

**DECLARATION OF  
COVENANTS, RESTRICTIONS, AND EASEMENTS  
FOR BEACH VILLAGE**

Declaration of Covenants, Restrictions and Easements for Beach Village

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STATE OF SOUTH CAROLINA        )  
  )  
COUNTY OF HORRY                )

DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS  
FOR BEACH VILLAGE

THIS DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR BEACH VILLAGE (this "Declaration") is made as of the \_\_\_\_\_ day of \_\_\_\_\_, 2019 by BEACH VILLAGE SC, LLC, a Virginia limited liability company (hereinafter referred to as "Declarant."

Declarant is the owner of certain real property in Horry County, South Carolina, which is more particularly described on Exhibit "A" attached hereto and made a part hereof (which real property is hereinafter referred to as the "Property").

Declarant intends to develop on the Property a development to be known as BEACH VILLAGE (hereinafter collectively referred to as the "Development"). Declarant intends by this Declaration to impose mutually beneficial restrictions under a general plan of improvement for the benefit of all owners of residential property within the Property now or hereafter made subject to this Declaration, by the recording of the Declaration and amendments thereto Declarant also desires to establish a method for the administration, maintenance, preservation, use and enjoyment of the Property that is now or hereafter subjected to this Declaration and certain other properties described in the Declaration.

Declarant has caused the HOA (as hereinafter defined) to be formed as a nonprofit corporation to perform certain functions for the common good and general welfare of the Owners (as hereinafter defined).

The Declarant hereby declares that all of the real property within the Property shall be held, sold and conveyed subject to this Declaration of Covenants, Restrictions and Easements, which is for the purpose of enhancing and protecting the value, desirability and attractiveness of the Property. The covenants, restrictions and easements set forth herein shall run with the Property, and shall be binding on all parties having or acquiring any right, title or interest in the Property or any part thereof, and shall, subject to the limitations herein provided, inure to the benefit of each Owner, his heirs, grantees, devisees, successors and assigns and to the benefit of the HOA.

Declarant has the right and authority to make changes or modifications to the declaration at its own discretion until the HOA is transferred.

ARTICLE I: DEFINITIONS

The following words, when used in this Declaration of Covenants, Restrictions and Easements, shall have the following meanings:

- A. Assessment: "Assessment" means the assessments levied upon the Owners by the HOA

to fund the maintenance, repair and/or operation of the Common Property and the operation of the HOA.

- B. Board: "Board" means the Board of Directors of the HOA.
- C. Builder: "Builder" means any person or entity who acquires a Lot (or multiple Lots) from Declarant for the purpose of developing such Lots with Residences for sale to third-party homebuyers.
- D. By-Laws: "By-Laws" means the By-Laws of the HOA.
- E. Common Property: "Common Property" means all real property (together with any and all improvements now or hereafter located thereon) including, but not limited to streets, owned by the HOA, or in certain instances over which the HOA has been granted permanent easements, for the common use and enjoyment of the Owners.
- F. Controlling Interest: "Controlling Interest" means and refers to the ownership of the Declarant at any time of one or more Lots or any portion of the Property. Notwithstanding the foregoing, if the Declarant shall elect to develop the Property in one or more Phases, the Declarant shall be deemed to have a Controlling Interest until the final phase of the Development has been platted of record and for as long as Declarant shall own at least one or more Lots or any portion of the Property in the final Phase.
- G. Declarant: "Declarant" means BEACH VILLAGE SC, LLC, and its successors-in-title and assigns, provided any such successors-in-title or assigns shall acquire for the purpose of development or sale all or any portion of the remaining undeveloped or unsold portions of the Property, or the real property which is intended to be added thereto, and provided further, in the instrument of conveyance to any such successor-in-title or assign, such successor-in-title or assign is designated as the "Declarant" hereunder by the Grantor of such conveyance, which Grantor shall be the "Declarant" hereunder at the time of such conveyance, provided further upon such designation of successor Declarant, all rights and obligations of the former Declarant in and to such status as "Declarant" hereunder shall cease, it being understood that as to all of the Property, and any additional real property now or hereafter subjected to this Declaration, there shall be only one person or legal entity entitled to exercise the rights and powers of the "Declarant" hereunder at any one time.
- H. HOA: "HOA" means BEACH VILLAGE HOMEOWNERS ASSOCIATION, INC. (a non-profit, non-stock membership corporation organized under the South Carolina Nonprofit Corporation Act), its successors and assigns.
- I. Lot: "Lot" means any parcel of land shown upon a subdivision plat recorded in the Office of the Register of Deeds for Horry County, covering any portion of the Property, as such boundaries may be modified in accordance with the terms below, provided, however, that no portion of the Common Property shall be a lot unless and until the

nature and use of said Common Area is changed in accordance with the provisions hereof.

- J. Member: "Member" means any member of the HOA.
- K. Membership: "Membership" means the collective total of all Members of the HOA.
- L. Occupant: "Occupant" means any person occupying all or any portion of a Residence located within the Development for any period of time, regardless of whether such person is an invitee, tenant or the Owner of such property.
- M. Owner: "Owner" means the record owner (including Declarant), whether one or more persons or entities, of a fee simple title to any Lot; provided, however, that where fee simple title has been transferred and is being held merely as security for the repayment of a loan, the person or entity who would own the Lot in fee simple if such loan were paid in thus shall be considered the Owner.
- N. Property: "Property" means and refers to the real property subjected to this declaration, said Property being more particularly described on Exhibit "A" attached hereto, together with such additional real property as may be subjected to the provisions of this Declaration in accordance with terms hereof.
- O. Residence: "Residence" means a Structure and the Lot on which it is situated which is intended for independent use and occupancy as a residence for a single family.
- P. Restriction: "Restriction" means all covenants, restrictions, easements, charges, liens and other obligations created or imposed by this Declaration.
- Q. Structure: "Structure" means:
  - 1. Any thing or object the placement of which upon any Lot may affect the appearance of such Lot, including by way of illustration and not limitation, any building or part thereof, garage, porch, shed, greenhouse or bathhouse, coop or cage, covered or uncovered patio, swimming pool, dock, fence, curbing, paving, wall, tree, shrub (and all other forms of landscaping), sign, signboard, temporary or permanent living quarters (including any house trailer) or any other temporary or permanent improvement to such Lot; or
  - 2. Any excavation, grading, fill, ditch, diversion dam or other thing or device which affects or alters the natural flow of surface waters from, upon or across any Lot, or which affects or alters the flow of any waters in any natural or artificial creek, stream, wash or drain, and channel from, upon or across any Lot.

## ARTICLE II: COMMON PROPERTY

- A. Conveyance of Common Property



1. The Declarant shall, from time to time, but in any event, prior to December 31, 2030, convey to the HOA or grant easements to the HOA, at no expense to the HOA and in accordance with this Section, real and personal property for the common use and enjoyment of the Owners (such real and personal property is hereinafter collectively referred to as "Common Property") and, to the extent set forth in this Declaration, the general public. Any Common Property so designated in any plat or map recorded in the Office of the Register of Deeds for Horry County as Common Property (or as "common open space," "common area(s)" or any similar naming convention) shall be conveyed by the Declarant to the HOA, as required in this Section. The HOA hereby covenants and agrees to accept from the Declarant all such conveyances of Common Property without representation or warranty of any kind.

2. The Declarant shall convey to the HOA Common Property for scenic and natural area preservation and for general recreational use. The Declarant may, at Declarant's sole discretion, modify, alter, increase, reduce and otherwise change the Common Property contemplated to be conveyed to the HOA at any time prior to conveyance of such Common Property to the HOA.

3. The Declarant, or the Board at such time as the Declarant no longer has a Controlling Interest or in the event the HOA obtains title to the Common Property, may change the nature of any Common Property or may transfer or sell all or a part of the Common Property. In the event of such change in the nature or use of the Common Property, or the transfer or sale of the Common Property to anyone other than the HOA, any easement or other right of use created herein may be extinguished at the discretion of the Declarant or Board.

4. In addition to the Common Property, the Declarant may convey to the HOA in accordance with this Section such other real and personal property as the Declarant may determine to be necessary or proper for the completion of the Development.

5. Notwithstanding any legal presumption to the contrary, the fee title to, and all rights in any portion of the Property owned by the Declarant and designated as Common Property or designated for public use shall be reserved to the Declarant until such time as the same shall be conveyed to the HOA or to any municipality or other governmental body, agency or authority.

6. Lakes, ponds and drainage ways shall, without limitation, be included in the property that shall be conveyed by Declarant and which shall be accepted by the HOA. Declarant shall not be required to make any improvements whatsoever to the property to be conveyed and accepted pursuant to this Section including, without limitation, dredging or otherwise removing silt from any lake or pond that may be conveyed.

B. Right to Enjoyment: Every Owner shall have a right and easement to use and enjoy the Common Property, which right shall be appurtenant to and shall pass with the title to every Lot upon transfer; provided, however, that no Owner shall do any act which interferes with the free use and enjoyment of the Common Property by all other Owners. The HOA may permit persons who are not Owners of Lots to use and enjoy part of all of the Common Property subject to such limitations, and upon such terms and conditions including charging a reasonable fee, as it may from time to time establish. The right and easement of enjoyment granted or permitted by this

Section is subject to suspension or termination by the HOA as provided herein.

C. Right of the HOA: The rights and privileges conferred in this Article shall be subject to the right, and where applicable, the obligation, of the HOA acting through the Board to:

1. Promulgate rules and regulations relating to the use, operation and maintenance of the Common Property and of the Lots, as applicable (such rules and regulations to be recorded in the Office of the Register of Deeds of Horry County upon adoption and subsequent amendment, if at all, as applicable and as required by law);

2. Borrow money for the purpose of carrying out the activities of the HOA, including the acquisition, construction, improvement, equipping and maintenance of Common Property, and in aid thereof to encumber by mortgage or other security interest any or all of the HOA's property including Common Property and revenues from assessments, user fees and other sources; and provided, however, that during the period when the Declarant has the right to appoint members of the Board, the HOA shall not deed, grant or convey to anyone any mortgage or other security interest on or in Common Property constituting real estate without approval by Declarant;

3. Grant easements or rights-of-way over Common Property to any municipality or other governmental body, agency or authority, to any quasi-public agency, or to any utility company or cable television system. Provided, however, the HOA may not exercise this right without the consent of Declarant for so long as Declarant has a Controlling Interest;

4. Suspend the voting rights of any Member as provided below and the right of enjoyment granted or permitted by this Article;

5. Enforce all applicable provisions of valid agreements of the HOA relating to the Common Property or any part thereof;

6. Maintain any and all landscaping treatments previously installed by the Declarant, to the extent that such landscaping is not otherwise maintained by the appropriate county and/or municipal entity having jurisdiction over the roads serving the Property; and

7. Do all other things necessary or desirable and otherwise permitted by this Declaration and the Bylaws and which is in compliance with the South Carolina Nonprofit Corporation Act for the maintenance of the Common Property and the operation of the HOA.

D. Conveyance of Common Property by Declarant to HOA: The Declarant shall transfer or convey to the HOA any personal property and any improved or unimproved property, leasehold, easement or other property interest within the Common Property which is or may be subjected to the terms of this Declaration. Such conveyance shall be accepted by the HOA, and such property shall thereafter be Common Property to be maintained by the HOA for the benefit of all of its Members. Declarant hereby retains, for itself and any Builder, a permanent non-exclusive right of ingress and egress over all streets, easements, entrance and common areas conveyed to the HOA by Declarant. Declarant also retains, for itself and any Builder, the right to use all easements for purposes of future development and improvement of adjoining parcels. Lakes, ponds and drainage

ways, if any, shall, without limitation, be included in the property that shall be conveyed by Declarant and which shall be accepted by the HOA.

E. Types of Common Property: At the time of the conveyance of any real property or grant of easement by the Declarant to the HOA to be used as Common Property, the Declarant shall designate in the deed of conveyance or easement that such real property is to be Common Property, and further may designate in the deed of conveyance or easement the specific or general purpose or purposes for which such real property or any portion thereof may be used, and in such event, such real property or portion thereof shall not be used for any different purpose or purposes without the prior written consent of the Declarant and a two thirds (2/3) vote of the Members of the HOA.

F. Delegation of Use: Any Owner may delegate to any Occupant, in accordance with the By-Laws, his right to use and enjoy the Common Property.

G. Maintenance: The HOA shall maintain and keep in good repair the Common Property. This maintenance shall include, without limitation, maintenance, repair and replacement, subject to any insurance then in effect, of all landscaping, utilities, roadways and other improvement situated on the Common Property. In addition, the HOA shall maintain grass and other landscaping located along or in dedicated rights of way which were installed and maintained by Declarant, to the extent permitted by the applicable governmental authority, and shall maintain all entry features and retention ponds for the Development. On drainage ways that abut adjoining property, the HOA will share in the cost of their maintenance with the adjoining property. Lot Owners will be responsible for maintaining the area along the water line on such Owner's Lot.

The HOA shall also have the right, but not the obligation, to maintain and provide services for other property not owned by the HOA, whether located within or without the boundaries of the Development, and to enter into easements and agreements to share costs regarding such property where the Board has determined that this would benefit the Owners.

### ARTICLE III: BEACH VILLAGE HOMEOWNERS ASSOCIATION

A. Purposes, Powers and Duties of the HOA: The HOA has been formed as a nonprofit corporation under the laws of the State of South Carolina for the sole purpose of performing certain functions for the common good and general welfare of the people of the Development. The HOA shall have no power or duty to do or perform any act or thing other than those acts and things which will promote in some way the common good and general welfare of the people of the Development. To the extent, and only to the extent, necessary to carry out such purpose, the HOA (a) shall have all of the powers of a corporation organized under the South Carolina Nonprofit Corporation Act and (b) shall have the power and duty to exercise all of the rights, powers, and privileges and to perform all of the duties and obligations of the HOA as set forth in this Declaration.

B. Membership in the HOA: Every Owner shall automatically be a member of the HOA and such membership shall terminate only as provided in this Declaration. For purposes of voting, there shall be two (2) classes of members as set forth below.

C. Voting Rights:

1. Class A: Each Owner of a Lot, with the exception of Declarant, shall be a Class A Member and shall be entitled to one (1) Class A vote per Lot owned by such Owner. Where such Owner is a group or entity other than one individual person, the vote on behalf of such Owner shall be exercised only by such individual person as shall be designated in a proxy instrument duly executed by or on behalf of such group or entity and delivered to the secretary of the HOA.

2. Class B: The Declarant shall be the sole Class B Member and shall be entitled to three (3) votes for each Lot owned by Declarant. The Class B Membership shall cease and be converted to Class A Membership upon the occurrence of the events described below.

3. Dilution of Voting Interest and Termination of Class B Membership: The Development will be composed of Lots to be developed in phases. Each phase may have a different amount of Lots. Each such phase will be platted of record in the Office of the Register of Deeds for Horry County in accordance with the terms of this Declaration. By acceptance of a deed conveying a Lot, each Owner acknowledges that, upon the filing by Declarant of the subdivision plats covering such phases, the total votes outstanding in the HOA will automatically increase based upon the number of Lots in the phases added. The Class B Membership shall cease and be converted to Class A Membership at such time as Declarant no longer retains a Controlling Interest or otherwise relinquishes its Class B Membership by recording an instrument in the Office of the Register of Deeds for Horry County so providing. Nothing contained herein shall obligate the Declarant to develop any proposed phase of the Development unless such phase is subjected to this Declaration.

D. Board of Directors: The affairs of the HOA shall be managed by a Board of Directors The number of Directors and the method of election of Directors shall be as set forth in the By - Laws of the HOA.

E. Suspension of Membership. The Board may suspend the voting rights of any Member and the right of enjoyment of the Common Property of any person who:

1. Shall be subject to the Right of Abatement, as defined below;
2. Shall be delinquent in the payment of any Assessment levied by the HOA pursuant to the provisions hereof; or
3. Shall be in violation of any of the rules and regulations of the HOA.

Such suspension shall be for the balance of the period in which said Member or person shall remain in violation, breach or default. No such suspension shall prevent an Owner's ingress or egress from his lot.

F. Termination of Membership: Membership shall cease only when a person ceases to be an Owner.

G. Voting Procedures. The procedures for the election of Directors of the HOA and the resolution of such other issues as may be brought before the Membership of the HOA shall be governed by this Declaration, the South Carolina Nonprofit Corporation Act, the Articles of Incorporation of the HOA, and the By-Laws of the HOA, a copy of which is attached hereto as Exhibit B, as each shall from time to time be in force and effect.

H. Control by Declarant:

1. Notwithstanding any other language or provision to the contrary in this Declaration, in the Articles of Incorporation, or in the By-Laws of the HOA, Declarant, for so long as it retains a Controlling Interest hereby retains the right to appoint and remove any or all members of the Board of the HOA, and any officer or officers of the HOA. Each Owner by acceptance of a deed to or other conveyance of a Lot vests in Declarant such authority to appoint and remove directors and officers of the HOA as provided in this Section. The HOA may exercise any other right or privilege given to it expressly by this Declaration or by law and any other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

2. Upon the expiration of the period of Declarant's right to appoint and remove directors and officers of the HOA pursuant to the provisions of this Section, such right shall automatically pass to the Owners, including Declarant if Declarant then owns one or more Lots; and a special meeting of the HOA shall be called at such time. At such special meeting the Owners shall elect a new Board of Directors which shall undertake the responsibilities of the Board and Declarant shall deliver the books, accounts, and records, if any, which Declarant has kept on behalf of the HOA and any agreements or contracts executed by or on behalf of the HOA during such period which Declarant has in its possession.

#### ARTICLE IV: ASSESSMENTS

A. Covenants for Assessments and Creation of Lien and Personal Obligations: Each Owner of a Lot, exclusive of Declarant and any Builder designated by Declarant in an instrument recorded in the Office of the Register of Deeds for Horry County, jointly and severally, for himself, his heirs, devisees, legal representatives, successors and assigns, by acceptance of a deed for a Lot, whether or not the covenants contained herein shall be expressed in any such deed, hereby covenants and agrees as follows:

1. To pay to the HOA the annual Assessments which may or shall be levied by the HOA pursuant to this Declaration against all Lots owned by him;

2. To pay to the HOA any special Assessments for the capital improvements and other charges which may or shall be levied by the HOA pursuant to this Declaration against all Lots owned by him;

3. That there is hereby created a continuing charge and lien upon all Lots owned by him against which all such Assessments are made to secure payment of such assessments and any interests thereon as provided herein and costs of collection including reasonable attorneys' fees;

4. That such continuing charge and lien on such Lot binds such Lot in the hands of the then Owner, and the Owners heirs, devisees, legal representatives, successors and assigns. Such charge and lien is superior to any and all charges, liens or encumbrances which may hereafter in any manner arise or be imposed upon such Lots whether arising from or imposed by judgment or decree or by any agreement, contract, mortgage, or other instrument, except (i) such liens for taxes or other public charges as are by applicable law made superior, and (ii) all mortgages given to secure a loan the proceeds of which are used (1) to purchase a Lot or Lots (together with any and all Structures which may from time to time be place or located thereon), or (2) to finance the construction, repair, or alteration of any or all Structures which may from time to time be placed or located thereon;

5. That no sale or transfer at foreclosure or in lieu of foreclosure shall relieve any lot from liability for any Assessment thereafter assessed;

6. That all annual, special and specific Assessments (together with interest thereon as provided in and costs of collection including reasonable attorneys' fees) levied against any Lot owned by him during the period that he is an Owner shall be (in addition to being a continuing charge and lien against such Lot) a personal obligation which will survive any sale or transfer of the Lot owned by him; provided, however, that such personal obligation for delinquent assessments shall not pass to an Owner's successor in title unless expressly assumed by such successor.

B. Purpose of Assessments: The assessments levied by the HOA shall be used exclusively for the purpose of providing for the common good and general welfare of the people of the Development, including, but not limited to the acquisition, construction, improvement, maintenance, and equipping of Common Property, the enforcement of the Restrictions contained in this Declaration, the enforcement of the Design Standards, the payment of operating costs and expenses of the HOA and the payment of all principal and interest when due on all debts owed by the HOA.

C. Accumulation of Funds Permitted: The HOA shall not be obligated to spend in any calendar year all the sums collected in such year by way of annual assessments or otherwise, and may carry forward, as surplus, any balances remaining; nor shall the HOA be obligated to apply such surplus to the reduction of the amount of the Annual Assessments in any succeeding year, but may carry forward from year to year such surplus as the Board may deem to be desirable for the greater financial security of the HOA and the effectuation of its purposes.

D. Annual Assessment: The Assessments shall be determined on a calendar year basis. On or before November 1 each year, the HOA shall prepare or cause to be prepared an operating budget for the upcoming calendar year (each such calendar year being an "Assessment Year"). The budget shall itemize the estimated expenses of the HOA for such calendar year, anticipated receipts (if any), and any deficit or surplus from the prior operating period. The budget shall include any maintenance or repair expenses which may be levied against the Property under any recorded access and maintenance agreements, including, but not limited to, those certain Easement Agreement(s) recorded in the Office of the Register of Deeds for Horry County in Book 4118,

Page 1476; in Book 4118, Page 1506; and in Book 4118, Page 1536, all as may be amended from time to time. The budget shall serve as the supporting document for the Assessments for the upcoming fiscal year and as the major guideline under which the HOA shall be operated during such annual period. In the event the Board fails for any reason to adopt a budget for the succeeding year, then and until such time as it is adopted, the budget and annual Assessments in effect for the then current year shall be increased in proportion to the percentage increase, if any, for the then current year, in the Consumer Price Index (all Urban Consumers, United States City Average, All Items 1982-84=100), or its successor index, and such increased budget shall be the budget for the succeeding year until a new budget is adopted. Declarant shall estimate the budget for the first year of the HOA. At least ten (10) days prior to the annual meeting of the HOA the Board of Directors shall cause a financial statement of the HOA which shall be available to the members upon request at or following the annual meeting.

E. Special and Partial Assessments: In addition to the annual Assessments authorized by this Article, the HOA may levy, in any Assessment Year and with such frequency as the HOA shall deem necessary, special assessments for the purpose of paying, in whole or in part, any unanticipated operating expenses, as well as the cost of any construction, reconstruction, repair or replacement of a capital improvement on the Common Property and any maintenance or repair expenses which may be levied against the Property under any recorded access and maintenance agreements, including, but not limited to, those certain Easement Agreement(s) recorded in the Office of the Register of Deeds for Horry County in Book 4118, Page 1476; in Book 4118, Page 1506; and in Book 4118, Page 1536, all as may be amended from time to time. Such special Assessments may be levied by the Board in any Assessment Year without the approval of the Members, which special Assessments in the aggregate do not exceed an amount equal to the annual Assessment then in effect. Special assessments exceeding said amount shall require the approval of two-thirds (2/3) of the Members of the HOA who are present in person or by proxy at a meeting of Members duly held in accordance with the provisions of the By-Laws of the HOA and this Declaration.

F. Assessment Procedure: The annual Assessment shall be due and payable on January 1 of each year (such date is hereinafter referred to as the "Due Date"). The Board shall cause the HOA to send to each Owner at least thirty (30) days in advance of the Due Date written notice setting forth the amount of the annual Assessment and the Due Date. The annual Assessment shall become due on the thirtieth (30th) day following such written notice of the Due Date, whichever is later. The Board may establish reasonable payment procedures to allow or require payment of the annual Assessment in installments during the Assessment Year. The Board may also establish payment procedures for payment of any special Assessments for capital improvements which may be levied in accordance with the provisions of this Article.

G. Uniform Rate of Assessment: Both annual and special Assessments must be fixed at a uniform rate for all Lots.

H. Effect of Non-Payment of Assessments. Any Assessment which is not paid on or before the Due Date shall bear interest after the Due Date at the lower of the highest legal rate of interest which can be charged or the rate of eighteen (18%) percent per annum or at such rate as the Board may from time to time establish.

- I. Certificate of Payment: Upon written demand by an Owner, the HOA shall within a reasonable period of time issue and furnish to such other Owner a written certificate stating that all Assessments (including penalties, interest and costs, if any) have been paid with respect to any Lot owned by said Owner as of the date of such certificate, or that all Assessments, interest and costs have not been paid setting forth the amount then due and payable. The HOA may make a reasonable charge for the issuance of such certificate, any such certificate, when duly issued as herein provided, shall be conclusive and binding with regard to any matter therein stated as between the HOA and any bona fide purchaser of, or lender on, the Lot in question.
- J. Assessments against Declarant: Notwithstanding anything to the contrary contained herein, no Assessment shall be made on any Lot owned by the Declarant or on any Lot owned by a party to whom Declarant has waived, in writing, the requirement that such party pay Assessments. With the exception of any Lot sold to a Builder or developer as a multi-lot transaction, who shall be exempt, all Persons purchasing from the Declarant or a Builder or developer shall pay a one-time working capital contribution in the amount of One Thousand Dollars (\$1,000.00) or as modified in writing by the Declarant together with a pro rata portion of Assessments for the Assessment Year based upon the date of purchase, provided however, the Declarant reserves the right to waive any fees for capital contributions or otherwise that might be due from a third party.
- K. Assessment Shortfall: It is anticipated that until such time as a sufficient number of Lots have been conveyed to Owners, the Assessments and other funds collected from the Owners in any particular year may fall short of the expenses incurred by the HOA in operating and maintaining the Common Property and other expenses provided to be paid by the HOA during such year (the amount of such shortfall being hereafter referred to as the "Shortfall"). To fund the Shortfall until such time as cash flow from the Owners is sufficient to pay such expenses, the Declarant shall pay funds into the Association to make up the Shortfall or any portion thereof (a "Declarant Loan" or collectively if more than one the "Declarant Loans"). The Association shall use the Declarant Loan to pay the Shortfall. All such Declarant Loans shall be considered loans by the Declarant to the HOA and the HOA shall be obligated to repay the Declarant as provided herein regardless of whether such obligation is evidenced by a note or other writing and, if specified in a note or other writing, a reasonable rate of interest on the Declarant Loans. Such Declarant Loans together with any interest accrued thereon shall be carried and evidenced as obligations and liabilities of the HOA on the HOA's financial records and statements and the HOA shall provide for repayment of such obligations in developing and adopting its annual budget and Annual Assessments. Notwithstanding anything to the contrary herein, all Declarant Loans shall be repaid as Annual Assessments.
- L. Specific Assessments: The Board shall have the power to specifically assess Owners pursuant to this Section as, in its discretion, it shall deem appropriate. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the HOA or the Board and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future. The Board may specifically assess Owners for the following expenses, except for expenses incurred for maintenance and repair of items which are the maintenance responsibility of the HOA as provided herein:



1. Expenses of the HOA which benefit less than all of the Lots which may be specifically assessed equitably among all of the Lots which are benefited according to the benefit received;
2. Expenses incurred by the HOA in performing the duties of an Owner to maintain his Lot and any improvements thereon;
3. Reasonable fines as may be imposed in accordance with the terms of the Declaration and By-Laws for failure of any Owner to comply with the terms thereof; and
4. Costs and expenses incurred by the HOA for repair, maintenance or replacement of capital improvements within the Common Property damaged or destroyed by the acts or negligence of an Owner or its Occupant(s).

#### ARTICLE V: GENERAL COVENANTS AND RESTRICTIONS

- A. Application: The covenants and restrictions contained in this Article shall pertain and apply to all Lots and to all Structures erected or placed thereon.
- B. Restriction of Use: Lots may be used for single-family residences only and for no other purpose provided that Declarant or any Builder may operate a Sales Office, Model Home and/or construction trailers on a Lot or Lots owned by Declarant or any Builder, as applicable.
- C. Review and Approval of House and Landscape Plans: No Member, other than the Declarant may undertake any landscaping, grading, filling, excavation of dirt, nor shall any building, fence, wall, sidewalk, or other Structure shall be commenced, erected or maintained on any Lot, nor shall any exterior addition to or alteration therein be made until the plans and specifications showing the grading, landscaping, filling, nature, kind, shape, height, materials and location of the same shall have been submitted to the Board and approved, in writing. Grading and filling of the Lot must conform to the drainage plan for the Development. The Board will make every effort to make a decision within ten (10) days after receipt of a request for approval; however, if it fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted in writing, approval will be deemed given; provided such plans and specifications do not otherwise violate the terms and provisions of this Declaration. Neither Declarant nor any member of the Board shall be responsible or liable in any way for any defects in any plans or specifications approved by the Board nor for any structural defects in any work done according to such plans and specifications. Further, neither Declarant nor any member of the Board shall be liable for damages to anyone submitting plans or specifications for approval under this Section, or to any owner of property affected by this Declaration by reason of mistake in judgment, negligence, or non-feasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every person who submits plans or specifications to the Board for approval agrees, by submission of such plans and specifications, and every Owner agrees, that he will not bring any action or suit against Declarant, or any member of the Board to recover for any such damage.

Notwithstanding anything herein to the contrary, at any time following the execution hereof, the Board, in its sole discretion, shall have the option of creating an Architectural Review Board to assume the obligation of review and approval of all house plans, landscape plans and any other similar requests. In the event the Board chooses to establish an Architectural Review Board, the Architectural Review Board shall consist of Three (3) persons designated and appointed by the Board. Each member would be entitled to one vote, and a majority vote of Architectural Review Board members will be controlling.

D. Building Construction: Not more than one single-family dwelling, not to exceed two (2) stories in height, unless otherwise approved in writing by the Board, shall be constructed on any Lot. Additionally, all Residences shall be constructed to the following specifications and of the following materials:

a. Local and regional historically traditional compatible architectural styles such as Plantation, Low Country, English Revival / Cottage, Charleston, Savannah, or Neo-classical are required. Variances on specific architectural details relative to these vernaculars may be considered on a case by case basis. This detailing along with other acceptable traditional style architectural styles helps achieve the diversity and classic neighborhood features which are the highest priority at the Beach Village community. Only homes which embody such local and regional coastal South Carolina architectural styling will be approved.

b. The same elevations (or similar elevation as determined by the Board) and color schemes will not be approved to be built on adjacent lots on the same side of street or directly across the street.

c. Windows may be wood, vinyl and aluminum faced and shall be double paned insulated glass.

d. Window size and massing shall be appropriate to the architectural style of the house. Large two story or taller mass windows will not be allowed on any street facing elevations.

e. Shutters are allowed on architectural styles where appropriate and as approved by the Board. However, shutters are strongly recommended to be located only on single windows and shall be sized appropriately to the size (width and height) of the window. Shutters are not allowed under any condition for triple windows, paladian windows, most circle head windows, etc. and other special shaped windows as determined by the Board. Shutters shall be as low a maintenance as possible but may include painted wood, vinyl or fiberglass.

f. Various grid configurations may be used in windows (i.e. no grids in lower sashes, 2 over 1, 4 over 1, 6 over 1, 6 over 6, 9 over 9, Victorian / prairie style grids, etc.). Various shaped windows are encouraged (i.e. cottage style windows, special shape windows such as rounds, ovals, etc.) but shall be appropriate for the architectural style. Various special window configurations are encouraged (i.e. triple window including one 6 over 1 center window with 4 over 1 side windows). Half glass doors (with various grid configurations matching the window grids) and doors with sidelights are recommended, as they contribute to the architectural correctness of the community.

g. Exterior siding / materials not allowed include aluminum siding, concrete masonry block units, prefabricated metal buildings and similar siding materials. Other exterior materials may also not be allowed as determined by the Board on a case by case basis if determined not appropriate to the locally and regionally materials and installation practices.

h. The exteriors of all four (4) sides of the residential dwelling units will be constructed primarily using one or more of the following premium vinyl siding products: Panel thickness of 0.044" lap siding, 0.05" board and batten siding, and 0.05" shingle siding. Vinyl or aluminum-wrapped trim is permitted as is cement fiber board products (i.e. James Hardie, ColorPlus, etc.) or approved equal manufacturer, cedar, cypress, or other high-quality exterior siding material and as approved by the Board. All exterior siding shall be finished, painted, stained or otherwise protected from the elements of nature. Textured finish materials such as shakes or a different width and orientation (i.e. board and batten, etc.) siding is emphasized at gable ends of roofs and around dormers as appropriate to the architectural style. The emphasis also applies to trim detailing at gable ends and dormers, etc. Cultured stone is allowed in lieu of brick veneer.

i. Framed / sided chimneys are not permitted. Masonry or stone veneer chimneys are strongly encouraged. Direct vented units are allowed; however, they must not be located on street facing elevations without Board approval.

j. Diverse roof styles, building massing and materials are emphasized. Appropriately scaled overhangs (1'-0" to 2'-0" depending on massing and architectural style) are strongly encouraged. Flat roofs are not permitted except on porch, balcony and stoop roofs.

k. Roof top mechanical equipment must be so located to reduce or eliminate its visibility from streets, sidewalks of adjacent public and private properties. Any roof mounted equipment that changes the exterior of the roof must be approved by the Board.

l. Cantilevered bays and bay windows are typically not allowed. Foundations to grade are required below all bay windows unless approved otherwise. Additional detailing such as support brackets may be required by the BOARD for any approved cantilevered bays.

m. Entrance doors shall be compatible with the house design. Doors with upper glazed panels and sidelights are strongly encouraged. Door material shall be solid wood, fiberglass or metal insulated exterior. Screen or storm doors are allowed and shall be compatible with the design and color of the house. Screen and storm doors shall be full glass style with no horizontal support structure and sliding type screened / glass panels. Entry doors shall be submitted and noted on the original submittal elevations. Additional information and specifications may be required by the Board.

n. No greenhouse type enclosures shall be permitted on the front of the house or street facing elevations. Patio or pool enclosures are permitted as reviewed and approved by the Board on a case by case basis. All detailing shall be consistent with the main house architecture and detailing (i.e. match siding, trim and roof detailing, match colors, etc.).

- o. No window or wall air conditioning units will be allowed on elevations visible from the street or adjacent public properties and is subject to Board approval only on a case by case basis.
- p. See the following sections for additional specific architectural recommendations.
- q. All Residences shall have a finished floor height of Twenty-Four (24) inches above curb height. All foundations shall be covered in a finished stucco, brick or stone veneer. Any open spaces in the foundation materials of the Residence shall be covered in lattice or other cosmetic screening in a color to coordinate with the Residence.
- r. All roofs shall be 30-year architectural shingle or metal.
- s. Residences shall be One Thousand Two Hundred Fifty (1,250) square feet or larger.
- t. No Structure previously erected on another site, no pre-lived in homes, nor any modular or mobile home will be allowed.

E. Setbacks and Building Lines:

a. Building. Front setback lines on all Lots shall be twenty (20) feet. Side setback lines on all Lots shall be Ten (10) feet. Rear setback lines on all Lots shall be Fifteen (15) feet.

HVAC Units will be allowed within the side setbacks. Additionally, an Eighteen (18) inch overhang will be allowed to extend into all setbacks.

b. Subdivision of Lots: Lots may not be subdivided, except to be added to an adjoining Lot to make larger single building lots. In such event, the building line requirements provided herein shall apply to such Lots as re-subdivided or combined. The combination of Lots will not decrease the annual Assessment due for each of the previous individual Lots.

c. Terraces and Eaves: Terraces, stoops, eaves, wing-walls, and steps extending beyond the outside wall of a Structure, shall not be considered as a part of the building.

d. Accessory buildings, if allowed, shall meet the same setback requirements as each lot specific house setback requirements.

e. No buildings shall be built in any easements, buffer areas, etc. No construction shall be built in any easements without the approval of the and / or the required authorities otherwise (i.e. drives, walks, fences, play equipment, etc.). If such construction is allowed within such easements, it shall also be the owner's total understanding and responsibility for cost and replacement of any damaged construction as a result of maintenance, upkeep, inspections, additional construction, etc. by others in such easements. Note additional requirements for landscape heights, etc. in sight triangles as noted on recorded plat.

- f. See additional requirements on recorded plat for specific lots' requirements.

F. Porches and Decks

a. Porches shall be 5'-0" minimum from face of house to outside face of the porch. Porch space that is used for entry circulation only may be smaller and considered as a stoop and not a porch. A minimum of fifty percent (50%) of the residential dwelling units shall have a front porch.

b. Wood framed and wood decking front porches are allowed and shall be compatible with the architecture of the home.

c. All exposed vertical wood trim, risers, stringers, etc. must be painted to match the trim color.

d. All rear decks and porches visible from a street including but not limited to corner lots and lots with rear property lines adjoining a street or public commons area must be finished to match the front porch detailing (handrails, horizontal lattice, etc.) and colors. Lattice is not required on side or rear porches where the finished floor level is less than 4'-0" above finished grade if additional landscape screening is provided for a solid screen to provide a visual barrier below the deck or porch. Evergreen shrubs are required for decks over 4'-0" above grade.

e. Various porch column and handrail detailing are strongly encouraged (i.e. brick piers with concrete cap and tapered wood columns, tapered round columns, triple and double square columns at corners and major elements such as steps, etc.) and in some highly visible locations and conditions (i.e. corner lots) may be required by the Board per the house architectural styling.

f. Exposed vertical pickets attached directly to deck framing are not allowed. Horizontal trim is required to cover such conditions.

g. Metal porch roofs are strongly encouraged and shall be consistent with the house's design detailing.

G. Patios, Driveways and Walkways

a. Brick pavers, brick edges, textured concrete, detailed / patterned concrete control and expansion joints, curvilinear shapes and edges, etc. surfaces and materials are encouraged at all patios and walks.

b. Driveways and vehicle parking pads shall be paved as naturally colored concrete, 3,000 psi minimum, joints consistently spaced and coordinated with the architecture of the house and adjacent features and with a light broom finish with picture framing detail. Other hard surface materials such as exposed aggregate in concrete, stamped concrete, stone or brick pavers, etc. may be proposed and reviewed and approved by the Board on a case by case basis. Accent detailing at edge of drive is also encouraged for additional emphasis and detail. Any

type of pad other than naturally colored concrete shall be reviewed and approved by the Board on a case by case basis. Asphalt driveways are not permitted. The aggregate base, thickness, reinforcement, etc. should comply with good construction practices and / or as required by Horry County. Close attention must be paid to driveway, garage, carport, etc. placement, setbacks and encroachment onto buffer areas, association owned common property and neighboring lots.

c. Additional driveways will not be permitted for parking purposes except in front of the garage or as approved by the Board on a case-by-case basis.

H. Garages and Carports

a. As a minimum, all homes must provide 3 off street parking spaces. Garages may be counted toward meeting this requirement.

b. Front load garages are encouraged to have additional architectural detailing such as inset doors, column elements each side of doors, roof / trellis / shade elements over doors or glass panels of varied design (consistent with windows on the house), etc. to de-emphasize garage doors.

c. Glass panes in upper garage door panels and decorative hardware are required on all garage doors.

d. Detached and rear load garages are allowed. Detached garages shall match the architectural detailing and colors of the main house.

I. Storage and Accessory Buildings

a. Detached or attached storage and other accessory buildings (i.e. garden sheds, play houses, etc.) are allowed and shall be located within the required building setbacks and reviewed and approved by the Board on a case by case basis. Detached storage and accessory buildings shall not exceed 250 SF unless approved by the BOARD. All detached buildings shall be finished to match the main house materials, detailing and colors.

b. Detached structures are not allowed in front or side yards and locations which obstruct the view of public commons areas and other natural areas by adjacent properties.

J. Exterior Materials and Colors

a. All exterior materials and colors must be selected and submitted to the Board for review and approval prior to painting / finishing house. In case of conflict with existing homes, another color choice may be required for Board review and approval. Review the adjacent house colors for color coordination and prevention of color duplication prior to submittal.

b. Brick shall be a minimum of standard full-size brick and should be an oversized tumbled style profile brick with grapevine style joint detailing unless otherwise approved by

the Board on a case by case basis. Smooth faced institutional faced and sized brick is not allowed. Brick colors shall be submitted for preliminary BOARD review and approval prior to proceeding with formal lot submittals / proposals. Other brick colors will be reviewed and approved by the Board on a case-by-case basis. Stone veneers are allowed. Provide a color brochure sheet for all brick / stone / other veneers proposals for Board review, approval and record. Brick and stone water tables are optional and reviewed and approved on a case by case basis as appropriate to the architectural style of the house.

c. Garage doors shall be painted to match the trim, siding or accent (as compatible with the approved color palette of the house) color as approved by the Board to minimize the impact of the garage doors on the street scape.

d. Shingle colors other than the black, gray or brown range shall be submitted to the Board for review and approval prior to beginning construction. Provide a color brochure sheet for all roofing material proposals for Board review, approval and record. Other roofing materials such as shakes, slate, etc. may be allowed only as approved by the Board on a case by case basis and as appropriate to the architectural style of the house.

e. Accent colors on doors, window sashes, upper gable ends and dormers, etc. are strongly encouraged and where appropriate to the architectural style of the house.

f. All decks on corner lots, visible from public spaces or facing other streets, adjacent to the community amenities, etc. shall be painted to match trim color or stained.

K. Walls and Fences

a. Wood and vinyl privacy fences are permitted in Beach Village. Fencing in Beach Village may also be aluminum or wrought iron, open picket, and powder coated in dark bronze or black and as approved by the Board. Lots may have up to a 6' high fence. Chain-link fencing, wood, roll wire, split rail or horse farm type horizontal railing fencing are not allowed.

b. Fences in side yard of corner lots are allowed as reviewed and approved by the Board on a case-by-case basis and shall be a minimum height of 3'6" and maximum height of 4'-0" and must be a minimum of 4'-0" inside of street side property line for planting / screening area between fence and property line.

c. Front yard fences are not permitted. In the event a neighborhood is developed utilizing home designs whose overall appearance is enhanced by utilizing front yard fences, or if the front yard of a home faces a lake or open space, front yard fences will be considered by the Board.

d. Pool enclosures, related to children's safety or other reasons, shall be subject to consideration by the Board on an individual basis and heights / details as required by applicable municipal codes.

e. Property owners are cautioned that building a fence that infringes on any easements, buffers, or access of right-of-ways may result in destruction or removal of fence at the owner's expense. Any proposed fence locations within such areas shall have written approval from the Developer / Owner, Horry County (any other authorities as applicable) and attached to fence proposal submittal prior to Board submittal, review and approval. If such fence construction is allowed within such easements, it shall also be the owner's total understanding and responsibility for cost and replacement of any damaged improvements as a result of maintenance, upkeep, inspections, additional construction, etc. by others in such easements.

f. Existing topography, drainage, and landscaping shall not be disturbed for the construction of a fence. Fencing and site improvements shall not impede storm water flow or affect such flow from and to adjacent properties. Wherever possible, fences should be located so that trees do not have to be removed. Fences shall not be placed within a drainage easement.

J. Exterior Lighting

a. Site lighting shall be low intensity, and when used, should be used to accent entrances and special features. Overall high levels of light are not permitted. Intensity should be no greater than required for pedestrian safety, other than as accent on landscape plantings or buildings.

b. Exterior lighting shall be shielded from adjacent properties. Exterior lighting fixtures shall be proportioned per the scale of use and coordinated / compatible with the architectural period style of the house.

c. Post lights are allowed and must be approved by the Board on a case by case basis prior to installation.

d. All exterior lighting shall consist of full cut-off fixtures that are direct downward and inward to the property.

K. Dog Houses

a. Dogs and other pets shall be contained within the specific dwelling units. However, dog houses are allowed and will be reviewed and approved on a case by case basis and as allowed by the covenants.

b. They shall be located totally in rear yard, centered as much as possible on house, within the building setback and be located so as not to be obtrusive. They shall be built and painted to blend with their immediate surroundings and match the existing house.

c. Landscaping may be required to soften the structures visually.

d. Dog runs are not allowed.



L. Play Equipment

a. Play equipment, play houses, etc. shall be placed in rear yards within the building setbacks. Consideration should be given to lot size, equipment size, material, design, amount of visual screening, and relationship to neighboring property. Play equipment and play houses shall be screened with landscaping as reviewed and approved by the Board.

b. Equipment constructed from natural materials (wood) is strongly encouraged. Painted metal play equipment, not including wearing surfaces (e.g. slides, sliding poles, and climbing rungs) shall be painted dark green or brown to blend with natural areas.

c. Play houses must be in scale with the size of the yard and existing buildings and shall not exceed 150 SF in size (including any covered porch/stoop areas). The play house must be finished/painted to match the existing house details, finishes and colors.

d. In ground swimming pools are allowed and will be reviewed on a case by case basis prior to beginning construction. Hot tubs and swim spas are also allowed. Such pools, hot tubs, swim spas, etc. shall be located in rear yards only and within the building setbacks (if possible). Pools shall comply with all local, state, etc. safety codes and requirements. Above-ground swimming pools are not allowed.

M. Retaining and Screen Walls

a. Retaining walls shall be as unobtrusive as possible and built to the minimum height needed to serve their function. Materials may be brick, natural stone, square corner timbers, or concrete, depending on location and contextual relationship. Generally, rounded landscape timbers will not be approved due to their lack of stability when used to retain earth, the strong horizontal lines created by the juxtaposition of the timbers, and their appearance. Retaining walls shall be a minimum of 5' from property lines or only as approved by the Developer/Owner and Board on a case by case basis.

b. The ends of the walls should be tapered into the ground rather than abruptly ending in space. If the height of the wall requires a railing to comply with building codes, the applicant should consider stepping the wall in a terracing effect to minimize or remove the need for such railings.

c. Mechanical, electrical, plumbing, etc. and equipment shall be concealed and located so as not to have an adverse effect on the use of adjacent properties. Mechanical equipment should not be located in side yards if possible due to the high visibility, size/clearances and acoustical issues of such equipment and impact to adjacent properties.

d. Landscaping will usually be required to soften the visual impact of retaining walls, screen walls, and other exposed structures depending on the final detail, heights, etc. of such retaining and screen walls.

e. All garbage and recycle containment and receptacles shall be located inside house or garage or totally screened from view. Garbage and recycle receptacles may remain outside

near street as required for pick-up, however, they shall be returned to their concealed locations at the end of such days.

N. Awnings

a. Awnings may be appropriate for rear or side-yard patios and decks, or even exposed rear entrances. Awnings are not allowed on front or street facing elevations.

b. Awnings must be consistent with the architectural style and scale of the house. The color of the fabric must be compatible with the existing house colors. Any exposed frames must be painted to match the trim or the dominant color of the house.

O. Satellite Dishes

Provide specifications on size and color of dish and proposed location. Satellite dishes should be placed on the rear of the home or on the side that has the least public exposure. The Board reserves the right to deny the request if it is determined that the location of the dish would make it unsightly from the street and if another functioning acceptable location is available. Dishes larger than 1 meter in diameter are not allowed. Landscape screening is required around ground mounted dishes where visible from street or public areas.

P. Solar Equipment

a. Solar equipment and panels are allowed. All solar collectors and other equipment require Board approval on a case by case basis.

b. A drawing showing location of the unit on the roof showing visibility from streets and neighboring lots must be submitted to the Board. Solar collectors shall be located as inconspicuously as possible. Whenever possible, collectors should be placed on the rear of the home or on the side that has the least public exposure. Collectors should be attached only to the roof, not free standing or ground mounted. Every effort must be taken to camouflage the plumbing and supports for the collectors. This camouflage may require completely encasing the collectors. All metal parts should be painted to match the roof color. There should be a minimum exposure of piping with no piping running down the side of the dwelling. The ideal installation is one that is laid flat on the roof.

c. Any tree removal required to permit increased solar exposure to the collectors must adhere to the tree removal guidelines. No topping or removal of trees on association common areas shall be allowed.

Q. Landscaping and Site Development

a. All landscaping shall be in accordance with the requirements of Horry County, the approved Site Plans, and these Guidelines. Nothing herein shall be construed to be less than

nor to reduce the requirements. Note also that the Developer/Owner and Board will initially and periodically review the initial and additional landscape installations of the builders to insure landscaping is meeting the goals of the Developer/Owner and community. Such deficient landscaping as determined by the Developer/Owner and/or Board will be required to be replaced and/or upgraded.

b. Landscape design should be integrated into the design of the home, from its inception. The use and preservation of native and naturalized landscape materials is strongly encouraged.

c. The Board may require additional landscaping to create adequate screening and privacy from the street and adjacent lots and most specifically areas such as but not limited to drives and walks, decks, patios, mechanical and electrical equipment, etc.

d. The paving and drainage design, including curb and gutter, drainage easements, etc., shall not be altered in any way without the expressed written requests and written approval from the Board and the Horry County (when required). Homebuilders and homeowners shall refer to the recorded and other site development drawings for all additional information and requirements including but not limited to storm water drainage and easements, sewer easements, buffers, flood plains, building setbacks, other specific lot requirements, etc.

e. Buildings and landscape material shall be placed on the site so the maximum number of desirable trees and other natural features are preserved. The site shall be finish graded for positive drainage away from house and accessory buildings to prevent ponding or soil erosion on the site or adjacent properties.

f. Landscape lighting shall be low intensity, and when used, should be used to accent entrances and special features. Overall high levels of light are not desired or allowed. Intensity should be no greater than required for pedestrian safety, other than as accent on landscape plantings or buildings. Exterior lighting shall be shielded from adjacent properties.

g. Elevated rear decks that are visible from the street or adjacent lots as determined by the Board must be underpinned with horizontal or diagonal lattice and/or landscaped for screening. Evergreen shrubs are also required for decks 4'-0" or more above grade (when visible from streets).

h. Sod is required for all homes. This must be installed prior to closing and shall extend from the back of curb to the front of the house and along the side yards back to the rear line of the house (rear yards also strongly recommended). Corner lots must also sod street side yards to the rear corner of the house. However, mulched natural areas are permitted on up to 60% of the corner lot street side yard and other side and rear yards and as reviewed and approved by the Board.

i. Any plant material that dies or becomes unsightly after installation must be replaced by approved plants within 30 days of notification by the HOA.

j. Landscape screening shall be provided for all service areas, electric and gas meters, HVAC equipment, utility boxes or as otherwise specified and directed by the Board to provide screening from adjacent streets.

k. No fence, wall, hedge, shrub planting or grades, which may obstruct vehicular sight distance, shall be permitted at any driveway turnout or intersection. No fence, wall, hedge, shrub or trees may be planted on any street right of way except as approved by Horry County, Developer/Owner and/or the Board.

l. Permanent exterior clotheslines are not allowed.

m. Lawn ornaments and yard art, freestanding flagpoles, lantern poles, flood lights, security lights, fishponds, and bird baths require approval of the Board. Items not requiring approval of the Board include holiday decorations and political campaign signs provided that such signs are in accordance with standards set forth by the Covenants, the Rules and Regulations of the HOA and Horry County. On items which do not require approval, the Board reserves the right to require a homeowner to remove an item if surrounding homeowners complain and if, upon inspection, the Board considers the item unsightly or a nuisance. Holiday decorations shall be removed per requirements of the Covenants or a maximum of 7 days after such holiday season has ended.

R. Minimum Landscape Requirements

**NOTE:** The following minimum requirements are only intended as an abbreviated list of landscaping recommendations and examples. This section is not in any way intended to represent an all-inclusive list of approved plant materials. Builders and homeowners are encouraged to consider a wide range of local indigenous plantings. The Board also requires that each lot's landscaping be individually designed for the specific lot orientation, size, and architectural style of the house. Unique landscape design for each home best contributes to the overall community street scape. In summary, the Board strongly encourages diversity and unique creativeness in the landscape designs for each individual lot and house.

**Foundation: Shrubs-Low Growing**  
8 minimum, 12"-18" height.

**Foundation: Accent Shrubs-Medium Growing**  
4 minimum, 2'-3' height.

**Flowering Accent Shrubs**  
2 minimum, 18"-24" height.

**Accent Tree**  
1 minimum, 1.0"-1.5" caliper.

S. Construction Maintenance and Miscellaneous

a. During construction, all debris shall be placed in a single location on the lot of the construction site only. The debris shall be contained by some type of barrier (e.g. wire fencing) to assist in keeping the debris from being scattered.

b. Weekly (Fridays required) and after construction is completed there shall be no debris or trash of any kind remaining on any lot, on sidewalks or streets contiguous thereto and no excess building material, storage shed or trash shall remain on a lot. Storage of any building materials, equipment, etc. is not allowed on any sidewalk or street. It is hereby made the duty of the homebuilder or his agent, or the homeowner, to remove or cause to be removed any and all of the above debris within 72 hours of notification by the Developer/Owner and/or Board. Failure to comply with the request will cause removal of the debris by action of Beach Village HOA and all related costs will be charged to the homebuilder or the homeowner.

c. During construction, all streets shall be kept clean of mud and trash and all broken curb or paving shall be promptly repaired.

d. It is the primary responsibility of each homeowner to maintain his property in a way that does not detract from the overall beauty of the community. Following is a list of areas that should be reviewed on a regular basis to ensure that your home is in good repair: Landscaping (shrubbery, trees, lawns, etc.); Driveways and sidewalks; Decks; Fences; Play equipment; Roofing; Wood; Paint and stain and; Garbage can storage.

e. If at any time the Developer/Owner and/or Board or the Beach Village HOA is made aware of a property that has deteriorated to the point that it is affecting the aesthetics of the community, representatives of the Developer/Owner/HOA will make a site inspection. Based on the severity of the deterioration, the homeowner will be given a specified length of time to make the necessary repairs. If after that time, the repairs have still not been made, the Developer/Owner/HOA may be forced to take more strenuous action per the Covenants and all related costs will be charged to the homebuilder or the homeowner.

f. There are many changes and additions that property owners can make to their property. The ones described in these Guidelines are the most common. If the proposed project is not included in the Guidelines, refer to the one that is closest in concept to your project and use it as a guide for preparing an application to the Board. When in doubt, contact the HOA.

g. Most of all, in all that is proposed, consider the neighbors and neighborhood to provide the best aesthetic and quality project possible.

T. Building Requirements: No Structure on any Lot shall be utilized for any activity normally conducted as a business; provided, however, Declarant reserves, for itself and any Builder, the right to maintain an on-site sales offices, model homes and construction trailers (together with any parking areas related thereto) until such time as the Development is completed.

U. Obstructions to View at Intersections: The lower branches of trees or other vegetation shall not be permitted to obstruct the view at intersections.

V. Construction: Construction of all Residences must be completed within eighteen (18) months from the date of commencement of construction.

W. Pets: Only dogs, cats or other household animals may be kept as pets. Pets shall be maintained upon the Owner's Lot and it shall be considered a nuisance if such pet is allowed to go upon another Owner's Lot or to be upon the streets unless under leash or carried by the Owner. Notwithstanding the foregoing, no Owner may maintain any more than three (3) dogs or cats upon their Lot at any time.

X. Offensive Activities: No noxious or offensive or illegal activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to or which diminish or destroy the enjoyment of other Owners.

Y. Signs: No signs whatsoever (including but not limited to commercial and similar signs) shall, without the Board's prior written approval of plans and specifications therefore, be installed, altered or maintained on any Lot, or on any portion of a Residence or other Structure visible from the exterior thereof; provided, however, Declarant or anyone so designated by the Declarant, may install and post signs at its own discretion. Notwithstanding the foregoing, an Owner may place one sign not more than Six (6) Square Feet advertising a Lot for sale.

Z. Antennae: No outside radio or television antennas, including but not limited to HAM radio towers, shall be erected on any Lot or Structure unless and until written permission for the same has been granted by the Declarant.

AA. Trailers, Trucks, School Buses: Travel trailers, school buses, commercial trucks or other commercial vehicles over three-fourths (3/4) ton capacity shall not be kept, stored or parked overnight on any street or lot, but may be maintained on the premises for short periods of time not to exceed forty-eight (48) hours. The foregoing restrictions shall not apply to commercial trucks or other commercial vehicles being utilized by a Builder while construction activities are ongoing on any Lot.

BB. Garbage and Refuse Disposal: Garbage and trash receptacles shall be provided by an outside waste disposal company, the services of which are contracted for by the Board of Directors and paid for through the Assessments. All trash and household garbage must be placed in approved receptacles provided by such disposal company. Such waste receptacles shall be placed on the street the morning of pick-up and removed by 6:00 pm on the date of pick-up.

CC. Utility Facilities: Declarant reserves the right to approve the necessary construction, installation and maintenance of utility facilities, including but not limited to water, cable TV, electrical service, telephone and sewage systems. All residential utility service, telephone, television and lines to residences shall be underground.

DD. Mail and/or Paper Delivery Boxes: The Declarant shall provide for cluster mailboxes and each Owner shall be provided access to their designated mail receptacle.

- EE. Extraction of Minerals and Gases: No derrick or other gas Structure designed for use in boring for oil or natural gas shall be erected, placed or permitted upon any part of the Property, nor shall any oil, natural gas, petroleum, asphaltum, or hydrocarbon products or minerals of any kind be produced or extracted from the Property.
- FF. Temporary Structures: No Structure of a temporary character, nor any trailer, tent, shack, garage, barn or other outbuilding shall be used on any Lot at any time as a residence, either temporarily or permanently. Nothing in this paragraph shall prevent shelters used by a contractor of Declarant or a Builder during the period of construction provided that these shelters not be used for a residence and not remain after completion of construction.
- GG. Outbuildings: Outbuildings and storage sheds will be approved on a case-by-case basis by the Board. All outbuilding or storage sheds shall cosmetically match the façade of the home.
- HH. Boats/RV: Boats and Motorized Recreational Vehicles (RV) may not be maintained on the Lot without first obtaining approval from the Board. Approval will be made on a case-by-case basis provided all such vehicle will be required to be stored in an enclosed garage or behind a privacy fence.
- II. Trailers, Campers: Except for construction trailers used by Declarant or a Builder during construction, no trailers or pop-up camper trailers may be maintained on any Lot for a period in excess of forty-eight (48) hours.
- JJ. Individual Water Supplies: No individual water supply system shall be permitted upon the Property with the exception of a low capacity shallow well to be used for irrigation which shallow well shall be approved in writing in all aspects, including but not limited to the pump and the covering or screening thereof, by the Board prior to installation. The water from any sprinkler/irrigation system shall be permitted to fall upon the Owner's Lot only. The water shall not be allowed by the Owner of a Lot to spray or drain outside the Owner's Lot boundaries.
- KK. Sewage Disposal Systems: No septic tank or other sewage disposal facility shall be placed upon any Lot in the Development but the sewage treatment plant and sewer system for the collection and disposal of sewage provided for the Development shall be used as the sole means of sewage disposal for the Property.
- LL. Liability of Declarant for Violations: The development activities of the Declarant and any builder designated in writing as exempt by the Declarant shall not be subject to review by the Board, nor shall the Declarant in anyway or manner be held liable or responsible for any violation of these restrictions by any person other than itself.
- MM. Elevation of Topography of Lots: No elevation or topography changes shall be permitted on any Lot which materially affects the surface grade or drainage on said Lot or adjoining Lot or property. Each Owner shall be responsible in making sure its respective Lot meets the drainage requirements of the Development. The Declarant reserves to itself or its designated representatives, the right to build any bridges, walkways, ramps, or fixed spans across any or all natural or man-made canals, creeks or lagoons in the Development.

NN. Lot Maintenance: Each Owner shall keep and maintain each Lot and Structures thereon owned by him, as well as all landscaping located thereon, in good condition and repair, including but not limited to (i) the repairing and painting (and other appropriate external care including pressure washing) of all Structures, (ii) the seeding, watering and mowing of all lawns; and (iii) the pruning and trimming of all trees, hedges and shrubbery so that the same are not obstructive of a view by motorists or pedestrians of street traffic. All unimproved Lots shall be kept in a reasonable neat and clean condition. Notwithstanding the foregoing, the maintenance required hereunder shall also extend from the boundary of a Lot to the curbing of the right-of-way bordering said Lot. If in the opinion of the Board, any Owner shall fail to perform the duties imposed by this Section, then the Board shall give written notice to the Owner to remedy the condition in question, setting forth in reasonable detail the nature of the condition and the specific action or actions needed to be taken to remedy such condition. If the Owner shall fail to take reasonable steps to remedy the condition with thirty (30) days after the mailing of said written notice by certified mail, then the HOA shall be authorized to remedy the condition and assess the Owner of said Lot with the reasonable costs thereof. Such assessment shall be collected in the same manner provided for Assessments herein, including the right of the HOA to place a lien on the Lot and pursue collection remedies for nonpayment, together with reasonable attorneys' fees and costs.

OO. Pest Control: In order to implement effective insect, reptile and woods fire control, and to maintain the overall beauty of the neighborhood, the Declarant and his agents have the right to enter upon any Lot on which a building or Structure has not been constructed and upon which no landscaping plan has been implemented, such entry to be made by personnel with tractors or other suitable devices for the purpose of mowing, removing, clearing, cutting, or pruning underbrush, weeds, or other unsightly growth, which in the opinion of the HOA detracts from the overall beauty, setting and safety for the Property. The cost of this vegetation control shall be paid by the Owner of the Lot or Lots. Such entrance for the purpose of mowing, cutting, clearing or pruning shall not be deemed a trespass. The HOA and its agents may likewise enter upon such Lot to remove any trash which has collected on such Lot or Lots without such entrance and removal being deemed a trespass. The provisions in this Section shall not be construed as an obligation on the part of the HOA to mow, clear, cut or prune any Lot or Lots nor to provide garbage or trash removal services.

PP. Lake: No boats of any kind will be allowed on any Lake located upon the Property.

QQ. Docks: There will be no docks allowed to be constructed on any Lake located upon the Property.

RR. Leasing: No short-term or transient rentals will be allowed. All leases, subleases or rental agreements for any Lot or Residence must be in writing and provide for a duration of one (1) year or more. Prior to executing any lease, sublease or rental agreement, each Owner must provide the Board with the contact information for each tenant and obtain Board approval. Each lease, sublease or rental agreement must contain a provision whereby the tenant agrees to be bound by the terms of this Declaration and no lease, sublease or rental agreement shall relieve the Owner of liability for any violation of this Declaration or of the obligation to pay Assessments as set forth herein.



ARTICLE VI: EASEMENTS, ZONING AND OTHER RESTRICTIONS

A. Easements:

1. Declarant hereby expressly reserves for itself and for any Builder, and their successors and assigns forever, the right to create perpetual easements in, on, over and under any part of the Property owned by such party and for any purpose which Declarant or a Builder deems necessary, including, by way of example, and not limitation, the following:

- a. The installation, construction and maintenance of wires, lines and conduits in connection with the transmission of electricity, telephone, cable television cables and other utilities and similar facilities.
- b. The installation, construction and maintenance of storm-water drains, land drains, public and private sewers, irrigation systems, pipelines for supplying gas and water, and for any other public or quasi-public facility, service or function.
- c. Slope control purposes, including the right to grade and plant slopes and prevent the doing of any activity which might interfere with slopes or which might create erosion or sliding problems, or which might change, obstruct or retard drainage flow.
- d. The planting or replanting of hedges, shrubbery, bushes, trees, flowers and plants of any nature.
- e. Ingress and egress over roadways on the Property to and from adjacent properties which may be developed by Declarant.

2. No Owner shall have any right to use any easement created by the Declarant or a Builder in, on or over any portion of the Property with the exception of landscaping and/or any other use or uses approved by Declarant in writing unless such easement has been assigned by the Declarant to the HOA.

B. Easement Area: The words "Easement Area" as used herein shall mean those areas on any Lot or any other portion of the Property with respect to which easements are shown on a recorded deed, easement agreement or on any filed or recorded map or plat relating thereto.

C. Entry: The Declarant and its employees, agents, successors and assigns, shall have the right at all reasonable times to enter upon all parts of each Easement Area for any of the purposes for which such Easement Area is reserved, without being deemed to have committed a trespass or wrongful act solely by reason of such entry and the carrying out of such purposes, provided the same are done in accordance with the provisions of this Section. The Declarant and its employees, agents, successors and assigns shall be responsible for leaving each Lot in good condition and repair following any work or activity undertaken in an Easement Area,

D. Lake Easements: The Declarant hereby reserves for itself and the HOA an easement of ingress and egress over and upon all Lots adjacent to lakes, ponds or waterways, if any, for the purpose of providing necessary or desirable maintenance to such lakes, ponds or waterways or to the land between the low water line and the property line of such Lot. This easement in some cases may extend into each Lot as shown upon final recorded plats. The easement and right herein reserved shall include the right to cut, remove and plant trees, bushes or shrubbery and other vegetation and the right to grade the land covered by the easement. Owners shall not be permitted to place fencing within Twelve (12) feet of the lake high water line.

E. Zoning and Private Restrictions: None of the covenants, restrictions or easements created or imposed by this Declaration shall be construed as permitting any action prohibited by applicable zoning laws, or by the laws, rules or regulations of any governmental body. In the event of any conflict between such laws, rules or regulations and the covenants, restrictions and easements created or imposed by Declaration, the most restrictive provision shall govern and control.

F. Roads: All roads located upon the Property are privately owned and maintained, the costs of maintenance, repair and replacement thereof to be included in the budget for the HOA and paid from the annual Assessments.

G. Communications Services Agreement/Easements. The Association has entered into an Agreement to Obtain Communications Services with Beach Village Services SC, LLC, dated \_\_\_\_\_, a memorandum of which is recorded in the Office of the Register of Deeds for Horry County in Deed Book \_\_\_\_\_ at Page \_\_\_\_\_. Such Agreement, as the same may be modified or amended, is hereinafter referred to as the "Communications Services Agreement". Declarant has also simultaneously granted private easements for the exclusive provision of communications services for Beach Village. For so long as the Communications Services Agreement remains in effect, the assessments owed by every Lot or Unit Owner to the Association will include, without limitation, provision for the payment of the "Basic Services" as defined in the Communications Services Agreement, which payment will be required regardless of whether a Lot or Unit Owner uses such Basic Services. The Communications Services Agreement requires that every Lot or Unit Owner sign and deliver to the Association, the Homeowner Agreement in the form attached to the Communications Services Agreement on or before settlement of such Lot or Unit Owner's purchase of a Lot or Unit or acquisition of record title to a Lot or Unit, whichever first occurs. The Communications Services Agreement contains additional provisions describing the services to be provided and the rights, obligations, and restrictions applicable to Lot or Unit Owners and their Lots or Units.

#### ARTICLE VII: ENFORCEMENT

A. Right of Enforcement: This Declaration and the Restrictions contained herein shall inure to the benefit of and shall be enforceable by (i) the Declarant so long as it is an Owner, (ii) the HOA, and (iii) each Owner, his heirs, devisees, legal representatives, successors and assigns.

B. Right of Abatement:

1. Except where different notice provisions are provided herein, in the event of a

violation or breach of any Restriction contained in this Declaration, the HOA shall give written notice by certified mail to the Owner setting forth in reasonable detail the nature of such violation or breach and the specific action or actions needed to be taken to remedy such violation or breach. If the Owner shall fail to take reasonable steps to remedy such violation or breach within thirty (30) days after the mailing of said written notice, then the HOA shall have the Right of Abatement.

2. The "Right of Abatement" means the right of the HOA, through its agents and employees, to enter at all reasonable times upon any Lot or Structure as to which a violation, breach or other conditions to be remedied exists, and to take the actions specified in the notice to the Owner to abate, extinguish, remove, or repair such violation, breach or other condition which may exist thereon contrary to the provisions hereof, without being deemed to have committed a trespass or wrongfully act solely by reason of such entry and such actions, provided such entry and such actions are carried out in accordance with the provisions of this Section, and with the costs thereof including the costs of collection including reasonable attorneys' fees, together with interest thereon at the lower of the highest rate permitted by law or eighteen (18%) percent to be a binding personal obligation of such Owner enforceable in law, as well as a lien on such Owner's Lot enforceable pursuant to the provisions hereof. Such lien shall be superior to any and all charges, liens or encumbrances which may in any manner arise or be imposed upon the Lot after such entry whether arising from or imposed by judgment or decree or by any agreement, contract, mortgage, or other instrument, excepting only (i) such liens for taxes or other public charges as are by applicable law made superior, (ii) the liens for assessment referred to above, and (iii) all mortgages given to secure a loan the proceeds of which are used (1) to purchase a Lot or Lots (together with any and all Structures which may from time to time be placed or located thereon) or (2) to finance the construction, repair, or alteration of any or all Structures which may from time to time be placed or located thereon.

C. Specific Performance: Nothing contained in this Declaration shall be deemed to affect or limit the rights of the Declarant, the HOA or any Owner to enforce the Restrictions by appropriate judicial proceedings or to recover damages. However, it is hereby declared that it may be impossible to measure accurately in money the damages which will accrue to a beneficiary hereof, its transferees, successors or assigns, by reason of a violation of, or failure to perform any of the obligations provided by this Declaration; and therefore, any beneficiary hereof shall be entitled to relief by way of injunction or specific performance, as well as any other relief available at law or in equity, to enforce the provisions hereof.

D. Collection of Assessments and Enforcement of Lien:

1. If any assessment, interest, cost, or other charge is not paid as required by this Declaration, the HOA may bring either an action at Law against the Owner personally obligated to pay the same, or an action to foreclose any lien created by this Declaration against the Lot or Lots subject to the lien, or both, plus any interest thereon and costs of collection, including reasonable attorneys' fees.

2. No Owner may waive or otherwise exempt himself from liability for the Assessments provided for herein, including, by way of illustration, but not limitation,

abandonment of the Lot. No diminution or abatement of Assessment shall be claimed or allowed by reason of any alleged failure of the HOA to take some action or perform some function required to be taken or performed by the HOA under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the HOA, or from any action taken by the HOA to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority, the obligation to pay Assessments being a separate and independent covenant on the part of each Owner.

E. No Waiver: The failure of the Declarant, the HOA, or the Owner of any Lot, his or its respective heirs, legal representative, devisees, successors and assigns, to enforce any Restrictions herein contained shall in no event be considered a waiver of the right to do so thereafter as to the same violation or breach or as to any violation or breach occurring prior or subsequent thereto.

#### ARTICLE VIII: DURATION AND AMENDMENT

A. Duration: The provisions of this Declaration shall run with the land and be binding upon title to the Property, shall be binding upon and inure to the benefit of all Owners the Declarant, the HOA and all mortgagees, and their respective heirs, executors, legal representatives, successors and assigns, and successors in title, and shall be and remain in effect for a period of Thirty (30) years from and after the date of the recording of this Declaration, provided that rights and easements which are stated herein to have a longer duration shall have such Longer duration. Upon the expiration of said thirty (30) year period, this Declaration shall be automatically renewed for successive ten (10) year periods. The number of ten (10) year renewal periods shall be unlimited, with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration if, during the last year of the initial thirty (30) year period or the last year of any ten (10) year renewal period, seventy-five percent (75%) of the total votes of the HOA are cast in favor of terminating this Declaration at the end of the then current term. In the event that the HOA votes to terminate this Declaration, an instrument evidencing such termination shall be filed of record in the Office of the Register of Deeds for Horry County, such instrument to contain a certificate wherein the President of the HOA swears and affirms that such termination was duly adopted by the requisite number of votes. Every purchaser or grantee of any interest in the Development, by acceptance of a deed or other conveyance thereof, thereby agrees that the provisions of this Declaration shall run with the land and be binding upon the title to the land as provided hereby. No termination of this Declaration shall be enforceable or valid if the Declarant owns Controlling Interest, unless Declarant consents in writing to the termination.

B. Perpetuities: If any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until ninety (90) years after the date of execution hereof.

C. Amendments by Declarant: During any period in which Declarant retains a Controlling Interest, Declarant may amend this Declaration by an instrument in writing, filed and recorded in the Office of the Register of Deeds for Horry County, without the approval of any Owner or mortgagee; provided, however, that (i) in the event that such amendment materially alters or changes any Owner's right to the use and enjoyment of such Owners Lot or of the Common

Property as set forth in this Declaration, if such amendment adversely affects the title to any Lot, or if such amendment materially increases any Assessments due and owing under this Declaration, such amendment shall be valid only upon the written consent thereto by a majority vote of the Members affected thereby, or (ii) in the event that such amendment would materially and adversely affect the security title and interest of any mortgagee, such amendment shall be valid only upon the written consent thereto of all such mortgagees so affected. Any amendment made pursuant to this Section shall be certified by Declarant as having been duly approved by Declarant, and such Members and mortgagees, if required, and shall be effective only upon recordation or at such later date as shall be specified in the amendment itself.

Notwithstanding anything to the contrary herein, Declarant for so long as it owns a Controlling Interest may unilaterally amend this Declaration or any other instruments relating to this Development (including without limitation the articles and bylaws of the HOA): (i) if such amendment, is necessary to bring any provision hereof or thereof into compliance with the provisions of any applicable governmental statute, rule or regulation or with any judicial determination which shall be in conflict therewith, (ii) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any Lots~ subject to this Declaration, (iii) if such amendment is required by an institutional or governmental lender, purchaser or guarantor of mortgage loans, including, for example, the Federal National Mortgage Association, or Federal Home Loan Mortgage Corporation, to enable such lender or purchase to make loans secured by any property subject to this Declaration, (iv) if any such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans on the Lots subject to this Declaration, or (v) if such amendment is necessary to correct a scrivener's error in the drafting of this Declaration.

D. Amendment by HOA: Amendments to this Declaration, other than those authorized above, shall be proposed and adopted in the following manner:

1. Notice of the subject matter of the proposed amendment shall be included in the notice of the meeting of the HOA at which such proposed amendment is to be considered and shall be delivered to each Member of the HOA.

2. At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board or by Members of the HOA. Such amendment must be approved by Members holding at least two thirds (2/3) of the total votes in the HOA; provided, however, (i) that any amendment which materially and adversely affects the security title and interest of any mortgagee must be approved by such mortgagee, and (ii) during any period in which Declarant has a Controlling Interest, such amendment must be approved by Declarant.

3. The agreement of the required percentage of the Owners and, where required, the Declarant and any mortgagee, to any amendment of this Declaration shall be evidenced by their execution of such amendment, or, in the alternative, and provided that Declarant does not then have the right to approve such amendment, the sworn statement of the President and any Vice President or the Secretary of the HOA attached to or incorporated in the amendment executed by the HOA, which sworn statement shall state unequivocally that the agreement of the required parties was lawfully obtained. Any such amendment of this Declaration shall become effective

only when recorded or at such later date as may be specified in the amendment itself.

#### ARTICLE IX: ANNEXATION

A. Annexation: Any or all of the real property described in Exhibit "A - 1" attached hereto and incorporated herein by reference (the "Additional Property") may be annexed to the Property by the Declarant without the consent of the Class A Members until December 31, 2030. Such annexation shall be accomplished by filing in the Office of the Register of Deeds for Horry County an approved subdivision plat describing the real property to be annexed to the Property and by including on such subdivision plat a statement that expressly sets forth the Declarant's intention to make such annexed real property subject to the provisions of the Declaration, upon which recording, the Additional Property shall be deemed a part of the Property. After December 31, 2030, no portion of the Additional Property (or any other property) may be annexed to the Property unless such annexation is approved by a majority vote of the Members of the HOA who are present in person or by proxy and voting at a meeting of Members duly held in accordance with the provisions of the By-Laws of the HOA.

B. Construction and Sale Period: Notwithstanding any provisions contained in this Declaration, the By-Laws, Articles of Incorporation, use restrictions, rules and regulations, design guidelines, and any amendments thereto, until Declarant's right unilaterally to subject the Additional Property to this Declaration as provided herein terminates, it shall be expressly permissible for Declarant and any Builder to maintain and carry on, upon such portion of the Development as Declarant or such Builder, as applicable, may deem necessary, such facilities and activities as in the sole opinion of Declarant or such Builder, as applicable, may be required, convenient, or incidental to Declarant's and such Builder's development, construction, and sales activities related to Property, including, but without limitation: the right of access, ingress and egress for vehicular and pedestrian traffic over, under, on or in the Development; the right to tie into any portion of the Development with driveways, parking areas and walkways; the right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain and repair any device which provides utility or similar services including, without limitation, electrical, telephone, natural gas, water, sewer and drainage lines and facilities constructed or installed in, on, under, and/or over the Development; the right to carry on sales and promotional activities in the Development; and the right to construct and operate business offices, signs, construction trailers, material storage areas, model residences, off-street parking areas, and sales offices. Declarant and any such Builder may use residences or offices owned or leased by Declarant or such Builder as model residences and sales offices. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the person causing any damage at its sole expense.

#### ARTICLE X: MISCELLANEOUS

A. No Reverter: No restriction herein is intended to be, or shall be construed as, a condition subsequent or as creating a possibility of reverter.

B. Severability: A determination by a court that any provision hereof is invalid for any reason

shall not affect the validity of any other provision hereof.

C. Headings: The headings of the Articles and Sections hereof are for convenience only and shall not affect the meaning or interpretation of the contents of this Declaration.

D. Gender: Throughout this Declaration, the masculine gender shall be deemed to include the feminine and neuter, and the singular, the plural, and vice versa.

E. Notices: All amendments, notices, requests, objections, waivers, rejections, agreements, approvals, disclosures or contents of any kind made pursuant to this Declaration, whether made by the Declarant, the HOA, the Board, the Owner, or any other person, shall be in writing. All such writings shall be sufficient only if deposited in the United States Mail, with sufficient postage, and sent to the following addresses:

Declarant: Beach Village SC, LLC  
448 Viking Drive, Ste. 220  
Virginia Beach, VA 23452

Owners: Each Owner's address as registered with the HOA in accordance with the By-Laws.

The Declarant reserves the right to change its address from time to time by filing an amendment to this Declaration specifying its new address in the office of the Register of Deeds for Horry County.

Any written communication transmitted in accordance with this Section shall be deemed received on the third (3rd) business day following the day such written notice is deposited in the United States Mail, return receipt requested.

F. No Liability: Declarant has, using best efforts and all due diligence, prepared and recorded this Declaration so that each and every Owner shall have the right and the power to enforce the terms and provisions of this Declaration against every other Owner. However, in the event that this Declaration or any provision herein is, for any reason whatsoever, unenforceable by an Owner (or any other person) in a court of law or otherwise, Declarant shall have no liability of any kind as a result of such unenforceability, and each and every Owner, by acceptance of a deed conveying a Lot, acknowledges that Declarant shall have no such liability. In addition, neither the Declarant nor the HOA shall have any liability of any kind as a result of the failure to enforce any provision contained in this Declaration.

G. Insurance:

1. At all times during the terms of this Declaration, the HOA, its successors and assigns, shall be required to keep any and all recreational facilities and any other improvements located on the Common Property fully insured by a reputable insurance company authorized to transact business in the State of South Carolina with (i) fire, vandalism, malicious mischief and extended coverage insurance in an amount adequate to cover the cost or replacement of such,

improvements, fixtures and contents thereof, and (ii) public liability insurance in such amounts as shall be determined by the Board of Directors as appropriate for the type of recreational activities which shall be allowed on the Common Property. Any such policies of insurance shall require that the certificate holders and insured by given thirty (30) days prior written notice of any cancellation of such policies.

2. Promptly following the damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the HOA, the Board or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the Property to substantially the same condition and location that existed prior to the fire or other casualty.

Any damage or destruction shall be repaired or reconstructed unless, within sixty (60) days after the casualty, at least seventy-five percent (75%) of the total Membership entitled to vote thereon, and, so long as Declarant has the right to appoint and remove Directors, the Declarant, otherwise agree that such damage or destruction not be reconstructed. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the HOA within such period, then the period shall be extended until such information shall be made available; provided, however, such extension shall not exceed one hundred and twenty (120) days. No mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed,

If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed and such proceeds are not sufficient to defray the cost thereof; the Board shall, without the necessity of a vote of the Membership, levy a special Assessment for the costs thereof. Additional Assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited for the benefit of the HOA.

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

3. The deductible for any casualty insurance policy carried by the HOA shall, in the event of damage or destruction, be allocated among the persons who are responsible hereunder for maintenance of the damaged or destroyed property.

H. Variances: Notwithstanding anything to the contrary contained herein, the Declarant or the Board of Directors of the HOA or the designee of either of them shall be authorized to grant individual variances from any of the provisions of this Declaration, the Bylaws and any rule,



regulation or use restriction promulgated pursuant thereto if it determines that waiver of application or enforcement of the provision in a particular case would not be inconsistent with the overall scheme of development for the Development.

#### ARTICLE XI: MORTGAGE PROVISIONS

The following are provisions for the benefit of holders of first mortgages of Residences or Lots in the Development. The provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained therein.

A. Notices of Action: An institutional holder, insurer, or guarantor of a first mortgage, who provides written request to the HOA (such request to state the name and address of such holder, insurer, guarantor, and the Residence number therefore becoming an "eligible holder"), will be entitled to timely written notice of:

1. Any condemnation loss or any casualty loss which affects a material portion of the Development or which affects any Residence or Lot of which there is a first mortgage held, insured, or guaranteed by such eligible holder:

2. Any delinquency in the payment of assessments or charges owned by an Owner of a Residence or Lot subject to the mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; provided, however, notwithstanding this provision, any holder of a first mortgage, upon request, is entitled to a written notice from the HOA of any default in the performance by an Owner of a Residence or Lot of any obligation under the Declaration or By-Laws of the HOA which is not cured within sixty (60) days.

3. Any lapse, cancellation, or material modification of any insurance policy maintained by the HOA; and

4. Any proposed action which would require the consent of a specified percentage of eligible mortgagees.

B. Special FHLMC Provision: So long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least two thirds (2/3) of the first mortgagees or at least two thirds (2/3) of the total Members of the HOA entitled to vote thereon consent, the HOA shall not:

1. By act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the Common Property which the HOA owns, 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);

2. Change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner of a Residence or Lot;

3. By act or omission change, waive, or abandon any scheme of regulations or

enforcement thereof pertaining to the architectural design or the exterior appearance and maintenance of Lots and Residences and of the Common Property (the issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a change, waiver, or abandonment within the meaning of this subsection);

4. Fail to maintain insurance, as required by this Declaration; or
5. Use hazard insurance proceeds for any Common Property losses, for other than the repair, replacement, or reconstruction of such property.

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 new casualty insurance coverage upon the lapse of an HOA policy, and first mortgagees making such payments shall be entitled to immediate reimbursement from the HOA.

C. No Priority: No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first mortgagee of any Residence or Lot in the cases of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Property.

D. Notice to HOA: Upon request, each Owner shall be obligated to furnish to the HOA the name and address of the holder of any mortgage encumbering such Owner's Residence or Lot.

E. Amendment by Board: Should the Federal National Mortgage HOA or the Federal Home Loan Mortgage Corporation subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

F. Applicability of Article XII: Nothing contained in this Article shall be construed to reduce the percentage vote that most otherwise be obtained under the Declaration, By-Laws, or South Carolina law for any of the acts set out in this Article.

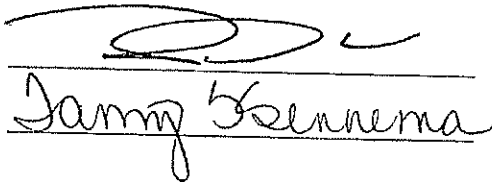
G. Failure of Mortgagee to Respond: Any mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the HOA does not receive a written response from the mortgagee within thirty (30) days of the date of the HOA's request.

SIGNATURES ON FOLLOWING PAGE

IN WITNESS WHEREOF, the Declarant, Beach Village SC, LLC, has caused this instrument to be executed as its act and deed by its duly authorized officer as of the day and year first above written.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

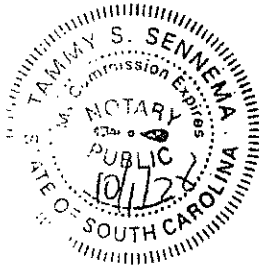
BEACH VILLAGE SC, LLC,  
Declarant

  
Tammy Sennema

By:   
Its: President

STATE OF SOUTH CAROLINA )  
COUNTY OF GEORGETOWN ) ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 23 day of October, 2019 by Rick Ryan as president of Beach Village SC, LLC.



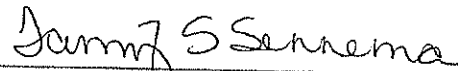
 (SEAL)  
Notary Name: Tammy Sennema  
Notary Public for SC  
My Commission Expires: 10/1/28

EXHIBIT "A"  
PROPERTY DESCRIPTION

All those certain pieces, parcels or lots of land, situate, lying and being in Horry County, South Carolina, designated as "PARCEL A, 1173625 Sq. Feet, 26.94 Acres," and "PARCEL B, 852373 Sq. Feet, 19.57 Acres" on that certain survey entitled, "BOUNDARY SURVEY OF A PORTION OF OLD DEERFIELD SOUTH COURSE" prepared by Spartina Land Surveying, dated May 23, 2018 and recorded June 19, 2018 in the Office of the Register of Deeds for Horry County, South Carolina in Plat Book 281, Pages 289- 291.

ALSO:

The non-exclusive rights, easements and privileges of use, ingress and right of way for pedestrian and automotive purposes, and for utility purposes created and granted as appurtenances in parcels above-described, and by the following documents (1) Easement Agreement by and between Deerfield Roads, LLC and Beach Village Holdings, LLC dated June 22, 2018 and recorded June 22, 2018 in Deed Book 4118 at Page 1476, in the Office of the Horry County Register of Deeds; and (2) Grant of Utility Easement by and between Deerfield Roads, LLC and Beach Village Holdings, LLC dated June 22, 2018 and recorded June 22, 2018 in Deed Book 4118 at Page 1496, in the Office of the Horry County Register of Deeds.

PIN # 458-00-00-0279 (A)

PIN # 458-00-00-0280 (B)

EXHIBIT "A - 1"  
ADDITIONAL PROPERTY DESCRIPTION

All those certain pieces, parcels or lots of land, situate, lying and being in Horry County, South Carolina, designated as "PARCEL C, 564296 Sq. Feet, 12.95 Acres," and "PARCEL D, 358949 Sq. Feet, 8.24 Acres" on that certain survey entitled, "BOUNDARY SURVEY OF A PORTION OF OLD DEERFIELD SOUTH COURSE" prepared by Spartina Land Surveying, dated May 23, 2018 and recorded June 19, 2018 in the Office of the Register of Deeds for Horry County, South Carolina in Plat Book 281, Pages 289- 291.

PIN # 459-00-00-0338 (C)

PIN # 459-09-01-0361 (D)

EXHIBIT "B"

BYLAWS OF  
BEACH VILLAGE HOMEOWNERS ASSOCIATION, INC.  
A South Carolina Nonprofit Corporation

Pursuant to the provisions of the South Carolina Nonprofit Corporation Act, the Board of Directors of BEACH VILLAGE HOMEOWNERS ASSOCIATION, INC., A South Carolina nonprofit corporation, hereby adopts the following Bylaws for such corporation:

ARTICLE I: NAME AND PRINCIPAL OFFICE

1.01 Name. The name of the nonprofit corporation is "BEACH VILLAGE HOMEOWNERS ASSOCIATION, INC." hereinafter referred to as the "HOA"

1.02 Offices. The principal offices of the HOA shall be in Horry County, South Carolina and shall be located on the Property, as defined in the Declaration of Covenants, Conditions and Restrictions for Beach Village (hereinafter referred to as the "Declaration") executed simultaneously herewith.

ARTICLE II: DEFINITIONS

2.01 Definitions. Except as otherwise provided herein or required by the context hereof, all terms defined in the Declaration shall have such defined meanings when used in these Bylaws.

ARTICLE III: MEMBERS

3.01 Membership. Membership in the HOA shall be determined in accordance with the Declaration.

3.02 Annual Meetings. The annual meeting of Members shall be held on the third Saturday in February each year at the time selected by the Board, beginning with the year following the year in which the Articles of Incorporation are filed, for the purpose of electing Directors and transacting such other business as may come before the meeting. If the election of Directors shall not be held on the day designated herein for the annual meeting of the Members, or at any adjournment thereof, the Board of Directors ("Board") shall cause the election to be held at a special meeting of the Members to be convened as soon thereafter as may be convenient.

3.03 Special Meetings. Special meetings of the Members may be called by the Board, the President, or upon the written request of Members holding not less than ten percent (10%) of the total votes of the HOA, such written request to state the purpose or purposes of the meeting and to be delivered to the Board or the President.

3.04 Place of Meetings. The Board may designate any place in Horry County, South Carolina as the place of meeting for any annual meeting or for any special meeting called by the Board. A

waiver of notice signed by all Members may designate any place, either within or without the South Carolina as the place for holding such meeting. If no designation is made, or if a special meeting is otherwise called, the place of the meeting shall be at the principal office of the HOA,

3.05 Notice of Meetings. The Board shall cause written or printed notice of the time, place and purpose of all meetings of the Members (whether annual or special) to be delivered, not more than fifty (50) nor less than ten (10) days prior to the meeting, to each Member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his registered address, with first class postage thereon prepaid. Each Member shall register with the HOA such Member's current mailing address for purposes of notice hereunder. Each registered address may be changed from time to time by notice in writing to the HOA.

3.06 Owners. Upon purchasing a Lot in the Development, each Owner shall promptly furnish to the HOA a certified copy of the recorded instrument by which ownership of such Lot has been vested in such Owner, which copy shall be maintained in the records of the HOA.

3.07 Quorum. At any meeting of the Members, the presence of Members holding, or holders of proxies entitled to cast, more than fifty percent (50%) of the total votes of the HOA shall constitute a quorum for the transaction of business. In the event a quorum is not present at a meeting, the Members present (whether represented in person or by proxy), though less than a quorum, may adjourn the meeting to a later date. Notice thereof shall be delivered to the members as provided above. At the reconvened meeting, the Members and proxy holders present shall constitute a quorum for the transaction of business.

3.08 Proxies. At each meeting of the Members, each Member entitled to vote shall be entitled to vote in person or by proxy; provided, however, that the right to vote by proxy shall exist only where the instrument authorizing such proxy to act shall have been authorized in writing. If a membership is jointly held, the instrument authorizing a proxy to act must have been executed by all holders of such membership or their attorney thereunto duly authorized in writing. Such instrument authorizing a proxy to act shall be delivered at the beginning of the meeting to the Secretary of the HOA or to such other officer or person who may be acting as secretary of the meeting. The secretary of the meeting shall enter a record of all such proxies in the minutes of the meeting.

3.09 Votes.

1. Class A: Each Owner of a Lot, with the exception of Declarant, shall be a Class A Member and shall be entitled to one (1) Class A vote per Lot owned by such Owner. Where such Owner is a group or entity other than one individual person, the vote on behalf of such Owner shall be exercised only by such individual person as shall be designated in a proxy instrument duly executed by or on behalf of such group or entity and delivered to the secretary of the HOA.

2. Class B: The Declarant shall be the sole Class B Member and shall be entitled to three (3) votes for each Class A vote. The Class B Membership shall cease and be converted to Class A Membership upon the occurrence of the events described below.

3. Dilution of Voting Interest and Termination of Class B Membership: The Development will be composed of Lots to be developed in phases and may contain an unequal number of Lots. Each such phase will be platted of record in the Office of the Register of Deeds for Horry County in accordance with the terms of the Declaration. Each phase may have a different amount of Lots. The Declarant shall notify the HOA in writing when the final phase of the Development has been so platted of record. By acceptance of a deed conveying a Lot, each Owner acknowledges that, upon the filing by Declarant of the subdivision plats covering such phases, the total votes outstanding in the HOA will automatically increase based upon the number of Lots in the phases added. The Class B Membership shall cease and be converted to Class A Membership at such time as Declarant no longer retains a Controlling Interest, provided however, in no event shall Class B Membership cease and be converted to Class A Membership until the earlier of: (i) the receipt by the HOA of the written notice provided for above, or (ii) December 31, 2030. Nothing contained herein shall obligate the Declarant to develop any proposed phase of the Development.

3.10 Suspension of Membership. The Board may suspend the voting rights of any Member and the right of enjoyment of the Common Property of any person who:

1. Shall be subject to the Right of Abatement, as defined in the Declaration;
2. Shall be delinquent in the payment of any Assessment levied by the HOA pursuant to the provisions of the Declaration; or
3. Shall be in violation of any of the rules and regulations of the HOA relating to the use, operation and maintenance of the Common Property.

Such suspension shall be for the balance of the period in which said Member or person shall remain in violation, breach or default, as aforesaid, except that in the case of a violation described in Subsection (3) above, the suspension may be for a period not to exceed sixty (60) days after the cure or termination of such violation. No such suspension shall prevent an Owner's ingress or egress from his Lot.

3.11 Termination of Membership: Membership shall cease only when a person ceases to be an Owner.

3.12 Voting Procedures: The procedures for the election of Directors of the HOA and the resolution of such other issues as may be brought before the Membership of the HOA shall be governed by the Declaration, the South Carolina Nonprofit Corporation Act, the Articles of Incorporation of the HOA, and these Bylaws of the HOA, as each shall from time to time be in force and effect. The affirmative vote of a majority of the votes entitled to be cast by the Members present or represented by proxy at a meeting at which a quorum was initially present shall be necessary for the adoption of any matter voted on by the Members, unless a greater proportion is required by the Articles of Incorporation; these Bylaws, the Declaration, or South Carolina law. The election of Directors shall be by secret ballot. If a membership is jointly held, all or any holders thereof may attend each meeting of the Members, but such holders must act unanimously to cast



the votes relating to their joint membership.

3.13 Control by Declarant:

(a) Notwithstanding any other language or provision to the contrary in the Declaration, in the Articles of Incorporation, or in these By-Laws of the HOA, Declarant, for so long as it retains a Controlling Interest in the Property hereby retains the right to appoint and remove any or all members of the Board of the HOA, and any officer or officers of the HOA. Each Owner by acceptance of a deed to or other conveyance of a Lot vests in Declarant such authority to appoint and remove directors and officers of the HOA as provided in this Section. The HOA may exercise any other right or privilege given to it expressly by the Declaration or by law and any other right or privilege reasonably to be implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

(b) Upon the expiration of the period of Declarant's right to appoint and remove directors and officers of the HOA pursuant to the provisions of this Section, such right shall automatically pass to the Owners, including Declarant if Declarant then owns one or more Lots and a special meeting of the HOA shall be called at such time. At such special meeting the Members shall elect a new Board of Directors which shall undertake the responsibilities of the Board and Declarant shall deliver the books, accounts, and records, if any, which Declarant has kept on behalf of the HOA and any agreements or contracts executed by or on behalf of the HOA during such period which Declarant has in its possession.

3.14 Waiver of Irregularities. All inaccuracies and/or irregularities in calls or notices of meetings and in the manner of voting, form of proxies, and/or method of ascertaining Members present shall be deemed waived if no objection thereto is made at the meetings.

3.15 Informal Action by Members. Any action that is required or permitted to be taken at a meeting of the Members may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the Members entitled to vote with respect to the subject matter thereof

#### ARTICLE IV: BOARD OF DIRECTORS

4.01 General Powers. The property, affairs, and business of the HOA shall be managed by its Board. The Board may exercise all of the powers of the HOA, whether derived from law, the Declaration or the Articles of Incorporation, except such powers as are by law, by the Articles of Incorporation, or these Bylaws, or by the Declaration vested solely in the Members. The Board may by written contract delegate, in whole or in part to a professional management organization or person such of its duties, responsibilities, functions, and powers, or those of any officer, as are properly delegable.

4.02 Number Tenure and Qualifications. The number of Directors of the HOA shall be set from time to time by the Members. At the first annual meeting of the Members held after the adoption hereof, the Members shall elect three (3) Directors for a term of two (2) years each and two (2) Directors for a term of one (1) year each and at each annual meeting thereafter, the Members shall

elect a new Director to replace any whose terms were expiring for terms of two (2) years each. Directors shall always be elected in alternate years so that terms are staggered and there are never more than three (3) Directors elected in one (1) year with at least two (2) directors carried over. Newly elected Directors shall take office beginning January 1st of the year following election to office. Each Director must be a Member. Notwithstanding anything herein to the contrary, Declarant shall have the right to appoint all (or less than all) Directors until such time as it no longer owns a Controlling Interest in the Development. Such appointees need not be Owners or Members. In no event shall the Declarant appoint more than seven (7) nor less than three (3) Directors and during such time as Declarant owns a Controlling Interest, the number of Directors appointed by Declarant shall be the total number of Directors required.

4.03 Regular Meetings. The regular annual meeting of the Board shall be held without notice other than these Bylaws immediately after, and at the same place as, the annual meeting of the Members. The Board may provide by resolution the time and place, within Horry County, South Carolina, for the holding of such additional regular meetings without other notice than such resolution.

4.04 Special Meetings. Special meetings of the Board may be called by or at the request of any Director. The person or persons authorized to call special meetings of the Board may fix any place, within Horry County, South Carolina, as the place for holding any special meeting of the Board called by such person or persons. Notice of any special meeting shall be given at least four (4) days prior thereto by written notice delivered personally, or mailed to each Director at his registered address. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail so addressed, with first class postage thereon prepaid. Any Director may waive notice of a meeting.

4.05 Quorum and Manner of Acting. A majority of the number of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. The act of a majority of the Directors present at any meeting at which a quorum is present shall be the act of the Board. The Directors shall act only as a Board, and individual Directors shall have no powers as such. The Board of Directors shall meet in closed session unless the Board shall vote otherwise.

4.06 Compensation. No Director shall receive compensation for any services that he may render to the HOA as a Director; provided, however, that Directors may be reimbursed for expenses incurred in performance of their duties as Directors and, except as otherwise provided in these Bylaws, may be compensated for services rendered to the HOA other than in their capacities as Directors.

4.07 Resignation and Removal. A Director may resign at any time by delivering a written resignation to either the President or the Board. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any Director may be removed at any time for or without cause, by the affirmative vote of more than fifty percent (50%) of the total votes of the HOA at a special meeting of the Members duly called for such purpose, and may be removed otherwise as provided by South Carolina law. Any Director appointed by Declarant may be removed at any time, with or without cause, by Declarant.

4.08 Vacancies and Newly Created Directorships. If vacancies shall occur in the Board by reason of the death or resignation of a Director, or if the authorized number of Directors shall be increased, the Directors then in office shall continue to act and such vacancies or newly created directorships shall be filled by vote of the Directors then in office, though less than a quorum. Any vacancies in the Board occurring by reason of the Members' removal of a Director may be filled by election of the Members at the meeting at which such Director is removed. Any Director elected or appointed hereunder to fill a vacancy shall serve for the unexpired term of his predecessor or for the term of the newly created Directorship, as the case may be.

4.09 Informal Action by Directors. Any action that is required or permitted to be taken at a meeting of the Board, may be taken without a meeting, if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

#### ARTICLE V: OFFICERS

5.01 Number. The officers of the HOA shall be a President, a Secretary, a Treasurer, and such other officers as may from time to time be appointed by the Board.

5.02 Election, Tenure and Qualifications. The officers of the HOA shall be chosen by the Board annually at the regular annual meeting of the Board for the next calendar year. Newly elected officers shall take office immediately following his/her election into office. In the event of failure to choose officers at such regular annual meeting of the Board, officers may be chosen at any regular or special meeting of the Board. Each such officer (whether chosen at a regular annual meeting of the Board or otherwise) shall hold his office until the next ensuing regular annual meeting of the Board and until his successor shall have been chosen and qualified, or until his death, or until his resignation or removal in the manner provided in these Bylaws, whichever first occurs. Any one person may hold any two or more of such offices.

5.03 Subordinate Officers. The Board may from time to time appoint such other officers or agents as it may deem advisable, each of whom shall have such title, hold office for such period, have such authority, and perform such duties as the Board may from time to time determine. The Board may from time to time delegate to any officer or agent the power to appoint any such subordinate officers or agents and to prescribe their respective titles, terms of office, authorities, and duties. Subordinate officers need not be representatives of members or Directors of the HOA.

5.04 Resignation and Removal. Any officer may resign at any time by delivering a written resignation to the President or the Board. Unless otherwise specified therein, such resignation shall take effect upon delivery. Any officer may be removed by the affirmative vote of more than fifty percent (50%) of the Board at a special meeting of the members duly called for such purpose, and may be removed otherwise as provided by South Carolina law.

5.05 Vacancies and Newly Created Offices. If any vacancy shall occur in any office by reason of death, resignation, removal, disqualification, or any other cause, or if a new office shall be created, such vacancies or newly created offices may be filled by the Board at any regular or special meeting.

5.06 The President. The President shall preside at meetings of the Board and at meetings of the Members. He shall sign on behalf of the HOA all conveyances, mortgages, documents, and contracts, and shall do and perform all other acts and things that the Board may require of him.

5.07 The Secretary. The Secretary shall keep the minutes of the HOA and shall maintain such books and records as these Bylaws, the Declaration, or any resolution of the Board may require him to keep. He shall be the custodian of the seal of the HOA, if any, and shall affix such seal if any, to all papers and instruments requiring the same. He shall perform such other duties as the Board may require of him.

5.08 The Treasurer. The Treasurer shall have the custody and control of the funds of the HOA, subject to the action of the Board, and shall, when requested by the President to do so, report the state of the finances of the HOA at each annual meeting of the Members and at any meeting of the Board. He shall perform such other duties as the Board may require of him.

5.09 Compensation. No officer shall receive compensation for any services that he may render to the HOA as an officer; provided, however, that officers may be reimbursed for expenses incurred in performance of their duties as officers and; except as otherwise provided in these Bylaws, may be compensated for services rendered to the HOA other than in their capacities as officers.

#### ARTICLE VI: COMMITTEES

6.01 Designation of Committees. The Board may from time to time by resolution designate such committees as it may deem appropriate in carrying out its duties, responsibilities, functions, and powers. The membership of each such committee designated hereunder shall consist of up to seven (7), but not less than (3) persons. No committee member shall receive compensation for services that he may render to the HOA as a committee member; provided, however, that committee members may be reimbursed for expenses incurred in performance of their duties as committee members and (except as otherwise provided by these Bylaws) may be compensated for services rendered to the HOA other than in their capacities as committee members.

6.02 Proceedings of Committee. Each committee designated hereunder by the Board may appoint its own presiding and recording officers and may meet at such places and times and upon such notice as such committee may from time to time determine. Each such committee shall keep a record of its proceedings and shall regularly report such proceedings to the Board. The power and authority of each committee shall only be to make recommendations to the Board, which shall have the final decision whether to take any action or not.

6.03 Quorum and Manner of Acting. At each meeting of any committee designated hereunder by the Board; the presence of members constituting at least two thirds (2/3) of the authorized membership of such committee shall constitute a quorum for the transaction of business, and the act of a majority of the members present at any meeting at which a quorum is present shall be the act of such committee. The members of any committee designated by the Board hereunder shall act only as a committee, and the individual members thereof shall have no powers as such.

6.04 Resignation and Removal. Any member of any committee designated hereunder by the Board may resign at any time by delivering a written resignation either to the President, the Board, or the presiding officer of the committee of which he is a member. Unless otherwise specified therein, such resignation shall take effect upon delivery. The Board may at any time, for or without cause, remove any member of any committee designated by it hereunder.

6.05 Vacancies. If any vacancy shall occur in any committee designated by the Board hereunder, due to disqualification, death, resignation, removal, or otherwise, the remaining members shall, until the filling of such vacancy, constitute the then total authorized membership of the committee and, provided that two or more members are remaining, may continue to act. Such vacancy may be filled at any meeting of the Board.

#### ARTICLE VII: INDEMNIFICATION

7.01 Indemnification. The HOA shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative by reason of the fact that he is or was a Director, officer, employee, or agent of the HOA, or is or was serving at the request of the HOA as a Director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, against expenses (including attorney's fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding, if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the HOA, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by an adverse judgment, order, or settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the HOA and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

#### ARTICLE VIII: FISCAL YEAR AND SEAL

8.01 Fiscal Year. The fiscal year of the HOA shall begin on the 1<sup>st</sup> day of January each year and shall end on the 31<sup>st</sup> day of December next following, except that the first fiscal year shall begin on the date of incorporation of the HOA.

8.02 Seal. The Board may by resolution provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the HOA, the state of incorporation, and the words "Corporate Seal"

#### ARTICLE IX: MISCELLANEOUS

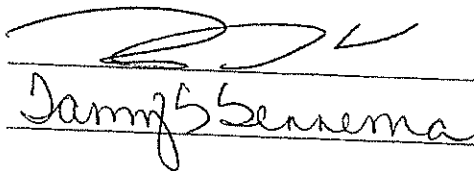
9.01 Rules and Regulations. The Board may from time to time adopt, amend, repeal, and enforce reasonable rules and regulations governing the use and operation of the Property, to the extent that such rules and regulations are not inconsistent with the rights and duties set forth in the Articles of Incorporation, the Declaration, or these Bylaws. The Members shall be provided by the Board with

copies of all amendments and revisions thereof and the HOA shall cause to be recorded any such rules and regulations (and any amendments thereto), as required by law.

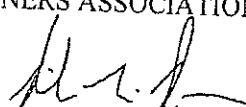
9.02 Declaration. In the event that the terms of these Bylaws shall conflict with the terms of the Declaration with respect to any aspect of the HOA including without limitation, its membership, duties and powers, the terms of the Declaration shall control.

IN WITNESS WHEREOF, BEACH VILLAGE HOMEOWNERS ASSOCIATION, INC. has caused this instrument to be executed as its act and deed by its duly authorized officer as of the day and year first above written.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF:

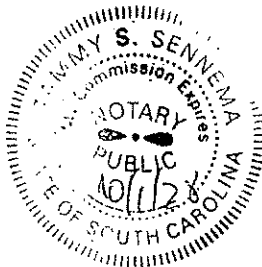
  
Tammy S. Sennema


BEACH VILLAGE HOME  
OWNERS ASSOCIATION, INC.

By:   
Its: President

STATE OF SOUTH CAROLINA )  
COUNTY OF GEORGETOWN ) ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 23 day of October, 2019 by Rick Ryan as President of Beach Village Home Owners Association, Inc.



 (SEAL)  
Notary Name: Tammy S. Sennema  
Notary Public for SC  
My Commission Expires: 10/1/28

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF HORRY )

Marion D. Foxworth III  
HORRY COUNTY, SC REGISTRAR OF DEEDS

RATIFICATION OF ASSIGNMENT OF EASEMENT AGREEMENTS  
AND CONSENT OF GRANTOR

This Ratification of Assignment of Easement Agreements and Consent of Grantor (this "Agreement") is made this 27 day of June, 2019, by and between Beach Village Holdings, LLC, a South Carolina limited liability company ("Assignor"), Beach Village SC, LLC, a Virginia limited liability company ("Assignee"), and Deerfield Roads, LLC, a South Carolina limited liability company ("Grantor").

Whereas, Grantor and Assignor previously entered into an Easement Agreement dated June 22, 2018 and recorded in the Office of the Register of Deeds for Horry County, South Carolina on June 25, 2018 in Deed Book 4118 at Page 1476 (the "Original Access Easement") and a Grant of Utility Easement dated June 22, 2018 and recorded in the Office of the Register of Deeds for Horry County, South Carolina on June 25, 2018 in Deed Book 4118 at Page 1496 (the "Original Utility Easement"); and

Whereas, Grantor and Assignor amended the terms of the Original Access Easement by execution of an Amendment to Easement Agreement dated August 28, 2018 and recorded in the Office of the Register of Deeds for Horry County on August 29, 2018 in Deed Book 4138 at Page 356 (jointly with the Original Access Easement, the "Access Easement," and the Access Easement and the Original Utility Easement, are collectively referred to as the "Easement Agreements"); and

Whereas, Assignor assigned all of Assignor's rights and obligations under the Easement Agreements to Assignee by execution of that Assignment of Easement Agreements dated August 28, 2018 and recorded in the Office of the Register of Deeds for Horry County on August 30, 2018 in Deed Book 4138 at Page 2060; and

Whereas, the parties hereto wish to ratify the execution of the aforementioned agreements and to document Grantor's consent to the same; and

Now Therefore, know all men by these presents that for and in consideration of the sum of Ten and NO/100 Dollars (\$10.00) paid by Assignee to Assignor, as well as the mutual obligations of the parties hereto, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Ratification of Easement Agreements:** By the execution hereof, Grantor, Assignor, and Assignee hereby ratify the execution of the Easement Agreements and confirm the same remain in full force and effect.

2. **Ratification of Assignment:** By the execution hereof, Assignor and Assignee hereby ratify the execution of the Assignment of Easement Agreements and confirm the same remains in full force and effect.
3. **Consent of Grantor:** By the execution hereof, Grantor hereby consents to the Assignment of the Easement Agreements from Assignor to Assignee.
4. **Approvals of Grantee Designee:**
  - (a) Notwithstanding anything contained in the Easement Agreements to the contrary, Assignor hereby appoints Assignee as a "Grantee Designee" (as that term is defined in the Easement Agreements). As such, it is intended that Assignee shall have the right and privilege, but not the obligation, to perform maintenance, repairs and replacements to the Grantor Property (as defined in the Easement Agreements). Grantor hereby consents to and approves Assignee being designated as a "Grantee Designee" by Assignor, and approves it to be a "Grantee Designee."
  - (b) Assignee hereby appoints Beach Village Homeowners Association, Inc., a South Carolina limited liability company, as a "Grantee Designee" (as that term is defined in the Easement Agreements), and Grantor hereby consents to such designation.
  - (c) Grantor hereby additionally consents to Assignee designating any other entity which it hereafter organizes as a homeowners association for any portion of the Grantee Property (as defined in the Easement Agreements) as a "Grantee Designee," and it shall not be necessary for Assignee to obtain Grantor's permission prior to making any such designation in the future.
  - (c) Nothing contained in this Section 4 shall be deemed a waiver of any of Grantor's rights or the consent of Grantor to any party identified above and/or who is hereafter designated as a "Grantee Designee" to perform any repair, replacement, or maintenance work to any of the Grantor Property until it has clearly established, to the satisfaction of the owner of the Grantor Property on which the proposed repair, replacement and/or maintenance work is to be performed, that it has the ability and financial means to perform and pay for all the proposed maintenance, repair and replacement work.
5. **Miscellaneous:**
  - (a) Execution: Binding Effect. Each individual executing this Agreement on behalf of a party hereto represents and warrants to the other parties that such person has full power and authority to execute and deliver this Agreement on behalf of, and make it binding on, the party for which he is signing.
  - (b) Entire Agreement: Amendments and Counterparts. This Agreement embodies the entire agreement and understanding of the parties with respect to the Easement Agreements; and there are no other restrictions, promises, representations,



warranties, covenants, or undertakings except those expressly set forth herein. This Agreement may only be amended in writing signed by all the parties hereto. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

- (c) Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns.
- (d) Severability. This Agreement is intended to be severable; and the invalidity or unenforceability of any provision of this Agreement shall not impair the validity or enforceability of any other provision of this Agreement but rather such provisions shall be enforced to the greatest extent permitted by law.
- (e) No Waiver. The failure of any party hereto to require the strict performance of any provision of this Agreement, or to exercise its rights hereunder or at law or equity, shall not be construed as nor constitute a waiver or relinquishment of any such provisions or rights, and such provisions and rights shall continue in full force and effect.
- (f) Governing Law. This Agreement shall be governed by the laws of the State of South Carolina.
- (g) No Partnership. This Agreement does not and shall not be construed to create a partnership, joint venture, a relationship of principal and agent or employer and employee, between the parties hereto.

[Signature Pages follow]

(Signature Page of Beach Village Holdings, LLC)

IN WITNESS WHEREOF, Charles E. M. M. M. as Member of  
Beach Village Holdings, LLC has hereunto set his Hand and Seal on this the 8<sup>th</sup> day of June, det. cur  
2019.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF

Shirley Wall  
Witness #1  
Sammy Serrano  
Witness #2 / Notary

Beach Village Holdings, LLC,  
a South Carolina limited liability company

By: [Signature] (LS)  
Name: Charles E. M. M. M.  
Its: Member

STATE OF SOUTH CAROLINA )  
COUNTY OF GEORGETOWN ) ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of June, 2019 by det. cur  
Charles E. M. M. M. as member of Beach Village Holdings, LLC.

Sammy Serrano (SEAL)  
Notary Name: Sammy Serrano  
Notary Public for SC  
My Commission Expires: 10/1/28

(Signature Page of Beach Village SC, LLC)

IN WITNESS WHEREOF, Raymond L. Gottlieb, as Manager of Beach Village SC, LLC  
has hereunto set his Hand and Seal on this the 27 day of June, 2019.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF

[Signature]  
Witness #1

Cynthia G. Shank  
Witness #2 / Notary

Beach Village SC, LLC,  
a Virginia limited liability company

By: [Signature] (LS)  
Name: Raymond L. Gottlieb  
Its: Manager

COMMONWEALTH OF VIRGINIA)  
CITY OF VIRGINIA BEACH )

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 27 day of June, 2019 by  
Raymond L. Gottlieb, as Manager of Beach Village SC, LLC.

Cynthia G. Shank  
Notary Name: Cynthia G. Shank  
Notary Public for Virginia  
My Commission Expires: 10/31/2022

Notary Registration Number 213972



(Signature Page of Deerfield Roads, LLC)

IN WITNESS WHEREOF, Louis E. Schaad, Jr. as Manager of Deerfield Roads, LLC has hereunto set his Hand and Seal on this the 11<sup>th</sup> day of July, 2019.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF

Tamm Dyle  
Witness #1

Deerfield Roads, LLC,  
a South Carolina limited liability company

By: Louis E. Schaad, Jr. (LS)  
Louis E. Schaad, Jr.

Its: Manager

James Schaad, Jr.  
Witness #2 / Notary

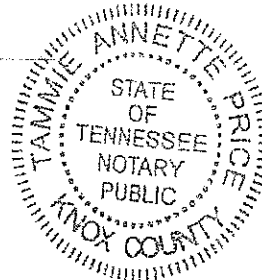
STATE OF TENNESSEE )

COUNTY OF KNOX )

) ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of July, 2019 by Louis E. Schaad, Jr. as Manager of Deerfield Roads, LLC.

Tammie Annette Price (SEAL)  
Notary Name: Tammie Annette Price  
Notary Public for Tennessee  
My Commission Expires: 12/28/21



STATE OF SOUTH CAROLINA  
SECRETARY OF STATEARTICLES OF INCORPORATION  
Nonprofit Corporation – Domestic  
Filing Fee \$25.00

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

1. The name of the nonprofit corporation is

Beach Village Homeowners Association, Inc.

2. The initial registered office (registered agent's address in SC) of the nonprofit corporation is  
44 Business Center Drive

(Street Address)

Pawleys Island, South Carolina 29585

(City, State, Zip Code)

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

Weathers Law Firm, LLC

(Name)

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

(Agent's Signature)

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

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

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

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

5. The principal office of the nonprofit corporation is  
448 Viking Drive, Ste 220

(Street Address)

Virginia Beach, Virginia 23452

(City, State, Zip Code)

Beach Village Homeowners Association, Inc.

Name of Corporation

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

a. ☐

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

☐

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

OR

b. ☐

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

☐

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

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

a. ☒

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

b. ☐

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

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

Beach Village Homeowners Association, Inc.

Name of Corporation

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

Gregory Weathers

(Name)

po box 4209

(Business Address)

pawleys island, South Carolina 29585

(City, State, Zip Code)

(Name)

(Business Address)

(City, State, Zip Code)

(Name)

(Business Address)

(City, State, Zip Code)

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

Rick Ryan

(Name – only if names in articles)

Rick Ryan

(Signature of Director)

(Name – only if names in articles)

(Signature of Director)

(Name – only if names in articles)

(Signature of Director)

Beach Village Homeowners Association, Inc.

Name of Corporation

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

gregory weathers

(Signature of Incorporator)

(Signature of Incorporator)

(Signature of Incorporator)

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

\_\_\_\_\_



# *The State of South Carolina*



*Office of Secretary of State Mark Hammond*

## **Certificate of Existence**

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

Beach Village Homeowners Association, Inc., a nonprofit corporation duly organized under the laws of the State of South Carolina on April 18th, 2019, has as of the date hereof filed as a nonprofit corporation for religious, educational, social, fraternal, charitable, or other eleemosynary purpose, and has paid all fees, taxes and penalties owed to the State, that the Secretary of State has not mailed notice to the company that it is subject to being dissolved by administrative action pursuant to S.C. Code Ann. §33-31-1421, and that the nonprofit corporation has not filed articles of dissolution as of the date hereof.

Given under my Hand and the Great Seal  
of the State of South Carolina this 18th day  
of April, 2019.

  
Mark Hammond, Secretary of State

STATE OF SOUTH CAROLINA )  
COUNTY OF HORRY )

Marion D. Foxworth III  
HORRY COUNTY, SC REGISTRAR OF DEEDS

AMENDMENT TO SIGN EASEMENT AGREEMENTS  
AND CONSENT OF GRANTOR

This Amendment to Sign Easement Agreements and Consent of Grantor (this "Agreement") is made this 24<sup>th</sup> day of June, 2019, by and between Beach Village Holdings, LLC, a South Carolina limited liability company ("Assignor"), Beach Village SC, LLC, a Virginia limited liability company ("Assignee"), and The Carolina Company Limited Liability Company, a South Carolina limited liability company ("Grantor").

Whereas, Grantor and Assignor entered into those certain Sign Easement Agreements dated June 22, 2018 and recorded in the Office of the Register of Deeds for Horry County, South Carolina on June 25, 2018 in Deed Book 4118 at Page 1581 and in Deed Book 4118 at Page 1566; and

Whereas, Assignor assigned all of Assignor's rights and obligations under the Sign Easement Agreements by execution of that Assignment of Sign Easement Agreements dated August 28, 2019 and recorded in the Office of the Register of Deeds for Horry County on August 30, 2018 in Deed Book 4138 at Page 2072; and

Whereas, the Sign Easement Agreements contains contradictory provisions regarding the assignability of the same; and

Whereas, the parties hereto wish to amend the Sign Easement Agreement to remove the contradictory provision; and

Now Therefore, know all men by these presents that for and in consideration of the sum of Ten and NO/100 Dollars (\$10.00) paid by Assignee to Assignor, as well as the mutual obligations of the parties hereto, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Amendment:** It is the intention of the parties that the rights and obligations of the Sign Easement Agreement should be freely assignable as provided for in Paragraph 10 of the Sign Easement Agreement.

To clarify and remove any confusion associated with the assignability of the Sign Easement Agreements, Paragraph 26 of the Sign Easement Agreements is hereby amended to remove the following language:

Grantee may not assign either Option or the Sign Easement to any person or entity without the prior written consent of Grantor, which may be withheld, conditioned or delayed in Grantor's sole and absolute discretion; provided that Grantee may assign the Sign Easement and the Options to any entity of which Fred B. McGill

and/or one or more members of his family hold, in the aggregate, the majority of ownership interests without the consent of Grantor, but only after providing written notice of such assignment (or proposed assignment) to Grantor. Any attempted assignment of this agreement or either Option in violation of the foregoing provision shall be void and shall also constitute a Default by Grantee under this Agreement.

2. **Ratification of Easement Agreements:** By the execution hereof, Grantor and Assignor hereby ratify the execution of the Sign Easement Agreements, and as amended hereby confirm the same remains in full force and effect.
3. **Ratification of Assignment:** By the execution hereof, Assignor and Assignee hereby ratify the execution of the Assignment of Sign Easement Agreements and confirm the same remains in full force and effect.
4. **Consent of Grantor:** By the execution hereof, Grantor hereby consents to the Assignment of Sign Easement Agreements from Assignor to Assignee and consents to any future assignment pursuant to Paragraph 10 of the Sign Easement Agreements.
5. **Miscellaneous.**
  - (a) Execution: Binding Effect. Each individual executing this Agreement on behalf of a party represents and warrants to the other parties that such person has full power and authority to execute and deliver this Agreement on behalf of, and make it binding on, the party for which he is signing.
  - (b) Entire Agreement: Amendments and Counterparts. This Agreement embodies the entire agreement and understanding of the parties with respect to the Sign Easement Agreements; and there are no other restrictions, promises, representations, warranties, covenants, or undertakings except those expressly set forth herein. This Agreement may only be amended in writing signed by all the parties hereto. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
  - (c) Successors and Assigns. This Agreement shall inure to the benefit of and shall be binding upon the parties and their respective successors and assigns.
  - (d) Severability. This Agreement is intended to be severable; and the invalidity or unenforceability of any provision of this Agreement shall not impair the validity or enforceability of any other provision of this Agreement but rather such provisions shall be enforced to the greatest extent permitted by law.
  - (e) No Waiver. The failure of any party hereto to require the strict performance of any provision of this Agreement, or to exercise its rights hereunder or at law or equity, shall not be construed as nor constitute a waiver or relinquishment of any such provisions or rights, and such provisions and rights shall continue in full force and effect.

- (f) Governing Law. This Agreement shall be governed by the laws of the State of South Carolina.
- (g) No Partnership. This Agreement does not and shall not be construed to create a partnership, joint venture, a relationship of principal and agent or employer and employee, between the Parties.

SIGNATURES ON FOLLOWING PAGES

(Signature Page of Beach Village Holdings, LLC)

IN WITNESS WHEREOF, Charles McGhee as Member of Beach Village Holdings, LLC has hereunto set his Hand and Seal on this the 9<sup>th</sup> day of June, 2019.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF

Sheryl Waack  
Witness #1

Tammy Sennema  
Witness #2 / Notary

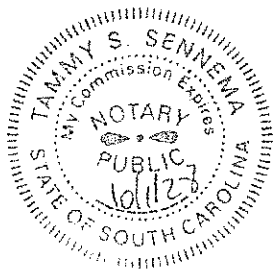
Beach Village Holdings, LLC,  
a South Carolina limited liability company

By: C. McGhee (LS)  
Name: Charles McGhee  
Its: Member

STATE OF SOUTH CAROLINA )  
COUNTY OF GEORGETOWN )

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 9<sup>th</sup> day of June, 2019 by Charles McGhee as Member of Beach Village Holdings, LLC.



Tammy Sennema (SEAL)  
Notary Name: Tammy Sennema  
Notary Public for SC  
My Commission Expires: 10/1/28

(Signature Page of Beach Village SC, LLC)

IN WITNESS WHEREOF, Raymond L. Gottlieb, as Manager of Beach Village SC, LLC  
has hereunto set his Hand and Seal on this the 27 day of June, 2019.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF

[Signature]  
Witness #1/

Cynthia G. Shank  
Witness #2 / Notary

Beach Village SC, LLC,  
a Virginia limited liability company

By: [Signature] (LS)  
Name: Raymond L. Gottlieb  
Its: Manager

COMMONWEALTH OF VIRGINIA )  
CITY OF VIRGINIA BEACH ) ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 27 day of June, 2019 by  
Raymond L. Gottlieb, as Manager of Beach Village SC, LLC.

Cynthia G. Shank  
Notary Name: Cynthia G. Shank  
Notary Public for Virginia  
My Commission Expires: 10/31/2020  
Notary Registration Number 213972



IN WITNESS WHEREOF, Patrick J. Schaad as member of The Carolina Company Limited Liability Company has hereunto set his Hand and Seal on this the 11<sup>th</sup> day of July, 2019.

SIGNED, SEALED AND DELIVERED  
IN THE PRESENCE OF

Deann Dyke  
Witness #1

The Carolina Company Limited  
Liability Company,  
a South Carolina limited liability company.  
By: [Signature] (LS)  
Patrick J. Schaad, President and  
Chief Manager

Tammie Annette Price  
Witness #2 / Notary

By: [Signature] (LS)  
Louis E. Schaad, Jr., Secretary

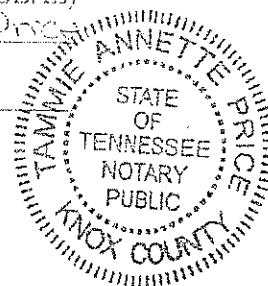
STATE OF TENNESSEE )

COUNTY OF KNOX )

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 26<sup>th</sup> <sup>day</sup> of June, 2019 by Patrick J. Schaad as President and Chief Manager of The Carolina Company Limited Liability Company.

Tammie Annette Price (SEAL)  
Notary Name: Tammie Annette Price  
Notary Public for Tennessee  
My Commission Expires: 12/28/21



STATE OF TENNESSEE )

COUNTY OF KNOX )

ACKNOWLEDGMENT

The foregoing instrument was acknowledged before me this 11<sup>th</sup> day of July, 2019 by Louis E. Schaad, Jr. as Secretary of The Carolina Company Limited Liability Company.

Tammie Annette Price (SEAL)  
Notary Name: Tammie Annette Price  
Notary Public for Tennessee  
My Commission Expires: 12/28/21

