a Georgia corporation with the surviving entity being Regent River Oaks, Inc., a Georgia Corporation.

WHEREAS, Regent and the Beneficial Owners now wish to further amend, modify and/or supplement the Conservation Easement upon the terms and conditions set forth in this Second Amendment.

NOW, THEREFORE, for and in consideration of the foregoing premises, the sum of One and No/100ths Dollar (\$1.00) and the mutual covenants, terms and conditions and restrictions contained herein and in the Conservation Easement and pursuant to the South Carolina Conservation Easement Act of 1991, Regent and the Beneficial Owners hereby amend, modify and/or supplement the terms

BMF 340PG824

of the Conservation Easement as follows:

1. The Beneficial Owners expressly acknowledge that Regent has obtained a permit from the Department of the Army, Charleston District, Corps of Engineers (the "Corps") and the South Carolina Department of Health and Environmental Control, Office of Ocean and Coastal Resource Management ("OCRM") for the following work on the Property, as more particularly described in the foregoing permits Corps Permit # 98-1W-258 and OCRM # 98-1W-258-P (collectively the "Permits"), a copy of which are attached hereto as Exhibit "A" and incorporated herein by reference:

- a. Placing fill material in approximately 0.01 acres of an inter-tidal ditch located on the Property; and
- b. As mitigation for the work described in item (a) above, removal of an approximate 0.06 acre remnant dike located on the Property.

The Beneficial Owners expressly acknowledge and agree that the Conservation Easement does not apply to the inter-tidal ditch area described in subparagraph (a) above to be filled in pursuant to the Permits. The Beneficial Owners hereby consent to the excavation and removal of the approximate 0.06 acre remnant dike described in subparagraph (b) above in accordance with the terms of the Permits.

2. The Beneficial Owners expressly acknowledge that OCRM has now revised a portion of the OCRM critical line for the Property, as more particularly shown on the plat prepared by Southeastern Surveying, Inc. dated December 16, 1998, a copy of which is attached hereto as Exhibit "B" and incorporated herein by reference. The Beneficial Owners further acknowledge and agree that the portion of the Property shown and delineated as "MARSH 5,935 SF 0.136 ACRES" on the foregoing plat attached hereto as Exhibit "B" is not governed by or subject to the terms of the Conservation Easement.

3. This Second Amendment is intended to modify the Conservation Easement only to the extent of the terms herein and nothing herein shall be construed as altering or lessening the property interests or other rights possessed by The Nature Conservancy or the University of South Carolina by virtue of earlier conveyances and agreements. This Second Amendment and the Conservation Easement shall constitute one and the same instrument.

[THIS SPACE IS INTENTIONALLY LEFT BLANK. SIGNATURE PAGES FOLLOW.]

BKF 340PG825

IN WITNESS WHEREOF, the undersigned parties have caused this Second Amendment to be executed in their respective names by their duly authorized officers as of the day and year set forth above.

D. Carl Rogers
Notary Public

REGENT RIVER OAKS, INC.

By: David J. Clappier
Its: Vice-President

STATE OF SOUTH CAROLINA
COUNTY OF CHARLESTON:

I, D. Carl Rogers, Notary Public for the State of South Carolina, do hereby certify that Regent River Oaks, Inc. by David J. Clappier, its Vice-President, personally appeared before me this day and acknowledged the due execution of the foregoing Second Amendment To Conservation Easement.

WITNESS my Hand and Seal this 8th day of December, 1999.

D. Carl Rogers
NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires: 9-17-2006

BAF 340PG826

Lynne Westenberg
Ellen Johnson

NATIONAL WILDLIFE FEDERATION

By: Ellen M. Johnson
Its: Secretary

STATE OF VIRGINIA
COUNTY OF FAIRFAX:

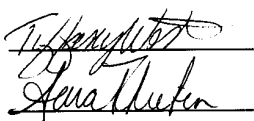
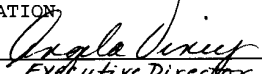
I, Kimberly Anne Lyell, Notary Public for the COUNTY OF FAIRFAX do hereby certify that National Wildlife Federation by Ellen M. Johnson, its Secretary, personally appeared before me this day and acknowledged the due execution of the foregoing Second Amendment To Conservation Easement.

WITNESS my Hand and Seal this 6 day of October, 1999.

Kimberly Anne Lyell
NOTARY PUBLIC

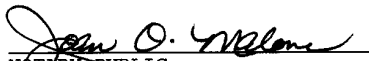
My Commission Expires: September 30, 2003

BKF 340PG827

SOUTH CAROLINA WILDLIFE
FEDERATIONBy: 
Its: Executive DirectorSTATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

I, JOAN O. MALONE, Notary Public for South Carolina do hereby certify that South Carolina Wildlife Federation by ANGELA VINEY, its EXECUTIVE DIRECTOR personally appeared before me this day and acknowledged the due execution of the foregoing Second Amendment To Conservation Easement.

WITNESS my Hand and Seal this 17th day of SEPTEMBER,
1999.


NOTARY PUBLICMy Commission Expires: 8-2-2005

BKF 340PG828

Gennie Pittman
Macule Ewato

SIERRA CLUB

By: Patricia L. JensenIts: Chair

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

I, Christina Lewis, Notary Public for South Carolina do hereby certify that Sierra Club by Patricia L. Jensen, its Charles Chase, personally appeared before me this day and acknowledged the due execution of the foregoing Second Amendment To Conservation Easement.

WITNESS my Hand and Seal this 15 day of Sept, 1999.

[Signature]
NOTARY PUBLIC

My Commission Expires: 3-2-2005

BKF 340PG829

Carole J. McManis
Jane A. McManis

NATIONAL AUDUBON SOCIETY

By: Jane A. McManis
Its: SAVCEP + Assoc

STATE OF NEW YORK)
BOROUGH OF MANHATTAN)
Queens

I, Joan C. Adam, Notary Public for New York do hereby certify that National Audubon Society by Jane A. McManis, its SAVCEP + Assoc, personally appeared before me this day and acknowledged the due execution of the foregoing Second Amendment To Conservation Easement.

WITNESS my Hand and Seal this 23 day of September, 1999.

Joan C. Adam
NOTARY PUBLIC
My Commission Expires: 12/31/99

JOAN G. ADAM
Notary Public, State of New York
No. 41-4779618
Qualified in Queens County
Commission Expires Dec. 31, 1999

BKF 340PG830

Taylor Comber
Taylor Comber

CHARLESTON NATURAL HISTORY
SOCIETYBy: Cornelia Gibbs
Its: presidentSTATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

I, TAYLOR COMBER, Notary Public for South Carolina do hereby certify that Charleston Natural History Society by CORNELIA GIBBS, its PRESIDENT, personally appeared before me this day and acknowledged the due execution of the foregoing Second Amendment To Conservation Easement.

WITNESS my Hand and Seal this 18TH day of OCTOBER, 1999.

Taylor Comber
NOTARY PUBLIC

My Commission Expires: 2/8/09

BKF 340PG831

Patricia C. Clark

SAVE THE WANDO ASSOCIATION, INC.

By: Franchie Richards
Its: Vice ChairmanSTATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

I, Allys Anne W. Kridke, Notary Public for South Carolina do hereby certify that Save the Wando Association, Inc. by Franchie Richards, its Vice Chairman, personally appeared before me this day and acknowledged the due execution of the foregoing Amendment To Conservation Easement.

WITNESS my Hand and Seal this 20th day of September, 1999.Allys Anne W. Kridke
NOTARY PUBLICMy Commission Expires: My Commission Expires
March 19, 2006

BKF 340PG832

EXHIBIT "A"

(See attached copy of U.S. Army Corps Of Engineers Permit # 98-1W-258 and OCRM # 98-1W-258-P)

BKF 340PG833

DEPARTMENT OF THE ARMY PERMIT**Permittee: REGENT RIVER OAKS, L.L.C.****C/O NEWKIRK ENVIRONMENTAL, INC.
192 EAST BAY STREET, SUITE 201
CHARLESTON, SOUTH CAROLINA 29401****Permit No: 98-1W-258****Issuing Office: CHARLESTON DISTRICT**

NOTE: The term "you" and its derivatives, as used in this permit, means the permittee or any future transferee. The term "this office" refers to the appropriate district or division office of the Corps of Engineers having jurisdiction over the permitted activity or the appropriate official of that office acting under the authority of the commanding officer.

You are authorized to perform work in accordance with the terms and conditions specified below.

Project Description:

To place fill material and perform excavation for the development of an apartment complex with associated amenities and infrastructure in accordance with the attached drawings entitled: River Oaks Apartments, Mt. Pleasant, South Carolina. Sheets 1 thru 6 of 6 Revised 26 August 1998.

Project Location:

This project is located in marshes adjacent to the Wando River adjacent to US I-526 at the end of Wando Park Boulevard in the Town of Mt. Pleasant, Charleston County, South Carolina.

Permit Conditions:**General Conditions:**

1. The time limit for completing the work authorized ends on 31 March 2002. If you find that you need more time to complete the authorized activity, submit your request for a time extension to this office for consideration at least one month before the above date is reached.
2. You must maintain the activity authorized by this permit in good condition and in conformance with the terms and conditions of this permit. You are not relieved of this requirement if you abandon the permitted activity, although you may make a good faith transfer to a third party in compliance with General Condition 4 below. Should you wish to cease to maintain the authorized activity or should you desire to abandon it without a good faith transfer, you must obtain a modification of this permit from this office, which may require restoration of the area.
3. If you discover any previously unknown historic or archeological remains while accomplishing the activity authorized by this permit, you must immediately notify this office of what you have found. We will initiate the Federal and state coordination required to determine if the remains warrant a recovery effort or if the site is eligible for listing in the National Register of Historic Places.

1

Refer to ENG FORM 1721, NOV 86

EDITION OF SEP 82 IS OBSOLETE

(33 CFR 325 (Appendix A))

BKF 340PG834

4. If you sell the property associated with this permit, you must obtain the signature of the new owner in the space provided and forward a copy of the permit to this office to validate the transfer of this authorization.

5. If a conditioned water quality certification has been issued for your project, you must comply with the conditions specified in the certification as special conditions to this permit. For your convenience, a copy of the certification is attached if it contains such conditions.

6. You must allow representatives from this office to inspect the authorized activity at any time deemed necessary to ensure that it is being or has been accomplished in accordance with the terms and conditions of your permit.

Special Conditions:

SEE PAGE 4.

Further Information:

1. Congressional Authorities: You have been authorized to undertake the activity described above pursuant to:

☒ Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403).

☒ Section 404 of the Clean Water Act (33 U.S.C. 1344).

☐ Section 103 of the Marine Protection, Research and Sanctuaries Act of 1972 (33 U.S.C. 1413).

2. Limits of this authorization.

a. This permit does not obviate the need to obtain other Federal, state, or local authorizations required by law.

b. This permit does not grant any property rights or exclusive privileges.

c. This permit does not authorize any injury to the property or rights of others.

d. This permit does not authorize interference with any existing or proposed Federal project.

3. Limits of Federal Liability. In issuing this permit, the Federal Government does not assume any liability for the following:

a. Damages to the permitted project or uses thereof as a result of other permitted or unpermitted activities or from natural causes.

b. Damages to the permitted project or uses thereof as a result of current or future activities undertaken by or on behalf of the United States in the public interest.

c. Damages to persons, property, or to other permitted or unpermitted activities or structures caused by the activity authorized by this permit.

d. Design or construction deficiencies associated with the permitted work.

BKF 340PG835

e. Damage claims associated with any future modification, suspension, or revocation of this permit.

4. Reliance on Applicant's Data: The determination of this office that issuance of this permit is not contrary to the public interest was made in reliance on the information you provided.

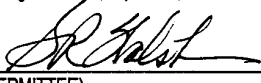
5. Reevaluation of Permit Decision. This office may reevaluate its decision on this permit at any time the circumstances warrant. Circumstances that could require a reevaluation include, but are not limited to, the following:

- a. You fail to comply with the terms and conditions of this permit.
- b. The information provided by you in support of your permit application proves to have been false, incomplete, or inaccurate (See 4 above).
- c. Significant new information surfaces which this office did not consider in reaching the original public interest decision.

Such a reevaluation may result in a determination that it is appropriate to use the suspension, modification, and revocation procedures contained in 33 CFR 325.7 or enforcement procedures such as those contained in 33 CFR 325.4 and 325.5. The referenced enforcement procedures provide for the issuance of an administrative order requiring you to comply with the terms and conditions of your permit and for the initiation of legal action where appropriate. You will be required to pay for any corrective measures ordered by this office, and if you fail to comply with such directive, this office may in certain situations (such as those specified in 33 CFR 209.170) accomplish the corrective measures by contract or otherwise and bill you for the cost.

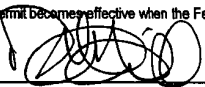
6. Extensions. General condition 1 establishes a time limit for the completion of the activity authorized by this permit. Unless there are circumstances requiring either a prompt completion of the authorized activity or a reevaluation of the public interest decision, the Corps will normally give favorable consideration to a request for an extension of this time limit.

Your signature below, as permittee, indicates that you accept and agree to comply with the terms and conditions of this permit.


(PERMITTEE)
REGENT RIVER OAKS, L.L.C.

2-10-99
(DATE)

This permit becomes effective when the Federal official, designated to act for the Secretary of the Army, has signed below.


(DISTRICT ENGINEER)
ROBERT A. ROWLETTE, JR., LTC
or his Designee
Robert H. Riggs
Chief, Regulatory Branch

FEB 24 1999
(DATE)

When the structures or work authorized by this permit are still in existence at the time the property is transferred, the terms and conditions of this permit will continue to be binding on the new owner(s) of the property. To validate the transfer of this permit and the associated liabilities associated with compliance with its terms and conditions, have the transferee sign and date below.

(TRANSFEREE)

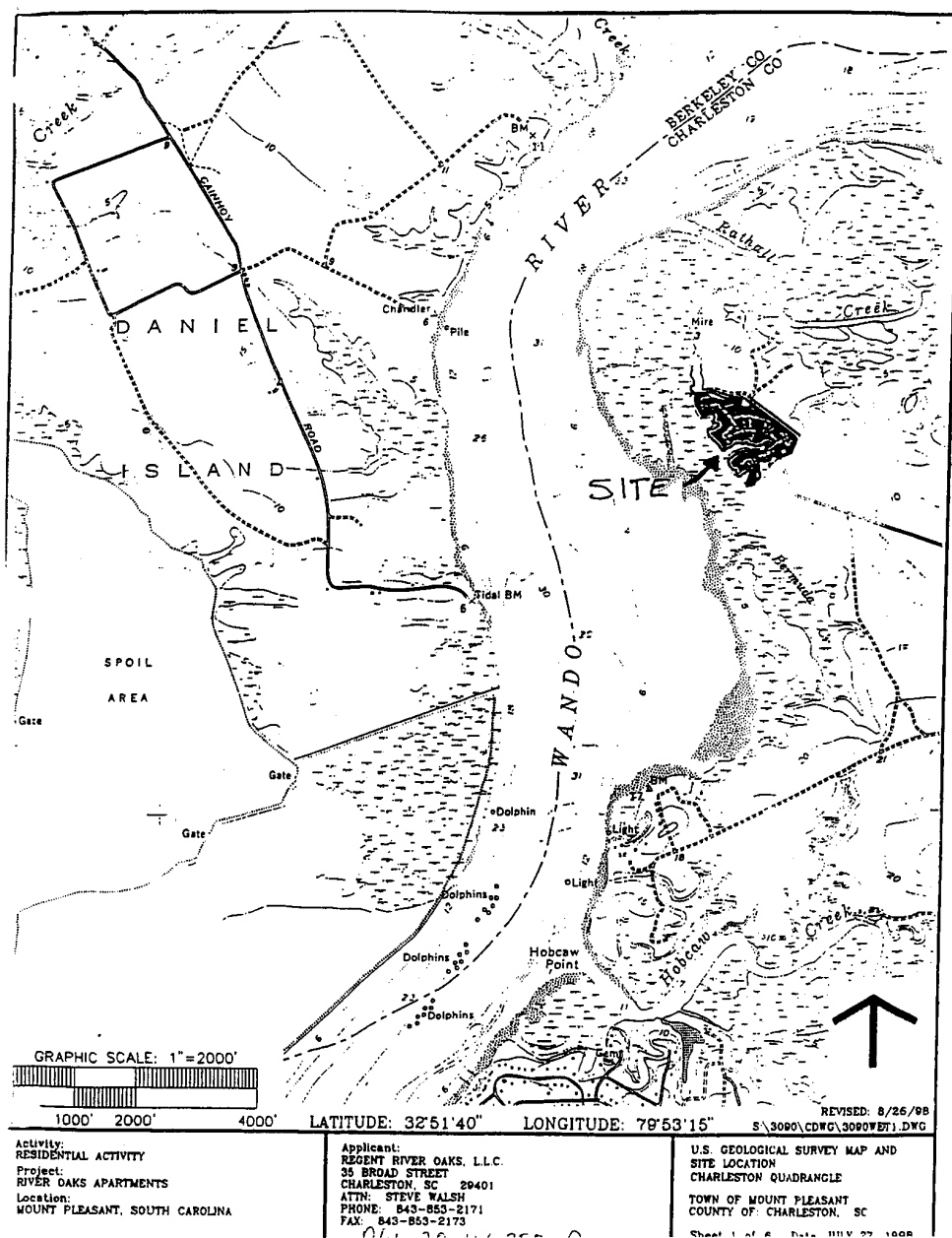
(DATE)

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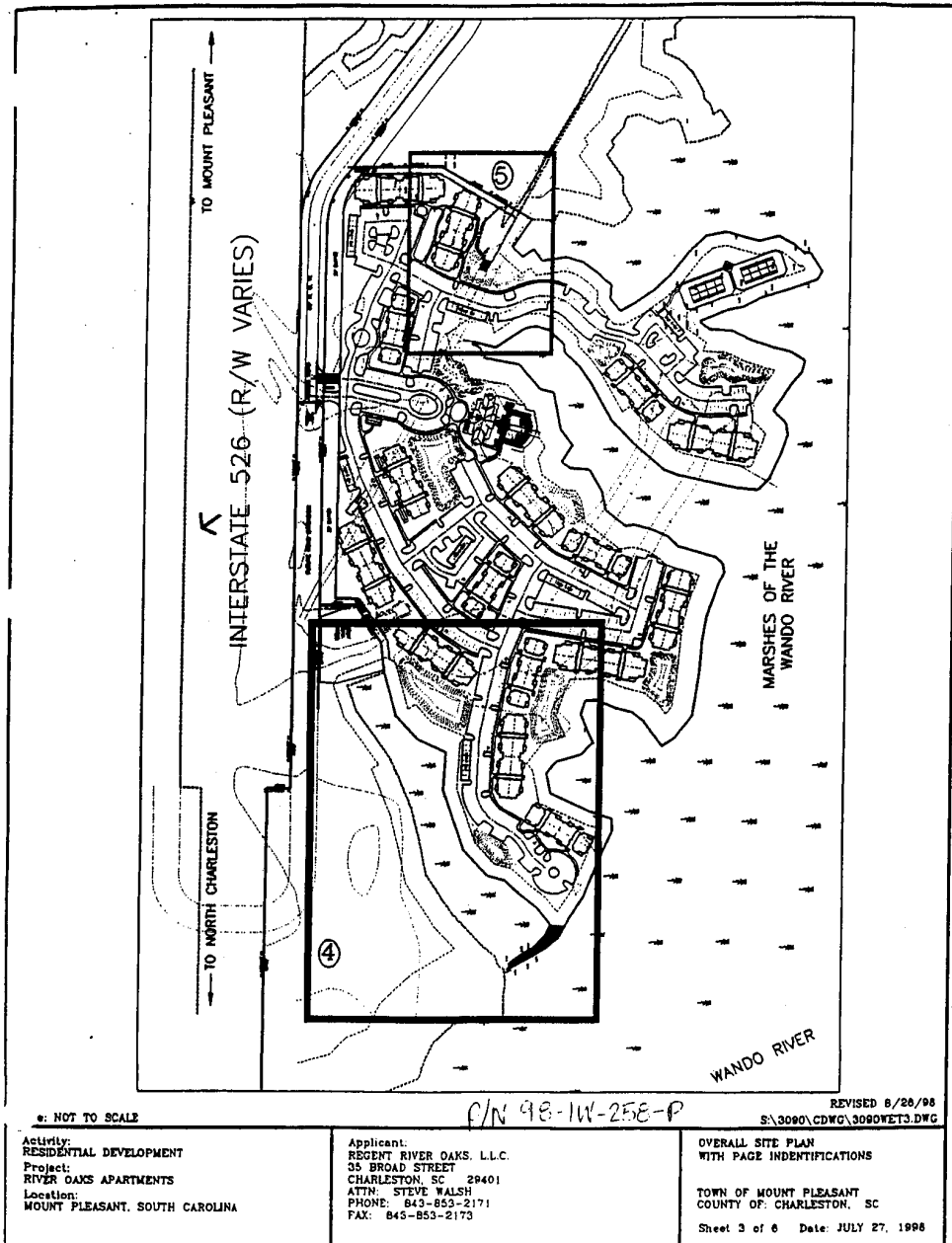
CONDITIONS FOR P/N #:98-1W-258

- a. That the permittee agrees to provide all contractors associated with construction of the authorized activity a copy of the permit and drawings. A copy of the permit will be available at the construction site at all times.

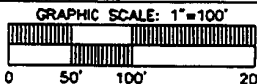
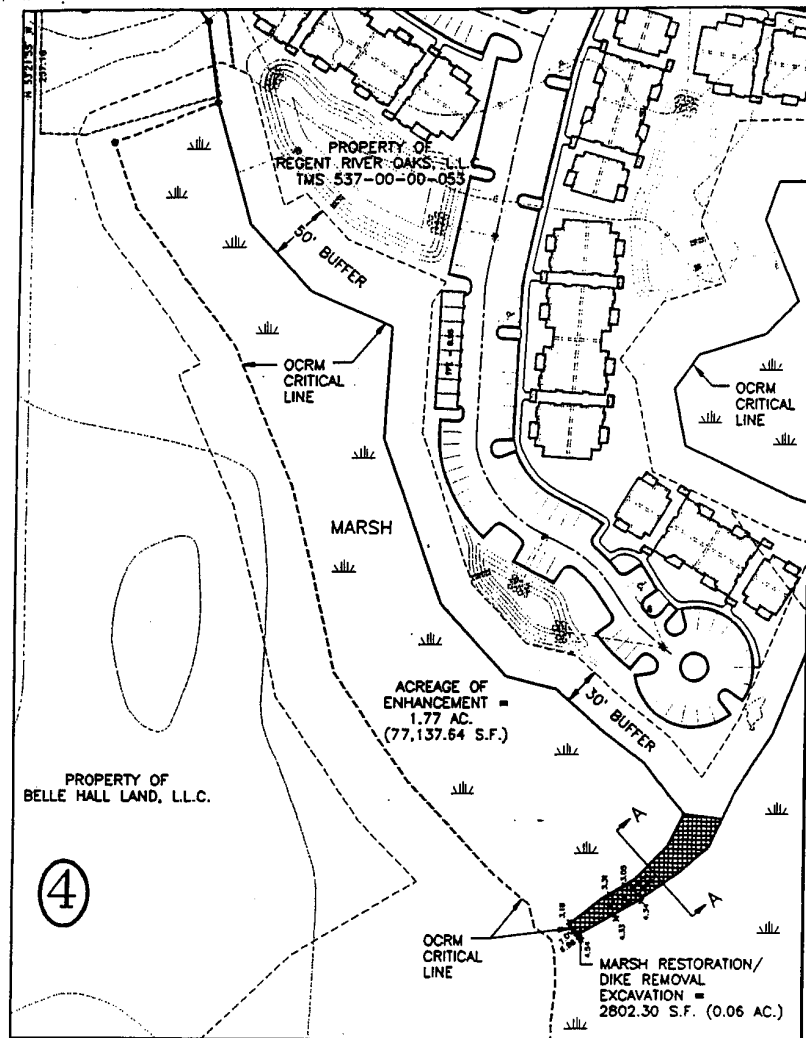
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BKF 340PG840



1" = 40'

DIKE REMOVAL

REVISED: 8/26/98
S:\3090\CDWG\3090WET4.DWG

Activity:
RESIDENTIAL ACTIVITY
Project:
RIVER OAKS APARTMENTS
Location:
MOUNT PLEASANT, SOUTH CAROLINA

Applicant:
REGENT RIVER OAKS, L.L.C.
35 BROAD STREET
CHARLESTON, SC 29401
ATTN: STEVE WALSH
PHONE: 843-853-2171
FAX: 843-853-2173

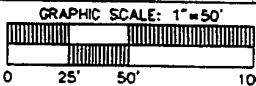
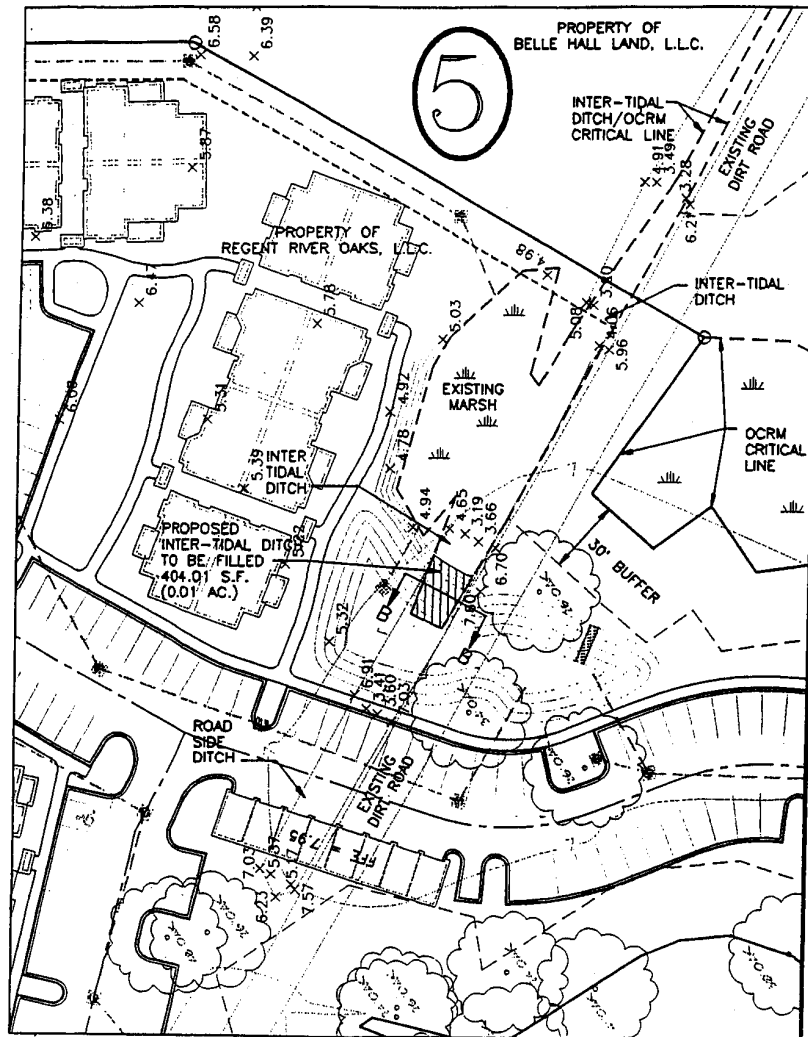
D/A 48-1111-258-0

WETLAND BLOW-UP
ENLARGED VIEW 4

TOWN OF MOUNT PLEASANT
COUNTY OF CHARLESTON, SC

Sheet 4 of 8 Date: JULY 27, 1998

BKF 340PG841



1e: 1" = 40'



PROPOSED INTER-TIDAL DITCH TO BE FILLED

REVISED 8/26/98

S:\3090\CDWG\3090WETS.DWG

Activity:
RESIDENTIAL ACTIVITY
Project:
RIVER OAKS APARTMENTS
Location:
MOUNT PLEASANT, SOUTH CAROLINA

Applicant:
REGENT RIVER OAKS, L.L.C.
35 BROAD STREET
CHARLESTON, SC 29401
ATTN: STEVE WALSH
PHONE: 843-853-2171
FAX: 843-853-2173

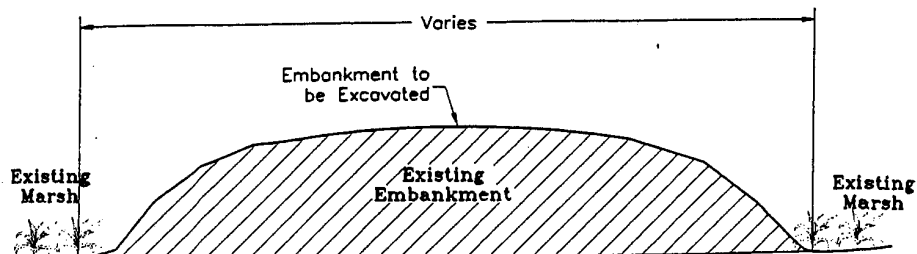
D/N: 98-111-256-P

WETLAND BLOW-UP
ENLARGED VIEW 5

TOWN OF MOUNT PLEASANT
COUNTY OF CHARLESTON, SC

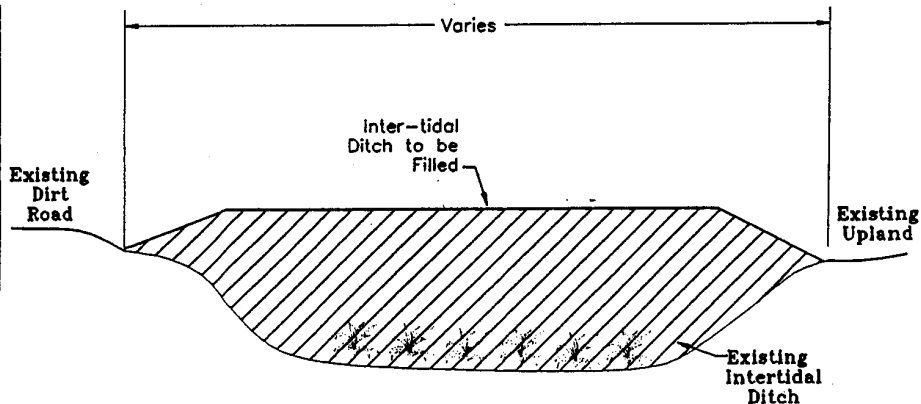
Sheet 5 of 6 Date: JULY 27, 1998

BKF 340PG842



Detail A: Embankment to be Excavated

Scale: NOT TO SCALE



Detail B: Inter-tidal Ditch to be Filled

Scale: NOT TO SCALE

REVISED: 6/26/98
S:\3090\CDWG\3090WETS.DWG

Activity:
RESIDENTIAL ACTIVITY
Project:
RIVER OAKS APARTMENTS
Location:
MOUNT PLEASANT, SOUTH CAROLINA

Applicant:
REGENT RIVER OAKS, L.L.C.
35 BROAD STREET
CHARLESTON, SC 29401
ATTN: STEVE WALSH
PHONE: 843-853-2171
FAX: 843-853-2173

P/N 918-1W-258-P

TYPICAL EXCAVATION & FILLING

TOWN OF MOUNT PLEASANT
COUNTY OF CHARLESTON, SC

Sheet 6 of 6 Date: JULY 27, 1998

BKF 340PG843

South Carolina Department of Health and Environmental Control
Office of Ocean and Coastal Resource Management
CRITICAL AREA PERMIT/WATER QUALITY CERTIFICATION

Permittee: Regent River Oaks, LLC
Permit Number: 98-1W-258-P
Date of Issuance: December 21, 1998
Expiration Date: December 21, 2003
Location: On and adjacent to U. S. I-526 at the end of Wando Park Boulevard, Mount Pleasant, Charleston County, South Carolina.

SEE SPECIAL
CONDITION(C)

This permit/certification is issued under the provisions of S. C. Code Ann. Section 48-39-10, *et. seq.*, and R.30-1 through R.30-20. Additionally, as required by R.61-101, Department staff have reviewed plans for this project and determined there is a reasonable assurance the project will be conducted in a manner consistent with Certification requirements of Section 401 of the Clean Water Act. We also certify that this project, subject to the indicated conditions, is consistent with applicable provisions of Section 303 of the Federal Clean Water Act, as amended, that there are no applicable effluent limitations under Sections 301(b) and 302, and that there are no applicable standards under Sections 306 and 307.

Please carefully read the project description and any Special Conditions which may appear on this permit/certification as they will affect the work which is allowed. If there are no Special Conditions, then the work is authorized as described in the project description. The general conditions are also a part of this permit/certification and should be read in their entirety.

DESCRIPTION OF THE PROJECT

The proposed work consists of placing fill material in 0.06 acres of intertidal ditch and performing excavation in 0.07 acres of high marsh. As mitigation for the proposed impacts the applicant proposes to remove a 0.06 acres remnant dike which would enhance tidal flow within 1.77 acres of intertidal marsh. The purpose of the project is for development of an apartment complex with associated amenities and infrastructure.

SPECIAL CONDITIONS

1. Provided the salt marsh impacts are reduced to .01 acres as described in the August 31, 1998 memo from Newkirk Environmental Consultants (Attachment "A").
2. Provided mitigation work is performed concurrently with the fill project.
3. Provided a silt fence is installed along the south eastern edge of the fill area as well as around the perimeter of the mitigation area. The silt fence may be removed at the time each site is stabilized with vegetation.

1 OF 11
SEE NEXT PAGE

BKF 340PG844

4. Provided that all excavated materials must be hauled off site or placed on high land and properly contained and permanently stabilized to prevent erosion.
5. Provided that only clean earthen material free of all potential sources of pollution must be used as fill.
6. Provided that access to the project site must be attained from highland, if possible. If this is not possible access must be gained by floating barges or mats instead of barge canals or causeways.
7. Provided that as mitigation, the applicant must remove an existing 0.06 acre remnant dike to enhance tidal flow within 1.77 acres of intertidal marsh as proposed. The dike must be excavated to the same elevation as the surrounding marsh and written notification provided to the Department upon completion.
8. Provided that if archaeological or paleontological remains are encountered prior to or during construction, we request that work stop and the State Historic Preservation Office be notified at 803-734-8615. If these materials include any underwater archaeological or paleontological remains the permittee should also notify the SC Institute of Archaeology and Anthropology at 803-777-8170 pursuant to SC Code of Laws 54-7-400, et seq. Archaeological remains consist of any materials made or altered by man which remain from past historic or prehistoric times (i.e., older than 50 years). Examples include old pottery fragments, metal, wood, arrowheads, stone implements or tools, human burials, historic docks, structures or nonrecent (i.e., older than 100 years) vessels ruins. Paleontological remains consist of old animals remains, original or fossilized, such as teeth, tusks, bone or entire skeletons.

THE PERMITTEE'S ATTENTION IS DIRECTED TO GENERAL CONDITIONS NUMBERS FOUR (4) AND (5). BY ACCEPTANCE OF THIS PERMIT, PERMITTEE IS PLACED ON NOTICE THAT THE STATE OF SOUTH CAROLINA, BY ISSUING THIS PERMIT, DOES NOT WAIVE ITS RIGHTS TO REQUIRE PAYMENT OF A REASONABLE FEE FOR USE OF STATE LANDS AT A FUTURE DATE IF SO DIRECTED BY STATUTE.

CAUTION: Section 48-39-150(D) allows any person adversely affected by the issuance of this permit to appeal the decision by filing a written Notice of Intent to Appeal within 15 days after notification of the permit's issuance. In the event of an appeal, the Department reserves the right to order a stay of any use or activity authorized herein pending a final decision, when, in the judgment of the Department, the interests of the public would be best served.

2 OF 11
SEE NEXT PAGE

01/25/00 THU 11:23 AM (BY NO 8883)

BKF 340PG845

THE PERMITTEE, BY ACCEPTANCE OF THIS PERMIT AGREES TO ABIDE BY THE TERMS AND CONDITIONS CONTAINED HEREIN AND TO PERFORM THE WORK IN STRICT ACCORDANCE WITH THE PLANS AND SPECIFICATIONS ATTACHED HERETO AND MADE A PART HEREOF. ANY DEVIATION FROM THESE CONDITIONS, TERMS, PLANS AND SPECIFICATIONS SHALL BE GROUNDS FOR REVOCATION, SUSPENSION OR MODIFICATION OF THIS PERMIT AND THE INSTITUTION OF SUCH LEGAL PROCEEDINGS AS THE DEPARTMENT MAY CONSIDER APPROPRIATE,

P/N# 98-1W-258-P

Your signature below, as permittee, indicates that you accept and agree to comply with the terms and conditions of this permit.

 12/24/98
(PERMITTEE) (DATE)
Regent River Oaks, LLC

This permit becomes effective when the State official, designated to act for the Office of Ocean and Coastal Resource Management, has signed below.

 1-5-99
(DIRECTOR OF PERMITTING) (DATE)
Richard Chinnis
or his Designee
Other Authorized State Official

3 OF 11
SEE NEXT PAGE

GENERAL CONDITIONS

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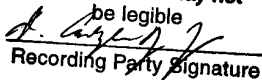
The permit is expressly contingent upon the following conditions which are binding on the permittee:

1. That the permittee, in accepting this permit, covenants and agrees to comply with and abide by the provisions and conditions herein and assumes all responsibility and liability and agrees to save the South Carolina Department of Health and Environmental Control and the State of South Carolina, its employees or representatives, harmless from all claims of damage arising out of operations conducted pursuant to this permit.
2. That if the activity authorized herein is not constructed or completed within five years of the date of issuance, this permit shall automatically expire. A request for an extension of time must be made in writing.
3. That all authorized work shall be conducted in a manner that minimizes any adverse impact on fish, wildlife and water quality.
4. That this permit does not relieve the permittee from the requirements of obtaining a permit from the U. S. Army Corps of Engineers or any other applicable federal agency, nor from the necessity of complying with all applicable federal, state and/or local laws, ordinances, and zoning regulations. This permit is granted subject to the rights of the State of South Carolina in the navigable waters and shall be subject, further to all rights held by the State of South Carolina under the public trust doctrine as well as any other right the State may have in the waters and submerged lands of the coast.
5. That this permit does not convey, expressly or impliedly, any property rights in real estate or material nor any exclusive privileges; nor does it authorize the permittee to alienate, diminish, infringe upon or otherwise restrict the property rights of any other person or the public; nor shall this permit be interpreted as appropriating public properties for private use.
6. That the permittee shall permit the Department or its authorized agents or representatives to make periodic inspections at any reasonable time deemed necessary in order to ensure that the activity being performed is in accordance with the terms and conditions of this permit. Acceptance of this permit constitutes prior consent to such inspection.
7. That any abandonment of the permitted activity will require restoration of the area to a satisfactory condition as determined by the Department.
8. That this permit may not be transferred to a third party without prior written notice to the Department.
9. That if the display of lights and signals on any structure or work authorized herein is not otherwise provided for by law, such lights and signal signals as may be prescribed by the United States Coast Guard shall be installed and maintained by and at the expense of the permittee.
10. That the SCDHEC-OCRM shall be notified in writing upon commencement of work and that the permit placed or a copy of the placard shall be posted in a conspicuous place at the project site during the entire period of work.
11. That the structure or work authorized herein shall be in accordance with the plans and drawings attached hereto, and shall be maintained in good condition. Failure to build in accordance with the plans and drawings attached hereto, or failure to maintain the structure in good condition shall result in the revocation of this permit and possible removal of the offending structure.
12. That the authorization for activities or construction of structures herein constitutes a revocable license. The Department may require the permittee to modify any permitted activity or to remove structures authorized herein, if and when it is determined by the Department that such activity or structure violates the public's health, safety, or welfare, or the activity is inconsistent with the public trust doctrine. Modification of an activity or removal of a structure shall be ordered only after reasonable notice stating the reasons therefore and the opportunity for the permittee to respond in writing. When the permittee is notified that SCDHEC intends to revoke or modify the permit, permittee agrees to immediately stop work pending resolution of the revocation.
13. That the Department shall have the right to revoke, suspend, or modify this permit in the event it is determined the permitted structure (1) significantly impacts the public health, safety, welfare, and/or is violative of Section 48-39-150, (2) that the information and data which the permittee or any other agencies have provided in connection with the permit application is either false, incomplete or inaccurate, or (3) that the activity is not in compliance with the drawings submitted by the applicant. That the permittee, upon receipt of the Department's written intent to revoke, suspend, or modify the permit has the right to a hearing. Prior to revocation, suspension, or modification of this permit, the Department shall provide written notification of intent to revoke to the Permittee, and Permittee can respond with a written explanation to the Department. (South Carolina Code Section 1-023-370 shall govern the procedure for revocation, suspension or modification herein described).
14. That any modification, suspension or revocation of this permit shall not be the basis of any claim for damages against the Department or the State of South Carolina or any employee, agent, or representative of the Department or the State of South Carolina.
15. That all activities authorized herein shall, if they involve a discharge or deposit into navigable waters or ocean waters, be at all times consistent with all applicable water quality standards, effluent limitations and standards of performance, prohibitions, and pretreatment standards established pursuant to applicable federal, state and local laws.
16. That extreme care shall be exercised to prevent any adverse or undesirable effects from this work on the property of others. This permit authorizes no invasion of adjacent private property, and SCDHEC assumes no responsibility or liability from any claims of damage arising out of any operations conducted by the permittee pursuant to the permit.

BAD COPY

Reproduction may not

be legible



Recording Party Signature

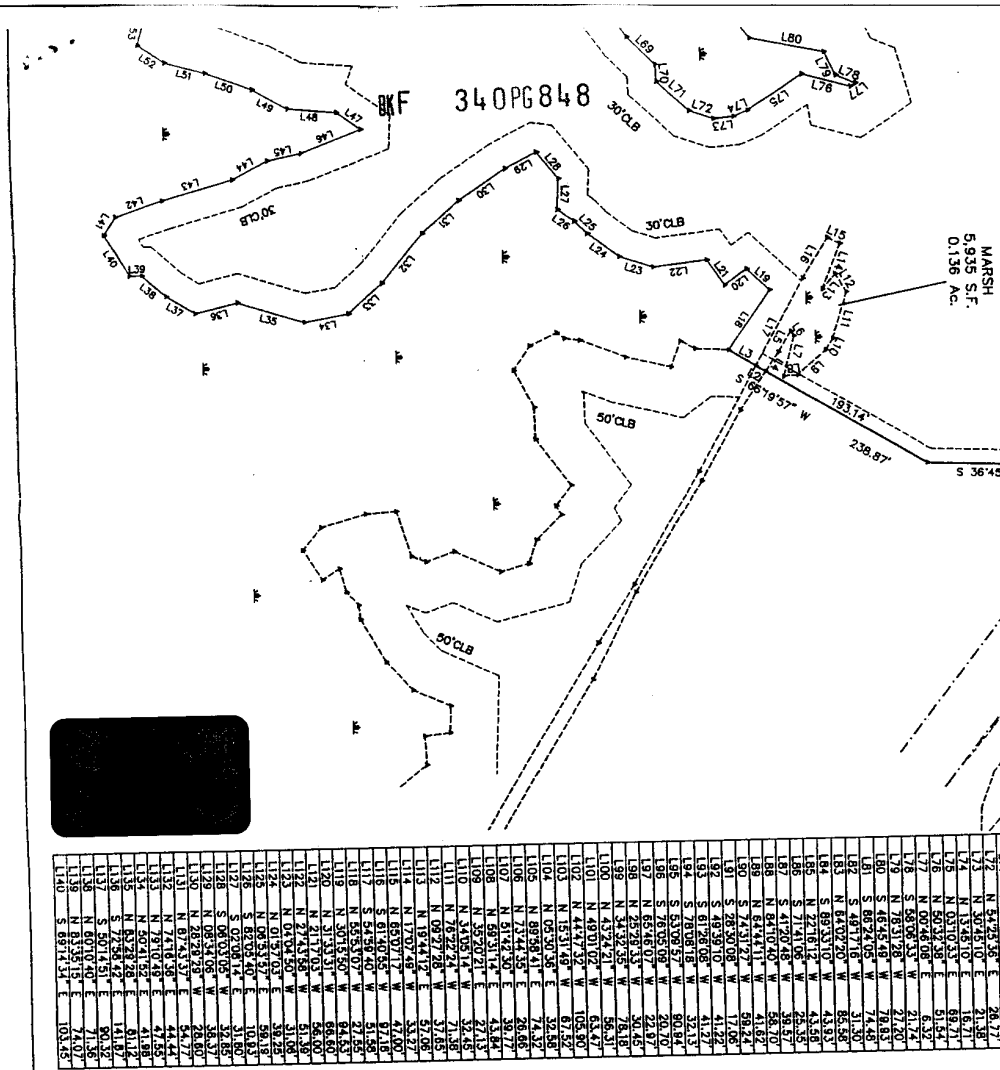
4 of 11

01/05/99 TUE 15:37 [TX/RX NO 8789]

BKF 340PG847

EXHIBIT "B"

(See attached copy of Plat)



AN EXHIBIT OF
TRACT 12-B BEING A PORTION
OF BELLE HALL PLANTATION
OWNED BY LONGPOINT ROAD LIMITED PARTNERSHIP
LOCATED IN THE TOWN OF MT. PLEASANT,
CHARLESTON COUNTY, SOUTH CAROLINA

DATE: DEC. 16, 1998
DRAWN: DLD
CHECK: MSB
JOB: 95118
DWG: 5118-4
SHEET: 1 OF 1

Ret: DCK
GRANT, KUYK & ROGERS
A PROFESSIONAL CORPORATION
POST OFFICE BOX 395
CHARLESTON, SOUTH CAROLINA 29402

EXF 340PG849

FILED

F340-823

1999 DEC 30 PM 1:42

CHARLIE LYBRAND
REGISTER
CHARLESTON COUNTY SC

32.0
A

BK U380PG718

STATE OF SOUTH CAROLINA) **THIRD AMENDMENT TO CONSERVATION**
) **EASEMENT OF APRIL 15, 1997**
 COUNTY OF CHARLESTON) **Recorded in Book P-282, Page 830**
RMC Office for Charleston County

This Third Amendment To Conservation Easement ("Amendment") is made as of this 24th day of August, 2001, between The Retreat at Etiwan Pointe, LLC (hereinafter "Retreat"), Triton GC, LLC (hereinafter "Grassy Creek"), and Etiwan II-A, LLC (hereinafter "Etiwan II-A"), and together with Retreat and Grassy Creek the "Property Owner") and the National Wildlife Federation, South Carolina Wildlife Federation, Sierra Club, National Audubon Society, Charleston Natural History Society, and Save the Wando Association, Inc. (collectively "the Beneficial Owners").

WITNESSETH:

WHEREAS, pursuant to the terms of that certain Conservation Easement dated April 15, 1997 and recorded April 15, 1997 in Book P-282, Page 830, RMC Office for Charleston County ("the Conservation Easement"). Cynthia Jordan Lowery, the duly appointed Chapter 7 Trustee for the Bankruptcy Estate of Long Point Road Limited Partnership, granted a conservation easement in favor of the Beneficial Owners as to the Protected Property described therein; and

WHEREAS, Belle Hall Land, L.L.C., a Delaware limited liability company, originally acquired the Protected Property from Cynthia Jordan Lowery, the duly appointed Chapter 7 Trustee for the Bankruptcy Estate of Long Point Road Limited Partnership on June 26, 1997 by deed recorded June 26, 1997 in Book B-286, Page 426, RMC Office for Charleston County, and since June 26, 1997 has conveyed several parcels or tracts to others as hereinafter set forth; and

WHEREAS, Belle Hall acquired some of the Protected Property through the merger and subsequent name change of BHL Acquisition Company, LLC, a South Carolina limited liability company with Belle Hall Land, L.L.C., a Delaware limited liability company, and is the present owner in fee simple of certain real property, shown and delineated as Tract 10, on a plat by Southeastern Surveying, Inc., dated June 1, 1996, and recorded in the RMC Office for Charleston County in Plat Book EB, at page 739, and Tract 12-C, Tract C, and Tract B, shown and delineated on a plat by Thomas & Hutton Engineering Co., dated August 10, 1999, and recorded February 14, 2000 in Plat Book ED, at page 798, RMC Office for Charleston County (collectively the "Belle Hall Property"); and

WHEREAS, Belle Hall Land, L.L.C. conveyed Tract 12-B, to Regent River Oaks, LLC by Deed dated and recorded July 1, 1998, in Book Y-305, Page 549, RMC Office for Charleston County, ("Tract 12-B"); and

WHEREAS, by Certificate of Merger filed in the Office of the Secretary of State of Georgia on August 19, 1998, Regent River Oaks, LLC merged with Regent River Oaks I, Inc., a Georgia corporation with the surviving entity being Regent River Oaks, Inc., a Georgia Corporation; and

BK U380PG719

WHEREAS, Belle Hall conveyed to The Retreat at Etiwan Pointe, LLC a portion of Tract 11 by Deed dated and recorded December 10, 1999, in Book A-339, Page 16, RMC Office for Charleston County, which property is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference ("Tract 11"); and

WHEREAS, Belle Hall conveyed to Triton GC, LLC a portion of Tract 7 by Deed dated and recorded March 29, 2000 in Book U-334, Page 26, RMC Office for Charleston County, ("Tract 7"), which is known as Grassy Creek Subdivision and is more fully described in Exhibit "D" attached hereto; and

WHEREAS, Belle Hall Land, L.L.C. conveyed a portion of Tract 7 containing 2.47 acres, to Etiwan II-A, LLC by Deed dated July 16, 1999 and recorded July 19, 1999, in Book P-330, Page 114, RMC Office for Charleston County, which property is still described as a portion of Tract 7 on the tax books of Charleston County; but is more fully described on Exhibit "C", and

WHEREAS, the Beneficial Owners did previously modify the Conservation Easement in certain respects by Modification Agreement dated September 16, 1997, and recorded January 20, 1998, in the RMC Office for Charleston County in Book C-296, Page 753, and by Second Amendment to Conservation Easement dated September 15, 1999, and recorded December 30, 1999, in the RMC Office for Charleston County in Book F-340, Page 823 (as to Tract 12-B only); and

WHEREAS, the Conservation Easement recites the rights and obligations of the Beneficial Owners and the owners of the properties which are subject to the terms thereof; and

WHEREAS, in accordance with the terms of the Conservation Easement the Beneficial Owners and the other parties hereto now wish to further modify the terms of the Conservation Easement as to their respective properties.

NOW, THEREFORE, in consideration of the mutual covenants, terms, conditions and restrictions contained herein and in the Conservation Easement of April 15, 1997 and pursuant to the South Carolina Conservation Easement Act of 1991, the parties agree as follows:

1. Except as amended in this Amendment, the terms as defined in the Conservation Easement shall have the same definition for purposes of this Amendment.
2. The parties hereto do hereby modify those portions of the Conservation Easement relating to the buffer areas described in subsection 1.b. (1) therein and shown on the Plat as a "CRITICAL LINE BUFFER" or "CLB" (the "Buffer Areas") and the open space areas described in subsection 1.d. therein and shown or designated on the Plat as "OPEN SPACE" (the "Open

BK U380PG 720

Space Areas”) by providing that all Open Space and Buffer Areas located only on the portion of Tract 11 owned by Retreat, or the Etiwan Pointe Townhomes Homeowners Association, Inc. (“HOA”), and all Buffer Areas located only on the portion of Tract 7 owned by Grassy Creek shall be controlled and managed according to the following criteria:

a. The Buffer Areas are a storm water filter buffer which are generally located adjacent to the “critical area” as established by the South Carolina Department of Health and Environmental Control, Office of Ocean and Coastal Resource Management, and extending in width 35’ to 50’ foot landward of the critical area line shown on the Plat. This buffer is intended to provide a strip of natural vegetation through which runoff from yards, which often contains fertilizers, pesticides, and/or pet waste, will be filtered prior to entering the marsh or saltwater pond and impacting the natural resources in the area. Within the buffer areas, all natural vegetation must be left in place undisturbed, except as expressly provided herein, and no clear cutting, filling, excavation, or construction activity (other than necessary for permitted drainage or water access structures) or other permanent structures, nor shall any development or alteration of the surface or subsurface conditions be allowed in the Buffer Areas or Open Space Areas, except as expressly provided herein. Such drainage and water access structures shall be in such locations as are shown on the drainage plan approved by the Town of Mt. Pleasant, or the dock plan or permit approved by the South Carolina Office of Ocean and Coastal Resource Management (“OCRM”) for any docks.

b. Limited pruning of vegetation within the Buffer Areas is permitted, but will be strictly monitored and administered by the HOA for the Etiwan Pointe Town Homes, and the HOA for Grassy Creek, and such pruning is strictly limited by the following restrictions and limitations:

1. Pruning is restricted to shrubs, vines, tree limbs and trunks less than 3 inches in diameter measured four and one-half feet above ground level. No pruning is allowed on any vegetation below 4 ½ feet from ground level, nor above 25 feet from the ground.

2. Pruning shall be completed in a manner so as to remove only enough vegetation to provide a view of the adjacent marsh or waterway, and shall not remove all vegetation within the pruning zone.

3. No pruning activity shall be allowed prior to the permanent establishment of approved view corridors. All such view corridors shall have a site inspection and approval by a representative designated by the attorney for the Beneficial Owners. The view corridors for the Retreat shall be established in the

BK U380PG721

sites generally shown on Exhibit "B", and the view corridors for Grassy Creek shall be established after inspection by a representative designated by the attorney for the Beneficial Owners.

4. Upon permanent establishment of approved view corridors, the limits of pruning zones will be permanently posted with appropriate signage.

5. Prior to any pruning activity, the party desiring to prune shall notify the attorney for the Beneficial Owners to arrange an inspection by the representative designated by said attorney. During the inspection, photographs of each area will be taken to document existing conditions. The representative of the Beneficial Owners shall have the right during the inspection to designate trees and shrubs that are significant bird habitat or food sources, and pruning of trees and shrubs so designated shall be limited to that agreed to by the representative. Following pruning, additional photographs will be taken and provided to the attorney for the Beneficial Owners.

6. Maintenance and/or removal of dead or diseased vegetation will be permitted within the pruning zone, subject to the photographing requirements of subparagraph 5 above.

c. Except as set forth in paragraph 2 (b) above, the Buffer Areas shall remain undisturbed and in place as set forth in the Conservation Easement, dated April 15, 1997, and hereinabove defined.

3. Each and every parcel or lot of land which contains a portion of the Buffer Areas or Open Space Areas shall be required to have such Buffer Areas or Open Space Areas designated on any plat of such parcel or lot of land prior to recording such plat, with a notation giving reference to the Conservation Easement and this Third Amendment and the Property Owners shall include a reference to the Conservation Easement and this Third Amendment in all deeds conveying any parcel or lot of land which contains a portion of the Buffer Areas or Open Space Areas.

4. Etiwan Pointe Townhomes Homeowners Association, Inc. ("HOA") has been formed for the townhouse project being constructed on a portion of Tract 11 described in Exhibit "A", and the HOA will own the Buffer Area on Tract 11. The HOA is hereby granted the authority to enforce the terms and conditions of the Conservation Easement, as amended and modified, as to Tract 11. Furthermore, the HOA may, in its sole discretion, create a nature walk or path throughout the Buffer Area on Tract 11. The nature walk, if created, shall be a permeable surface or foot bridge, if over wetlands or tidal areas, and shall not be wider than five (5') feet. Grassy Creek Homeowners Association, Inc. ("GCHOA") will be formed for the single family Grassy Creek development. The GCHOA is hereby granted the authority to

BK U380PG722

enforce the terms and conditions of the Conservation Easement, as amended and modified, as to the portion of Tract 7, described in Exhibit "D".

5. Section 1.b.(2)(b) of the Conservation Easement, entitled "Restrictions as to docks", is amended so that subparagraphs i) and ii) shall read as follows:

i) Grantor shall have the right to construct up to three docks originating on the Protected Property, including boardwalks for the three docks within the protected buffer areas, and extending across the adjacent marsh to the waters of Rat Hall Creek or its tributaries. These three docks shall be as follows: (1) the property described in Exhibit "A" shall be limited to the community dock described in OCRM dock permit application 2000-1E-301-P; (2) the property described in Exhibit "D" shall be limited to the dock described in OCRM dock permit application P/N #2000-1B-562-P; and (3) the parcel of land owned by Etiwan II-A described in Exhibit "C" shall be limited to one (1) dock.

ii) Grantor relinquishes all rights to construct docks originating from the Protected Property, other than the three docks described in subparagraph i) above. Nothing herein shall be construed as lessening any protection of the marshes provided by any earlier conveyances and agreements, nor as affecting the rights of any person or organization not a signatory to this agreement.

6. This Amendment is meant to further modify the Conservation Easement only to the extent of the terms herein as to the property which is described in Exhibits "A", "C", and "D" attached hereto. Nothing herein shall be construed as altering or lessening the property interests or other rights possessed by The Nature Conservancy or the University of South Carolina by virtue of earlier conveyances and agreements. This Agreement and the Conservation Easement shall constitute one and the same instrument.

7. The terms of this Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

(REMAINDER OF PAGE INTENTIONALLY LEFT BLANK)

BK U380PG723

IN WITNESS WHEREOF, the undersigned parties have caused this Third Amendment To Conservation Easement to be executed in their respective names by their duly authorized officers as of the day and year set forth above.

WITNESSES:

Evelyn W. White
Bachman S. Smith Jr.

THE RETREAT AT ETIWAN POINTE, LLC
*a SC limited liability company

By: OPUS LAND GROUP, INC.
Managing Development Member

By: Hartmut Wiederhold
President

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

I, Bachman S. Smith Jr., Notary Public for the State of South Carolina, do hereby certify that The Retreat at Etiwan Pointe, LLC, by Opus Land Group, Inc., Managing Development Member, by Hartmut Wiederhold, President, personally appeared before me this day and acknowledged the due execution of the foregoing Third Amendment To Conservation Easement.

WITNESS my Hand and Seal this 23rd day of August, 2001.

Bachman S. Smith Jr.
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 3/16/10

BK U380PG724

WITNESSES:

Evelyn Waters
Bachman S. Smith Jr

ETIWAN II-A, LLC
*a SC limited liability company
By: WIEDERHOLD FAMILY, LLC
Member

By: Hartmut Wiederhold
Hartmut Wiederhold, Member

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

I, Bachman S. Smith Jr, Notary Public for the State of South Carolina, do hereby certify that Etiwan II-A, LLC,*by Wiederhold Family, LLC, Member, by Hartmut Wiederhold, Member, personally appeared before me this day and acknowledged the due execution of the foregoing Third Amendment To Conservation Easement.

WITNESS my Hand and Seal this 23rd day of August, 2001.

Bachman S. Smith Jr
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 3/16/10

BK U380PG725

Patricia Jacoby

TRITON GC, LLC
By W. Kent Cummings
W. Kent Cummings, Managing Member

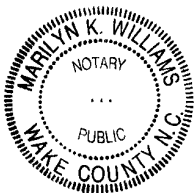
STATE OF NORTH CAROLINA)
COUNTY OF WAKE)

I, MARILYN K. WILLIAMS, Notary Public for the State of North Carolina, do hereby certify that Triton GC, LLC, by W. Kent Cummings, Managing Member, personally appeared before me this day and acknowledged the due execution of the foregoing Third Amendment To Conservation Easement.

WITNESS my Hand and Seal this 13 day of August, 2001.

Marilyn K. Williams
NOTARY PUBLIC FOR NORTH CAROLINA

My Commission Expires: 1-26-04



BK U380PG726

Edw. M. Jones
Beth E. Walters

NATIONAL WILDLIFE FEDERATION

By:
Its:

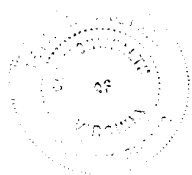
Lawrence J. Amon
Lawrence J. Amon
Treasurer

STATE OF VIRGINIA)
)
COUNTY OF FAIRFAX)

I, Beth E. Walters, Notary Public for Virginia, do hereby certify that National Wildlife Federation by Lawrence J. Amon, its Treasurer, personally appeared before me this day and acknowledged the due execution of the foregoing Third Amendment To Conservation Easement.

WITNESS my Hand and Seal this 17 day of July, 2001.

Beth E. Walters
NOTARY PUBLIC FOR VIRGINIA
My Commission Expires: 11/30/04



BK U380PG727

Anna K. Gruen
Lina L. Hughes

SOUTH CAROLINA WILDLIFE FEDERATION

By:

Its:

Angela Vinney
Executive Director

STATE OF SOUTH CAROLINA)

COUNTY OF RICHLAND)

I, Lina L. Hughes, Notary Public for South Carolina, do hereby
certify that South Carolina Wildlife Federation by Angela Vinney,
its Exec Director, personally appeared before me this day and acknowledged the
due execution of the foregoing Third Amendment To Conservation Easement.

WITNESS my Hand and Seal this 14 day of June, 2001.

Lina L. Hughes
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 12-18-2006



BK U380PG728

James J. Moats
Bonnie Lewis

SIERRA CLUB

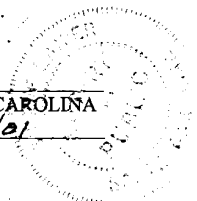
By: Steven D Johnson
Its: Vice Chair, South Carolina Chapter

STATE OF SOUTH CAROLINA)
COUNTY OF GEORGETOWN)

I, Bonnie Lewis, Notary Public for South Carolina, do hereby
certify that Sierra Club by Steven Johnson, its Vice Chair,
personally appeared before me this day and acknowledged the due execution of the foregoing
Conservation Easement.

WITNESS my Hand and Seal this 18 day of June, 2001.

Bonnie Lewis
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 10/6/01



BK U380PG729

NATIONAL AUDUBON SOCIETY

By: _____
Its: _____*Not Required by
Original Conservation Easement*STATE OF NEW YORK)
)
BOROUGH OF MANHATTAN)

I, _____, Notary Public for New York, do hereby certify
that National Audubon Society by _____,
its _____, personally appeared before me this day and acknowledged the due
execution of the foregoing Third Amendment To Conservation Easement.

WITNESS my Hand and Seal this ____ day of _____, 2001.

NOTARY PUBLIC FOR NEW YORK
My Commission Expires: _____

BK U380PG730

CHARLESTON NATURAL HISTORY SOCIETY

By: _____
Its: _____STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)*Not required by
Original Conservation
Easement*

I, _____, Notary Public for South Carolina, do hereby
certify that Charleston Natural History Society by _____,
its _____, personally appeared before me this day and acknowledged the due
execution of the foregoing Third Amendment To Conservation Easement.

WITNESS my Hand and Seal this ____ day of _____, 2001.

NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: _____

BK U380PG731

[Signature]
Bachman S. Smith III

SAVE THE WANDO ASSOCIATION, INC.

By: Alys Anne Wiselake
Its: Authorized Officer

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

I, Bachman S. Smith III, Notary Public for South Carolina, do hereby certify that Save the Wando Association, Inc. by Alys Anne Wiselake, its Authorized Officer, personally appeared before me this day and acknowledged the due execution of the foregoing Third Amendment To Conservation Easement.

WITNESS my Hand and Seal this 20th day of July, 2001.

Bachman S. Smith III
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission Expires: 3/16/10

BK U380PG732

EXHIBIT "A"

ALL that certain piece, parcel or tract of land situate, lying and being on the East side of I-526 Mark Clark Expressway 200' right-of-way in the Town of Mt. Pleasant, Charleston County, South Carolina, known as Tract 11, consisting of 35.285 acres, more or less, as shown on that certain plat dated June 1, 1996 entitled "A BOUNDARY SURVEY OF TRACTS 7 THROUGH 12 BEING A PORTION OF BELLE HALL PLANTATION OWNED BY LONGPOINT ROAD LIMITED PARTNERSHIP LOCATED IN THE TOWN OF MT. PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA" prepared by Southeastern Surveying, Inc. and recorded in the RMC Office for Charleston County in Plat Book EB, at page 739. Said tract of land having such size, shape, dimensions, buttings and boundings as will by reference to said plat more fully appear.

SAVING AND EXCEPTING from the above described Tract 11, the following described property: ALL that certain piece, parcel or tract of land situate, lying and being on the north side of I-526 Mark Clark Expressway 200' right-of-way in the Town of Mt. Pleasant, Charleston County, South Carolina, known as Tract 11-C, consisting of 4.68 acres, more or less, as shown on that certain plat dated May 5, 1998 and revised September 22, 1999 entitled "A CONDITIONAL PLAT OF WANDO PARK BOULEVARD EXTENSION, TRACTS B, C, 12-A, -B, -C, TRACT 11-C, AND PUMP STATION, ETIWAN POINTE SOUTH, TOWN OF MT. PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA" prepared by Thomas & Hutton Engineering Co. and recorded in the RMC Office for Charleston County in Plat Book ED, at pages 550, 551, 552, and 553. Said tract of land having such size, shape, dimensions, buttings and boundings as will by reference to said plat more fully appear.

ALSO

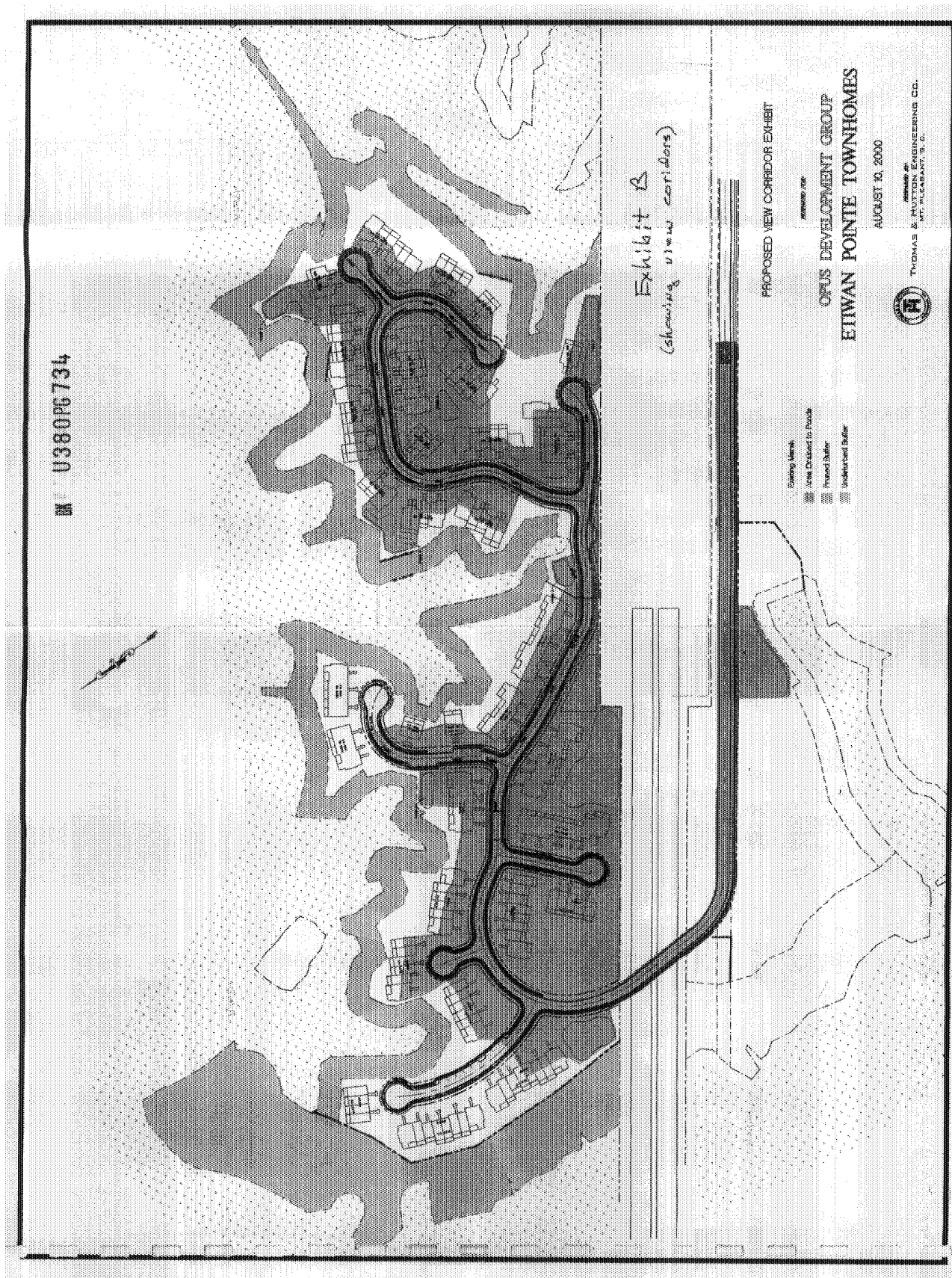
TOGETHER WITH all property abutting the aforescribed property conveyed herein that was conveyed to Belle Hall Land, L.L.C., a Delaware limited liability company, by quit claim deed of The University of South Carolina dated March 31, 1998, and recorded in the RMC Office for Charleston County in Book F-300, at page 554.

The property conveyed herein is a portion of the property conveyed to Belle Hall Land, L.L.C., a Delaware limited liability company by deed of Cynthia Jordan Lowery, Chapter 7 Trustee for the Bankruptcy Estate of Long Point Road Limited Partnership dated June 25, 1997, and recorded June 26, 1997, in the RMC Office for Charleston County in Book B-286, at page 426. Subsequently Belle Hall Land, L.L.C. merged into and with BHL Acquisition Company, LLC, a South Carolina

BK U380PG733

limited liability company, as evidenced by Articles of Merger, a certified copy of which is recorded in Book N-332, Page 790, RMC Office for Charleston County, which changed its name to Belle Hall Land, LLC, a South Carolina limited liability company, as evidenced by Certificate of Name Change, a certified copy of which is recorded in Book N-332, Page 793, RMC Office for Charleston County.

TMS #540-00-00-048



BK U380PG735

EXHIBIT "C"

ALL that certain piece, parcel or tract of land, situate, lying and being on the north side of Interstate-526 adjacent to Belle Hall Subdivision, Mt. Pleasant, SC, containing 2.47 acres, and being shown on Exhibit A attached hereto, said tract is a portion of Tract 7 as shown on that certain plat entitled "A Boundary Survey of Tract 7 Through 12, Being a Portion of Belle Hall Plantation", recorded April 15, 1997, in Plat Book EB, Page 738, RMC Office for Charleston County. Said 2.47 acres is further located by referring to that certain plat entitled "A Subdivision Plat of Tract 7A containing 45.920 Acres, Seacoast Christian Church", which is recorded September 11, 1997, in Plat Book EC, Page 34, RMC Office for Charleston County.

SAID 2.47 acre tract is bounded to the North, East and West by marshes of Rat Hall Creek, and to the South by the remaining portion of Tract 7 as shown on the aforescribed plats.

TOGETHER with a perpetual, non-exclusive easement for vehicular and pedestrian ingress and egress, and for the installation, construction, operation, maintenance, repair, and replacement of facilities for the transmission of water, gas, electricity, telephone, television service, and other utilities over, above and across the remainder of Tract 7 (as shown on the plat referenced above recorded in Plat Book EB, Page 738, RMC Office for Charleston County). This easement shall run with the land, and shall be binding upon and inure to the benefit of, as applicable, the successors and assigns of the 2.47 acres benefited by this easement and the remainder of Tract 7 burdened by this easement. If the 2.47 acres is hereinafter divided into more than one parcel, each such parcel shall enjoy the full benefit of this easement. Grantee agrees that this easement shall be of no further force and effect upon the dedication to, and acceptance for maintenance by, Mt. Pleasant, South Carolina, or other applicable political body, of a public road connecting the southern boundary of the above-described 2.47 acres with the public street system of Mt. Pleasant, South Carolina.

BEING the same property conveyed to Etiwan II-A, LLC by Deed of Belle Hall Land, L.L.C., dated July 16, 1999, and recorded July 16, 1999, in Book P-330, Page 114, RMC Office for Charleston County.

PORTION OF TMS #537-00-00-051

BK U380PG736

EXHIBIT "D"

ALL that certain piece, parcel or tract of land situate, lying and being on the East side of I-526 Mark Clark Expressway 250' right-of-way in the Town of Mt. Pleasant, Charleston County, South Carolina, known as Tract 7, consisting of 111.579 acres, more or less, as shown on that certain plat dated June 1, 1996 entitled "A BOUNDARY SURVEY OF TRACTS 7 THROUGH 12 BEING A PORTION OF BELLE HALL PLANTATION OWNED BY LONGPOINT ROAD LIMITED PARTNERSHIP LOCATED IN THE TOWN OF MT. PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA" prepared by Southeastern Surveying, Inc. and recorded in the RMC Office for Charleston County in Plat Book EB, at page 738. Said tract of land having such size, shape, dimensions, buttings and boundings as will by reference to said plat more fully appear.

TMS #537-00-00-051

ALSO

TOGETHER with all property abutting the aforescribed property conveyed herein that was conveyed to Belle Hall Land, L.L.C., a Delaware limited liability company, by quit claim deed of The University of South Carolina dated March 31, 1998, and recorded in the RMC Office for Charleston County in Book F-300, page 554.

SAVING AND EXCEPTING from the parcels described above, the following parcels heretofore conveyed:

Parcel 7-A

Tract 7A heretofore conveyed by Belle Hall Land, L.L.C., a Delaware limited liability company to Seacoast Christian Community Church, Inc. by deed dated September 17, 1997, and recorded in the RMC Office for Charleston County in Book B-290, at page 587, and more fully described as follows:

ALL that certain piece, parcel or tract of land situate, lying and being on the East side of I-526 Mark Clark Expressway 250' right-of-way in the Town of Mt. Pleasant, Charleston County, South Carolina, known as Tract 7A consisting of 45.920 acres, more or less, as shown on that certain plat dated July 14, 1997 entitled "A SUBDIVISION PLAT OF TRACT 7A CONTAINING 45.920 ACRES SEACOAST CHRISTIAN CHURCH OWNED BY BELLE HALL LAND, L.L.C. LOCATED IN THE TOWN OF MT. PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA" prepared by Southeastern Surveying, Inc. and recorded in the RMC Office for Charleston County in Plat Book EC, at page 34. Said tract of land having such size, shape, dimensions, buttings and boundings as will by reference to said plat more fully appear.

BK U380PG737

TMS #537-00-00-090

Parcel II-A

A 2.47 acres tract heretofore conveyed by Belle Hall Land, L.L.C., a Delaware limited liability company to Etiwan II-A, LLC by deed dated July 16, 1999, and recorded July 19, 1999, in the RMC Office for Charleston County in Book P-330, at page 114, and more fully described as follows:

ALL that certain piece, parcel or tract of land, situate, lying and being on the north side of Interstate-526 adjacent to Belle Hall Subdivision, Mt. Pleasant, SC, containing 2.47 acres, and being shown on Exhibit A attached to the deed from Belle Hall Land, L.L.C., a Delaware limited liability company to Etiwan II-A, LLC by deed dated July 16 1999, and recorded July 19, 1999, in the RMC Office for Charleston County in Book P-330, at page 114, said tract is a portion of Tract 7 as shown on that certain plat entitled "A Boundary Survey of Tract 7 Through 12, Being a Portion of Belle Hall Plantation", recorded April 15, 1997, in Plat Book EB, Page 738, RMC Office for Charleston County. Said 2.47 acres is further located by referring to that certain plat entitled "A Subdivision Plat of Tract 7A containing 45.920 Acres, Seacoast Christian Church", which is recorded September 11, 1997, in Plat Book EC, Page 34, RMC Office for Charleston County.

SAID 2.47 acre tract is bounded to the North, East and West by marshes of Rat Hall Creek, and to the South by the remaining portion of Tract 7 as shown on the aforescribed plats.

TOGETHER with a perpetual, non-exclusive easement for vehicular and pedestrian ingress and egress, and for the installation, construction, operation, maintenance, repair, and replacement of facilities for the transmission of water, gas, electricity, telephone, television service, and other utilities over, above and across the remainder of Tract 7 (as shown on the plat referenced above recorded in Plat Book EB, Page 738, RMC Office for Charleston County). This easement shall run with the land, and shall be binding upon and inure to the benefit of, as applicable, the successors and assigns of the 2.47 acres benefited by this easement and the remainder of Tract 7 burdened by this easement. If the 2.47 acres is hereinafter divided into more than one parcel, each such parcel shall enjoy the full benefit of this easement. Etiwan II-A, LLC agrees that this easement shall be of no further force and effect upon the dedication to, and acceptance for maintenance by, Mt. Pleasant, South Carolina, or other applicable political body, of a public road connecting the southern boundary of the above-described 2.47 acres with the public street system of Mt. Pleasant, South Carolina.

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BK U380PG738

HAYNSWORTH SINKLER BOYD, P.A.
P.O. BOX 340
CHARLESTON, SC 29402

FILED

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26-00
A

CHARLES LYBRAND
REGISTER
CHARLESTON COUNTY SC

BK P 282PG830

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

**CONSERVATION EASEMENT
AND QUIT-CLAIM DEED**

THIS GRANT OF CONSERVATION EASEMENT AND QUIT-CLAIM DEED is made this 15th day of April, 1997, by Long Point Road Limited Partnership by and through Cynthia Jordan Lowery, the Chapter 7 Trustee for the Estate of Long Point Road Limited Partnership, having an address at 200 Meeting Street, Suite 202, Charleston, South Carolina 29402-0858 (hereinafter "Grantor"), in favor of:

National Wildlife Federation
1400 - 16th Street, N.W.
Washington, DC 20036

South Carolina Wildlife Federation
715 Woodrow Street
Columbia, SC 29205

Sierra Club
730 Polk Street
San Francisco, CA 94109

National Audubon Society
700 Broadway
New York, NY 10003

Charleston Natural History Society
c/o Jane Lareau
P.O. Box 1765
Charleston, SC 29402

and

Save the Wando Association, Inc.
c/o Frenchie Richards
196 Wandolea Drive
Mt. Pleasant, SC 29464

(hereinafter collectively referred to as the "Grantees").

In addition, Georgia-Pacific Investment Company, 133 Peachtree Street, NE, P. O. Box 105605, Atlanta, GA 30348-4836, joins in part 2 of this instrument with regard to the quit-claim of certain property described therein.

59969.7

1

BK P 282PG831

WHEREAS, Grantor is the sole owner in fee simple of certain real property, shown and delineated as Tracts 7 through 12 containing approximately 203.718 acres on a plat prepared by Southeastern Surveying, Inc. entitled "A Boundary Survey of Tracts 7 Thru 12 Being a Portion of Belle Hall Plantation Owned by Long Point Road Limited Partnership Located in the Town of Mt. Pleasant, Charleston County, South Carolina" dated June 1, 1996, and recorded in the Office of the Register of Mesne Conveyances for Charleston County (the "RMC Office") in Plat Book EB at Page 18-77 (the "Plat"), and being more particularly described in Exhibit "A" attached hereto and incorporated by reference (hereinafter "the Protected Property"); and

WHEREAS, the Protected Property possesses significant natural, ecological, scenic, and open space values (collectively "Conservation Values") of great importance to Grantor, to Grantees and to the people of South Carolina, including wetlands, wetland border areas and marshlands; and

WHEREAS, Grantees are publicly supported, tax exempt, non-profit organizations whose purposes include (1) the protection of natural, scenic, or open-space aspects of real property; (2) ensuring the availability of real property for forest, recreational, educational, or open-space use; (3) protecting natural resources; (4) maintaining or enhancing air and water quality; and (5) preserving the historical, archaeological, and cultural aspects of real property; and

WHEREAS, by act of the General Assembly of the State of South Carolina, as recorded in South Carolina Code Ann. (1976, as amended) Section 27-8-10, *et seq.* (the "South Carolina Conservation Easement Act of 1991"), the State of South Carolina recognizes and authorizes the creation of conservation restrictions and easements; and

WHEREAS, the Grantees are organizations whose purposes and powers include one or more of the purposes set forth in South Carolina Code Ann. Section 27-8-20(1) authorizing Grantees to be holders of conservation easements as contemplated by the South Carolina Conservation Easement Act of 1991, and agree by accepting this grant to preserve and protect the Conservation Values of the Protected Property in perpetuity; and

WHEREAS, Long Point Road Limited Partnership (the "Debtor") filed a petition under Chapter 11 of the United States Bankruptcy Code on June 2, 1993 in Case No. 93-72769 (the "Bankruptcy Case"); and

WHEREAS, the United States Bankruptcy Court converted the Bankruptcy Case to Chapter 7 under the United States Bankruptcy Code by order dated 12/29/95 and appointed Cynthia Jordan Lowery as Trustee of the Debtor (the "Trustee"); and

WHEREAS, the Grantor intends to convey to Grantees the right to preserve and protect the Conservation Values of the Protected Property in perpetuity and has been authorized and directed by the United States Bankruptcy Court for the District of South Carolina to execute this conservation easement and deed in favor of the Grantees, by virtue of the Order of Settlement issued by the Honorable John E. Waites, United States Bankruptcy Judge, filed on July 5, 1995

BK P 282PG832

in the matter captioned *IN RE: Long Point Road Limited Partnership; Long Point Road Limited Partnership v. Georgia-Pacific Investment Company, et al.*, Bankruptcy Case No. 93-72769, Adversary Proceeding No. 94-8053.

NOW, THEREFORE, in consideration of the mutual covenants, terms, conditions and restrictions contained herein and pursuant to the South Carolina Conservation Easement Act of 1991, the parties agree as follows:

1. Grant of Conservation Easement. Grantor hereby voluntarily grants and conveys to Grantees and their successors and assigns a conservation easement in perpetuity over that portion of the Protected Property designated as the "Protected Zone" on the Plat of the nature and character and to the extent hereinafter set forth (hereinafter the "Conservation Easement"). Grantor hereby declares that the Protected Property shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions and easements hereinafter set forth, which covenants, conditions, restrictions and easements shall be deemed to run with the land in perpetuity and to be a burden on the Protected Property in perpetuity.

TO HAVE AND TO HOLD unto Grantees, their successors and assigns forever.

By Execution of this Conservation Easement, the Grantees accept this Conservation Easement and the rights and obligations recited herein.

GRANTOR HEREBY WARRANTS and represents that the Grantor is seized of the Protected Property in fee simple and has good right to grant and convey this Conservation Easement, and that the Grantees and their successors and assigns shall have the use of and enjoy all of the benefits derived from and arising out of this Conservation Easement.

a. Purpose. The purpose of this Conservation Easement is to protect the wetlands, open space, and other natural resources of the Protected Property to the extent required hereunder and, to the extent not specifically required hereunder as feasible within the context of reasonable development as allowed under the zoning ordinance and coastal management laws administered by the Town of Mount Pleasant, the South Carolina Office of Ocean and Coastal Resource Management ("OCRM"), and other regulatory authorities.

b. Restrictive Covenants and Conservation Easements.

(1) Buffer areas. There are hereby established buffer zones on the Protected Property, abutting all marshlands bordering on and/or within the Protected Zone as shown on the Plat. Within the Protected Zone, all natural vegetation must be left in place undisturbed, and no construction, development or alteration of the surface or subsurface conditions shall occur within the Protected Zone other than construction of boardwalks for docks and walkway access to and from docks, if permitted by the appropriate governmental authorities and subject to subsection (2) below and the construction of any utilities. Furthermore, the

BK P 282PG833

Protected Zone shall be kept in its natural and wild state, subject to the further provisions of this Agreement.

(2) Restrictions as to docks.

(a) Grantor will not apply for or construct, or allow others to apply for or construct, any boardwalks or docks on, across, or over the Protected Zone of, or marshlands adjacent to, Tract 12 as designated on the Plat.

(b) As to the marshlands and the Protected Zone adjacent to Tracts 7, 8, 9, 10 and 11 of the Protected Property as designated on the Plat, the Grantor will not apply for or construct, or allow others to apply for or construct, any boardwalks or docks on, across, or over the Protected Zones, marshlands and buffer zones, except as follows:

i) Grantor retains the right for itself, its successors and assigns to apply for construction of up to six (6) docks crossing these marshlands, but shall not construct or allow the construction of more than six (6) docks. The parties hereto agree that such docks may serve as community docks, if permitted by applicable regulatory authorities.

ii) Grantees retain all rights to object to any application of the Grantor, its successors or assigns, for permits to construct docks over these marshlands, and all rights of appeal of any permits granted for such docks, including objections based on ownership of the marshes and any rights relinquished under earlier conveyances and agreements. Nothing herein shall be construed as lessening any protection of the marshes provided by any earlier conveyances and agreements, nor as affecting the rights of any person or organization not a signatory to this document.

(3) Agreement as to Marsh Islands. Grantor shall be allowed to propose alterations of the three islands lying between the Protected Property and Rat Hall Creek in connection with any possible mitigation plan submitted to appropriate regulatory authorities in connection with permits for alteration of any wetlands on the real property, shown and delineated as Area U on a plat prepared by Southeastern Surveying, Inc. entitled "A Plat of Area 'U' Containing 87.950 Acres Owned by Long Point Road Limited Partnership Located in the Town of Mt. Pleasant, Charleston County, South Carolina dated July 18, 1995 and recorded in the Office of the Register of Mesne Conveyances for Charleston County in Plat Book ____ at Page ____". Grantees retain all rights to comment upon and participate in the administrative process relating to such mitigation plan. As part of any such mitigation plan, Grantor, its successors and assigns, shall upon approval and implementation of the mitigation plan convey fee simple title to the islands to the University of South Carolina ("USC"). Provided, however, that in the event no such mitigation plan is needed, or if a mitigation plan is not approved and implemented by January 1, 1999, Grantor, its successors and assigns, shall convey fee simple title to the islands to USC, and all right to use the islands in connection with the preparation of any such mitigation plan shall terminate. Except as may be permitted in connection with the construction of docks

BK P 282PG834

as outlined above, the conveyance of the marsh islands shall include a restrictive covenant requiring that the islands remain in a natural state with no development of any kind.

Provided, that in connection with a mitigation plan, the permitting authority requires conveyance of any of the islands to an entity other than the ones designated herein, the conveyance to the entity designated by the permitting authority shall be considered compliance with the Conservation Easement granted hereunder. Such conveyance shall, nevertheless, be subject to the easement granted hereunder.

c. Roads. Grantor and Grantees agree that Grantor, its successors or assigns shall have the right to apply for permits necessary to construct a road whose width will not exceed one hundred feet (100') in the following three locations on the Protected Property:

- (1) On or through the marshland adjoining Tract 7 between Lines L-1 and L-60 as shown on the Plat;
- (2) On or through the marshland adjoining Tracts 8, 10 and 11 between Lines L-1 and L-113 as shown on the Plat;
- (3) On or through the marshland adjoining Tract 11 between Lines L-160 and L-163 as shown on the Plat; and
- (4) On or through the marshland adjoining Tract 12 between Lines L-1 and L-67 and L-274 and L-298 as shown on the Plat.

Grantees hereby specifically agree not to object to the construction of any road through the areas designated above, provided that the width of said roads does not exceed one hundred (100') feet.

Grantees further recognize that Grantor, its successors or assigns may need to locate certain lines for water, sewer and other utilities in order to service the Protected Property. Grantor agrees on behalf of itself, its successors and assigns that it will attempt to locate any such utilities in a method to minimize the encroachment, if any, into the marshlands adjoining Tracts 7 through 12 and will make its best efforts to locate such lines as close as possible to any road constructed near the marshlands impacted by the construction of the aforesaid road.

d. Area of Open Space. Within the Protected Zone located on Tracts 11 and 12 and designated on the Plat as "Open Space," no construction, development or alteration of the surface or subsurface conditions shall occur, other than as noted in subsection d. above for utilities, and the property shall remain as open space in its natural and wild state and available only as a park passive recreation, including walking, hiking, bird watching, picnicking, and other activities which do not require structures or similar facilities. At the option of Grantor, this parcel may be conveyed to the Lowcountry Open Land Trust or other organization with similar purposes. Any such conveyance will be subject to this restriction.

BK P 282PG835

e. Rights of Grantees. Grantor hereby grants the following rights to the Grantees:

(1) to preserve and protect the Conservation Values of the Protected Property;

(2) to prevent Grantor or its successors or assigns or third persons from conducting any activity on or use of the Protected Zone that is inconsistent with the purposes of this Conservation Easement and to require Grantor or third persons to restore such areas or features of the Protected Property that may be damaged by any inconsistent activity or use, pursuant to subparagraph f. below.

f. Grantee's Remedies. If Grantees determine that Grantor is in violation of the terms of this Conservation Easement or that a violation is threatened, Grantees shall give written notice to Grantor of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Protected Zone resulting from any use or activity inconsistent with the purpose of the Conservation Easement, to restore the portion of the Protected Zone so injured. If Grantor, its successors or assigns fails to cure the violation within thirty (30) days after receipt of notice thereof from Grantees (or under circumstances where the violation cannot reasonably be cured within a thirty (30) day period, if Grantor shall fail to begin curing such violation within said thirty (30) day period, or fail to continue diligently to cure such violation until finally cured), Grantees may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Conservation Easement, to enjoin the violation as necessary, by temporary or permanent injunction, to recover any damages to which it may be entitled for violation of the terms of this Conservation Easement, including damages for the loss of the Conservation Values of the Protected Zone, and to require the restoration of the Protected Zone to the condition that existed prior to any such injury. Without limiting Grantor's liability therefore, Grantees, in their sole discretion, may apply any damages recovered to the cost of undertaking any corrective action on the Protected Zone.

Grantees' rights under this paragraph apply equally in the event of either actual or threatened violations of the terms of this Conservation Easement. Grantor agrees that Grantees' remedies at law for any violation of the terms of this Conservation Easement are inadequate and that Grantees shall be entitled to seek the injunctive relief described in this paragraph, both prohibitive and mandatory, in addition to such other relief to which Grantees may be entitled, including specific performance of the terms of this Conservation Easement, without the necessity of providing either actual damages or the inadequacy of otherwise available legal remedies. Grantees' remedies described in this paragraph shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

In the event any one or more of the Grantees shall bring an action in any court against the Grantor or any successor or assign with regard to any claimed violation of any of the provisions of this Agreement, then that Grantee or those Grantees shall conclusively be deemed to be acting for all of the Grantees and no other Grantee shall be entitled to bring an action in

BX P 282PG836

any court with regard to the same claimed violation. For purposes of this provision, a continuing violation of the same or similar nature shall be considered one violation.

g. Costs of Enforcement. If Grantees prevail in any action to enforce the terms of this Conservation Easement, any costs incurred by Grantees in enforcing the terms of this Conservation Easement against Grantor, including without limitation, costs of suit and reasonable attorneys' fees, and any reasonable costs of restoration necessitated by Grantor's violation of the terms of this Conservation Easement shall be borne by Grantor. For purposes of this provision, both Grantors and the Grantees shall only be entitled to reimbursement for attorneys' fees for the employment of one law firm. If Grantor, its successors or assigns prevails in any action to enforce the terms of this Conservation Easement, any costs incurred by Grantor in defending such action by Grantees, including without limitation, costs of suit and reasonable attorneys' fees, and any reasonable costs of restoration necessitated by Grantees' action in alleging a violation by Grantor of the terms of this Conservation Easement shall be borne by Grantees.

h. Grantees' Discretion. Enforcement of the terms of this Conservation Easement shall be at the discretion of the Grantees, or any of them, and any forbearance by Grantees to exercise their rights under this Conservation Easement in the event of any breach of any terms of this Conservation Easement by Grantor, its successors or assigns shall not be deemed or construed to be a waiver by Grantees of such term or of any subsequent breach of the same or any other term of this Conservation Easement or of any of Grantees' rights under this Conservation Easement. No delay or omission by Grantees in the exercise of any right or remedy upon any breach by Grantor shall impair such right or remedy or be construed as a waiver. This Conservation Easement may be enforced by one or more Grantees.

i. Costs, Liabilities, and Taxes. Grantor and the successors in title to the Grantor retain all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Protected Zone, including, but not limited to, the maintenance of general liability insurance coverage, but excepting any taxes directly to or upon Grantee.

j. Assignment. The rights under this Conservation Easement shall be assignable by a Grantee only (i) if as a condition of any assignment, the Grantee requires that the terms and conditions of this Conservation Easement continue to be carried out in full as provided herein, and (ii) if the assignee, at the time of assignment, qualifies under Section 170(h) of the Internal Revenue Code of 1986, as amended, and applicable regulations thereunder, and under South Carolina law as an eligible donee to receive this Conservation Easement directly. In the event that any Grantee ceases to exist or exists but no longer as a tax-exempt, non-profit corporation, qualified under Section 501(c)(3) and 170(h)(3) of the Internal Revenue Code of 1986, as amended, or no longer qualifies under South Carolina law to be a holder of this Conservation Easement, then this Conservation Easement shall continue in effect under the rights held by the remaining Grantees; in the event that none of the Grantees remains so qualified, this Conservation Easement shall automatically become vested in the following tax-exempt, non-profit

BK P 282PG837

organizations, qualified under Section 501(c)(3) and 170(h)(3) of the Internal Revenue Code of 1986, as amended, in the order of priority as listed below:

1. Lowcountry Open Land Trust
2. South Carolina Coastal Conservation League

or to similarly qualified conservation organization.

k. Notices. Any notice, demand, request, consent, approval or communication that either party desires or is required to give to the other shall be in writing and either served personally or sent by first class mail, postage pre-paid, addressed as follows:

To Grantor: Cynthia Lowery, Esquire
Chapter 7 Trustee for the Estate of Long Point Road Limited Partnership
Holmes & Thomson
P.O. Box 858
Charleston, SC 29402

To Grantees: c/o James S. Chandler, Jr.
Attorney at Law
Post Office Box 279
Pawleys Island, SC 29585

or to such other address as any of the parties from time to time shall designate by written notice to the others.

l. Recordation. Grantees shall record this instrument in timely fashion in the RMC Office and may re-record it at any time as may be required to preserve their rights in this Conservation Easement.

m. Controlling Law. The interpretation and performance of this Conservation Easement shall be governed by the laws of South Carolina.

n. Liberal Construction. Any general rule of construction to the contrary notwithstanding, this Conservation Easement shall be liberally construed in favor of the grant to effect the purpose of this Conservation Easement and the policy and purposes of Grantees. If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purpose of this Conservation Easement that would render the provision valid should be favored over any interpretation that would render it invalid.

o. Severability. If any provision of this Conservation Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions of this Conservation Easement shall not be affected thereby.

BX P 282 PG 838

the Wando River (as to Tracts 11 and 12) and lying between the "DHEC - OCRM Critical Line" and Rat Hall Creek (as to Tracts 7, 8, 9, 10 & 11).

Together with all and singular, the rights, members, hereditaments and appurtenances to the said premises belonging or in anywise incident or appertaining;

TO HAVE AND TO HOLD, all and singular the premises before mentioned unto the said The Nature Conservancy and the University of South Carolina, their successors and assigns forever (as their interests may appear) - so that neither the said Long Point Road Limited Partnership, nor Georgia Pacific Investment Company, nor their successors, nor any other person or persons claiming under them, shall at any time hereafter, by any way or means, have, claim or demand any right or title to the aforesaid premises or appurtenances, or any part or parcel hereof.

Nothing herein shall be construed as altering or lessening the property interests or other rights possessed by The Nature Conservancy or the University of South Carolina by virtue of earlier conveyances and agreements.

This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all such counterparts together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the undersigned parties have caused these presents to be executed in their respective corporate names by their duly authorized officers as of the 15th day of April, 1997.

DX P 282PG839

p. Binding effect. The covenants, terms, conditions and restrictions of this Conservation Easement shall be binding upon and inure to the benefit of the parties hereto and their respective personal representatives, heirs, successors and assigns and shall continue as a servitude running in perpetuity with the Protected Property.

q. Modifications. In the event that the owner of the property which is the subject of this Conservation Easement requests a modification of the Easement granted herein, such modification may take place upon the consent of a majority of the Grantees. Such modification must be recorded in the RMC Office in order to be effective.

2. QUIT-CLAIM DEED.

a. Background. Grantor's predecessor in title, Georgia-Pacific Investment Company, conveyed certain marsh wetlands adjacent to the Protected Property to The Nature Conservancy, by deed dated October 16, 1984, and recorded February 19, 1985, in the office of the Register of Mesne Conveyances for Charleston County in Deed Book J-143 at Page 300. The Nature Conservancy subsequently quitclaimed its interest in said marsh wetlands to Carolina Research and Development Foundation by quit-claim deed dated April 22, 1985, and recorded June 19, 1985, in Deed Book C-146 at Page 29; in said quit-claim deed, The Nature Conservancy reserved certain mineral rights and a power of termination of the grant. Carolina Research and Development Foundation subsequently quitclaimed its interest in said marsh wetlands to the University of South Carolina by quitclaim deed dated November 13, 1985 and recorded in the RMC Office on December 18, 1985 in Deed Book K-150 at Page 361. Despite said conveyances, however, some uncertainty has arisen concerning the extent of the area of marsh wetlands conveyed, or intended to be conveyed, by Georgia-Pacific Investment Company, to The Nature Conservancy.

b. Quit-claim. In the interest of confirming the earlier conveyance and clarifying the status of the title to the marsh wetlands, Long Point Road Limited Partnership and Georgia-Pacific Investment Company have remised, released, and forever quit-claimed, and by these presents do remise, release and quit-claim unto the said The Nature Conservancy and the University of South Carolina, their successors and assigns, as their interests may appear, the following described property:

All those certain pieces, parcels or tracts of land, situate, lying and being in the County of Charleston, State of South Carolina, consisting of the marshes and other wetlands located along the Wando River and Rat Hall Creek, adjacent to the upland real property shown and delineated as Tracts 7 through 12 on a plat prepared by Southeastern Surveying, Inc., entitled "A Boundary Survey of Tracts 7 through 12 Being a Portion of Belle Hall Plantation Owned by Long Point Road Limited Partnership Located in the Town of Mt. Pleasant, Charleston County, South Carolina" dated June 1, 1996, and recorded in the Office of the Register of Mesne Conveyances for Charleston County in Plat Book ~~EB~~ at Page ~~78-79~~ the areas being conveyed herein are the areas lying between the lines designated on said plat as the "DHEC - OCRM Critical Line" and

BK P 282PG840

Signed Sealed and Delivered
in the presence of:

LONG POINT ROAD LIMITED
PARTNERSHIP

By: Cynthia Jordan Lowery as Chapter 7 Trustee
for the Estate of Long Point Road Limited
Partnership

Geri A Bender
Julie M Chanson

By: Cynthia Jordan Lowery Trustee
for the Estate of Long Point
Its Road Limited Partnership

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 15 day of April, 1997
by Long Point Road Limited Partnership by Cynthia Jordan Lowery as Chapter 7 Trustee for the
Estate of Long Point Road Limited Partnership.

SWORN TO before me this

15 day of April, 1997

Julie M Chanson (SEAL)
Notary Public for SC
My Commission Expires: 5-26-98

BK P 282PG841

Signed Sealed and Delivered
in the presence of:

Jan O. Adams
and W. Whitaker

GEORGIA-PACIFIC INVESTMENT
COMPANY

By: Davis K. Mortensen
Davis K. Mortensen
Its: President

STATE OF GEORGIA)
COUNTY OF FULTON)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 22nd
day of July, 1996 by Georgia-Pacific Investment Company by
Davis K. Mortensen its President.

SWORN TO before me this

22nd day of July, 1996.

Doris A. Gabelicki (SEAL)

Notary Public for Georgia

My Commission Expires: Notary Public, DeKalb County, Georgia
My Commission Expires March 3, 1997

BK P 282PG842

Signed Sealed and Delivered
in the presence of:

NATIONAL WILDLIFE FEDERATION

Adrian Jones
[Signature]

By: [Signature]
Joel T. Thomas
Its: Secretary

STATE OF Virginia)
COUNTY OF Fairfax)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 1st
day of July, 1996 by National Wildlife Federation by Joel
T. Thomas its Secretary.

SWORN TO before me this
day of July, 1996.
[Signature] (SEAL)
Notary Public for Virginia
My Commission Expires: 4-30-99

BK P 282PG843

Signed Sealed and Delivered
in the presence of:

SOUTH CAROLINA WILDLIFE
FEDERATION

R.A. Odom
Hartall W. Zurendah

By: Patricia L. Jerman
Its: Executive Director

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 25th
day of JUNE, 1996 by South Carolina Wildlife Federation by
PATRICIA L. JERMAN its EXECUTIVE DIRECTOR.

SWORN TO before me this

25th day of JUNE, 1996.

James S. Chandler (SEAL)

Notary Public for S.C.

My Commission Expires: 4-24-97



BK P 282PG844

Signed Sealed and Delivered
in the presence of:

SIERRA CLUB

Supra L. Herndon
John Frank

By: Barbara J. Postles
Its: BARBARA J. POSTLES
CHAIR, S.C. CHAPTER

STATE OF South Carolina)
COUNTY OF Lexington)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 18th
day of June, 1996 by Sierra Club by Barbara J. Postles
its Chair, S.C. CHAPTER.

SWORN TO before me this

18th day of June, 1996.
William H. Griffin (SEAL)
Notary Public for South Carolina
My Commission Expires: 3/21/2001

GX P 282PG845

Signed Sealed and Delivered
in the presence of:

NATIONAL AUDUBON SOCIETY

Jeri A. Monaco
Carol J. McNamee

By [Signature]
JAMES A. RUSHKINIAN
Its: BN VP Fin & Admin

STATE OF New York)
COUNTY OF Queens)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 19
day of June, 1996 by National Audubon Society by JAMES A.
Rushkinian its BN VP Finance/Admin.

SWORN TO before me this

19 day of June, 1996.

[Signature] (SEAL)
Notary Public for _____

My Commission Expires: 12/31/97

JOAN G. ADAM
Notary Public, State of New York
No. 41-4779618
Qualified in Queens County
Commission Expires Dec. 31, 1997

BK P 282PG846

Signed Sealed and Delivered
in the presence of:

CHARLESTON NATURAL HISTORY
SOCIETY

Alma G. Munnally
To Lindsay R. Robinson

By:

Jane E. Lareau
JANE E. LARFAU
Its: Vice-president

STATE OF South Carolina)
COUNTY OF Charleston)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 27
day of June, 1996 by Charleston Natural History Society by
Jane E. Lareau its Vice president.

SWORN TO before me this

27 day of June, 1996.
Kenneth J. Munnally (SEAL)

Notary Public for State of South CarolinaMy Commission Expires: 06-16-02

BK P 282PG847

Signed Sealed and Delivered
in the presence of:

SAVE THE WANDO ASSOCIATION,
INC.

[Signature]
[Signature]

By: *Gordon R. Hennigar*
GORDON R. HENNIGAR
Its: *President* PRESIDENT

STATE OF SOUTH CAROLINA)
COUNTY OF CHARLESTON)

ACKNOWLEDGEMENT

The foregoing instrument was acknowledged before me this 17
day of JUNE, 1996 by Save The Wando Association, Inc. by
GORDON R. HENNIGAR its PRESIDENT.

SWORN TO before me this

17 day of JUNE, 1996.

[Signature] (SEAL)

Notary Public for CHARLESTON CO., S.C.
My Commission Expires: April 12, 2006

BK P 282PG848

EXHIBIT A - PROPERTY DESCRIPTION

All those certain pieces, parcels or tracts of land, situate, lying and being in the City of Mount Pleasant, in the County of Charleston, State of South Carolina, containing in the aggregate approximately 203.718 acres, more or less, and being shown and delineated as Tracts 7 through 12" on a plat prepared by Southeastern Surveying, Inc. entitled "A Boundary Survey of Tracts 7 Thru 12 Being a Portion of Belle Hall Plantation owned by Long Point Road Limited Partnership Located in the Town of Mount Pleasant, Charleston County, South Carolina" dated June 1, 1996, consisting of 3 pages, and recorded in the office of the Register of Mesne Conveyances for Charleston County in Plat Book EB at Page 23710 said tracts 7 through 12 containing the following approximate acreage, according to said plat:

Tract 7 -	111.579 Acres
Tract 8 -	2.663 Acres
Tract 9 -	5.463 Acres
Tract 10 -	0.142 Acres
Tract 11 -	35.285 Acres
Tract 12 -	48.586 Acres

Being a portion of the property conveyed to Long Point Road Limited Partnership by deed of Georgia-Pacific Investment Company, dated June 19, 1986, and recorded _____, 1986, in the office of the Register of Mesne Conveyances for Charleston County in Deed Book Z-154 at Page 703.

HOLMES & THOMSON, LLP
ATTORNEYS AT LAW
P O. BOX 856
CHARLESTON, SC 29402

BK P 282PG849

FILED

P282-830

97 APR 15 PM 12:43

CHARLIE LYBRAND
REGISTER
CHARLESTON COUNTY SC

25.00
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Dad's
QSC

J.K.
is not only
J.C.

J. +
J.C.

Nov 04 2024

REFERENCE ID: 1746803

STATE OF SOUTH CAROLINA
SECRETARY OF STATE


SECRETARY OF STATE OF SOUTH CAROLINA

**F CHANGE OF REGISTERED OFFICE OR REGISTERED AGENT OR BOTH
OF A NONPROFIT CORPORATION**

Pursuant to Sections 33-31-502 and 33-31-1508 of the 1976 S.C. Code of Laws, as amended, the undersigned corporation submits the following information:

1. The name of the corporation is:

ETIWAN POINTE TOWNHOMES HOMEOWNERS ASSOCIATION, INC.

(must match name on record with the Secretary of State)

2. The corporation is (complete either "a" or "b", whichever is applicable):

- a. A domestic nonprofit corporation incorporated in South Carolina on 04/25/2001 (must match date on record with the Secretary of State); or
- b. A foreign nonprofit corporation incorporated in _____ on _____ and authorized to do business in South Carolina on _____ (must match date on record with the Secretary of State).

3. The street address of the registered office currently on file in South Carolina is:
652 Coleman Blvd - Suite 200

(Street Address)

Mount Pleasant, South Carolina 29464

(City, State, Zip Code)

4. If current registered office is to be changed, the **new** street address will be:
960 Morrison Drive, Suite 100

(Street Address)

Charleston, South Carolina 29403

(City, State, Zip Code)

5. The name of the registered agent currently on file in South Carolina is:

Carolina Registered Agent, LLC

(Name)

6. If the current registered agent is to be changed, the name of the **new** registered agent is:

Jules Deas Jr

(Name)

CERTIFIED TO BE A TRUE AND CORRECT COPY
AS TAKEN FROM AND COMPARED WITH THE
ORIGINAL ON FILE IN THIS OFFICE

Nov 04 2024

REFERENCE ID: 1746803


SECRETARY OF STATE OF SOUTH CAROLINA

ETIWAN POINTE TOWNHOMES HOMEOWNERS
ASSOCIATION, INC.

Name of Corporation

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

Jules Deas Jr: (Electronically Signed)

(Signature of New Registered Agent)

*Pursuant to Sections 33-31-502(5) and 33-31-1508(5) of the 1976 S.C. Code of Laws, as amended, the written consent of the registered agent may be attached to this form.

7. The street addresses of the registered office and of the office of the registered agent, as changed, will be identical.

Date: 11/04/2024

Name of Corporation:

ETIWAN POINTE TOWNHOMES HOMEOWNERS ASSOCIATION, INC.

Jules Deas Jr: (Electronically Signed)

(Signature of Officer)

Jules Deas Jr

(Type or Print Name)

President

(Position of Officer)

VIOLATION ENFORCEMENT POLICY

WHEREAS, The Etiwan Pointe Townhomes Homeowners Association ("Association") has authority pursuant to Article XI of the Declaration of Covenants, Conditions and Restrictions for Etiwan Pointe Townhomes Homeowners Association ("Declaration") and, Article III C, Section 14(f) of the By-Laws of Etiwan Pointe Townhomes Homeowners Association ("By-Laws") to determine, in its reasonable discretion, the manner of remedy for violations of the provisions set forth in the Declaration and/or By-Laws;

WHEREAS, The Board of Directors of the Association ("Board") finds there is a need to establish procedures for the enforcement of the use restrictions and architectural control provisions of the Declaration and By-Laws and for the elimination of violations found to exist within the Etiwan Pointe Townhomes Association;

NOW THEREFORE, IT IS RESOLVED that the following procedures and practices are established for the enforcement of violations of the use restrictions and architectural control provisions of the Declaration and By-Laws of Etiwan Pointe Townhomes Homeowners Association and for the elimination of violations of such provisions found to exist in, on or about any property within Etiwan Pointe Townhomes Homeowners Association and the same are to be known as the "Deed Violation Enforcement Policy" of the Association in the discharge of its responsibilities for determination and enforcement of remedies for deed violations within Etiwan Pointe:

1. **Establishment of a Violation.**

- a. **Architectural.** Any improvements (as such term is defined in Article X of the Declaration) of any kind shall be placed, erected or installed upon any Unit and no improvements or other work shall take place on such Unit except pursuant to approval in compliance with this Article and the Architectural Guidelines.
Any improvement constructed on a Unit shall be designed by and built in accordance with the plans and specifications of a licensed architect unless otherwise approved by the Board of Directors or its designee in its sole discretion.
- b. **Use Restrictions.** Any activity or condition allowed to continue on any Lot that is in direct opposition to Article XI of the Declaration, or any provision within the Design Guidelines, which is not expressly authorized by the Board is deemed a "Violation" under this enforcement policy for all purposes.

2. **Notice of Violation.**

- a. **Initial Notice.** Upon verification of the existence of a violation by the Management staff ("Management") of Etiwan Pointe Townhomes Association, Management will send to the Unit Owner a written notice of the discovery of the Violation ("Initial Notice") the Initial Notice will inform the recipient as follows:
- (i) The nature, description and location of the Violation; and
 - (ii) A request to remedy the Violation; and a potential for a fine on the owner's account if corrective action is not taken within ten (10) days.
 - (iii) Notice that if the Violation has already been corrected or plans and specifications for a subject improvement have been submitted to the ARB to disregard the notice.
- b. **Second Notice of Violation.** If the Unit Owner fails to remedy the Violation or fails to submit plans and specifications for the offending improvement to the ARB or if the ARB has denied approval of the plans and specifications submitted, and the violation is continuing, no earlier than ten (10) days from the Initial Notice, Management shall send to the Unit Owner a Second Notice of Violation informing the recipient as follows:
- (i) The nature, description and location of the Violation and the failure of the Unit Owner to correct the Violation, as previously requested; and
 - (ii) Notice that a fine of \$25.00 has been assessed to the owner's account; and
 - (iii) Notice that if the Violation is corrected or eliminated within ten (10) days from the delivery of the Second Notice of Violation, no further action will be taken; and
 - (iv) If necessary, work on any Improvement must cease immediately and may not resume without the expressed written approval of the ARB; and

- (iv) Failure to remedy or cease work on any subject improvement will result in the Association electing to pursue any one or more of the remedies available to the Association under the Declaration, By-Laws or this Enforcement Policy.
 - c. Failure to Remedy. Failure to (i) cease all work immediately upon receipt of the Second Notice of Violation, or (ii) remedy the current violation existing upon the Lot within ten (10) days of the date of the Second Notice of Violation, shall constitute a continuing Violation and result in one or more of the following: (a) a fine being levied by the Association against the Unit Owner, (b) correction of the offending Improvement by the Association at the expense of the Unit Owner through an Assessment being levied against the Unit Owner, which may be recorded as a lien against the Unit or (c) any other remedy under law or at equity, the Declaration or this Enforcement Policy, including but not limited to injunctive relief. Management shall send to the Unit Owner a formal Notice of Decision informing the recipient of the continuing Violation and the remedy chosen as a result thereof. The date of the Notice of Decision shall be the "Notice of Decision Date."
 - d. Fine Structure. Any fine imposed pursuant to the provisions of Paragraph 2 shall be imposed at double the latest fine, beginning to accrue no earlier than ten (10) days following the Notice of Decision Date.
 - e. Written Appeal. Included in the Notice of Decision will be the opportunity for the Unit Owner to make a written appeal to the Board. The Notice of Decision will allow the Unit Owner thirty (30) days to contact Management, in writing. Should the Unit Owner fail to contact Management within thirty (30) days of the Notice of Decision Date, that party will have waived its opportunity for said written appeal.
- 3. Corrective Action. Where a Violation is determined to exist and referred to the Board of Directors of the Association, pursuant to any provision of this Enforcement Policy, Management, with the approval of the majority of the Board of the Association, may undertake to cause the Violation to be corrected, removed or otherwise abated by qualified contractors if Management, in its reasonable judgment, determines the Violation may be readily corrected, removed or abated without undue expense and without breach of the peace. Where management decides to initiate any action by qualified contractors, the following will apply:

- a. Management must give the Unit Owner and any third party directly affected by the proposed action prior written notice of undertaking of the action. The forgoing notice may be given at any time.
- b. Cost incurred in correcting or eliminating the Violation will be referred to the Association to be recovered from the Unit Owner as an Assessment as set forth in Article X, of the Declaration.
- c. The Association, and its agents and contractors will not be liable to the Unit Owner or any third party for any damages or costs alleged to arise by virtue of action taken under this Paragraph 3 where the Association and its agents have acted reasonably and in conformity with this Enforcement Policy.

4. **Referral to Legal Counsel.** Where a Violation is determined to exist and is referred to the Board of Directors of the Association pursuant to any of the provisions of this Enforcement Policy and where Management deems it to be in the best interests of the Association, The Board may, at any time during the enforcement process, refer the Violation to legal counsel for action seeking injunctive relief against the Lot Owner to correct or otherwise abate the Violation, or to pursue any other legal or equitable remedy that may be available to the Association.

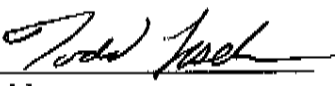
5. **Notices.**

- a. Any notice required by this Enforcement Policy to be given, sent, delivered or received in writing will be deemed to have been given, sent, delivered or received, as the case may be, upon the earlier to occur of the following.
 - (i) When the notice is delivered by telecopy, the notice is deemed delivered when the sender receives a facsimile acknowledgment acknowledging delivery of telecopy.
 - (ii) When the notice is placed into the care and custody of the United States Postal Service, the notice is deemed delivered as of the date the notice is deposited into a receptacle of the United States Postal Service with postage prepaid and addressed to the most recent address of the recipient according to the records of the Association.
- b. Where the interests of an Owner in a Lot have been handled by a

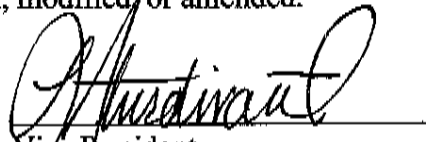
representative or agent of such Owner or where Owner has otherwise acted so as to put the Association on notice that its interests in a Lot has been and is being handled by a representative or agent, any notice or communication from the Association or Management pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to such representative or agent.

6. **Cure of Violation During Enforcement.** A Unit Owner may correct or eliminate a Violation at any time during the pendency of any procedure prescribed by this Enforcement Policy. Upon verification by Management that the Violation has been corrected or eliminated, the Violation will be deemed no longer to exist and the Notice of Violation voided. The Lot Owner will remain liable for all costs and fines under this Enforcement Policy, which costs and fines, if not paid upon demand thereof by Management, will be referred to the Association for collection as an assessment pursuant to the Declaration.

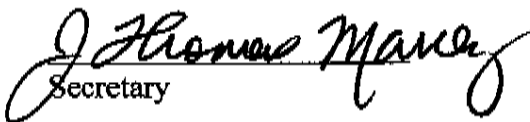
IT IS FURTHER RESOLVED THAT this Violation Enforcement Policy replaces and supersedes in all respects all prior resolutions with respect to enforcement of the Community Documents by Etiwan Pointe Townhomes Homeowners Association and is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.



President



Vice President



Secretary

This is to certify that the foregoing resolution was adopted by the Board of Directors as of May 20, 2010 and has not been modified, rescinded, or revoked.
