

70.00  
WHEREAS, the within Declaration is being re-recorded to correct a reference to previously recorded Book and Page numbers of plats for Baden Village Subdivision, Phase 1, referenced in Exhibit "A", page 46 of the Declaration:

FILED FOR RECORD 05/17/2006  
AT 01:25:36PM BOOK 08040 PAGE 00072  
David Hamilton - Clerk of Court  
York County Courthouse  
Instrument Number: 000293285

**DECLARATION OF COVENANTS, RESTRICTIONS AND PROVISIONS  
FOR MEMBERSHIP IN  
REGAL MANOR HOMEOWNERS' ASSOCIATION, INC.**

THIS DECLARATION, is made this 15th day of May, 2006, by COULSTON ENTERPRISES, INC. (hereinafter referred to as "Declarant") of Fort Mill Township, York County, South Carolina. *Revised*

FILED FOR RECORD 06/15/2006  
AT 04:32:06PM BOOK 08118 PAGE 00139  
David Hamilton - Clerk of Court  
York County Courthouse  
Instrument Number: 000297732

**WITNESSETH:**

WHEREAS, COULSTON ENTERPRISES, INC., a corporation organized and existing under the laws of the State of South Carolina, is the owner of certain lands (hereinafter referred to as the "Property") described in Article II of this Declaration; and

WHEREAS, Declarant desires to develop its properties in a coordinated manner, with provisions for certain common areas, common access ways and common regulations and cost sharing, all as more particularly set forth herein; and

WHEREAS, Declarant finds that private controls over the use of the land are an effective means of establishing, preserving, maintaining and, in some instances, enhancing, the economic or intangible values pertaining to the use and enjoyment of the Property and, to this end, Declarant desires to establish on the Property certain private land use controls, conditions, restrictions, equitable servitudes, encumbrances, affirmative obligations, burdens, benefits, reservations, easements, assessments, charges and liens (hereinafter referred to as the "Declaration" or these "Covenants"); and

WHEREAS, Declarant deems it desirable to provide a mechanism for the proper administration of these Covenants, including, but not limited to, the ownership, operation and maintenance of common facilities on the Property, the performance of acts of maintenance, administration, assessment, enforcement and other activities set forth in these Covenants and other mandated and discretionary functions consistent with the purpose of these Covenants which benefit the Property; and

JUN-09-08 10:01AM FROM-

+

T-892 P.009

F-577

WHEREAS, in connection with the need for such a mechanism, Declarant has caused or will cause to be incorporated under the laws of the State of South Carolina a non-profit corporation, Regal Manor Homeowners' Association, Inc., for the purpose of exercising the functions aforesaid, and which are hereinafter more fully set forth; and

NOW, THEREFORE, Declarant hereby declares that the Property heretofore is and shall be held, transferred, sold, devised, assigned, conveyed, given, purchased, leased, occupied, possessed, mortgaged, encumbered and used subject to these Covenants. These Covenants, the benefits of these Covenants, and the affirmative and negative burdens of these Covenants, whether pertaining to items, benefits and obligations presently existing or to be created or executed in the future, do and shall, in equity and at law, touch and concern, benefit and burden, and run with the land and any estates in the land herein referred to as the Property, and these Covenants are intended to be covenants and servitudes burdening and benefiting all persons now or hereafter deriving a real property estate in the Property whether by assignment, succession or inheritance or other method of conveyance.

#### PART ONE GENERAL REFERENCES

##### ARTICLE I: Definitions

Section 1.1: Definitions. The following words and terms, when used in this Declaration, or any supplemental Declaration, unless the context clearly shall indicate otherwise, shall have the following meanings.

(a) "Architectural Review Committee ("ARC") means the architectural review committee described in Section 3.4 of this Declaration.

(b) "Association" shall mean and refer to Regal Manor Homeowners' Association, Inc., a South Carolina non-profit corporation which Declarant has formed or will cause to be formed.

(c) "Board" means the Board of Directors of the Association as defined in the By-Laws of the Association.

(d) "Common Property" shall mean and refer to those areas of land with any improvements thereon which are deeded to the Association and designated in said deed as Common Property. The term "Common Property" shall include any personal property acquired by the Association, if said property is designated as "Common Property." All Common Property are to be devoted to and intended for the common use and enjoyment of the Owners of the Properties. Common Properties shall not include the common properties of horizontal property regimes (as defined under South Carolina law), but shall include *Limited*

BK08040PG0073

JUN-08-06 10:01AM FROM-

+

T-892 P.004

F-577

*Common Property* as described in Section 7.2. The term "Common Property" shall also refer to all areas provided for common use and enjoyment of Members, and designated as Common Property on the plats referred to in EXHIBIT "A" or any other approved plat or master plan of residential areas of the Regal Manor development(s) evidencing a specific intent to designate Common Property to this Declaration, whether or not such property has been actually conveyed to the Association, and whether or not such Common Property is presently designated on any existing master plan or subsequently designated by Declarant, which designation(s) shall be at Declarant's sole discretion. Declarant may likewise modify any Common Property designation prior to actual conveyance to the Association, at Declarant's discretion.

(e) "Declarant" shall mean and refer to COULSTON ENTERPRISES, INC. and its successors and assigns other than purchasers of Dwelling Units and Lots within the Property.

(f) "Dwelling Unit" shall mean any improved property which is a dwelling, whether attached or unattached, whether occupied or unoccupied, including any single family detached dwelling, patio home, condominium unit, townhouse unit, cooperative apartment unit or apartment unit intended for use as a single private residential dwelling within the Property occupied by no more than two people who are unrelated by familial status.

(g) "Lot" shall mean and refer to any parcel of land within the Property and intended to be conveyed in the future to others other than the Association, as well as to any previously conveyed parcel of land within the Property which may be voluntarily submitted to this Declaration by the execution and recording of appropriate amendments to this Declaration.

(h) "Member" shall mean and refer to all those Owners who are Members of the Association as provided herein.

(i) "Owner" shall mean and refer to the record Owner whether one or more persons, firms, associations, corporations, or other legal entities, of the fee simple title to any Dwelling Units and Lots situated upon the Property, but shall not mean or refer to a mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of the Owner.

(j) "Property" or "Properties" shall mean and refer to the real property described in Article II hereof.

BK08040PG0074

JUN-09-08 10:02AM FROM-

T-892 P.005 F-577

## ARTICLE II:

Property Description/General Plan of Development

Section 2.1: The Property. The real property ("the Property") which is and shall be held, transferred, sold, conveyed, given, donated, leased and occupied subject to these Covenants, is described in EXHIBIT "A" to these Covenants.

Section 2.2: Additional Property. In addition to the Property described in Section 2.1 above, wherever used in these Covenants the term "the Property" shall also mean and refer to all property which may be contiguous to the Property or located nearby, if such property is voluntarily submitted hereunder; (1) by Declarant, without consent of the Association; or (2) by the owner(s) of such property if Declarant is not the owner, with the consent of Declarant hereunder, its successors or assigns. The intent of this Section is that Declarant shall have the unrestricted right to submit additional property to these Covenants. Such submission of additional property herein shall become effective upon filing a document of record in the public land records of the county and state in which the additional property is located, executed in recordable form, by the property owner and Declarant, describing such property and stating the intent to be bound hereby and submitted hereunder.

Section 2.3: Excluded Property.

- (a) It is specifically noted by Declarant that, as of the time of filing this Declaration, much of the land lying adjacent or in close proximity to the Property which is being subjected to these Covenants by the filing of this Declaration, is within the overall conceptual master planned area known as "Regal Manor;" however, such adjacent and nearby land has not been included with the EXHIBIT "A" property and is not subject to the Covenants by the filing of this Declaration. Some or all of these properties may subsequently be made subject to these Covenants, at Declarant's sole discretion, at some date in the future.
- (b) It is further disclosed by Declarant that certain parcels or tracts of land lying within or in the vicinity of the master planned areas known as "Regal Manor" and "Emerald Lakes" will be retained or developed by Declarant for operation of various mixed-use commercial purposes, as well as that of institutional/religious organizations, and uses associated with entertainment or artistic performance. For purposes of example only, uses of these other properties may include hotel, retail (i.e., shopping centers, stores, restaurants and bars), warehouse, distribution, offices, churches and ministries, and indoor and outdoor performance venues (whether for music, drama, or media productions). These other properties, to be used for purposes other than residential, shall not be subject to this Declaration.

BK08040P00075

JUN-09-08 10:02AM FROM-

T-892 P.006

F-577

Section 2.5: General Plan of Development.

(a) For purposes of these Covenants the phrase "master plan" shall mean and refer to conceptual master plans, general land use maps, advertising brochures, designs and drawings commissioned by Declarant, or companies affiliated with Declarant, and prepared by landscape architects, planners, designers, engineers, graphic illustrators and artists and similar professionals displaying possible future uses of the properties, prepared as an aid for orderly development of the properties or as part of its communications with the public and property purchasers, or as part of studies undertaken by Declarant for future development of the Regal Manor and Emerald Lakes properties. Declarant intends to develop the Regal Manor and Emerald Lakes properties in accordance with its own conceptual master plans, as modified from time to time, as a mixed use commercial and residential community, to include a varied number of lawful activities for which Declarant deems appropriate as uses for such property. The Declarant's master plans for the Property subject to these Covenants will often necessarily overlap with its master planning for other properties within the Regal Manor and Emerald Lakes developments. Declarant reserves the right to review and modify its master plans at its sole option from time to time both prior to and after construction of any improvements. For reference purposes only, a map including the Regal Manor and Emerald Lakes areas is attached as EXHIBIT "D" to this Declaration.

(b) Declarant shall not be required to follow any pre-determined sequence or order of improvements and developments; and may bring within the plan of these Covenants additional lands and develop the same before completing the development of the Property.

(c) Other than as stated in this Section 2.5, Declarant shall have full power to add to, subtract from, or make changes in its master plan. No implied reciprocal equitable servitudes or easements shall arise with respect to any lands retained by Declarant.

(d) In general, all future Owners of Lots and Dwelling Units within the Property and Members of the Association recognize that Declarant will have portions of the Regal Manor and Emerald Lakes properties under development for an extended period of time. As part of the development process, it is understood that the quiet enjoyment of the Property may be interfered with from time to time to some extent by construction operations. Further, Owners and their family, invitees, and agents may be restricted from certain areas under construction, and neither the Declarant, its agents, successors and assigns, shall be liable for any damage, loss or injury to any person or property upon failure of such parties to obey posted signs restricting access and use of said areas. As stated above, Declarant has presented to the public certain renderings, plans, and models showing possible future development of the Property and its developments and, as of the date of this Declaration, has constructed certain improvements and facilities in the form of roadways, common areas, recreational facilities. Declarant does not warrant in any way the designs in those renderings, plans or models or how any portions of the future improvements to the Property and developments will actually be developed or how any portions of the existing improvements may be modified. All purchasers of Lots or Dwelling Units within the Property accept that any such renderings, plans or models are preliminary and in

BK08040PG0076

JUN-09-06 10:02AM FROM-

T-892 P.007/066 F-577

no way represent the final development plan of the Property or other properties within the Regal Manor or Emerald Lakes developments. All Owners further agree that Declarant shall have the sole right of design, construction, development, improvement and modification of existing improvements of the Property.

DECLARANT EXPRESSLY DISCLAIMS THAT ANY RIGHTS SHALL ARISE, OR ANY RESTRAINTS BE CREATED, BY ANY REFERENCE OR DEPICTION OF LAND USE AS SHOWN ON ANY MASTER PLAN.

## PART TWO LAND USE RESTRICTIONS

### ARTICLE III: General Land Use Restrictions and Obligations

Section 3.1: Restrictions and Limitations on Business (Use(s) of Lots and Dwelling Units. No trade or business may be conducted in or from any Lot or Dwelling Unit, except that an Owner or occupant residing in a Dwelling Unit may conduct business activities within the Dwelling Unit or on the Lot so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Dwelling Unit, or in respect to outdoor activities, from outside the boundaries of the Lot; (b) the business activity conforms to all zoning requirements applicable to the Lot; (c) the business activity does not involve persons coming onto the Property who do not reside within the Property or door-to-door solicitation of residents; and (d) 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.

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 involve 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 therefore. Notwithstanding the above, the leasing of a Lot or Dwelling Unit shall not be considered a trade or business within the meaning of this section. This section shall not apply to any commercial property within the Property nor shall it apply to any activity conducted by the Declarant or a builder approved by the Declarant with respect to its development and sale of the Property or its use of any Lots or Dwelling Units which it owns.

Section 3.2: Laws and Ordinances. Every Owner and occupant of any Lot or Dwelling Unit, their guests and invitees, shall comply with all laws, statutes, ordinances and rules of federal, state and municipal governments applicable to the Lot, Dwelling Unit, and

BK08040PG0077

JUN-09-06 10:03AM FROM-

T-992 P.008/088 F-577

Property, and any violation thereof may be considered a violation of this Declaration, provided, however, the Board shall have no obligation to take action enforce such laws, statutes, ordinances and rules.

Section 3.3: Architectural Review of Specifications for New Construction or Additions, Reconstructions, Alterations or Changes to Structures, Landscaping and Siting.

(a) No building, fence or other structure or landscaping element shall be erected, placed or altered on said Property until the proposed building plans, specifications, exterior color and finish, landscape plan, site development and drainage plan (showing proposed location of such building or structure, setbacks, open space, drives, landscape elements, patios, decks and parking areas) and construction schedule shall have been approved in writing by Declarant, its successors or assigns. Refusal of approval of plans, location or specifications may be based by Declarant upon any reasonable grounds, including purely aesthetic considerations, which in the sole discretion of Declarant shall seem sufficient.

(b) No alterations in the exterior appearance of any building, landscape element or structure shall be made without like approval by Declarant. One (1) copy of all plans and related data shall be furnished to Declarant, or its agent, for its records and a reasonable fee may be required at the time of submission to cover costs of plan review by professionals.

(c) Among other items, design guidelines may include suggested or required building materials, colors, setbacks, buffers, paving materials, plant materials, light fixtures, signs and graphics, benches, trash receptacles, etc.

(d) To assure that buildings and other structures will be located so that reasonable view, privacy and breeze will be available to the largest practical number of structures built within the Property and that structures will be located with regard to the topography of each property taking into consideration the location of large trees as well as structures previously built or approved pursuant to this Article for adjacent parcels of land, and other aesthetic and environmental considerations, the Declarant shall have the right to approve (subject to the provisions of the pertinent law) the precise site and location of any structure within the Property. The location shall be determined only after reasonable opportunity is afforded the Property Owner to recommend a specific site.

(e) Lot coverage may be one of the considerations in the ARC review process. In calculating the Lot coverage, the square footage comprising the approved detached buildings and paved areas and any area covered by an awning or the like which serve the function of the building shall be included. Lot coverage may be further restricted, as necessary, to comply with any governmental standards applicable to a particular site or to the master planned area.

Section 3.4: Architectural Review Committee. Declarant may establish and periodically appoint the members of an Architectural Review Committee ("ARC") to function as

BK08040PG0078

JUN-09-08 10:03AM FROM-

T-892 P.008/080 F-577

its agent for the purpose of reviewing and approving all activities which are made subject to Declarant's approval by this Section. At any time after the activation of the Owners' Association as hereinafter provided, Declarant may, in its sole discretion, delegate and assign unto the Association the right and duty of maintaining and administering the ARC. The Declarant, and the Association upon delegation and assignment of the ARC by the Declarant, may from time to time delegate the responsibilities of ARC administration and decision making as to certain areas of the Property or certain aspects of review set forth in Section 3.2 to condominium Regime or other Owner Associations (i.e. individual subdivision owner associations) which have jurisdiction over the Lot which is the subject of the review application. The ARC shall be composed of three to five members, at Declarant's discretion, the members of which need not be Owners of Dwelling Units or Lots within the Property, and such members shall serve for staggered terms of three (3) years. Standards for review may be published by the ARC and made available to Owners or prospective Owners for the cost of publication. No approval of plans, location or specifications, and no publication of architectural standards bulletins by the Declarant or the ARC shall ever be construed as representing or implying that such plans, specifications or standards will, if followed, result in a properly designed building or that such standards comply with pertinent law. Any established standards or guidelines may be changed from time to time at the discretion of the ARC or Declarant, without prior notice. If additional property is submitted to these Covenants in the future, Declarant may submit such property subject to the same guidelines and review process, or establish such other guidelines and review process as Declarant may deem appropriate for such additional property, at Declarant's discretion.

DECLARANT SHALL ASSUME NO RESPONSIBILITY FOR THE ACTIONS OR INACTIONS OF THE ARC AND/OR THE ASSOCIATION AND ALL OWNERS AGREE TO HOLD DECLARANT HARMLESS IN THE EVENT OF ANY DAMAGES SUFFERED THEREBY.

Section 3.5: Minimizing Construction Disturbances. During the continuance of construction, the Property Owner and the contractor shall maintain the Lot in a clean and uncluttered condition, both exterior and interior, and must comply with any applicable laws and ordinances of York County, South Carolina, as to hours during which construction activities may occur.

Section 3.6: Completion of Construction. The exterior of all structures shall be completed within nine (9) months after the construction of same shall have commenced, except where such completion is impossible, impractical or would result in great hardship to the Owner of a building due to strikes, fires, national emergency or natural calamities, or when an extension has been granted to the Owner by the ARC for other special circumstances. Substantially all of the landscaping shown in plans as submitted to, and approved by, the ARC must be completed within four (4) months of the date of issuance of the County Certificate of Occupancy for the structure. As a condition of approval of proposed plans for all structures, a bond may be required by the ARC sufficient to guarantee payment of the landscape installation contractor's estimated cost of installation and implementation of the plan as submitted and approved by the ARC. The builder's letting of a contract for the installation of the full landscaping plan by the

BK08040PG0079



JUN-09-06 10:04AM FROM-

T-882 P.010/066 F-577

end of the first full winter shall be a condition of any occupancy of a Dwelling Unit constructed on the Lot.

Section 3.7: Temporary Structures, Outbuilding and Construction Site Clean-Up.

No structure of temporary character shall be placed upon said Property at any time without approval of the Declarant, provided, however, that it shall be expressly permissible for the Declarant and its agents, successors, and assigns to maintain and carry on such facilities and activities as may be reasonably required, convenient, or incidental to the completion, improvement, development, and sale of Lots and Dwelling Units, including, without limitation, the installation and operation of sales and construction trailers and offices, signs, and model houses (including use of same for offices and sales), all as may be approved by the Declarant from time to time, provided that the location of any temporary structures maintained by Declarant's assignees shall remain subject to Declarant's approval. Temporary structures placed on the Property for construction purposes may not, at any time, be used as residences or permitted to remain on said Property after completion of construction. After completion of construction, it shall be the sole responsibility of the Owner to insure that all temporary structures are removed immediately and that the site is cleaned up and placed in good order immediately. The design and color of structures temporarily placed on said Property by a contractor or subcontractor shall be subject to the reasonable aesthetic control of Declarant or the ARC. Except as allowed above, no trailer, shed, mobile home, tent, barn, treehouse or other similar vehicle, outbuilding or structure shall be placed on said Property at any time, either temporarily or permanently, without the written permission and approval of Declarant or the ARC.

Section 3.8: Driveways and Sidewalks. Driveways shall be constructed and completed prior to completion and occupation of the Dwelling Unit to which such shall serve. Owners shall be required to maintain and replace the driveway of their Lot thereafter so as to maintain the same appearance existing at the time of original construction, ordinary wear and tear excepted. Each Dwelling Unit shall have a continuous sidewalk from the driveway to the front porch or entry.

Section 3.9: Awnings, Window Screens, Clotheslines. No foil or other reflective material shall be used on any windows for sunscreens, blinds, shades, or other purposes. No metal, fiberglass or similar type awnings or patio covers shall be permitted. No clotheslines shall be permitted, and clothing, rugs, towels, or other similar items which are visible to others shall not be hung on any railing, fence, hedge, or wall.

Section 3.10: Exterior Flags and Sculpture. Exterior sculptures, fountains, flags, and similar items must be approved by the ARC prior to their display, installation, or maintenance. Notwithstanding the above, a single, official flag of the United States of America and/or the State of South Carolina, may be displayed on a Dwelling Unit provided such flags do not exceed 3 feet by 5 feet in size, and must be mounted on exterior wall-mounted poles not exceeding 6 feet in length at a front entry door or front porch area.

JUN-08-08 10:04AM FROM-

+

T-892 P.011/066 F-577

Section 3.11: Exterior Antennas, Aerials and Satellite Dishes.

(a) *Intent.* It is the intent and desire of Developer that the Property be developed in an aesthetically pleasant manner, and that the Dwellings constructed on the Lots retain a harmonious and consistent appearance. To this end, it is the goal of the provisions of this Section 3.3 to limit the installation of any satellite dishes, antennas and aerials on the Lots so that such are not visible from the street in front of such Lot.

(b) *Permitted Installation and Standards.* A "Satellite Dish" or "Antenna," as such terms are defined below, shall be permitted to be installed by an Owner without the approval of the Declarant or the Association provided the location of the Satellite Dish or Antenna, and all related cables and wiring, are installed at the least visible location on such Owner's Lot, as viewed from the street directly in front of such Lot, which will not result in a substantial degradation of reception. Within twenty (20) days from the installation of a Satellite Dish or Antenna, an Owner shall notify the Association of such installation. Such notice shall indicate the item installed, the approximate location on such Lot, and that such installation meets the standards contained in this subsection (b).

(c) *Rights of Association and Developer.* The Association and Declarant shall have the right to enter upon a Lot on which a Satellite Dish or Antenna is installed in order to (i) confirm that the Satellite Dish or Antenna, as the case may be, was installed in accordance with the standard specified in Section 3.3(b) above; or (ii) install, at the expense of the Association or the Declarant, as the case may be, landscaping, fencing, or a combination thereof, so as to shield or otherwise block the view of such Satellite Dish or Antenna from the street in front of such Lot. In the event the installation does not meet the standard specified in Section 3.3(b) above, the Association may require the relocation of the Satellite Dish or Antenna by the Owner, at the Owner's expense, to another location which meets such standard. In addition, the Association shall have the right to require the Owner, at the Owner's expense, to paint the Satellite Dish or Antenna (provided that such painting does not impair the reception thereof) to match the background of the installation area.

(d) *Definitions of Satellite Dish and Antenna.* For purposes of this Section 3.3, the terms "Satellite Dish" and "Antenna" shall mean any satellite dish or antenna that is subject to the Telecommunications Act of 1996, as amended, and any applicable regulations issued thereunder (collectively, the "Telecom Act").

(e) *Reception Devices not Governed by the Telecom Act.* Any antennas, aerials, satellite dishes, or other apparatus not subject to the Telecom Act shall be permitted on a Lot only if: (i) concealed by landscaping, fencing, or a combination thereof; (ii) installed so as not to be visible from the street in front of such Lot, front elevation street view; and (iii) not constitute a nuisance to any other Owner. All installations under this subsection (e) shall be first approved by the Association.

(f) *Miscellaneous.* No radio or television signals, nor electromagnetic radiation, shall be permitted to originate from any Lot which may unreasonably interfere with the reception of

BK08040PG0081

JUN-08-08 10:04AM FROM-

T-892 P.012/068 E-577

television or radio signals within the Property, provided however that the Declarant and/or the Association shall have the right, without obligation, to erect an aerial, satellite dish, or other apparatus or master antenna or cable system for the benefit of all or a portion of the Property, should any such master system or systems be utilized by the Association and require any such exterior apparatus.

Section 3.12: Tree Removal. No trees measuring six (6") inches or more in diameter at a distance of four (4') feet above ground level may be removed without the written approval of Declarant, unless located within ten (10') feet of a building or within ten (10') feet of an approved site for such building.

Section 3.13: Fuel Storage, Garbage Receptacles, Tanks, Etc. No fuel tanks or similar storage receptacles may be exposed to view, or buried underground. No rubbish, trash or garbage containers shall be stored or maintained outdoors except for such temporary storage necessary for immediate pick up of the trash and, in that event, trash shall be stored in appropriate containers. Further, the ARC reserves the right to approve the size and location of any garbage receptacles, together with mandatory, appropriate screening.

Section 3.14: Fences. No fencing shall be installed on any Lot without the prior review and approval of the Architectural Review Committee (ARC). The ARC shall have approval on all aspects of any proposed fencing, including but not limited to size, location, height and composition. Except as may be otherwise promulgated by the Declarant or the ARC from time to time for specific neighborhoods, subdivisions, or communities within the Property, either by the filing of an amendment to this Declaration or by rules and guidelines of the ARC which shall not be subject to recordation in the public land records, fences shall be constructed and installed to conform to the guidelines set forth in EXHIBIT "E" as attached to this Declaration.

Section 3.15: Pools. No above ground swimming pools shall be erected, constructed or installed on any Lot; provided, nothing herein shall preclude installation and use of hot tubs, spas or in ground pools with prior approval of the ARC.

Section 3.16: Window Air Conditioning Units. Except as may be permitted by the Board, no window air conditioning and/or heating units may be installed or placed visible on the exterior of a Dwelling Unit.

Section 3.17: Mailboxes. Each Owner of a Lot shall maintain the mailbox as originally installed to serve the Lot and Dwelling Unit, and shall replace same, when necessary or desirable, with a mailbox substantially the same in appearance to the original mailbox unless a different type of mailbox has been approved at such time by the ARC (in which case said replacement mailbox must be in conformity with ARC requirements at the time of replacement). Nothing may be attached to the mailbox structure which will affect the uniformity thereof with other such structures in the Property. The ARC shall have the discretion to require the replacement of any mailbox within the Property at the expense of the Owner of the Lot served

BK08040PG0082

JUN-09-06 10:05AM FROM-

+

T-892 P.013/066 F-577

thereby. The Association may also choose to supply and install standardized mailboxes for the Lot Owners and require reimbursement for its costs of same.

**Section 3.18: Solar Panels.** No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed on any Lot without approval of the ARC.

**Section 3.19: Exterior Lighting; Illumination.** Exterior lighting used for the illumination of a Lot or Dwelling Unit shall be restricted to lighting fixtures mounted on the exterior of the Dwelling Unit, and all said light fixtures shall be mounted in locations on the exterior of the residence corresponding to original light fixtures installed at the time of construction completion. Any additional lighting to be installed or placed on a Lot or Dwelling Unit shall be subject to prior approval being granted by the ARC, including, without limitation, floodlights, pole or side-mounted security lights, and all types of landscape lighting (including portable or solar powered). Notwithstanding the above, holiday lighting shall be permitted without prior approval of the Association or ARC provided all such holiday lighting is removed and stored out of view of other Lots and Common Areas within thirty (30) days following the date of said holiday's observation/occurrence. The Board may assess fines against any Owner or Lot in accordance with its rules and regulations at such time in the event holiday lighting is not removed no later than expiration of the thirty (30) day period following the holiday.

**Section 3.20: Basketball Goals.** No basketball goals shall be permitted on any lot without the prior review and approval of the ARC. No basketball goals shall be permitted to be used along any curb, street right-of-way, on or in any street within the Property.

**Section 3.21: Playground Equipment.** No playground equipment shall be installed on any lot without the prior review and approval of the ARC. All such equipment shall be located at least ten (10) feet from any adjacent property lines and in the rear yard of a Lot (being the portion of such lot behind the rear corners of the Dwelling Unit on such lot). Notwithstanding the foregoing, in the event such Lot is located on a street corner, the ARC may, in its discretion, approve a location for such equipment other than a rear yard provided such is not closer than ten (10) feet from any sidewalk.

**Section 3.22: Doors.** All storm doors and screen doors of a Dwelling Unit shall be subject to architectural review approval by the ARC unless installed by the builder of the Dwelling Unit at the time of its original construction. Except in the event the ARC shall subsequently prohibit or restrict the use of same within the Property, or in the case of restrictions promulgated by the ARC for specific neighborhoods or subdivisions within the Property, "six panel" and "all view" white aluminum storm doors shall be permitted at the front door of a Dwelling Unit.

**Section 3.23: Animals.** No animals, livestock or poultry of any kind shall be raised, bred, kept or pastured on the Property; provided, that Owners shall be initially entitled to a conditional license issued by the Association for a maximum of three (3) household pets kept in any one residence. In order to preserve the aesthetic qualities of the Property, to maintain

BK08040PG0083

JUN-08-06 10:05AM FROM-

T-892 P.014/066 F-877

sanitary conditions on the Property, to prevent the spread of worms and infectious diseases on the Property, to maintain a proper respect for other Property Owners and users of the Property, and to maximize the overall use and enjoyment of the Property, each person who keeps a pet within a Dwelling Unit shall abide by municipal ordinances and rules and regulations established by the Declarant or the Association from time to time. The breach of any of these ordinances, rules and regulations shall be a noxious and offensive activity constituting a nuisance and the Association's Board may, upon their sole determination, revoke or terminate the above conditional license and require removal of the pet(s) from the Lot and the Property.

Section 3.24: Offensive Activity. No noxious or offensive activity shall be carried on upon said Property, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. There shall not be maintained any plants or animals, or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the other property in the neighborhood by the Owners thereof. Property Owners shall have the affirmative duty to prevent the release of obnoxious smells and odors which might tend to adversely affect the rights of other Property Owners to reasonable use and enjoyment of their Dwelling Unit or Lot.

Section 3.25: Willful Destruction of Wildlife. No hunting shall be allowed on the Property, except under controlled conditions approved by the Declarant or the Association and appropriate governmental wildlife authorities for the purpose of protecting Property Owners, the public and other animals against health hazards, disease, over-population of wildlife and significant wildlife predation. Depletion of wildlife stock which results from the process of planned development shall not be deemed to be a violation of this Section.

Section 3.26: Signs. No commercial signs, including "for rent" or "for sale" and other similar signs, shall be erected or maintained (inside or outside a structure) on the Property by anyone, including, but not limited to, the Owner, a real estate agent, a contractor or subcontractor, except with the written permission of Declarant or the ARC, or except as may be required by legal proceedings and except for a single standard real estate "for sale" or "for rent" sign may exist on a Lot if such does not exceed six (6) square feet in area. Declarant may use, permit, or allow such signs as it deems necessary or appropriate for the period of time expiring upon termination of its Class "B" membership rights pursuant to Section 6.2 hereinafter. No business signs, flags, banners or similar items except those placed and used by Declarant or its designees, including advertising or directional information signs, shall be erected by any Owner except with the prior approval of Declarant. If permission is granted by the Declarant or the Association to erect a sign, including name and address signs located anywhere within the Property, the Declarant and ARC reserves the right to determine the size and composition of such sign as it, in its sole discretion, deems appropriate.

Section 3.27: Restrictions on Use of Roadways. Subject to the rights of ingress and egress of Property Owners and guests, Declarant and its successors shall have the powers to place any reasonable restrictions upon the use of the private roadways within the Property and leading through lands owned or managed by Declarant to the Property, including but not limited

BK08040P00084

JUN-09-08 10:06AM FROM-

T-892 P.015/066 F-577

to restrictions pertaining to the speeds of vehicles, traffic and parking regulations and noise levels of vehicles. The fact that such restrictions on the use of the roads may be more restrictive than the laws of any state or local government having jurisdiction over the Property shall not make such restrictions unreasonable.

Section 3.28: Parking and Restrictions on Types of Vehicles.

(a) *Prohibited Vehicles.* No boats and other watercraft, boat trailers, tractors, buses, camper trailers, recreational vehicles, heavy duty trucks as defined below, or utility trailers may be maintained on the Property without prior written approval of the Declarant or ARC, or unless parked within areas specifically approved by Declarant for such vehicles, or stored in garages at residences with the garage door closed at all times so that such vehicle cannot be seen from the exterior of the residence. Said prohibition shall not include service vehicles owned or used by Declarant or Association. The term "heavy duty truck" as used herein is intended to refer to those vehicles having a gross weight of 8,000 pounds or more or having an empty weight of 5,000 pounds or more which are capable of being used for commercial purposes such as transporting goods, moving heavy articles, or hauling quantities of cargo. This is not intended to include attractive vehicles driven and maintained primarily as a means of transportation, such as dual purpose vehicles like sport utility trucks/vehicles, station wagons, mini-vans, and other pick-up type trucks of three-quarter (3/4) ton or less that do not have exposed signage or logo other than discreet identification approved by the Declarant or ARC and do not have exposed equipment or supplies. Stored vehicles and vehicles which are either obviously inoperable or do not have current operating licenses shall not be permitted on the Property except within enclosed garages.

(b) *Parking.* Vehicles shall be parked in the garages or on the driveways serving the Lots. No motor vehicle, whether or not utilized by an Owner, shall be parked on any street or public right-of-way, except on a temporary and non-recurring basis. Garages shall be used for parking of vehicles and no other use or modification thereof shall be permitted which would reduce the number of vehicles which may be parked therein below the number for which the garage was originally designed.

No Owners or other occupants of any Lot or portion of the Property shall repair or restore any vehicles of any kind upon or within any Lot or within any portion of the Common Areas, except (i) within enclosed garages or workshops, or (ii) for emergency repairs, and then only to the extent necessary to enable the movement thereof to a proper repair facility.

Any vehicles parked in violation of this Section or parking rules promulgated by the Board may be towed at the expense of the Owner.

Section 3.29: Landscaping Maintenance; Unsightly or Unkempt Conditions;

Lawn Care; Dumping. No weeds, underbrush or other unsightly vegetation shall be permitted to grow or remain upon any Lot, and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. All Dwelling Units and Lots and all portions of the Property and any improvements placed thereon shall at all times be maintained in a neat and

BK0804060085

JUN-09-08 10:06AM FR3M-

T-892 P.018/066 F-577

attractive condition. All lawns and other landscaping materials shall be maintained on a regular basis. In no event shall the grass on any Lot exceed the length of six inches (6"). Landscaping shall be maintained in a neat, attractive and orderly manner, including maintenance of grass, plants, plant beds, trees, turf, proper irrigation and lake edge maintenance. In order to implement effective control, Declarant and/or Association, its agents and assigns, shall have the right to enter upon any Lot for the purpose of mowing, pruning, removing, clearing or cutting underbrush, weeds or other unsightly growth and trash, which in the opinion of the Board detracts from the overall beauty and safety of the Property, in accordance with the provisions of these Covenants, and, further, to conduct such landscaping and landscaping maintenance activities as may be authorized as a common expense under these Covenants and the By-Laws. In the event that Declarant or the Association deems it necessary to enter upon any Lot to correct any unsightly, unkept or unsafe condition, as set forth above, all expenses incurred in such corrective action shall be the responsibility of the Owner, and such expenses may be charged and collected in like manner against such Owner as an assessment obligation. Any Owner, or his family, tenants, guests, invitees, servants, or agents, who dumps or places any trash or debris upon any Lot or Common Area shall be liable to the Association for the actual costs of removal thereof or the sum of \$150.00, whichever is greater, and such sum shall be added to and become a part of that portion of any assessment next becoming due to which such Owner and their Lot are subject.

Section 3.30: Right of Entry. Whenever Declarant or the Association is permitted by these Covenants to correct, repair, clean, preserve, clear out, or do any action on said Property, entering the Property and taking such action shall not be deemed a trespass.

Section 3.31: Subdivision/Consolidation of Property.

(a) Once a Lot has been conveyed by the Declarant to an Owner, the Property shall not be further subdivided nor its boundary lines changed, except with the written consent of Declarant; provided, however, that nothing contained herein shall be construed to prohibit the Declarant the right to re-plot any Lot or Lots which are owned by the Declarant into one (1), two (2) or more lots by subdivision, consolidation or reconfiguration, and the Declarant may take such other steps as are reasonably necessary to make such re-platted Lot(s) suitable and fit for use for its originally intended purpose. Such steps may include but are not limited to the relocation of easements, walkways, and rights-of-way to conform to the new boundaries of said re-platted Lots.

(b) In the event of an Owner or Owners owning two or more contiguous lots, said Owner(s) may apply to Declarant for a consolidation of the two or more lots into one or more. At its discretion, Declarant may then take such steps as are reasonably necessary to make this consolidation of record at the requesting Owner's cost and expense. Upon consolidation, the lot will be considered one lot for purposes of ARC guidelines; however, it will continue to be considered two lots for purposes of the assessments as referenced hereinbelow.

Section 3.32: Interval Ownership, Timesharing and Devices to Effect Interval Ownership. No time sharing or other forms of interval ownership, including, but not limited to

BK08040PG0085

JUN-09-06 10:06AM FROM-

T-892 P.017/066 F-677

that defined under the Vacation Time Sharing Act, as codified in title 27, Chapter 32 of the South Carolina Code at the time this Declaration is recorded, shall be permitted on the Property without prior written approval of the Declarant. Except as acquired by will or inheritance or operation of law or as may be permitted in writing by the Declarant, no Lot or Dwelling Unit, or part thereof, may be conveyed, devised or assigned, in one transaction or a series of transactions, so that the Dwelling Unit or Lot is owned by more than four (4) persons at one time. For purposes of this Section, a married couple and children (under twenty-five (25) years old) residing with the couple constitute a single owner. A Dwelling Unit or Lot may be owned by a corporation or a partnership only if there are no more than four natural persons as shareholders or partners. The purpose of this subparagraph is to preclude Improved Lots and Dwelling Units from being sold or held under devices designed to effect Vacation Time Sharing, Interval Ownership or similar right-to-use programs unless expressly permitted by the Declarant as herein provided.

#### ARTICLE IV: Environmental Controls

Section 4.1: Topography and Vegetation. Topographic and vegetation characteristics of a Lot shall not be altered by removal, reduction, cutting, excavation or any other means without the prior written approval of the Declarant or ARC.

Section 4.2: Erosion Controls. To implement effective and adequate erosion control and protect the beauty of the Property, the Declarant, its successors, assigns (including but not limited to the Association), and agents shall have the right to enter upon any property before or after a building or structure has been constructed thereon for the purpose of performing any grading or landscaping work or constructing and maintaining erosion prevention devices. Provided, however, that prior to exercising its right to enter upon the property for the purpose of performing any grading or landscaping work or constructing and maintaining erosion prevention devices, the Declarant or Association, as the case may be, shall give the Owner the opportunity to take any corrective action required by giving the Owner notice indicating what type of corrective action is required and specifying in that notice that immediate corrective action must be taken by such Owner. If the Owner fails to take the corrective action specified within thirty (30) days after having been notified, the Declarant or Association, as the case may be, may then exercise its right to enter upon the property in order to take the necessary corrective action. The cost of such corrective or erosion prevention measures when performed by the Declarant or the Association, their successors or assigns, on an improved property, shall be paid by the Owner thereof within thirty (30) days after receipt by Owner of an invoice from the Declarant or the Association setting forth the cost of such work. If the Owner fails to voluntarily remit such reimbursement in a timely manner the Declarant or the Association shall be entitled to enforce collection thereof in a court of competent jurisdiction and shall likewise be entitled to collect all costs and expenses of collection, including reasonable attorneys fees incurred by the Declarant or the Association, as applicable, and shall further be entitled to collect a late charge equal to one and one-half percent (1½%) per month of the amount of such invoice from the date of said invoice until fully paid.

BK08040PG0087



JUN-09-08 10:07AM FROM-

T-892 P.018/066 F-577

To implement effective insect, pest, reptile and woods fire control, the Declarant, its successors, assigns, and agents have the right to enter upon any property on which a building or structure has not been constructed and upon which no landscaping plan has been implemented. In any case which in the opinion of the Declarant detracts from the overall beauty, setting and safety of the Property, the Declarant, its successors, assigns, and agents shall have the aforementioned rights of entry for the purpose of mowing, removing, clearing, cutting, or pruning underbrush, weeds or other unsightly growth, removing trash, draining standing water or dispensing pesticides.

The cost of this vegetation, trash, general clean up, and drainage control shall be kept as low as reasonably possible and shall be paid by the respective Owner and the Declarant shall be entitled to exercise the enforced collection rights specified in the preceding paragraph. Such entry shall not be made until thirty (30) days after such Owner has been notified in writing of the need of such work and unless such Owner fails to perform the work within said thirty (30) day period.

The provisions of this Section 4.2 shall not be construed as an obligation on the part of the Declarant to mow, clear, cut or prune any property, to provide garbage or trash removal services, to perform any grading or landscaping work, construct or maintain erosion prevention devices or storm drainage improvements, or to provide water pollution control on any privately owned property. Entrance upon property pursuant to the provisions of this Section 4.2 shall not be deemed a trespass. The rights reserved unto the Declarant in this Section 4.2 shall not be unreasonably employed and shall be used only where necessary to effect the stated intent and purposes of this Declaration.

Section 4.3: Erosion in Common Properties. The Declarant, its successors and assigns, shall have the right, but shall not be obligated, to protect all Common Properties from erosion, by planting trees, plants, and shrubs where and to the extent necessary or by such mechanical means as construction and maintenance of silt basins, or other means deemed expedient or necessary by the Declarant. The right is likewise reserved to the Declarant to take steps necessary, within Common Properties, to provide and insure adequate drainage ways, to cut fire breaks, and to remove diseased, dead or dangerous trees and carry out other similar activities, the cost of which services is to be paid by assessments of the Owners.

Section 4.4: Lake, Pond and Wetland Easements. All lakes, ponds and wetland areas within the Property, lying within designated Common Property, are important aesthetic and functional resources of the overall Property development. To ensure that these important resources remain available for the enjoyment and benefit of all Owners, while not causing undue hardship to any Owner affected, the following rights and easements are hereby reserved:

- (a) A non-exclusive easement for ingress, egress and access to the lakes, ponds, and wetland areas within the Property by Declarant, including the right of Declarant to enter upon the

BK08040PG0088

JUN-09-08 10:07AM FROM-

T-892 P.018/066 F-577

designated areas to construct or maintain any improvements deemed necessary to facilitate the access to and enjoyment of the lakes, ponds, and wetland areas. This easement shall be in addition to easements depicted on any recorded plat. For the purposes of this Paragraph, the designated easement areas shall extend landward for twenty (20') feet along or around the entire perimeter of any lake, pond and wetland area, or ten (10') feet if such lesser amount is required as a setback by governmental ordinance, whether such lake, pond or wetland is presently existing or constructed in the future.

(b) An exclusive right and easement unto Declarant, assignable to the Association or to a utility company or district at Declarant's discretion, to cause treated effluent to be disposed of in wetland areas or lakes, in any manner permitted by law. In conjunction with this right and easement, Declarant and its assigns are also granted the exclusive right to control and dictate the water level to be maintained in all lakes and ponds and the right of access to all such areas to install and maintain any system deemed appropriate by Declarant for the distribution of treated effluent into storage lagoons, ponds, and wetlands.

(c) An exclusive right and easement (i) to pump water from lakes, ponds, and other bodies of water located within the Property for the purpose of irrigating any portions of the Village master planned development, including the Property and/or (ii) to drill, install, locate, maintain, and use wells, pumping stations, water towers, siltation basins and tanks, and related water and sewer treatment facilities and systems within the Common Areas, including within any portion of the recreational facilities owned by Declarant.

Section 4.5: Standard of Reasonableness. The rights reserved unto the Declarant in this Article IV shall not be unreasonably employed and shall be used only where necessary to effect the stated intents and purposes of this Declaration.

#### ARTICLE V:

##### Special Restrictions Affecting Open Space

Section 5.1: Declarant's Intention for Open Space. Where land planning results in the designation of areas of open space, it is the intent of the Declarant to maintain and enhance (or to convey, subject to open space restrictions, to the Association) those areas, if any, which the Declarant designates as "Open Space" on plats hereafter filed for record in the Office of the Clerk of Court by the Declarant. Open Space shall only be designated as such by the Declarant.

BK08040PG0089

JUN-09-06 10:08AM FROM-

+

T-892 P.020/088 F-577

and in Declarant's sole discretion, and may, but need not necessarily be, also designated as Common Properties at the time of their conveyance to the Association. It is the further intent and purpose of these restrictions and covenants to protect the lakes, ponds and wetlands and to maintain and enhance the conservation of natural and scenic resources, to promote the conservation of soils, wetlands, wildlife, game and migratory birds, enhance the value of abutting and neighboring residential areas adjacent to such Open Space, and to afford and enhance recreational opportunities, preserve historical sites and implement generally the master plan for development.

**Section 5.2: Erosion Prevention Activities Permitted.** The Declarant and the Association shall have the right to protect from erosion the land described as Open Space area by planting trees, plants, and shrubs where and to the extent necessary or by such mechanical means deemed expedient or necessary by the Declarant or the Association. The right is likewise reserved to the Declarant and to the Association to take necessary steps to provide and insure adequate drainage ways in Open Space, to cut fire breaks, remove diseased, dead, or dangerous trees and carry out other similar activities. The cost and expense of all such activities undertaken by the Association, or by Declarant acting through the Association, shall be borne by the Association.

**Section 5.3: Dumping Prohibited.** No dumping of trash, garbage, sewage, sawdust or any unsightly or offensive material shall be placed upon such Open Space areas, except as is temporary and incidental to the bona fide improvement of the area in a manner consistent with its classification as Open Space.

**Section 5.4: Consistent Rights to Use Reserved.** The Declarant expressly reserves to itself, its successors and assigns, every reasonable use and enjoyment of said Open Space, including but not limited to the use of Open Space as sites for festivals and social gatherings, in a manner not inconsistent with the provisions of this Declaration.

**Section 5.5: Corrective Action No Trespass.** Where the Declarant is permitted by these Covenants to correct, repair, clean, preserve, clear out or to do any action on the Open Space areas entering such property, taking such action shall not be deemed a breach of these Covenants.

**Section 5.6: No General Easement Intended.** The granting of this easement does in no way grant to the public or to the Owners of any surrounding or adjacent land, the right to enter such Open Space without the express permission of the Declarant.

**Section 5.7: No Affirmative Action Required of Declarant.** It is expressly understood and agreed that the granting of this easement does in no way place a burden of affirmative action on the Declarant, that the Declarant is not bound to make any of the improvements noted herein, or extend to any Owner any service of any kind, except as such may be undertaken at the expense of the Association.

JUN-09-06 10:08AM FROM-

T-892 P.021/066 --577

PART THREE  
PROVISIONS FOR REGAL MANOR  
HOMEOWNERS' ASSOCIATION

ARTICLE VI:  
Membership and Voting Rights in the Association

Section 6.1: Membership. Declarant, and every person and entity who is a record Owner of a fee simple or undivided fee simple interest in any Lot or Dwelling Unit which is made subject to this Declaration by reference in the initial deed conveyance from Declarant, or which is subsequently submitted to this Declaration by recorded deed covenant, shall be a Member of the Association, provided that any such person or entity holding such title or interest merely as a security for performance of an obligation shall not be a Member of the Association.

Section 6.2: Type of Members. In recognition of the fact that final planning and subdivision of Lots and construction of Dwelling Units within the Property have not been completed, and the fact that Declarant finds it essential to maintain effective control of the Association during the initial development stages, Declarant hereby establishes two (2) classes of voting membership. Members are divided into classes for the sole purpose of computing voting rights and shall in no event vote as a class.

CLASS "A" The Class "A" Membership shall be all those Owners as described in Section 6.1 above, including Declarant. Each Class "A" Member shall have one (1) vote for each residential Lot or Dwelling Unit owned by such Member.

CLASS "B" The Class "B" Member shall be Declarant and any successors or assigns of Declarant's rights hereunder. The Class "B" Member shall have one (1) vote plus one (1) vote for each outstanding Class "A" vote held by any other person or entity. The Class "B" Membership and voting privileges shall cease and terminate for Declarant upon the earlier of: (a) whenever Declarant shall cease to own any Lot or Dwelling Unit within the Property; (b) when, in its sole discretion, the Declarant voluntarily gives up its Class "B" Membership; or (c) on January 1, 2015.

Section 6.3: Quorum for any Action Authorized. The presence at the meeting of any Members, or of proxies, entitled to cast thirty percent (30%) of the total vote of the Class "A" Membership and, for so long as the Class "B" Membership exists, an authorized representative of the Class "B" Member, shall constitute a quorum. If the required quorum is not forthcoming at a meeting, the meeting shall be adjourned and another meeting shall be scheduled for a date not less than ten (10) days nor more than thirty (30) days subsequent to the initial meeting. Written notice of the time and place of the adjourned meeting shall be provided to all Members. The quorum requirement for the adjourned meeting shall be the presence of Members, or of proxies, entitled to cast twenty-five percent (25%) of the total vote of the Class "A" Membership and a representative of the Class "B" Member.

BK08040P0091

JUN-08-06 10:08AM FROM-

T-892 P.022/088 F-877

Section 6.4: By-Laws. The By-Laws of the Association have been drawn and approved by Declarant to govern meetings, duties, etc. of the Association. Declarant has hereby caused them to be recorded in the public land records of the counties and state(s) in which the Property is located as EXHIBIT "C" to this Declaration. Recordation shall be deemed to be notice to the Association and all Members thereof.

Section 6.5: Notice of Transfer of Title. Owners shall provide written notice to the Association within thirty (30) days of any transfer of title to a Dwelling Unit or Lot along with an address, telephone number, and other information as requested by the Association for notice and assessment billing purposes.

Section 6.6: Powers and Duties of Declarant/Association. After activation of the Association by Declarant, Declarant shall possess all powers and rights described herein until specifically assigned to Association. In general, Declarant may assign, in whole or in part, any of its reserved rights set forth in these Covenants to the Association by a specific document which shall be recorded in the public land records of the counties and state(s) in which the Property is located.

#### ARTICLE VII:

##### Property Rights and Common Property

Section 7.1: Members' Easements of Enjoyment. Subject to the provisions of these Covenants and the rules and regulations of the Association, every Member shall have a right and easement of enjoyment in and to the Common Property, excepting only Limited Common Property described in Section 8.2 below which may be made available only to certain classifications of Property Owners, and such easement shall be appurtenant to and shall pass with title to every Dwelling Unit and Lot or development parcel within the Property.

Section 7.2: Title to Common Property. Declarant reserves the right to transfer title to the Common Property, at its sole discretion, unto the Association; however, with the exception of roads and right-of-ways jointly used by Declarant and members of the Association, Declarant shall be obligated to convey within a reasonable period of time title to a particular Common Property following completion of improvements and amenities upon it. Upon transfer of title of the Common Property to the Association, the Association shall have the sole responsibility of maintenance, repair, and governing of the Common Property. Prior to such transfer, the Association and its Members shall be responsible for the maintenance and upkeep of all areas which are designated for common use or enjoyment by Members, notwithstanding the fact that title has not yet been conveyed to the Association, unless Declarant has retained the responsibility of maintenance and operation pursuant to Section 8.11 *infra* (in which case the Association shall reimburse Declarant for the costs and expenses incurred in connection with the members share and use of the property). At the time of Declarant's conveyance of land or improvements as Common Properties, the Declarant reserves the right to restrict use of the Common Property being conveyed to certain classifications or groups of Property Owners; such

BK08040PG0092

JUN-09-06 10:09AM FROM-

T-892 P.023/066 F-577

properties shall then be designated and held by the Association as *Limited Common Property*. All costs of owning, maintaining and operating a Limited Common Property shall be shared solely by owners of Dwelling Units and Lots to which use of the Limited Common Property is restricted; said costs to be shared by the owners through Supplemental Assessments to be fixed by the Association.

Section 7.3: Extent of Members' Easements. The right and easements of enjoyment created hereby shall be subject to the following:

(a) The right of Declarant and of the Association, in accordance with its By-Laws, to borrow money for the purpose of improving the Common Property and in aid thereof to mortgage their Properties;

(b) The right of the Association to take such steps as are reasonably necessary to protect the above-described Properties against foreclosure;

(c) The right of the Association, as provided in its By-Laws, to suspend the enjoyment of rights of any Member for any period for which any Assessment remains unpaid, and for any period not to exceed sixty (60) days for any infraction of its published Rules and Regulations, it being understood that a suspension for either non-payment of any Assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the Members' obligation to pay the Assessments;

(d) The right of Declarant to dedicate or transfer to any public or private utility, fee title to or utility easements on or to any part of the Common Property; and

(e) The right of the Association to give or sell all or any part of the Common Property, including a leasehold interest, to any public agency, authority, or utility or private concern for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such shall be authorized by the vote of three-fourths (3/4) of the Membership at a duly called meeting and unless written notice of the proposed agreement and action thereunder is sent to every Member at least thirty (30) days in advance of any action taken. A true copy of such Resolution together with a certificate of the vote taken thereon shall be made and acknowledged by the president or

BK08040PG0093

JUN-09-06 10:09AM FROM-

T-892 P.024/066 F-577

vice president and secretary or assistant secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Property, prior to the recording thereof. Such certificate shall be conclusive evidence of authorization by the Membership.

Section 7.4: Use of Common Property; Liability of Association and Declarant.

Neither the Association, its directors and officers, Declarant, nor its officers or directors shall be liable to any Owner, their lessees and/or guests for any damage or injury which results from the use of the Property or any rule or regulation promulgated pursuant to these Covenants or the By-Laws. The Common Property is for the exclusive use of the Members of the Association and their guests. The Association, by its Board of Directors, may make such rules and regulations as may be deemed necessary in the future to regulate the use of the Common Property, which rules and regulations shall be binding upon all Members, their guests and invitees. Although the Association, and, initially, Declarant, will be responsible for the general upkeep and maintenance of the Common Property as provided herein, neither the Association nor Declarant shall be liable for any accident or injury thereupon which may be caused by Acts of God, negligence of parties not employed by the Association or Declarant, or careless or negligent activities of Members or their guests. All parties acquiring an interest in any portion of the Property hereby agree to hold the Association and Declarant harmless from any such accident or injury. All Members and their guests agree and acknowledge that any use of the Common Property shall be at their own risk, without recourse to the Association or Declarant. Any damage to Common Property caused by an Owner or his family or guests shall be the responsibility of the Owner, and Declarant and/or the Association shall have the right to collect for such damages. Nothing shall be done or kept on the Common Property which will increase the rate of insurance on the Common Property without the prior consent of the Association or Declarant. No Owner shall permit anything to be done or kept on the Common Property which might result in the cancellation of insurance on any part of the Common Property, which would interfere with rights of other Owners, which would be noxious, harmful or unreasonably offensive to other Owners or which would be in violation of any governmental statute, ordinance, rule or regulation.

ARTICLE VIII:

Covenant for Maintenance Assessments

Section 8.1: Creation of the Lien and Personal Obligation of Assessments. The

Owner of each Dwelling Unit and Lot within the Property as described in Article I, Section I, hereby covenants and by acceptance of a deed thereof shall be deemed to covenant and agree to all of the terms and conditions of these Covenants and to pay the Association: (1) annual assessments or charges, including Supplemental Assessments as described in Section 8.5; and (2) special assessments for the purposes set forth herein; such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments together with such interests thereon and cost of collection therefor as hereinafter provided shall be a charge and continuing lien on the land and all the improvements thereon against which each

BK08040PG0094

JUN-09-09 10:08AM FROM-

T-892 P.025/088 F-577

assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such Property at the time when the assessment fell due. In the case of co-ownership of a Dwelling Unit or Lot, all such co-Owners of the Dwelling Unit/ Lot shall be jointly and severally liable for the entire amount of the assessment. The sale or transfer of any Dwelling Unit or Lot shall not affect the assessment lien nor shall such sale or transfer release such Dwelling Unit or Lot from liability for any assessments thereafter becoming due.

**Section 8.2: Purpose of Assessments.** The assessments levied by the Association may be used for the improvement, maintenance, and operation of roads, rights-of-way, drainage ways, lighting, signage, security operations and facilities (if provided), insect control, vegetation control, drainage systems, open space maintenance, and other Common Property expenses, including but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof and third party services such as legal and accounting. Special assessments shall be used for the purposes set forth in this Article VIII.

**Section 8.3: Basis and Maximum of Annual Assessments.** The total annual assessment amounts shall be determined by Declarant, at its sole discretion, through the 2011 assessment (calendar) year. Thereafter, the Board of Directors of the Association shall establish the budget and total annual assessment amounts, as further provided in these Covenants and in the Association By-Laws. In all cases, the total annual assessment amount shall be prorated among all Class "A" Members excluding Declarant, in the same proportion as each Member's votes shall bear to the total outstanding Class "A" votes within the Property, excluding those votes of Declarant. No consideration or weight shall be given to the Class "B" votes in establishing assessment liability amounts, and the total annual assessment amount of the Association shall not be prorated among both the Class "A" and Class "B" votes. Beginning in the Association budget for calendar year 2012, the total annual assessment shall not be increased by more than fifteen (15%) percent above the previous year's annual assessment, unless such increase shall be approved by a majority (51%) vote of the Association's Class "A" Membership.

**Section 8.4: Special Assessments for Improvements and Additions.** In addition to the annual assessments authorized herein, the Association may levy special assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, expected repair or replacement of a capital improvement of the Common Property, including the necessary fixtures and personal Property related thereto or additions to the Common Property, provided that any such assessments shall have the assent of a majority (51%) of the vote at a duly called meeting of Members, written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting. Any such duly approved special assessment shall be prorated among Members on the same basis as annual assessments, as described in Section 8.3 above.

**Section 8.5: Supplemental Assessments for Limited Common Property.** The Association may levy in addition to the annual assessments for all Dwelling Units and Lots a

BK08040PG0095



JUN-09-05 10:10AM FROM-

+

T-892 P.026/066 F-577

"Supplemental Assessment" for the purpose of allocating the costs of owning, maintaining and operating a Limited Common Property among owners of properties to which use of a Limited Common Property is restricted; for such purpose the Association may fix Supplemental Assessments in different amounts for classifications of Property Owners entitled to use different Limited Common Properties. As means of example, and not of limitation, Supplemental Assessments might be levied to cover costs and expenses attributable to operation and maintenance of such Limited Common Property as playgrounds, parks, decorative fountains, or security/access gates servicing or located within an individual neighborhood or subdivision within the Property.

Section 8.6: Date of Commencement of Annual Assessments and Due Dates.

The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by Declarant through calendar year 2006, to be the date of commencement. The first annual assessment shall be made for the balance of the calendar year and shall become due and payable on the date of commencement. The assessments for any year, after the first year, shall become due and payable the first day of January for said year. The due date of any special assessments shall be fixed in the resolution authorizing such assessments.

Section 8.7: Duties of the Board of Directors. In addition to the duties of the Board as set forth in the By-Laws, when the Association assumes the assessment powers as provided above, the Board shall fix the amount of the assessment for each Dwelling Unit and Lot for each year and shall, at that time, prepare a roster of the Owners applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall be sent to every Owner subject thereto. Prior to the Association assuming such responsibility, Declarant shall perform the above functions.

Section 8.8: Capitalization of Association/Reserves. Upon acquisition of record title to a Lot or Dwelling Unit from Declarant, each Owner shall contribute to the capital reserves of the Association an amount equal to two (2) months of the amount of the annual assessment for that Dwelling Unit or Lot. This amount shall be paid to the Association at the time of the conveyance together with an amount equal to the Owner's pro rata share of one year's prepaid insurance as set forth in the line item budget of the Association. Said contributions to the capital reserve accounts shall not thereafter be used for payment of normal operating and maintenance costs of the Regime or Association, but shall be used in the Board's discretion to cover unforeseen capital expenditures of the Regime. The Association shall maintain at all times reserves in amounts sufficient to cover the expense of anticipated maintenance needs of the Common Property.

Section 8.9: Effect of Non-Payment of Assessment; Personal Obligation of Owner; Lien Remedies of the Association. If the assessments as described herein or any financial obligations or reimbursements due from an Owner as set forth in these Covenants are not paid on the date when due, then such assessments or other amounts due shall become delinquent and shall, together with interest thereon at a rate of eighteen percent (18%) per annum (or the maximum interest rate allowable by law) from the due date, and the cost of collection as

BK08040PG0096

JUN-08-08 10:10AM FROM-

T-892 P.027/066 F-577

hereinafter provided, become a charge and continuing lien on the land and on improvements thereon, against which each such assessment is made. The obligation of the Owner at the time of the assessment to pay such assessments, however, shall remain his personal obligation and shall not pass as a personal obligation to his successors-in-title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the due date, the Association may bring an action at law against the Owner personally obligated to pay the same, or an action to foreclose the lien against his Dwelling Unit/ Lot, or may bring actions to do both, and there shall be added to the amount of said assessment the cost of preparing and filing a complaint in such action as well as any other costs and expenses incurred, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and reasonable attorneys' fees and costs of the action.

Section 8.10: Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed on any Dwelling Unit or Lot subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments after becoming due, nor from the lien of subsequent assessments.

Section 8.11: Assessments for Common Property Jointly used by Declarant and Association. It is recognized that there will likely be Common Property which is used by Declarant, its invitees, guests, and lessees, in common with the Association members, i.e. roads and perhaps certain amenities. If the Association maintains and operates such jointly used Common Properties, and incurs expenses associated therewith, Declarant shall be obligated to the Association for assessment. Said assessments shall be equal to the percentage of use made by the Declarant of the Common Property as agreed upon by the Association and Declarant, multiplied by the combined estimated actual maintenance and operating costs to be incurred by the Association during the year and the amount of annual reserves necessary for future maintenance and/or replacement of the Common Property. In lieu of paying said assessments, Declarant may maintain and operate Common Property which has not been conveyed to the Association and the Association shall then be obligated to pay to Declarant its share of the costs equal to its members' percentage use of the said Common Property.

Section 8.12: Exempt Property. The following property, individuals, partnerships or corporations, subject to this Declaration, shall be exempted from assessments, charges and liens created herein except as otherwise stated in Section 8.11:

- (a) The grantee in conveyances made for the purpose of granting utility easements; and

JUN-09-06 10:11AM FROM-

+

T-892 P.028/066 F-577

(b) All properties to the extent of any easement therein other than a utility easement dedicated and accepted by a local public authority and devoted to public use; and

(c) All Association Common Property within the Property, whether or not title to such Common Property has been transferred to the Association.

(d) All Dwelling Units and Lots or property owned by Declarant.

ARTICLE IX:  
Functions of Association

Section 9.1: Association. The Association, its successors and assigns, shall be considered: (a) an assignee of Declarant; (b) the authorized and ratified agent of the Owners with respect to the functions specified herein; (c) a third party beneficiary under these Covenants; and (d) as an Owner of Property subject to these Covenants. The Association and its successors and assigns shall have the standing and authority at law or in equity to carry out and enforce these Covenants.

Section 9.2: Limitation on Duties and Obligations. The Association shall strive to carry out and put into effect the functions and services specified or reasonably implied in this Declaration; however, the functions and services to be carried out or offered by the Association at any particular time shall be determined by the Board with due consideration given to the amount of reserves and revenues available to the Association, and the relative demands upon the resources which the Association can utilize to maintain Common Property and to increase the use and enjoyment of the Property as a whole. The Association shall not be obligated to incur debt or deficits of expenditures over revenues in order to carry out its monetary function.

The Association and its Directors and Officers shall not be liable to any Property Owner, their lessees or guests, for any damage or injury which results from any rule or regulation promulgated pursuant to these Covenants in good faith and reasonable care.

Section 9.3: Powers of the Association. The Association shall have and may exercise any right or privilege given to it expressly in these Covenants or, except to the extent limited by the terms and provisions of these Covenants, given to it by law, and shall have and may exercise every other right or privilege or power and authority necessary or desirable to fulfill its obligations under these Covenants, including the right to engage necessary labor and acquire use of, or purchase necessary property, equipment or facilities; employ personnel necessary to manage the affairs of the Association; obtain and pay for legal, accounting and other professional services as may be necessary or desirable; and to perform any function by, through,

BK08040P60098

JUN-08-08 10:11AM FROM-

T-892 P.020/068 #577

or under contractual arrangements, licenses or other arrangements with any governmental entity, private entity, or other owners association within the Property as may be necessary or desirable.

Section 9.4: Ownership and Maintenance of Common Property. The Association shall be authorized to own and maintain Common Property, equipment, furnishings, and improvements devoted to the following uses:

- (a) for roads or parkways, if any, provided they are not transferred to the county or state in which they are located, and landscaped or natural areas along said roads or parkways throughout the Property;
- (b) for sidewalks, walking paths or trails, playing fields or recreational areas, and bicycle paths, if any, throughout the Property;
- (c) for providing any of the services which the Association is authorized to offer hereunder;
- (d) for insect and pest control within the Property; and
- (e) for drainage facilities serving the Property.

Section 9.5: Authorized Services. The Association shall be authorized but not required to provide the following services:

- (a) cleanup and maintenance of all dwelling unit exteriors, residential lots, roads, roadways, parkways, to the extent that it is necessary or desirable in the judgment of the Board of Directors of the Association to supplement the service provided by the State and local government, if applicable, and cleanup and maintenance of other Common Property within the Property and also all public properties which are located within or in a reasonable proximity to the Property such that their deterioration would affect the appearance of the Property as a whole.
- (b) landscaping of roads and parkways, sidewalks and walking paths and any other Common Property;
- (c) lighting of roads, sidewalks and walking paths throughout the Property;
- (d) security functions, including but not limited to maintenance of electronic security and/or controlled access devices, patrols, and control centers for the protection of persons and property within the Property.

BK08040PG0099

JUN-09-08 10:11AM FROM-

T-892 P.030/066 F-577

(e) insect and pest control to the extent that it is necessary or desirable in the judgment of the Board of Directors of the Association to supplement the service provided by the state and local governments;

(f) the services necessary or desirable in the judgment of the Board of Directors of the Association to carry out the Association's obligations and business under the terms of this document;

(g) to take any and all actions necessary to enforce all covenants and restrictions affecting the Property and to perform any of the functions or services delegated to the Association in any covenants or restrictions applicable to the Property;

(h) to administer the ARC in the event that the Association is designated by the Declarant as the agent of the Declarant for such purpose;

(i) to construct improvements on Common Property for use for any of the purposes or as may be required to provide the services as authorized in this Article;

(j) to provide administrative services including but not limited to: legal; accounting and financial; and communication services informing Members of activities, notice of meetings, referendums, etc., incident to the above-listed services.

Section 9.6: Mortgage and Pledge. The Board shall have the power and authority to borrow money for use by the Association and to mortgage the property of the Association and to pledge the revenues of the Association as security for such loans made to the Association, which loans shall be used by the Association in performing its authorized functions.

Section 9.7: Information. It shall be the responsibility of the Association to make available to Owners and mortgage lenders making loans to Owners, and to holders, insurers or guarantors of any first mortgage on a Dwelling Unit within the Property, current copies of the Declaration, By-Laws, other rules and regulations relating to the Property, and the books, records and financial statements of the Association; provided, that the Association may charge a reasonable fee to cover the cost of copying and administrative time for any copies of information or documents requested. "Available" shall mean available for inspection, upon request, during normal working hours or under other reasonable circumstances. Moreover, if no audited financial statement for the preceding year is available, a mortgage holder shall be allowed to have an audited statement prepared at its own expense.

BK08040PG0100

Section 9.8: Insurance Requirements for Common Properties. The Association shall at all times maintain in full force and effect casualty (hazard, and flood, if applicable) for the Common Properties and liability insurance and fidelity bond coverage for the Association as hereinafter specified:

(a) Hazard Insurance. The hazard coverage required hereunder shall protect at least against loss or damage by fire, wind or all other hazards that are normally covered by the standard extended coverage endorsement and all other perils customarily covered for similar structures, including those covered by the standard "all risk" endorsement, and shall likewise include, but shall not necessarily be limited to, the following coverage:

(i) Required Coverage. The Association shall maintain a policy of property insurance, with the premiums being paid as a common expense. The policy must cover all of the Common Property, except for those that are normally excluded from coverage, such as land, foundation, excavation, etc. Fixtures and building service equipment that are considered part of the Common Property, as well as personal property and supplies of the Association, shall be covered. A reasonable deductible shall be determined by the Board each year.

(ii) Amount of Insurance. Insurance should cover the replacement cost of the insured facilities. Coverage does not need to include land, foundations, excavation or other items that are usually excluded from insurance coverage.

(iii) Special Endorsements. The insurance coverage herein required shall include Agreed Amount, Replacement Cost and Inflation Guard Endorsements when they can be reasonably obtained. Construction code endorsements such as Demolition Costs Endorsements, Contingent Liability from Operation of Building Laws Endorsements and Increased Cost of Construction Endorsements shall be required when reasonably obtainable.

(b) Flood Insurance. If any part of the project is in a flood hazard zone (as defined by the Federal Emergency Management Agency), the Association must maintain a "master" or "blanket" policy of flood insurance and provide for the premiums to be paid as a common expense. The policy should cover any buildings on Common Property and any other real or personal property of the Association. A reasonable deductible shall be determined by the Board each year. The amount of insurance should be at least equal to the replacement cost of all buildings and other insurable property located in the flood hazard area.

or, the maximum coverage available for the property under the National Flood Insurance Program.

(c) Liability Insurance. The Association shall maintain a comprehensive general liability insurance policy covering all common areas, public ways and any other areas comprising the Common Property which are under its supervision. The policy shall provide coverage of at least One Million Dollars (\$1,000,000) for bodily injury and property damage for a single occurrence. The liability insurance should provide coverage for the following:

(i) bodily injury and property damage that results from the operation, maintenance or use of the Common Property, and any facilities thereon; and

(ii) any legal liability that results from lawsuits related to employment contracts in which the Association is a party; and

(iii) any legal liability that results from lawsuits against officers and directors in connection with performance of their duties and responsibilities as to the Association in accordance with Section 10.2 below.

The Association's liability policy shall provide for at least ten (10) days' written notice to the Association before the insurer can cancel or substantially modify the policy.

(d) Fidelity Bonds. The Association shall have blanket fidelity bonds for anyone who either handles or is responsible for funds held or administered by the Association, whether or not that person receives compensation for their services. Any management agent retained by the Association that handles funds for the Association shall also be covered by its own fidelity bond. The fidelity bond shall cover the maximum funds that will be in the custody of the Association or its management agent at any time while the bond is in force. Additionally, the fidelity bond coverage must at least equal the sum of three (3) months' assessments of Dwelling Units and Lots in the Property, plus the Association's reserve funds.

Except for fidelity bonds that a management agent obtains for its personnel, all other bonds shall name the Association as an obligee and shall have their premiums paid as a common expense by the Association.

The bonds must include a provision that calls for ten (10) days' written notice to the Association before the bond can be cancelled or substantially modified for any reason.

JUN-09-08 10:12AM FROM-

T-892 P.033/088 F-577

Section 9.9: Indemnification. The Association shall indemnify every officer and director against any and all expenses, including attorneys' fees, reasonably incurred by or imposed upon such officer or director in connection with any action, suit, or other proceeding (including settlement of any such action, suit, or proceeding, if approved by the then Board of Directors) to which he may be made a party by reason of being or having been an officer or director, whether or not such person is an officer or director at the time such expenses are incurred. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, or for injury or damage caused by any such officer or director in the performance of his duties, except for their own individual willful misfeasance or malfeasance. The officers and directors shall have no personal liability with respect to any contract or other commitment made by 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 rights to which any officer or director, or former officer or director, may be entitled. The Association shall, as a common expense, maintain officers' and directors' liability insurance to fund this obligation, and the insurance shall be written as provided in this Section.

Section 9.10: Owner Required Insurance. Each Owner covenants and agrees with all other Owners and with the Association that each individual Owner shall be required to carry blanket all-risk casualty insurance and liability insurance for their Dwelling Unit, unless the owners association of the Lot in which the Dwelling Unit is located carries such insurance; said casualty insurance coverage to be in amounts representing the approximate current replacement costs of the improvements.

#### ARTICLE X: Rules and Regulations

Section 10.1: Establishment of Rules and Regulations. Subject to the provisions hereof, the Association may establish reasonable rules and regulations concerning the use of Dwelling Units, Lots, easement areas, Open Space and the Common Property and facilities located thereon. Copies of such rules and regulations and amendments thereto shall be furnished by the Association to all Owners prior to the effective date of such rules and regulations and amendments thereto. Such rules and regulations shall be binding upon the Owners, their families, tenants, guests, invitees, servants and agents, until and unless any such rules or regulations are specifically overruled, cancelled or modified by the Board of Directors of the Association or in a regular or special meeting of the Association by the vote of the Owners, in person or by proxy, holding a majority of the total votes in the Association.

Section 10.2: Authority and Enforcement. Subject to the provisions of Section 10.3 hereof, upon the violation of this Declaration, the By-Laws, or any rules and regulations

BK08040PG0103



JUN-09-06 10:13AM FROM-

T-892 P.034/066 F-577

duly adopted hereunder, including, without limitation, the failure to timely pay any assessments, the Board of Directors of the Association shall have the power to:

- (a) Impose reasonable monetary fines on the Owner guilty of such violation which shall also constitute an equitable charge and a continuing lien upon the properties of such Owner;
- (b) suspend an Owner's right to vote in the Association; and
- (c) suspend an Owner's right to use any Common Property other than the right of ingress and egress and the Board of Directors of the Association shall have the power to impose all or any combination of these sanctions.

An Owner shall be subject to the foregoing sanctions in the event of such a violation by such Owner, his family, guests, tenants or invitees, or by his co-Owners. Any such suspension of rights may be for the duration of the infraction and for any additional period thereafter, not to exceed sixty (60) days as to a Member who is also an Owner.

Section 10.3. Procedure. Except with respect to the failure to pay assessments, the Board of Directors of the Association shall not impose a fine, suspend voting rights, or infringe upon or suspend any other rights of an Owner for violations of the Declaration, the By-Laws, or any rules and regulations of the Association, unless and until the following procedure is followed:

- (a) Written demand to cease and desist from an alleged violation shall be served upon the person responsible for such violation specifying:
  - (i) the alleged violation;
  - (ii) the action required to abate the violation; and
  - (iii) a time period of not less than five (5) days during which the violation may be abated without further sanction, if such violation is a continuing one, or if the violation is not a continuing one, a statement that any further violation of the same provision of this Declaration, the By-Laws, or of the rules and regulations of the Association may result in the imposition of sanctions after notice and hearing.

BK08040P60104

(b) If the violation continues past the period allowed in the demand for abatement without penalty, or if the same violation subsequently occurs within twelve (12) months of such demand, the Board of Directors of the Association may serve such person with written notice of a hearing to be held by the Board of Directors in executive session. The notice shall contain:

- (i) the nature of the alleged violation;
- (ii) the time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice;
- (iii) an invitation to attend the hearing and produce any statement, evidence and witnesses on his behalf; and

(c) The hearing shall be held in executive session of the Board of Directors pursuant to the notice and shall afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer, director or other individual who delivered such notice. The notice requirement shall be deemed satisfied if an alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction imposed, if any.

#### PART FOUR GENERAL PROVISIONS

##### ARTICLE XI:

##### General Rights Reserved by Declarant

Section 11.01: Rights, Easements Retained by Declarant. Declarant reserves unto itself, its successors and assigns a perpetual, alienable, releasable easement and right on, over and under the ground to erect, maintain and use electric, telephone, and cable television poles, wires, cables, conduits, pipes, sewers, water mains, effluent mains, irrigation mains and other suitable equipment, gas, sewer, water or other public conveniences or utilities, on, in or over portions of the Lots within the Property as may reasonably be required for utility line purposes, and such other areas as are shown on the applicable plat. By way of example,

JUN-08-08 10:13AM FROM-

+

T-892 P.036/066 F-577

Declarant specifically reserves an easement for said utility purposes on the front (roadway) side of each Lot for a depth of ten (10') feet or any other depth as prescribed or required by any law or regulatory authority. It is acknowledged and disclosed that a corporation affiliated with Declarant currently operates and intends to operate the cable television system providing service to the Property, and Declarant may in its sole discretion restrict access of other cable providers based upon its rights as provided above.

Declarant further reserves the right to cut drainways for surface water wherever and whenever such action may appear to Declarant to be necessary in order to maintain reasonable standards of health, safety and appearance. Specifically, Declarant reserves unto itself, its successors and assigns a perpetual, alienable and releasable easement and right, for drainage purposes, in varying dimensions and locations, as may be reasonable and necessary. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance.

Such rights may be exercised by any licensee of Declarant or may be delegated to the Association, but this reservation shall impose no responsibility upon Declarant to construct or maintain any such utility or service. Declarant expressly reserves the right to transfer said utilities and utility easements, in whole or in part, to another entity, whether public or private, which undertakes to provide such utility service.

Section 11.02: Ingress and Egress: Roadways. The Property Owner is hereby granted a right of unrestricted ingress and egress to and from their Dwelling Unit or Lot; said rights of ingress and egress to be over roads and streets designated as Common Property, whether such streets and roads be owned by the Declarant or have been subsequently conveyed by Declarant to the Association, and, provided, however, that the Property Owner, in accepting title to property conveyed subject to these Covenants, waives all rights of uncontrolled travel over such streets and roads which are provided as egress and ingress to such property (and waives such rights for any person claiming entry rights by virtue of any relationship or permission of such Property Owner and successors in title).

Further, it is recognized that as of the date of this Declaration certain roadways have been constructed and, in general, a plan of ingress and egress for the various residential and commercial areas within Regal Manor has been adopted by Declarant. Nonetheless, until the roadways and streets have been conveyed to the Association, it is expressly reserved unto the Declarant the right to modify the current ingress and egress plan within the properties and areas of Regal Manor, including the specific right to close roadways and streets, to re-route vehicular ingress and egress traffic, and, in general, to exercise all rights of control of the general traffic flow pattern within the Village on those roadways and streets not so conveyed to the Association. It is specifically stated that no implied, reciprocal equitable servitudes or easements shall arise with respect to any of these roadways or streets retained by Declarant until said roadways and/or streets are conveyed to the Association.

8K08040PG0106

The Declarant reserves the right for itself, its successors and assigns, but not the obligation, to (a) maintain guarded or controlled security gates controlling access to such roads; (b) require payment of toll charges for use of such roads by members of the general public, except that (1) no such toll shall be applicable to any Property Owners or lessees or registered guests of Property Owners, nor shall the toll be applicable to any person who gives reasonable evidence satisfactory to the Declarant that their entry into the premises of the Property Owner is with the specific permission of the Property Owner, or his duly authorized agent; provided, however, that this exception shall not apply to commercial or construction vehicles of any kind; (2) no such toll charge shall be applicable to guests of the Declarant or customers and business invitees of commercial owners of property within the Village development; (c) determine in its sole discretion the types of vehicles that will be permitted access to the Property and use of such roads. If and when the roadways and streets are conveyed to the Association, the aforesaid rights may be assigned to the Association by the Declarant.

Section 11.03: Additional Restrictions. Declarant expressly reserves the right to impose additional restrictive Covenants upon the said Property provided that the same are not inconsistent with and do not lower the standards of the restrictions as herein provided. Said additional Covenants, if any, shall be effective only upon Property transferred by Declarant simultaneously with or subsequent to the imposition of said Covenants and shall be made effective upon said Property by reference to said additional or amended provisions in the deed transferring said Property. It shall be the responsibility of each Owner within the Property to comply with any restrictions contained herein or any additional restrictions which may be imposed by governmental authorities.

Section 11.04: Duration of Covenants. All covenants, restrictions and affirmative obligations set forth herein shall run with the land and shall be binding on all parties and persons claiming under them to specifically include, but not be limited to, the successors and assigns, if any, of Declarant for a period of forty (40) years from the execution of this Declaration, subject to the right reserved unto Declarant, its successors and assigns, to add additional restrictive covenants in respect to the Property subject to this Declaration and the further right to limit or amend the application of the Covenants herein contained. After the initial forty (40) year period of duration, all said Covenants shall be automatically extended for successive periods of ten (10) years, unless an instrument, signed by a majority of the then Owners of Dwelling Units and Lots substantially affected by such change of Covenants, has been recorded, agreeing to change said Covenants in whole or part.

Section 11.05: Remedies in the Event of Violation or Breach. In the event of a violation or breach of any of the restrictions contained herein by Declarant, its agents, successors or assigns, Declarant shall have the right, but shall not be obligated, to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event, and Declarant shall have the right to recover all costs and expenses of suit in such action, including reasonable attorneys' fees. In addition to the foregoing, Declarant, its successors and assigns shall have the right, but not the obligation, whenever there shall have been built on said

JUN-09-06 10:14AM FROM-

T-892 P. 038/066 F-577

Property any structure which is in violation of these restrictions, to enter upon said Property where such violation exists and summarily abate or remove the same at the expense of the Owner if after thirty (30) days' written notice of such violation, it shall not have been corrected by the Owner. Any such entry or abatement or removal shall not be deemed a trespass. The failure to enforce any rights, reservations, restrictions or conditions contained in this Declaration, however long continued, shall not be deemed a waiver of the right to do so hereafter as to the same breach, or as to a breach occurring prior to or subsequent thereto and shall not bar or affect its enforcement. The rights and powers of Declarant under this Section may be assigned to and vest concurrently in the Association, and Declarant and the Association shall have concurrent and independent rights of enforcement as provided herein upon the execution and recording of an assignment document by Declarant.

Section 11.06: Declarant Approval. Whenever any matter shall require the approval or consent of Declarant hereunder, or any other action or decision on behalf of Declarant, the vote of Declarant shall control in the event of any dispute.

Section 11.07: Severability and Rule Against Perpetuities. The invalidation by any court of any restrictions of these Covenants shall in no way affect any of the other restrictions, but they shall remain in full force and effect. If any provisions of this Declaration would violate the rule against perpetuities or any other limitation on the duration of the provisions contained herein and imposed by law, then such provision shall be deemed to remain in effect only for the maximum period permitted by law or until twenty-one (21) years after the death of the last survivor of the now living descendants of President George W. Bush, former President Bill Clinton, and the original Owners of Dwelling Units and Lots in the Property.

Section 11.08: Modifications and Additions. Declarant may include in any contract or deed hereafter made, modifications and/or additions to the restrictive covenants as contained herein, with such modified covenants being made applicable by reference to conveyances of land made subsequent to such modifications.

Section 11.9: Assignment. Declarant reserves the right to assign, in whole or in part, to its successor-in-title to any portion of the Property, or to its agent, or to the Association, any of the rights reserved in these Covenants.

Section 11.10: Use of Trademark. Each Owner, by acceptance of a deed to any lands, tenements or hereditaments within the Property hereby acknowledges that both "Regal Manor" and "Emerald Lakes," including the names, designs and logos, are service marks and trademarks of the Declarant; and that the words and designs for the nearby community of "Regent Park" are service marks and trademark of Declarant's predecessor in ownership of the properties. Each Owner agrees to refrain from misappropriating or infringing these service marks or trademarks.

BK0804080108

ARTICLE XII  
Mortgage Provisions

The following provisions are for the benefit of holders of first mortgages on Dwelling Units and Lots. The provisions of this Article XIII shall apply both to this Declaration and to the By-Laws of the Association, notwithstanding any other provisions contained therein.

**Section 12.1: Notices:** An institutional holder, insurer, or guarantor of a first mortgage who provides written notice to the Association (hereafter "eligible mortgagee") of its name, address, and the Dwelling Unit/Lot to which it holds a mortgage interest in, shall be entitled to timely written notice of:

- (a) Any proposed action as set forth in this Declaration or the By-Laws of the Association which would require the consent of a specified percentage of eligible mortgagees;
- (b) Any unpaid assessments due the Association for over ninety (90) days from the owner(s) (mortgagor(s)) of the Dwelling Unit or Lot;
- (c) Any default by the owner (mortgagor) of a Dwelling Unit or Lot in the performance of such owners' obligations under the Master Deed and associated condominium documents when such default is not cured within sixty (60) days.
- (d) Any condemnation loss or any casualty loss which affects a material portion of the Property or any Dwelling Unit or Lot on which there is a first mortgage held, insured, or guaranteed by such eligible mortgage holder or eligible insurer or guarantor, as applicable;
- (e) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;
- (f) Any proposed action which would require the consent of a specified percentage of eligible mortgage holders as specified in these By-Laws or in the Master Deed.
- (g) Any proposed change from professional management of the Property to self management of the Property by the Association.
- (h) Notice of all special or annual meetings of the Association if the eligible mortgagee has provided written notice to the Association that it desires to be given notice of such meetings.

JUN-09-06 10:15AM FROM-

T-892 P.040/066 F-577

Section 12.2: Condemnation of Common Property: The Association shall represent the Owners and institutional holders, insurers, and guarantors of mortgages in any condemnation proceedings or in negotiations, settlements and agreements with the condemning authority for acquisition of the Common Property, or part thereof. Each Owner appoints the Association as attorney-in-fact for such purposes. In the event of a taking or acquisition of part or all of the common elements by a condemning authority, the award or proceeds of settlement shall be payable to the Association and shall be distributed by the Association to the Owners and mortgagees as their interests may appear, or as elected by the Board of Directors, retained by the Association and deposited in a capital reserve account for future capital improvements and expenditures as to the Common Property of the Association.

Section 12.3: Reconstruction and Repair: In the event of casualty loss or damage to the Common Property, the Association's Board of Directors shall be responsible for applying the proceeds of all casualty insurance to the repair or reconstruction of the Common Property except as otherwise authorized in accordance with the provisions of this Article XII. Reconstruction or repair of an improvement on the Common Property shall be mandatory unless two-thirds (2/3) or more of such improvement is destroyed or substantially damaged (as determined by the cost to repair in relationship to the cost of replacing the entire improvement). If two-thirds (2/3) or more of an improvement is destroyed or substantially damaged, reconstruction shall not be mandatory and if the Board of Directors determines that reconstruction is not in the best interests of the Association, the insurance indemnity received by the Association shall be deposited in a capital reserve account for future capital improvements and expenditures to the Common Property of the Association.

Section 12.4: Limitations on Association's Actions: The following provisions apply in addition to and not in lieu of the foregoing. Unless at least sixty-seven percent (67%) of the first mortgagees or the Members representing at least sixty-seven percent (67%) of the total Association vote entitled to be cast thereon consent, the Association shall not:

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell, convey, or transfer all or any portion of the real property comprising the Common Property of the Association, directly or indirectly (the granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Property shall not be deemed a transfer within the meaning of this subsection);

(b) change the method of determining the obligations, assessments due, or other charges which may be levied against an Owner of a Dwelling Unit or Lot (A decision, including contracts, by the Board or provisions of any declaration subsequently recorded on any portion of the Property, shall not be subject to this provision where such decision or subsequent declaration is otherwise authorized by this Declaration);

(c) by act or omission change, waive, or abandon the regulation and enforcement of architectural design and exterior appearance and maintenance of Dwelling Units and of the Common Property (the issuance and amendment of architectural standards, procedures, rules and

BK08040PG0110

JUN-09-06 10:15AM FROM-

+

T-892 P.041/066 F-577

regulations, or use restrictions shall not constitute a change, waiver, or abandonment within the meaning of this provision);

(d) fail to maintain insurance, as required by this Declaration; or

(e) use casualty insurance proceeds for Common Property losses for other than the repair, replacement, reconstruction, or improvement of the Common Property of the Association.

Additionally, so long as there is a Class "B" membership and so long as the Department of Housing and Urban Development ("HUD") and/or the Veteran's Administration ("VA") is holding, insuring, or guaranteeing any loan secured by property subject to this Declaration, the following actions shall require the prior approval of HUD and/or VA, respectively: annexation of additional property other than the Additional Property referenced in Article II, dedication or mortgage of Common Property, merger or consolidation in which the Association is a participant, dissolution of the Association, or material amendment of this Declaration.

Reference is also made to the provisions of Article XII which require the consent or approval of mortgagees for certain amendments to the Declaration, By-Laws, or Articles of Incorporation of the Association.

Section 12.5: Additional Rights of Mortgagees: First mortgagees may jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Property and may pay overdue premiums on casualty insurance policies or secure casualty insurance coverage upon the lapse of an Association policy, and first mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

Section 12.6: Failure of Mortgagees to Respond: Any mortgagee who receives notice and a written request from the Association to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the mortgagee within thirty (30) days of the date of the Association's request.

#### ARTICLE XIII: Amendments

So long as Declarant still owns either the property described in Exhibit "A" or any property contiguous or adjacent thereto for development as part of the Property, the Declarant reserves the right to itself, its successors and assigns, at any time and from time to time, to unilaterally amend this Declaration for any purpose, provided the amendment has no material adverse effect upon any right of any Owner, including, but not limited to, the dilution of voting powers of existing Members or the manner in which assessments shall be established for the existing Members. Declarant's unilateral rights as provided above include, but are not limited to, amendment of the Declaration for Additional Property as provided in Article II. Declarant also

BK08040PG0111



JUN-09-06 10:15AM FROM-

+

T-092 P.042/066 F-577

specifically reserves the right for so long as it is entitled to Class "B" votes to amend this Declaration on its own act to cause same to conform to the requirements of the Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Veterans Administration, Farmers Home Administration, or Federal Housing Authority ("Federal Agencies"). Should any of the above named Federal Agencies subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board of Directors of the Association, without approval of the Owners, may cause an amendment to be recorded to the Declaration or By-Laws to reflect such change.

Hereafter and otherwise, this Declaration may be amended only by the written consent of the Class "B" member, so long as such membership exists and the affirmative vote or written consent, or any combination thereof, of Members representing sixty-seven (67%) of the total Class "A" votes held by Members other than the Declarant. Additionally, the consent or approval of eligible holders of first mortgages on Lots and Dwelling Units to which at least fifty-one percent (51%) of the votes of Dwelling Units and Lots subject to a mortgage appertain, shall be required to materially amend any provisions of the Declaration, By-Laws, or Articles of Incorporation of the Association, or to add any material provisions thereto, which establish, provide for, govern, or regulate any of the following: (a) voting; (b) assessments, assessment liens, or subordination of such liens; (c) reserves for maintenance, repair, and replacement of the Common Property; (d) insurance or fidelity bonds; (e) rights to use the Common Property; (f) responsibility for maintenance and repair of the Properties; (g) expansion or contraction of the Property or the addition, annexation, or withdrawal of Property to or from the Association (except as provided in Article II); (h) establishment of self-management by the Association where professional management has been required by an eligible holder; or (i) any provisions included in the Declaration, By-Laws, or Articles of Incorporation which are for the express benefit of holders, guarantors, or insurers of first mortgages on Dwelling Units and Lots. Notwithstanding the above, the approval of the eligible holders of first mortgages on Lots and Dwelling Units to which at least sixty-seven percent (67%) of the votes of Dwelling Units and Lots subject to a mortgage appertain shall be required to terminate the Association.

If any proposed amendment to this Declaration is approved by the Members as set forth above, the President and Secretary of the Association shall execute an addendum to this Declaration which shall set forth the amendment, the effective date of the amendment, the date of the meeting of the Association at which such amendment was adopted, the date that notice of such meeting was given, the total number of votes necessary to adopt the amendment, and the total number of votes cast against the amendment.

#### ARTICLE XIV:

##### Notice

**Section 14.1: How Notice Given.** Any notice required to be sent to any Owner under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed first class, with the proper postage affixed, to the last known address

BK08040PG0112

JUN-08-06 10:16AM FROM-

T-892 P.043/066 F-577

of the person or entity who appears as Owner in the public records of the county and state in which the Lot or Dwelling Unit is located, on the first day of the calendar month in which said notice is mailed. Notice shall be given to Declarant by first class certified mail as follows, unless an amendment is recorded subsequently hereto by the Declarant providing for another address: President, COULSTON ENTERPRISES, INC., 1020 Zenith Ave., Ft. Mill, South Carolina 29715.

Section 14.2: Notice to Co-Owners. Notice to one (1) of two (2) or more co-Owners of a Lot or Dwelling Unit, shall constitute notice to all co-Owners.

Section 14.3: Notice of Address or Ownership Change. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address. Any person who becomes an Owner and Member following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice was given to his predecessor-in-title.

#### ARTICLE XV:

##### Enforcement, Severability and Interpretation

Section 15.1: Who May Enforce Generally. In the event of a violation or breach of any of the affirmative obligations or restrictions contained in this Declaration by any Owner or agent of such Owner, the Declarant, or any other Owners, or any of them jointly or severally, including other owner associations within the Property, shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event, provided however that the right of Declarant hereunder shall not be construed to impose an obligation on Declarant for enforcement.

Section 15.2: Enforcement by the Association. In addition to the foregoing, the Association shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event.

The Association may engage a person or persons to respond to complaints received as to violations of the Covenants, and shall inform the violators of such complaint. The Association may also delegate and assign from time to time its rights of enforcement to another owners association within the Property. If the violation is not expeditiously terminated, the Declarant or Association may engage legal counsel to bring an appropriate injunctive action, including any appeals, to enforce these Covenants. Violators shall be obligated to reimburse the Association, or entity enforcing the violation, in full for all its direct and indirect costs, including but not limited to legal fees incurred by the Association in maintaining compliance with these Covenants in the event the Association prevails in such proceedings.

Section 15.3: Enforcement by the Declarant. In addition to the foregoing, the Declarant shall have the right, but shall not be obligated, to proceed at law or in equity to compel

a compliance to the terms hereof or to prevent the violation or breach in any event. Violators shall be obligated to reimburse the Declarant in full for its direct and indirect costs, including but not limited to legal fees incurred by the Declarant in maintaining compliance with these Covenants in the event the Declarant prevails in such proceedings.

**Section 15.4: Against Whom May the Covenants be Enforced.** The obligations and benefits prescribed by the Covenants shall run with the Property and shall be enforceable against the Declarant, its successors or assigns, the Association and against any Owner or other person whose activities bear a relation to the Property when the aforesaid parties engage in activities (including omissions and failures to act) which constitute violations or attempts to violate or circumvent the covenants and restrictions set forth in this Declaration.

**Section 15.5: Litigation.** Notwithstanding the provisions of Section 16.9, no judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of seventy-five percent (75%) of all votes eligible to be cast by the Members. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided herein, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. In the event any claim is made against Declarant or any litigation is instituted against Declarant, then the Association shall assess all Members, other than the Declarant, for the costs of the claim or litigation, including, without limitation, attorneys' fees incurred, and funds from regular assessments shall not be used for any such claim or litigation.

**Section 15.6: Means of Enforcement.** Enforcement of these Covenants shall be by any proceeding at law or in equity, whether it be to restrain violation or to recover damages or to create any lien created by these Covenants.

**Section 15.7: Severability.** Should any Covenant or restriction herein contained, or any Part, Article, Section, paragraph, sentence, clause, phrase, or term in this Declaration be declared to be void, invalid, illegal or unenforceable for any reason by the adjudication of the highest court or other tribunal which considers such matters and has jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable.

**Section 15.8: Interpretation.** In all cases, the provisions of this Declaration shall be given that reasonable interpretation or construction which will best effect consummation of the general plan of land use restrictions and affirmative obligations of the Property, which will carry out the intent of the Declarant as expressed in the recitals of these Covenants, and which will preserve the Property as a situs for a high amenity, attractive, well maintained, privately-governed residential community.

JUN-09-06 10:16AM FROM-

T-982 P.045/068 F-577

Contrary to the restrictive common law rule of construction, these Covenants shall by this Covenant be interpreted broadly to touch and concern the Property with recognition of modern economic, land use planning and real estate finance and development principles, theories and practices. It is the Declarant's intent, and all Owners who take subject to the Covenants, to covenant and agree, and are thereby estopped to deny, that any reserved right or function of the Declarant and/or Association, and any other covenant condition, restriction or obligation within these Covenants is intended to promote the use and enjoyment of the Property, is intended to foster the creation, preservation or enhancement of economic or intangible values associated with the Property, and does touch and concern, benefit and burden and run with the Property.

The provisions of these Covenants shall be given full force and effect notwithstanding the existence of any zoning ordinance which allows a less restricted use of the Property.

Section 15.9: Authorized Action. All action which the Association is allowed to take under this instrument shall be authorized actions of the Association if approved by the Board of Directors of the Association in the manner provided for in the By-Laws of the Association, unless the terms of this instrument provided otherwise.

Section 15.10: Gender, Tense and Number. When necessary for proper construction, the masculine form of any word used in this Declaration shall include the feminine or neuter gender, and the singular, the plural and vice versa, and words used in the present tense shall include the future tense.

Section 15.11: No Waiver. Failure to enforce any provisions of this Declaration shall not operate as a waiver of any such provision or of any other provisions of this Declaration.

Section 15.12: Captions. The captions and headings in this instrument are for convenience only and shall not be considered in construing any provisions of this Declaration.

Section 15.13: No Implied Liabilities or Duties. ANY RULES OR REGULATIONS ESTABLISHED BY THE DECLARANT OR ASSOCIATION PURSUANT TO THESE COVENANTS SHALL NOT EXPRESSLY OR IMPLIEDLY CREATE ANY DUTY OF CARE TO ANY OWNER.

JUN-09-06 10:17AM FROM-

T-882 P.046/066 F-577

IN WITNESS WHEREOF, COULSTON ENTERPRISES, INC. has caused this instrument to be executed the day and year first above written by its appropriate officers.

DECLARANT:

COULSTON ENTERPRISES, INC.

WITNESSES:

By: Earl Coulston  
Its: President

[SEE EXHIBIT "B" FOR JOINDER OF OWNERS OF PROPERTY NOT OWNED BY DECLARANT BUT INCLUDED AS PART OF THE EXHIBIT "A" PROPERTY]

STATE OF SOUTH CAROLINA )  
COUNTY OF YORK )

ACKNOWLEDGEMENT  
under SC Code §30-5-30(C)

Angela Michelle Kimbrell do hereby certify that COULSTON ENTERPRISES, INC., by Earl Coulston, its President, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 19th day of May, 2006.

Angela Michelle Kimbrell (SEAL)  
Notary Public for South Carolina  
My Commission Expires: November 9<sup>th</sup> 2008

Regal Manor Declaration of Covenants  
Page 45

BK08040860116

**EXHIBIT "A"****DESCRIPTION OF LANDS SUBMITTED TO COVENANTS  
PURSUANT TO ARTICLE II, SECTIONS 2.1 AND 2.2****I. BADEN VILLAGE SUBDIVISION, PHASE 1 AND PHASE 2**

Those certain lots, pieces, parcels, or tracts of land shown by courses and distances, metes and bounds, on separate plats entitled "A Final Plat of BADEN VILLAGE PHASE 1" dated November 3, 2005, and latest revised April 3, 2006, recorded in ~~Plat Book D-98 at Page 5~~, and "A Final Plat of BADEN VILLAGE PHASE 2," dated March 7, 2006, and latest revised April 11, 2006, recorded in **Plat Book D-95 at Page 3**, in the Clerk of Court's Office for York County, South Carolina; said plats having been certified to and prepared by David L. Ferguson, PLS #16493, of Power Engineering Company, Inc., Charlotte, N.C.

**Plat Book D-69 at Page 1, and  
revised at Plat Book D-92 at Page 7**

**II. HAMLIN HILLS SUBDIVISION, PHASE 1**

Those certain lots, pieces, parcels, or tracts of land shown by courses and distances, metes and bounds, on a plat entitled "A Final Plat of HAMLIN HILLS AT BALMORAL PHASE 1" dated March 7, 2006, and latest revised April 3, 2006, recorded in **Plat Book D-90 at Page 6**, in the Clerk of Court's Office for York County, South Carolina; said plat having been certified to and prepared by David L. Ferguson, PLS #16493, of Power Engineering Company, Inc., Charlotte, N.C.

JUN-09-06 10:17AM FROM-

T-892 P.048/066 F-577

**EXHIBIT "B"****JOINDER AND CONSENT FOR PROPERTY DESCRIBED IN EXHIBIT "A"**  
**NOT OWNED BY DECLARANT**

WHEREAS, this Joinder is given to that Declaration of Covenants, Restrictions and Provisions for Membership in Regal Manor Homeowners' Association, Inc. by OPUS REGENT ONE, LLC, a South Carolina limited liability company, and OPUS REGENT TWO, LLC, a South Carolina limited liability company, as fee simple owners of the Property described in Exhibit "A" thereto (hereinafter "the Property; and

WHEREAS, OPUS REGENT ONE, LLC (hereinafter "OR1") is the owner of the following described property:

Those certain lots, pieces, parcels, or tracts of land shown by courses and distances, metes and bounds, on separate plats entitled "A Final Plat of BADEN VILLAGE PHASE 1" recorded in Plat Book D-90 at Page 5, and "A Final Plat of BADEN VILLAGE PHASE 2" recorded in Plat Book D-95 at Page 3, in the Clerk of Court's Office for York County, South Carolina (hereinafter "OR1 PROPERTY"); and

WHEREAS, OPUS REGENT TWO, LLC (hereinafter "OR2") is the owner of the following described property:

Those certain lots, pieces, parcels, or tracts of land shown by courses and distances, metes and bounds, on a plat entitled "A Final Plat of HAMLIN HILLS AT BALMORAL PHASE 1" recorded in Plat Book D-90 at Page 6, in the Clerk of Court's Office for York County, South Carolina (hereinafter "OR2 PROPERTY"); and

WHEREAS, the within Declaration (to which this Exhibit "B" is attached) was not executed or filed in the public records prior to the conveyance of either the OR1 PROPERTY or the OR2 PROPERTY to OR1 and OR2; and

WHEREAS, it is the intent and desire of both the Declarant, OR1, and OR2 that the above referenced properties be subject to the attached Declaration as if said Declaration had been recorded in the public records prior to the deeds conveying said property to OR1 and OR2; and

WHEREAS, OR1 and OR2 has reviewed the within Declaration of Covenants, Restrictions and Provisions for Membership in Regal Manor Homeowners' Association Inc. (the "Declaration") and are agreeable to having their property subjected to the Declaration.

NOW, THEREFORE, in consideration of \$1.00, the receipt and sufficiency of which are hereby acknowledged, OR1 and OR2 hereby join in the Declaration, and declare that their respective property referred to as "OR1 PROPERTY" and "OR2 PROPERTY" above be

BK08040PG0118

JUN-09-06

10:18AM

FROM-

T-892 P.049/066 F-577

subjected to the Declaration and the jurisdiction of the Regal Manor Homeowners Association as set forth in said Declaration.

With respect to any mortgage held by the undersigned, this Joinder shall not in any way affect or diminish the lien of the existing mortgage on the property described above nor does the undersigned release or waive any of the covenants contained in its mortgage.

IN WITNESS WHEREOF, OR1 and OR2 have signed, sealed, and executed this instrument effective this 5th day of May, 2006.

WITNESSES:

OR1:

OPUS REGENT ONE, LLC

Mary O. Pungst  
Nichelle Kimbrell

By:

A. Earl Coulston  
A. Earl Coulston, its Member

Pradeep Singh  
Pradeep

By:

Pradeep Singh  
Pradeep Singh, its Member, as Custodian  
for Akhil Singh under the Uniform  
Gift to Minors Act

Mukesh J. Patel  
Mukesh

By:

Mukesh J. Patel  
Mukesh J. Patel, its Member

Mary O. Pungst  
Subhash Patel

By:

Subhash Patel  
Subhash Patel, its Member

BK08040PG0119



WITNESSES:

OR2:

OPUS REGENT TWO, LLC

Michelle Kimbrell

By: A. Earl Coulston  
A. Earl Coulston, its Member

Mukesh J. Patel  
Bhishik

By: Mukesh J. Patel  
Mukesh J. Patel, its Member

Regal Manor Declaration of Covenants

BK08040PG0120

JUN-08-06 10:18AM FROM-

T-392 P.051/066 F-577

STATE OF SOUTH CAROLINA )

COUNTY OF YORK )

ACKNOWLEDGEMENT  
under SC Code §30-5-30(C)

I Angela Michelle Kimbrell do hereby certify that OPUS REGENT ONE, LLC, a South Carolina limited liability company, by A. EARL COULSTON, its Member, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 16<sup>th</sup> day of May, 2006.

Angela Michelle Kimbrell (SEAL)  
Notary Public for South Carolina  
My Commission Expires: November 9<sup>th</sup> 2015

STATE OF SOUTH CAROLINA )

COUNTY OF YORK )

ACKNOWLEDGEMENT  
under SC Code §30-5-30(C)

I Beth L. Howie do hereby certify that OPUS REGENT ONE, LLC, a South Carolina limited liability company, by PRADEEP SINGH, as Custodian under the Uniform Gift to Minors Act for Akhil Singh, its Member, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 16<sup>th</sup> day of May, 2006.

Beth L. Howie (SEAL)  
Notary Public for South Carolina  
My Commission Expires: 4-6-2010

JUN-09-08 10:18AM FROM-

T-692 P.052/066 F-577

STATE OF SOUTH CAROLINA )

COUNTY OF YORK )

ACKNOWLEDGEMENT  
under SC Code §30-5-30(C)

I Betty L. Howe, do hereby certify that OPUS REGENT ONE, LLC, a South Carolina limited liability company, by MUKESH J. PATEL, its Member, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 16<sup>th</sup> day of May, 2006.

Betty L. Howe (SEAL)  
Notary Public for South Carolina  
My Commission Expires: 4-6-2010

STATE OF SOUTH CAROLINA )

COUNTY OF YORK )

ACKNOWLEDGEMENT  
under SC Code §30-5-30(C)

I Betty L. Howe, do hereby certify that OPUS REGENT ONE, LLC, a South Carolina limited liability company, by SUBHASH PATEL, its Member, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 16<sup>th</sup> day of May, 2006.

Betty L. Howe (SEAL)  
Notary Public for South Carolina  
My Commission Expires: 4-6-2010

BK08040P60122

JUN-09-06 10:19AM FROM-

T-892 P.059/066 F-577

STATE OF SOUTH CAROLINA )

COUNTY OF YORK )

ACKNOWLEDGEMENT  
under SC Code §30-5-30(C)

I Angela Michelle Kimball do hereby certify that OPUS REGENT TWO, LLC, a South Carolina limited liability company, by A. EARL COULSTON, its Member, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 16<sup>th</sup> day of May, 2006.

Angela Michelle Kimball (SEAL)  
Notary Public for South Carolina  
My Commission Expires: November 9<sup>th</sup> 2015

STATE OF SOUTH CAROLINA )

COUNTY OF YORK )

ACKNOWLEDGEMENT  
under SC Code §30-5-30(C)

I Betty L. Howe do hereby certify that OPUS REGENT TWO, LLC, a South Carolina limited liability company, by MUKESH J. PATEL, its Member, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 16<sup>th</sup> day of May, 2006.

Betty L. Howe (SEAL)  
Notary Public for South Carolina  
My Commission Expires: 4-6-2010

BK08040PG0123

## EXHIBIT "E"

**GUIDELINES FOR THE CONSTRUCTION, INSTALLATION,  
AND MAINTENANCE OF FENCING ON ANY LOT**  
(In Effect as of the date of the Declaration, May 4, 2006\*)

In accordance with Part II, Section 3.20 of the Regal Manor Covenants, the Declarant has adopted the following guidelines for the construction, installation, and maintenance of fences and fencing on any Lot within the Property. \*Reference is hereby made to the provisions of said Section whereby the Guidelines set forth below may be amended or revised at anytime by either the Declarant or the Association's Architectural Review Committee (referred to below as the "ARC" or "the Committee"). Accordingly, Owners of Lots should always consult with the Association's management agent, or the ARC, to determine current fencing guidelines applicable to the Owners' Lot.

(a) General Guidelines:

(i) Approvals. Any fencing shall be subject to the prior approval of the ARC.

(ii) Fencing Types and Materials. All fencing shall be constructed of white vinyl or black aluminum of a type and design approved by the ARC. A brochure showing an example of fencing to be installed must be included with the application to the ARC.

(iii) Fencing Colors. Fencing shall be either white or off-white vinyl, or black aluminum.

→ (iv) Fencing Height. Fencing shall not exceed six (6) feet in height.

(v) Use of Professional Installer. A professional fencing contractor must be hired by the Owner, at such Owner's cost, to install approved fencing for such Owner.

(vi) Developer Installed Fencing. No fencing shall connect to or otherwise interfere with any fencing originally installed by the Declarant. Any fencing installed by Declarant shall not be subject to these standards.

(vii) Common Property/Landscape Easements. Except as installed by Declarant or the Association, no improvements or permanent structures, including without limitation, fences, shall be erected or maintained in or upon Common Property or Landscape Easements.

• (viii) Fencing within Easements: Fencing which is installed within any easement affecting a Lot shall be subject to the risk of removal without notice by the Association or any other entity or entities which have access rights, if any work or repairs are to be done within the easement area(s). The Owner of such Lot shall be responsible for any and all costs relating to the removal of such fencing and for the subsequent replacement of any approved replacement fencing. In addition to any other requirements imposed by the within guidelines, or otherwise, fencing and fence posts located within easement areas shall be installed so as not to impede surface drainage (i.e. rear swales) and the bottom of all fences shall be at a minimum of three (3) inches off the ground.

BK08040PG0134

JUN-08-06 10:22AM FROM-

T-892 P.085/088 F-577

(b) Location of Fencing on Conventional Lots: In addition to the guidelines under subsection (a), above, and those found under subsection (d), below, the following guidelines are applicable to all Lots within the Property other than Lots which are specifically approved or designated by the Declarant to accommodate side or front yard fencing (i.e. Lots subject to private lane easements and similar):

- (i) Fencing shall not extend forward beyond a point, which is ten (10) feet behind the front corner of the residence; and
- (ii) Fencing on any corner Lot shall be at least five (5) feet from the sidewalk.

(c) Additional Fencing Guidelines: Fencing for Lots in highly visible locations (such locations to be determined by the ARC in its sole discretion) shall be subject to the following additional restrictions:

(i) Pond Lots: Lots which are adjacent to or which abut a lake or detention pond are subject to the following restrictions:

- (A) Fencing shall not exceed five (5) feet in height; provided that in the discretion of the ARC, the portion of such fence closest to the rear side of the residence may be the six (6) feet in height; provided further that such higher section shall not extend more than ten (10) feet from the rear corner(s) of the residence, subject to (B) below. In exercising its discretion under this provision, the ARC shall take into account the effect such proposed fence would have on the use and enjoyment of the lake or pond areas by other Owners.
- (B) Fencing shall not be constructed within twenty-five (25) feet of the high water mark of any lake or detention pond.

(ii) Perimeter Lots and Highly Visible Lots: With respect to a Lot where either (A) the rear yards are highly visible from public streets (within the neighborhood or surrounding the neighborhood), or (B) the Lot abuts a Common Area, the ARC may require fencing for such Lot to be consistent in material, height, and style to that of previously approved fencing for any other Lot which is on and along such street or Common Area.

(iii) Dog Runs and Similar Enclosures: No enclosures, structures or "runs" which are designed primarily for the outside keeping of pets or other animals, including but not limited to dog runs, kennels, or other similar enclosures, shall be permitted.

NOTE: In addition to the above restrictions and standards, state, county, or any local municipality may have restrictions and ordinances that may affect, limit or otherwise restrict or prohibit an improvement to a Lot, including fencing. Approval of any improvement by the ARC does not guarantee that such improvement is not subject to any other governmental approval. There may be instances where a change is approved through the ARC but may not be allowed through the local governmental authority (or vice versa). An Owner must check with all governmental authorities, and obtain any permits or approvals that may be required.

In addition to the foregoing requirements, Lots within the Property which abut off-site public streets or highways may be subject to additional fencing restrictions as determined by the ARC or by any applicable governmental authority.

JUN-09-06 10:23AM FROM-

T-882 P.068/066 F-577

Signed, Sealed and Delivered  
in the presence of:

WACHOVIA BANK, N.A.

[Signature]  
Witness No. 1 Michelle McCullough

By: [Signature]  
Dennis W. [unclear]

[Signature]  
Witness No. 2 Joyce Hassen

Its: Assistant Vice President

STATE OF FLORIDA )

PROBATE

COUNTY OF DUVAL )

PERSONALLY appeared before me the undersigned witness, who being first duly sworn, deposes and says that (s)he saw the within named Wachovia Bank, N.A. by its duly authorized signatory sign, seal and as its act and deed deliver the within written deed, and that (s)he with the other witness subscribing above witnessed the execution thereof.

[Signature]  
Witness No. 1 Michelle McCullough

SWORN to before me this  
9th day of March, 2006.

[Signature]  
Notary Public for  
My Commission Expires: \_\_\_\_\_



Needle & Nicholson  
MY COMMISSION # 00146072 EXPIRES  
September 5, 2006  
BOLTON TRUST COMPANY, INC.

BK87874P00128