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CONDITIONS AND RESTRICTIONS  
EAST SHORES

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Exhibit "A" - Articles of Incorporation  
for East Shores Owners' Association,  
Inc.

Exhibit "B" - Bylaws for East Shores  
Owners' Association, Inc.

Exhibit "C" - Pier and Boatslips

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SARITA G. SMITH  
CLERK OF COURT

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OCONEE COUNTY  
S.C.

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SALLIE SMITH  
CLERK OF COURT

DECLARATION  
OF COVENANTS, CONDITIONS AND RESTRICTIONS  
EAST SHORES

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Declaration") is made this 22nd day of October, 1990 by CRESCENT RESOURCES, INC. (formerly Crescent Land & Timber Corp.), a South Carolina corporation, hereinafter referred to as "Declarant".

STATEMENT OF PURPOSE

Declarant is the owner of certain property located in Oconee County, South Carolina, which is more particularly described on that certain map recorded in Map Book A-76, Page 4 in the Office of the Oconee County Clerk of Court. Declarant desires to create on the property shown on said map an exclusive residential community of single-family residences to be named EAST SHORES (the "Development").

Declarant desires to insure the attractiveness of the Development, to prevent any future impairment thereof, to prevent nuisances and enhance the value and amenities of all properties within the Development, and to provide for the maintenance and upkeep of all common areas within the Development. As part of such common areas, Declarant desires to construct and provide for the maintenance and upkeep of lighted entrance monuments to be located at the entrance to the Development and at other intersections within the Development, which entrance monuments will be for the common use and benefit of all property owners in the Development. Declarant also desires to construct and provide for the maintenance of an "amenity area," including a clubhouse, pool, tennis court and parking area for the benefit of all property owners. In addition, as part of such common areas, Declarant desires to construct a pier, containing boatslips, over the waters of Lake Keowee and adjoining a portion of the Development, which pier and boatslips will be for the common use and benefit of property owners in the Development whose property does not adjoin the waters of Lake Keowee or as otherwise provided in this Declaration, and to provide for the maintenance and upkeep of such pier, boatslips and the portion of the Development adjoining them. Further, Declarant desires to construct a private road and entrance monument serving a portion of the Development, which private road and entrance monument will be for the common use and benefit of property owners in the Development whose property adjoins the private road, and to provide for the maintenance and upkeep of such private road.

Declarant desires to provide for a system whereby the owners of property in the Development will pay for the maintenance and upkeep of the common areas; provided, however, that maintenance and upkeep of the pier and boatslips will be paid for only by property owners in the Development who are entitled to the use of a boatslip, and maintenance and upkeep of the private road and the entrance monument for the private road shall be paid for only by property owners in the Development whose property adjoins the private road. Property owners in the Development who are not entitled to the use of a boatslip will pay only for the cost of maintenance and upkeep of the entrance monuments and amenity area but such property owners will not be entitled to the use and enjoyment of the pier and boatslips. Property owners in the Development whose property adjoins a public road will not pay the cost for maintenance and upkeep of the private road, but such property owners shall not be entitled to the use and enjoyment of the private road.

To these ends, Declarant desires to subject the real property described herein to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said property and each owner thereof.

Declarant further desires to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the common areas, administering and enforcing the covenants and restrictions contained herein, and collecting and disbursing the assessments and charges hereinafter created, in order to efficiently preserve, protect and enhance the values and amenities in the Development, to insure the residents' enjoyment of the specific rights, privileges and easements in the common areas, and to provide for the maintenance and upkeep of the common areas and amenities.

To that end the Declarant has or will cause to be incorporated under South Carolina law, pursuant to the Articles of Incorporation attached hereto as Exhibit "A" and incorporated herein by reference, EAST SHORES OWNERS' ASSOCIATION, INC., as a non-profit corporation for the purpose of exercising and performing the aforesaid functions, said corporation to be governed by the Bylaws attached hereto as Exhibit "B" and incorporated herein by reference.

NOW, THEREFORE, Declarant, by this Declaration, does declare that all of the property described herein is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration, which shall run with the real property described herein and be binding on all parties owning any right, title or interest in said real property or

any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Additional Property" shall mean and refer to additional real estate lying contiguous or adjacent to the Property which may be made subject to the terms of this Declaration in accordance with the provisions of Article II, Section 2 of this Declaration.

Section 2. "Amenity Area" shall mean and refer to that land designated as "Amenity Area" on the Map, together with the Clubhouse, Pool, Tennis Court, and Parking Area to be constructed thereon in accordance with the terms of this Declaration.

Section 3. "Articles of Incorporation" shall mean and refer to the Articles of Incorporation for the Association attached as Exhibit "A" hereto and incorporated herein by reference.

Section 4. "Association" shall mean and refer to EAST SHORES OWNERS' ASSOCIATION, INC., a South Carolina non-profit corporation, its successors and assigns.

Section 5. "Board of Directors" shall mean and refer to the Board of Directors of the Association, which shall be elected and shall serve pursuant to the Bylaws.

Section 6. "Boat slip Lots" shall mean and refer to those Lots in the Development which do not adjoin the waters of Lake Keowee, which are Lots 1, 2, 3, 20, 21 and 22, as shown on the Map, and any other Lots which have, as an appurtenance to the Lot, the right to use a Boat slip, whether acquired by deed from Declarant or other conveyance.

Section 7. "Boat slips" shall mean and refer to those certain ten (10) boat slips located within the Pier which is constructed over the waters of Lake Keowee, which Boat slips are designated as Boat slips A through J on Exhibit "C" attached hereto and incorporated herein by reference, together with any additional Boat slips which may be constructed by Declarant in accordance with the terms of Article II, Section 2 of this Declaration, and which Boat slips are more particularly addressed in Article VI of this Declaration.

Section 8. "Bylaws" shall mean and refer to the Bylaws for the Association attached as Exhibit "B" hereto and incorporated herein by reference.

**Section 9.** "Clubhouse" shall mean that approximately 1175 square foot building to be constructed within the Amenity Area for the common use and enjoyment of all of the Owners.

**Section 10.** "Common Area" or "Common Areas" shall mean and refer to the Amenity Area (including the Clubhouse, Pool and Tennis Court), Pier, Boatslips, Parking Area, Roadway, Frontage Fence, Entrance Monuments and Promontory Entrance Monuments, collectively, and any other property shown and designated on the Map as "Common Area". The Common Areas shall be owned by the Association (except for the property upon which the Entrance Monuments, Promontory Entrance Monuments, Roadway and Frontage Fence are located, over which property the Association shall own easements) for the common use, benefit and enjoyment of the Owners; provided, however, that only the Owners of Boatslip Lots shall be entitled to the use, benefit and enjoyment of the Pier and Boatslips, subject to individual Boatslip Lot Owners' exclusive rights to use specified Boatslips; and provided further, that only the Owners of Promontory Lots shall be entitled to the use, benefit and enjoyment of the Roadway and the Promontory Entrance Monuments.

**Section 11.** "Declarant" shall mean and refer to Crescent Resources, Inc., its successors and assigns.

**Section 12.** "Development" shall mean and refer to EAST SHORES, a single-family residential development proposed to be developed on the Property by Declarant.

**Section 13.** "Entrance Monuments" shall mean and refer to the easement areas reserved and granted by Declarant in Article IX, Section 10 of this Declaration, over portions of Lots 1, 22, 3 and 4 of the Subdivision, and over a portion of the Common Area, as shown and designated as "Sign Easement" on the Map, and the stone monuments, entrance signs located on such monuments, lighting, landscaping and other improvements to be constructed on such areas, to be used for entryways for the Subdivision and individual streets within the Subdivision, and for the purposes set forth in said Article IX, Section 10.

**Section 14.** "Frontage Fence" shall mean and refer to the easement areas reserved and granted over Lots 1 and 22 by Declarant in Article IX, Section 11 of this Declaration, as shown and designated as "Frontage Fence Easement" on the Map, and the fencing, landscaping and other improvements to be constructed on such areas, as more particularly described in said Article IX, Section 11.

**Section 15.** "Lot" or "Lots" shall mean and refer to the separately numbered parcels depicted on the Map, which Lots do not include the Common Area.

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**Section 16.** "Map" shall mean and refer to the map of EAST SHORES Subdivision recorded in Plat Book 475, Page 4 in the Office of the Clerk of Court for Oconee County, South Carolina.

**Section 17.** "Member" shall mean and refer to every person or entity who holds membership in the Association.

**Section 18.** "Mortgage" shall mean any mortgage or deed of trust constituting a first lien on a Lot.

**Section 19.** "Mortgagee" shall mean the owner and holder of a Mortgage at the time such term is being applied.

**Section 20.** "Non-Boatslip Lots" shall mean and refer to those Lots in the Development which adjoin the waters of Lake Keowee, which Non-Boatslip Lots are Lots 4 through 19, all as shown on the Map, provided such Lots do not have as an appurtenance thereto the right to use a Boatslip.

**Section 21.** "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including the Declarant if it owns any Lot, but excluding those having such interest merely as security for the performance of an obligation.

**Section 22.** "Parking Area" shall mean and refer to the parking lot to be constructed upon and over the Amenity Area for the common use, benefit and enjoyment of all of the Owners, to provide parking for such Owners, their families, guests and invitees in connection with their use of the Amenity Area, Pier and Boatslips. The Parking Area is more particularly addressed in Article IV, Section 9 of this Declaration.

**Section 23.** "Pier" shall mean and refer to that certain pier or piers, containing the Boatslips, constructed over the waters of Lake Keowee, which Pier adjoins the Development at the terminus of the Amenity Area and which Pier is shown on Exhibit "C" attached hereto and incorporated herein by reference and is more particularly addressed in Article IV, Section 8 of this Declaration.

**Section 24.** "Pool" shall mean and refer to that swimming pool to be constructed by Declarant within the Amenity Area for the common use and enjoyment of all of the Owners.

**Section 25.** "Promontory Lots" shall mean and refer to Lots 13, 14, 15, 16 and 17, as shown on the Map.

**Section 26.** "Promontory Entrance Monuments" shall mean and refer to the easement areas reserved and granted by Declarant in Article IX, Section 10 of this Declaration over portions of Lots 13 and 17 of the Subdivision as shown and designated on the Map as "Promontory Sign Easement", and the stone monuments, entrance signs, lighting, landscaping, irrigation, and other improvements to be constructed thereon, to be used for an entryway for the Promontory Lots, and for the purposes set forth in Article IX, Section 10.

**Section 27.** "Promontory Roadway Easement" shall mean and refer to the thirty-five (35) foot wide easement adjoining the Promontory Lots and shown and designated on the Map as "Promontory Roadway Easement", over which easement shall be constructed the Roadway to serve the Promontory Lots and over which easement each Promontory Lot Owner shall have an easement for ingress, egress and access, all as more particularly described in Article IX, Section 22 of this Declaration.

**Section 28.** "Property" shall mean and refer to the property shown on the Map, exclusive of the public rights-of-way shown on the Map, which Property includes the Lots and the Common Area.

**Section 29.** "Public Roads" shall mean and refer to all roads and cul-de-sacs in the Subdivision and shown on the Map except the Roadway, all to be dedicated for public use and accepted for public maintenance by the County of Oconee Public Works Department upon completion thereof.

**Section 30.** "Roadway" shall mean and refer to the private roadway to be constructed by the Declarant over the Promontory Roadway Easement and privately maintained by the Association, to serve the Promontory Lots, all as more particularly described in Article IX, Section 22 of this Declaration.

**Section 31.** "Subdivision" shall mean and refer to EAST SHORES Subdivision, as the same is shown on the Map.

**Section 32.** "Tennis Court" shall mean and refer to that tennis court to be constructed by Declarant within the Amenity Area for the common use and enjoyment of all of the Owners.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION  
AND WITHIN THE JURISDICTION OF  
THE ASSOCIATION

**Section 1. Property.** The real property which is and shall be held, transferred, sold, conveyed and occupied subject to

this Declaration, and which is and shall be within the jurisdiction of the Association, is located in Oconee County, South Carolina and is the Property, as more particularly described and shown on the Map.

Section 2. Additions to the Property.

(a) Declarant may cause Additional Property to be made subject to the terms and scheme of this Declaration by filing a Supplemental Declaration in the Office of the Oconee County Clerk of Court, containing a description of the Additional Property and a statement by the Declarant of its intent to extend the operation and effect of this Declaration to the Additional Property. Declarant may also cause up to eighteen (18) additional Boatslips to be constructed and made subject to the terms and scheme of this Declaration by the filing of a Supplemental Declaration describing the number of Boatslips to be added and a statement by Declarant of its intent to extend the operation and effect of this Declaration to the additional Boatslips. Notwithstanding the foregoing, the covenants and restrictions established herein as applied to or imposed upon the Additional Property may be altered or modified by the Supplemental Declaration as provided in Subparagraph (b) below.

(b) Any Supplemental Declaration may contain complementary additions to the covenants and restrictions contained herein as may be necessary in the judgment of the Declarant to reflect the different character of the Additional Property. In no event, however, shall any Supplemental Declaration revoke, modify or add to the covenants and restrictions contained herein with respect to the Property, nor revoke, modify, change or add to the covenants and restrictions established by previously filed Supplemental Declarations, without meeting the requirements for Amendment set forth in Article XIII, Section 3 of this Declaration.

ARTICLE III.

PROPERTY RIGHTS

Section 1. Ownership of Common Areas. Declarant shall convey to the Association the Common Areas to be owned by the Association. Notwithstanding the recordation of any Map or any other action by Declarant or the Association, all Common Areas shall remain private property and shall not be considered as dedicated to the use and enjoyment of the public.

Section 2. Owners' Rights to Use and Enjoy Common Areas. Each Owner shall have the non-exclusive easement and right to use and enjoy the Common Areas which shall be appurtenant to



and shall pass with the title to his Lot, subject to the following:

(a) the right of the Association to promulgate and enforce reasonable regulations governing the use of the Common Areas to insure the availability of the right to use the Common Areas to the Owners and the safety of all Owners on the Common Areas;

(b) the right of the Association to suspend the voting rights of an Owner in the Association and the right of the Association to suspend the right to use the Common Areas by an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) the right of the Declarant or the Association to grant utility, drainage and other easements across the Common Areas; and

(d) the Pier, Boatslips, and Roadway may be used only by those Owners specifically entitled thereto under this Declaration;

Section 3. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Areas and facilities located thereon to the members of his family, his guests, or his tenants.

ARTICLE IV

THE ASSOCIATION

Section 1. Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section 2. Classes of Lots and Voting Rights. The voting rights of the Membership shall be appurtenant to the ownership of Lots. There shall be two classes of Lots with respect to voting rights:

(a) Class A Lots. Class A Lots shall be all Lots except Class B Lots as defined below. Each Class A Lot shall entitle the Owner(s) of said Lot to one (1) vote. When more than one person owns an interest (other than a leasehold or security interest) in any Lot, all such persons shall be Members and the voting rights appurtenant to said Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any Class A Lot.

(b) Class B Lots. Class B Lots shall be all Lots owned by Declarant which have not been conveyed to purchasers who are not affiliated with the Declarant. The Declarant shall be entitled to four (4) votes for each Class B Lot owned by it.

Section 3. Relinquishment of Control. Upon the expiration of five (5) full years after the registration of this Declaration, all of the Class B Lots shall automatically convert to Class A Lots, unless Declarant, in its sole discretion, elects to convert the Class B Lots to Class A Lots at an earlier time.

Section 4. Availability of Documents. The Association shall maintain current copies of the Declaration, the Bylaws and other rules concerning the Development as well as its own books, records, and financial statements available for inspection by all Owners, Mortgagees and insurers and guarantors of Mortgages that are secured by Lots. All such documents shall be available upon reasonable notice and during normal business hours. In addition, any Mortgagee may, at its own expense, have an audited statement prepared with respect to the finances of the Association.

Section 5. Management Contracts. The Association is authorized and empowered to engage the services of any person, firm or corporation to act as managing agent of the Association at a compensation to be established by the Board of Directors and to perform all of the powers and duties of the Association. Provided, however, that the term of any such agreement with a managing agent shall not exceed one (1) year and shall only be renewed by agreement of the parties for successive one (1) year terms. Any such contract shall be terminable by the Association with or without cause upon ninety (90) days' prior written notice to the manager without payment of a termination fee.

Section 6. Maintenance. The Entrance Monuments, Amenity Area, and Parking Area, being of benefit to all Lots; the Pier and Boatslips, being of benefit to all Boatslip Lots; and the Roadway and Promontory Entrance Monuments, being of benefit to all Promontory Lots; shall be maintained exclusively by the Association, which maintenance shall include landscaping, lighting, irrigation and other improvements. Maintenance for the Entrance Monuments and Promontory Entrance Monument shall include repair and maintenance of the stone monuments, signage, irrigation, planters and lighting located thereon and providing and paying for electrical cost of lighting and irrigation of the stone monuments, landscaping and signage located thereon. Maintenance for the Clubhouse shall include all interior and

exterior maintenance (including, where necessary, repair and reconstruction) of the Clubhouse building, sidewalks, walkways, landscaping and other facilities appurtenant to the Clubhouse, including the payment of all utility charges therefor. Maintenance for the Pool and Tennis Court shall include the maintenance, repair and reconstruction, where necessary, of the Pool and Tennis Court, including all drainage, lighting, fencing, paving and other facilities appurtenant thereto, and including the payment of all utility charges therefor. Maintenance for the Pier and Boatslips shall include the maintenance, repair and reconstruction, where necessary, of the Pier and Boatslips, including all lighting and other fixtures, poles, wires, railings and other facilities located thereon and providing and paying for the electrical cost of lighting thereof. Maintenance of the Parking Area shall include repair and maintenance of pavement, irrigation and landscaping, as necessary, including payment of the electrical costs of lighting and irrigation. Maintenance for the Roadway shall include maintenance and repair to the standards set forth in Article VII, Section 2 of this Declaration. The Association shall also maintain all utilities and all storm and drainage easements located within the Common Areas, together with common amenities located within the Common Areas not maintained by public entities or utilities.

The Association shall not be responsible for the maintenance of any Lots or the improvements within the boundaries thereof. The Owners shall be responsible for same.

Section 7. Reserve Fund. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements located on all Common Areas which the Association is obligated to maintain and in order to fund unanticipated expenses of the Association or to acquire equipment or services deemed necessary or desirable by the Board of Directors. Such reserve fund shall be collected and maintained out of the Annual, Boatslip and Promontory Assessments, as hereinafter defined, as set forth in Article V, Section 2(h), Article VI, Section 2(i) and Article VII, Section 2(g) of this Declaration.

Section 8. Pier, Boatslips and Access Easement. The Association shall own, maintain, repair and, if destroyed, replace, as a common expense of the Association, the Pier and Boatslips constructed over Lake Keowee and attached to and adjoining the Development at the Amenity Area; provided, however, that the maintenance, repair and replacement costs of the Pier and Boatslips shall be assessed against only the Owners of Boatslip Lots, as set forth in Article VI of this Declaration.

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In the initial deeds of the Boatslip Lots, Declarant shall designate by letter designation one Boatslip as an appurtenance to each Boatslip Lot conveyed. Such deed(s) shall provide that the grantee is granted the exclusive right to use such Boatslip. Once designated in such initial deed(s), the exclusive right to use a particular Boatslip shall not be separated from ownership, but rather shall run with the title to the Boatslip Lot to which the Boatslip is designated as an appurtenance. Any deed, deed of trust, mortgage, transfer or other conveyance of such Boatslip Lot shall also transfer or convey the right to use the Boatslip appurtenant thereto, even if not expressly included therein.

In the event that the Pier contains more Boatslips than there are Boatslip Lots in the Subdivision, then any Boatslip which is not designated as an appurtenance to a Boatslip Lot shall remain the property of the Association. Such an undesignated Boatslip shall be owned by the Association for the common use and enjoyment only of the Owners of Boatslip Lots, their families, guests and invitees, for the purpose of temporarily docking boats, and may not be leased by the Association to, or used by, any other party or the public. No boat or other recreational vehicle shall be permitted to remain overnight in any undesignated Boatslip.

The use of the Pier and Boatslips is and shall be subject to each of the following:

- (a) Rules and regulations for use promulgated by the Association;
- (b) All laws, statutes, ordinances and regulations of all federal, state and local governmental bodies having jurisdiction thereon; and
- (c) Rules and regulations for use by Duke Power Company, its successors and assigns.

Access for the Owners to and from the Pier and Boatslips shall be over and across the Amenity Area.

The Board of Directors, pursuant to the Bylaws attached hereto as Exhibit "B", shall adopt rules and regulations governing the use of the Pier and Boatslips and the personal conduct thereon of the Members owning Boatslip Lots and their families, guests and invitees. Should Members owning Boatslip Lots desire to amend such rules and regulations, then a meeting of the Members owning Boatslip Lots may be called and held, in accordance with Article III of the Bylaws, for the purpose of voting to amend such rules and regulations. If such a meeting is duly called and held, the Boatslip Lot Owners may direct the

Board of Directors to make such amendments to the rules and regulations governing the use of the Pier and Boatslips, including additions to and deletions of portions of such rules and regulations, as are approved by a vote of the Members owning Boatslip Lots, in accordance with Article III of the Bylaws.

The Pier and Boatslips may only be used by Owners of Boatslip Lots, their families, guests and invitees. Each Boatslip may only be used by the Owner(s) of the Boatslip Lot to which such Boatslip is designated, their families, guests and invitees.

Section 9. Parking Area. Declarant shall erect and the Association shall maintain, repair and, if destroyed, replace, as a common expense of the Association, the paved Parking Area on and over a portion of the Amenity Area. The Parking Area shall be erected and maintained in order to provide parking for the Owners of Lots, and may be used by Owners of Lots, their families, guests and invitees, in connection with their use of the Amenity Area, Pier and Boatslips. Accordingly, the maintenance, repair and replacement costs of the Parking Area shall be assessed against all Lot Owners as set forth in Article V of this Declaration.

Section 10. Maintenance of Public Roads. Upon completion, the Public Roads shall be accepted for public maintenance by the Oconee County Public Works Department.

Section 11. Clubhouse, Pool and Tennis Court. Declarant shall construct and the Association shall maintain, repair and, if destroyed, replace, as a common expense of the Association, the Clubhouse, Pool and Tennis Court, which shall be constructed within a portion of the Amenity Area. The Clubhouse, Pool, and Tennis Court may be used by all Owners, their families, guests and invitees. Accordingly, the maintenance, repair and replacement costs for the Clubhouse, Pool and Tennis Court shall be assessed against all Lot Owners, as set forth in Article V of this Declaration.

Section 12. Roadway. Declarant shall erect and the Association shall maintain and repair the Roadway, which shall provide access to and from the Promontory Lots. Provided, however, that the maintenance and repair costs of the Roadway shall be assessed against only the Owners of Promontory Lots, as set forth in Article VII of this Declaration. The Roadway is intended for the use of the Owners of Promontory Lots, their families, guests and invitees.

ARTICLE V

COVENANT FOR ANNUAL AND SPECIAL ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Annual and Special Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association Annual Assessments and Special Assessments, as hereinafter defined, established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs, and reasonable attorneys' fees, shall be a charge and a continuing lien upon the Lot against which each such assessment or charge is made. Each such assessment or charge, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments or charges shall not pass to an Owner's successors in title unless expressly assumed by them.

Section 2. Purpose of Annual Assessments. The assessments to be levied annually by the Association against each Lot ("Annual Assessments") shall be used as follows:

- (a) to repair and maintain the Entrance Monuments and Frontage Fence, including the erection and maintenance of signage, planters, irrigation, lighting and landscaping on the Entrance Monuments, and to provide and pay for electrical cost of irrigation and lighting of the signage located thereon;
- (b) to keep the Entrance Monuments and Frontage Fence clean and free from debris, to maintain same in a clean and orderly condition and to maintain the landscaping thereon in accordance with the highest standards for private parks, including any necessary removal and replacement of landscaping and repair of irrigation systems;
- (c) to keep all Common Areas other than the Roadway, Pier and Boatslips clean and free from debris, to maintain the same in a clean and orderly condition and to maintain the landscaping thereon in accordance with the highest standards for private parks, including any necessary removal or replacement of landscaping;
- (d) to repair and maintain the Clubhouse, Pool, Tennis Court and Parking Area;

- (e) to pay all ad valorem taxes levied against the Common Areas and any other property owned by the Association (other than the Roadway, Pier and Boatslips, and property owned in connection therewith);
- (f) to pay the premiums on all insurance carried by the Association pursuant hereto or pursuant to the Bylaws, except for such insurance carried specifically in connection with the Roadway, Pier and Boatslips;
- (g) to pay all legal, accounting and other professional fees incurred by the Association in carrying out its duties as set forth herein or in the Bylaws, except for such fees incurred specifically in connection with the Roadway, Pier and Boatslips;
- (h) to maintain a contingency reserve equal to 10% of the sum of the amounts described in subsections (a) through (f) above for the purposes set forth in Article IV, Section 7 hereof.

**Section 3. Payment of Annual Assessments; Due Dates.** The Annual Assessments provided for herein shall commence as to each Lot on July 1, 1991. The Annual Assessments for the fiscal year beginning July 1, 1991 shall be Five Hundred Eighty Five and No/100 Dollars (\$585.00) per Lot, one-half (%) of which amount shall be due and payable no later than July 31, 1991 and the remaining one-half (%) of which amount shall be due and payable no later than January 31, 1992. The Annual Assessments for each and every year beginning each July 1 thereafter shall be in an amount as set by the Board of Directors, in accordance with Section 4 of this Article V, and shall be due and payable in two (2) semi-annual installments of one-half (%) each, such installments being due and payable no later than January 31 and July 31, respectively, of each such fiscal year. The Board of Directors shall fix the amount of the Annual Assessment as to each Lot for any calendar year at least thirty (30) days prior to July 1 of such fiscal year, and the Association shall send written notice of the amount of the Annual Assessment, as well as the amount of the first installment due, to each Owner on or before July 1 of such year. In addition, the Association shall send written notice that the second Annual Assessment installment is due and the amount of such installment to each Owner on or before January 1 of each fiscal year. Failure of the Association to send the notice described in this Section 3 shall not relieve the Owners of their liability for Annual Assessments.

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**Section 4. Maximum Annual Assessment.**

(a) For fiscal years beginning July 1, 1991 and thereafter, the Board of Directors, by a vote in accordance with the Bylaws, without a vote of the Members, may increase the Annual Assessments each year by a maximum amount equal to the previous year's Annual Assessments times the greater of (1) ten percent (10%), or (2) the annual percentage increase in the Consumer Price Index, All Urban Consumers, United States, All Items (1982-84 = 100) (hereinafter "CPI") issued by the U.S. Bureau of Labor Statistics for the most recent 12-month period for which the CPI is available. If the CPI is discontinued, then there shall be used the index most similar to the CPI which is published by the United States Government indicating changes in the cost of living. If the Annual Assessments are not increased by the maximum amount permitted under the terms of this provision, the difference between any actual increase which is made and the maximum increase permitted for that year shall be computed and the Annual Assessments may be increased by that amount in a future year, in addition to the maximum increase permitted under the terms of the preceding sentence for such future year, by a vote of the Board of Directors, without a vote of the Members.

(b) From and after July 1, 1991, the Annual Assessments may be increased without limitation if such increase is approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by Members, taken at a duly held meeting of the Members in accordance with the Bylaws.

(c) The Board of Directors may fix the Annual Assessments at an amount not in excess of the maximum set forth in Subparagraph (a) above (the "Maximum Annual Assessment"). If the Board of Directors shall levy less than the Maximum Annual Assessment for any calendar year and thereafter, during such calendar year, determine that the important and essential functions of the Association cannot be funded by such lesser assessment, the Board may, by vote in accordance with the Bylaws, levy a supplemental Annual Assessment ("Supplemental Annual Assessment"). In no event shall the sum of the Annual and Supplemental Annual Assessments for any year exceed the applicable Maximum Annual Assessment for such year.

**Section 5. Special Assessments for Capital Improvements.**

In addition to the Annual Assessments authorized above, the Association may levy, in any assessment year, a special assessment ("Special Assessment") applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Clubhouse, Pool, Tennis Court, Parking Area or Entrance Monuments, including fixtures and personal property related



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thereto. Provided that any such assessment must be approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by Members, taken at a duly held meeting of the Members in accordance with the Bylaws.

**Section 6. Assessment Rate.** Both Annual and Special Assessments must be fixed at a uniform rate for all Lots.

ARTICLE VI

COVENANT FOR BOATSLIP AND SPECIAL BOATSLIP ASSESSMENTS

**Section 1. Creation of the Lien and Personal Obligation for Boatslip and Special Boatslip Assessments.** The Declarant, for each Boatslip Lot owned within the Property, hereby covenants, and each Owner of any Boatslip Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association, in addition to the Annual and Special Assessments provided for herein, Boatslip Assessments and Special Boatslip Assessments, as hereinafter defined, for maintenance and repair costs of the Pier and Boatslips, established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs, and reasonable attorneys' fees, shall be a charge and a continuing lien upon the Boatslip Lot against which each such assessment or charge is made and upon the right to use the Pier and the Boatslip appurtenant to such Boatslip Lot. Each such assessment or charge, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Boatslip Lot effective at the time when the assessment fell due. The personal obligation for delinquent assessments or charges shall not pass to an Owner's successors in title unless expressly assumed by them.

**Section 2. Purpose of Boatslip Assessments.** The assessments to be levied annually by the Association against each Boatslip Lot ("Boatslip Assessments") shall be used as follows:

- (a) to maintain, repair and reconstruct, when necessary, the Pier and Boatslips, including all lighting and other fixtures, poles, wires, railings and other facilities located thereon;
- (b) to maintain, repair and reconstruct, when necessary, any and all structures, lighting fixtures, poles, wires, railings and other facilities, located upon the Pier;

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- (c) to provide and pay for lighting of the Pier and Boatslips, to the extent necessary for the safety and enjoyment of the users thereof;
- (d) to keep the Pier and Boatslips clean and free from debris, to maintain same in a clean and orderly condition and to maintain the landscaping surrounding the Pier in accordance with the highest standards for private parks, including any necessary removal and replacement of landscaping;
- (e) to pay all ad valorem taxes levied against the Pier and Boatslips and any other property owned by the Association in connection therewith;
- (f) to pay all lease payments, if applicable, to Duke Power Company for the lease of the land on which the Pier and Boatslips are located;
- (g) to pay the premiums on all insurance carried by the Association in connection with the Pier and Boatslips pursuant hereto or pursuant to the Bylaws;
- (h) to pay all legal, accounting and other professional fees incurred by the Association in carrying out its duties as set forth herein or in the Bylaws in connection with the Pier and Boatslips; and
- (i) to maintain a contingency reserve equal to 10% of the sum of the amounts described in subsections (a) through (g) above for the purposes set forth in Article IV, Section 7 hereof.

**Section 3. Payment of Boatslip Assessments: Due Dates.**  
 The Boatslip Assessments provided for herein shall commence as to each Boatslip Lot on July 1, 1991. The Boatslip Assessments for the fiscal year 1991 shall be Two Hundred Seventy Five and No/100 Dollars (\$275.00) per Boatslip Lot, one-half (%) of which amount shall be due and payable no later than July 31, 1991 and the remaining one-half (%) of which amount shall be due and payable no later than January 31, 1992. The Boatslip Assessments for each and every year thereafter shall be in an amount as set by the Board of Directors, in accordance with Section 4 of this Article VI, and shall be due and payable in two (2) semi-annual installments of one-half (%) each, such installments being due and payable no later than January 31 and July 31, respectively, of each such fiscal year. The Board of Directors shall fix the amount of the Boatslip Assessment as to each Boatslip Lot for any fiscal year at least thirty (30) days prior to July 1 of such fiscal year, and the Association shall send written notice of the amount of the Boatslip Assessment.

as well as the amount of the first installment due, to each Boatslip Lot Owner on or before July 1 of such fiscal year. In addition, the Association shall send written notice that the second Boatslip Assessment installment is due and the amount of such installment to each Boatslip Lot Owner on or before January 1 of each fiscal year. Failure of the Association to send the notice described in this Section 3 shall not relieve the Owners of their liability for Boatslip Assessments.

Section 4. Maximum Boatslip Assessment.

(a) For fiscal years beginning July 1, 1991 and thereafter, the Board of Directors, by a vote in accordance with the Bylaws, without a vote of the Members, may increase the Boatslip Assessments each year by a maximum amount equal to the previous year's Boatslip Assessments times the greater of (1) ten percent (10%), or (2) the annual percentage increase in the Consumer Price Index, All Urban Consumers, United States, All Items (1982-84=100) (hereinafter "CPI") issued by the U.S. Bureau of Labor Statistics for the most recent 12-month period for which the CPI is available. If the CPI is discontinued, then there shall be used the index most similar to the CPI which is published by the United States Government indicating changes in the cost of living. If the Boatslip Assessments are not increased by the maximum amount permitted under the terms of this provision, the difference between any actual increase which is made and the maximum increase permitted for that year shall be computed and the Boatslip Assessments may be increased by that amount in a future year, in addition to the maximum increase permitted under the terms of the preceding sentence for such future year, by a vote of the Board of Directors, without a vote of the Members.

(b) From and after July 1, 1991, the Boatslip Assessments may be increased without limitation if such increase is approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by Members owning Boatslip Lots, taken at a duly held meeting of such Members in accordance with the Bylaws.

(c) The Board of Directors may fix the Boatslip Assessments at an amount not in excess of the maximum set forth in Subparagraph (a) above (the "Maximum Boatslip Assessment"). If the Board of Directors shall levy less than the Maximum Boatslip Assessment for any calendar year and thereafter, during such calendar year, determine that the important and essential functions of the Association as to the Pier, Boatslips and Access Lot cannot be funded by such lesser assessment, the Board may, by a vote in accordance with the Bylaws, levy a supplemental Boatslip Assessment ("Supplemental Boatslip Assessment"). In no event shall the sum of the

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Boat slip and Supplemental Boat slip Assessments for any year exceed the applicable Maximum Boat slip Assessment for such year.

**Section 5. Special Assessments for Boat slip Improvements.** In addition to the Boat slip Assessments authorized above, the Association may levy, in any assessment year, a special Boat slip Assessment ("Special Boat slip Assessment") applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Pier and Boat slips, and any capital improvement located thereon, including lighting and other fixtures, poles, wires, railings and other facilities located thereon and personal property related thereto. Provided that any such assessment must be approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by Members owning Boat slip Lots, taken at a duly held meeting of such Members in accordance with the Bylaws, and further providing that any such Special Boat slip Assessment may be levied only against the Owners of Boat slip Lots.

**Section 6. Assessment Rate.** Both Boat slip and Special Boat slip Assessments must be fixed at a uniform rate for all Boat slip Lots.

ARTICLE VII

COVENANT FOR PROMONTORY AND SPECIAL PROMONTORY ASSESSMENTS

**Section 1. Creation of the Lien and Personal Obligation for Promontory and Special Promontory Assessments.** The Declarant, for each Promontory Lot owned within the Property, hereby covenants, and each owner of any Promontory Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association, in addition to the Annual and Special Assessments provided for herein, Promontory Assessments and Special Promontory Assessments, as hereinafter defined, for maintenance and repair costs of the Roadway and the Promontory Entrance Monument, established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs, and reasonable attorneys' fees, shall be a charge and a continuing lien upon the Promontory Lot against which each such assessment or charge is made. Each such assessment or charge, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Promontory Lot at the time when the assessment fell due. The personal obligation for delinquent assessments or charges shall not pass to an Owner's successors in title unless expressly assumed by them.

**Section 2. Purpose of Promontory Assessments.** The assessments to be levied annually by the Association against each Promontory Lot ("Promontory Assessments") shall be used as follows:

- (a) to maintain, repair and reconstruct, when necessary, the Roadway to the standard of maintenance (if one is ascertainable) which would be required by the Oconee County Department of Public Works before it would accept such Roadway for maintenance; provided, however, such standards shall not affect the width of the Roadway;
- (b) to maintain any and all drainage pipes, inlets, basins, ditches, swales and other facilities installed within the Roadway;
- (c) to keep the Roadway clean and free from debris, to maintain same in a clean and orderly condition;
- (d) to repair and maintain the Promontory Entrance Monuments, including the erection and maintenance of signage, planters, irrigation, lighting and landscaping thereon in accordance with the highest standards for private parks, including any necessary removal and replacement of landscaping and repair of irrigation systems;
- (e) to keep the Promontory Entrance Monuments clean and free from debris, to maintain same in a clean and orderly condition and to maintain the landscaping thereon in accordance with the highest standards for private parts, including any necessary removal and replacement of landscaping and repair of irrigation systems;
- (f) to pay all legal, accounting and other professional fees incurred by the Association in carrying out its duties as set forth herein or in the Bylaws in connection with the Roadway; and
- (g) to maintain a contingency reserve equal to 10% of the sum of the amounts described in subsections (a) through (e) above for the purposes set forth in Article IV, Section 7 hereof.

**Section 3. Payment of Promontory Assessments: Due Dates.** The Promontory Assessments provided for herein shall commence as to each Promontory Lot on July 1, 1991. The Promontory Assessments for the fiscal year beginning July 1, 1991 shall be

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One Hundred and No/100 Dollars (\$100.00) per Promontory Lot, one-half (½) of which amount shall be due and payable no later than July 31, 1991 and the remaining one-half (½) of which amount shall be due and payable no later than January 31, 1992. The Promontory Assessments for each and every fiscal year thereafter shall be in an amount as set by the Board of Directors, in accordance with Section 4 of this Article VII, and shall be due and payable in two (2) semi-annual installments of one-half (½) each, such installments being due and payable no later than January 31 and July 31, respectively, of each such fiscal year. The Board of Directors shall fix the amount of the Promontory Assessment as to each Promontory Lot for any fiscal year at least thirty (30) days prior to July 1 of such fiscal year, and the Association shall send written notice of the amount of the Promontory Assessment, as well as the amount of the first installment due, to each Promontory Lot Owner on or before July 1 of such year. In addition, the Association shall send written notice that the second Promontory Assessment installment is due and the amount of such installment to each Promontory Lot Owner on or before January 1 of each year. Failure of the Association to send the notice described in this Section 3 shall not relieve the Owners of their liability for Promontory Assessments.

Section 4. Maximum Promontory Assessment.

(a) For fiscal years beginning July 1, 1991 and thereafter, the Board of Directors, by a vote in accordance with the Bylaws, without a vote of the Members, may increase the Promontory Assessments each year by a maximum amount equal to the previous year's Promontory Assessments times the greater of (1) ten percent (10%), or (2) the annual percentage increase in the Consumer Price Index, All Urban Consumers, United States, All Items (1982-84=100) (hereinafter "CPI") issued by the U.S. Bureau of Labor Statistics for the most recent 12-month period for which the CPI is available. If the CPI is discontinued, then there shall be used the index most similar to the CPI which is published by the United States Government indicating changes in the cost of living. If the Promontory Assessments are not increased by the maximum amount permitted under the terms of this provision, the difference between any actual increase which is made and the maximum increase permitted for that year shall be computed and the Promontory Assessments may be increased by that amount in a future year, in addition to the maximum increase permitted under the terms of the preceding sentence for such future year, by a vote of the Board of Directors, without a vote of the Members.

(b) From and after July 1, 1991, the Promontory Assessments may be increased without limitation if such increase is approved by a vote of no less than two-thirds (2/3)

of all votes entitled to be cast by Members owning Promontory Lots, taken at a duly held meeting of such Members in accordance with the Bylaws.

(c) The Board of Directors may fix the Promontory Assessments at an amount not in excess of the maximum set forth in Subparagraph (a) above (the "Maximum Promontory Assessment"). If the Board of Directors shall levy less than the Maximum Promontory Assessment for any calendar year and thereafter, during such calendar year, determine that the important and essential functions of the Association as to the Roadway cannot be funded by such lesser assessment, the Board may, by a vote in accordance with the Bylaws, levy a supplemental Promontory Assessment ("Supplemental Promontory Assessment"). In no event shall the sum of the Promontory and Supplemental Promontory Assessments for any year exceed the applicable Maximum Promontory Assessment for such year.

Section 5. Special Assessments for Promontory Improvements. In addition to the Promontory Assessments authorized above, the Association may levy, in any assessment year, a special Promontory Assessment ("Special Promontory Assessment") applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the Roadway or Promontory Entrance Monuments any capital improvement located on the Roadway or Promontory Entrance Monuments, including lighting, irrigation and other fixtures, poles, wires, and other facilities located thereon. Provided that any such assessment must be approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by Members owning Promontory Lots, taken at a duly held meeting of such Members in accordance with the Bylaws, and further providing that any such Special Promontory Assessment may be levied only against the Owners of Promontory Lots.

Section 6. Promontory Assessment Rate. Both Promontory and Special Promontory Assessments must be fixed at a uniform rate for all Promontory Lots.

ARTICLE VIII

GENERAL ASSESSMENT PROVISIONS

Section 1. Certificate Regarding Assessments. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

**Section 2. Special Assessments Regarding Damage to Common Property.** In addition to the powers for assessments set forth herein, the Board of Directors shall have the power to levy a special assessment applicable to any particular Lot Owner responsible for damage to Common Area(s) through intentional conduct or any act or omission of himself, members of his family, his agents, guests, employees or invitees.

**Section 3. Effect of Nonpayment of Assessments: Remedies of the Association.** Any Annual, Boatslip or Promontory Assessment installment not paid by its due date as set forth in Article V, Section 3, Article VI, Section 3 or Article VII, Section 3 hereof, or any other assessment not paid by its due date, shall bear interest from such due date at the rate of eighteen percent (18%) per annum or the highest rate then permitted by law, whichever is less. In addition to such interest charge, the delinquent Owner shall also pay such late charge as may have been theretofore established by the Board of Directors to defray the costs arising because of late payment. The Association may bring an action at law against the delinquent Owner or foreclose the lien against the Lot and the right to use a Boatslip, if applicable, and interest, late payment charges, costs and reasonable attorney's fees related to such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by not using the Common Areas and/or his Boatslip, if applicable, or by abandoning his Lot.

**Section 4. Subordination of the Lien to Mortgages.** The lien of the assessments provided for in Articles V, VI and VII of this Declaration shall be subordinate to the lien of any first Mortgage on a Lot or any mortgage or deed of trust to the Declarant. Sale or transfer of any Lot shall not affect the assessment lien. The sale or transfer of any Lot pursuant to mortgage foreclosure, or any proceeding in lieu thereof, however, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer; provided, however, that the Board of Directors may in its sole discretion determine such unpaid assessments to be an Annual, Special, Boatslip, Special Boatslip, Promontory or Special Promontory Assessment, as applicable, collectable pro rata from all Owners (or from all Boatslip Lot Owners if a Boatslip or Special Boatslip Assessment, or from all Promontory Lot Owners if a Promontory or Special Promontory Assessment), including the foreclosure sale purchaser. Such pro rata portions are payable by all Owners (or all Boatslip Lot Owners if a Boatslip or Special Boatslip Assessment, or from all Promontory Lot Owners if a Promontory or Special Promontory Assessment) notwithstanding the fact that such pro rata portions may cause



the Annual Assessment, Boatslip Assessment or Promontory Assessment to be in excess of the Maximum Annual Assessment, Maximum Boatslip Assessment or Maximum Promontory Assessment permitted hereunder. No sale or transfer shall relieve the purchaser of such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but the lien provided for herein shall continue to be subordinate to the lien of any mortgage or deed of trust as above provided.

ARTICLE IX

RESTRICTIONS

Section 1. Land Use and Building Type. All Lots in the Subdivision shall be known and described as residential lots and shall be used only for private residential and recreational purposes. No structure shall be erected, altered, placed or permitted to remain on any Lot other than for use as a single family residential dwelling, unless otherwise provided herein, and only one single-family residential dwelling not exceeding 2½ stories in height above ground shall be erected or permitted to remain upon any Lot. No mobile home, modular home or shell home may be erected or permitted to remain on any Lot. A private garage, outbuildings, fixed piers and floating boat dock facilities incidental to the residential use of the Lot are expressly permitted upon the condition that they are not rented, leased nor otherwise used for remuneration, subject to the other covenants and restrictions contained herein. No garage or outbuildings shall at any time be used as a residence and no enclosed boat houses or two story piers are permitted. Piers, docks and boathouses shall be subject to approval by Duke Power Company and/or any governmental entity having jurisdiction at the time such improvements are made. Any ownership or leasing arrangement for a Lot meeting the definition of a "vacation time sharing ownership plan" or a "vacation time sharing lease plan", as defined in §27-32-10 S.C. Code of Laws, 1976, as amended, is hereby prohibited.

Section 2. Dwelling Size. The square footage requirements hereinafter set forth are enclosed heated floor area and are exclusive of the area in unfinished basements, unheated porches of any type, attached or detached garages, carports, and unheated storage areas, decks or patios.

(a) For All Lots: Any one story dwelling erected upon any Lot shall contain not less than 1800 square feet; any 1½ story or bi-level or tri-level dwelling shall contain not less than 1800 square feet and the first floor shall contain not less than 1400 square feet in 1½ story dwellings, 1400 square feet on the main floor of bi-level dwellings, and 1400 square feet in the upper two floors of

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tri-level dwellings; any 2 or 2½ story dwelling shall contain not less than 1800 square feet and the first floor shall contain not less than 1400 square feet.

The main level of rear walk-out dwellings shall contain not less than 1800 square feet. Rear foundation walls are to be fully exposed and finished as specified in Section 3 below.

**Section 3. Building Construction and Quality.** All buildings and outbuildings erected upon any Lot shall be constructed of new material of good grade, quality and appearance and shall be constructed in a proper, workmanlike manner. No single-family residential dwelling costing less than Ninety Thousand and no/100 Dollars (\$90,000.00) (in terms of 1990 dollar value) shall be permitted on any Lot. No building shall be erected unless it is completely underpinned with a solid brick, brick or stone-covered block, or stucco foundation. The exterior surface of any building shall not be of asbestos shingle siding, imitation brick or stoneroll siding, or exposed concrete or cement blocks. The exterior surface of any garage, outbuilding or appurtenant structure or building erected on or located on any Lot shall be aesthetically compatible with, and of material and construction comparable in cost and design to, the exterior surface of the dwelling located on said Lot. All buildings shall have roofs (except for dormers) of not less than 6 in 12 pitch and not less than 12 inch overhang, covered with slate, cedar shakes, tile or fiberglass shingles. Tin or rolled roofing material is not permitted. The exterior of all houses and other structures must be completed within one (1) year after the commencement of construction, except where such completion is impossible due to strikes, fires, national emergency or natural calamities.

**Section 4. Temporary Structures; Structure Materials.** No residence or building of a temporary nature shall be erected or allowed to remain on any Lot, and no metal, fiberglass, plastic or canvas tent, barn, carport, garage, utility building, storage building or other metal, fiberglass, plastic or canvas structure shall be erected on any Lot or attached to any residence.

**Section 5. Building Setback Lines.** No building on any Lot (including any stoops, porches, or decks) shall be erected or permitted to remain within the front (street right-of-way) or side abutting right-of-way (for a corner Lot) building setback lines as noted on the Map. Notwithstanding any rear setback restriction noted on the Map, no building, including stoops, porches or decks, shall be erected or permitted to remain nearer than fifty (50) feet to the rear (waterside) lot line of any Lot adjoining the Waters of Lake Keowee. Boathouses, piers and dock facilities are exempt from the rear setback

restrictions provided they comply with the provisions set forth in Section 1 of this Article. In the event any zoning or subdivision ordinance, floodway regulations or other ordinance, law or regulation applicable to a Lot shall prescribe greater setbacks, then all buildings erected during the pendency of that zoning or subdivision ordinance, floodway regulations or other ordinance, law or regulation shall conform to said requirements.

Section 6. Minor Setback Violations. In the event of the unintentional violation of any of the building setback covenants set forth above, in the amount of ten percent (10%) or less of the setback covenant in question, Declarant reserves the right, but is not obligated, to waive in writing such violation of the setback covenants upon agreement of the Owner of the Lot upon which the violation occurs, provided that such change is not in violation of any zoning or subdivision ordinance or other applicable law or regulation.

Section 7. Combination or Subdivision of Lots. Should the Owner of a numbered parcel on the Map combine with portions of or all of another numbered parcel, the aggregate shall be considered as one Lot for the purposes of this Article IX. No Lot shall be subdivided by sale or otherwise so as to reduce the Lot area shown on the Map. Notwithstanding the foregoing, Declarant reserves the right to change the boundaries or dimensions of any Lots still owned by Declarant as may be needed to meet septic system requirements or for any other reason.

Section 8. Utility Easements. Easements for the installation and maintenance of utilities (electricity, septic system, sewer, water, gas, telephone, cable t.v., etc.) and drainage facilities are reserved over the front and rear ten (10) feet of each Lot. A drainage and utility easement five (5) feet in width is reserved along each side lot line of each Lot. Additional drainage easements and utility easements are reserved as more particularly shown and delineated on the Map and in other recorded easement documents. Within said easements so reserved, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may interfere with drainage and the flow of water within the easement areas. The Owner of each Lot shall maintain that portion of said Lot lying within the easement areas as defined herein and shall maintain such improvements as may be located thereon except those improvements installed and maintained by a public authority or utility company. Declarant reserves the right to create and impose additional easements over any unsold Lot or Lots for street drainage, utility and entry signage installation purposes by the recording of

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appropriate instruments, and such shall not be construed to invalidate any of these covenants.

**Section 9. Stormwater Drainage Easement.** Declarant reserves over the Amenities Area an easement for drainage of stormwater runoff from Lots and Roads within the Subdivision.

**Section 10. Entrance Monument Easements.** Non-exclusive perpetual easements for the purposes of landscaping and maintaining entryways and erecting and maintaining entrance monuments for the Subdivision and individual street entrances are hereby reserved by Declarant for itself, its successors in interest and assigns, and granted to the Association, over the following portions of Lots and Common Area in the Subdivision, the locations of which easements are more particularly shown on the Map (collectively, the "Sign Easement Tracts"):

- (a) the northeasterly corner of Lot 1;
- (b) the southeasterly corner of Lot 22;
- (c) the southwesterly corner of Lot 3;
- (d) the northerly corner of Lot 4; and
- (e) the easterly portion of the Common Area between Lots 1 and 2.

Declarant also reserves an identical easement for the same purposes over the northeasterly corner of Lot 13 and the southeasterly corner of Lot 17 (the "Promontory Easement Tracts").

Declarant and/or the Association shall have the right to landscape and maintain the Sign Easement Tracts and the Promontory Easement Tracts as entryways to the Subdivision or the individual streets. Further, Declarant or the Association shall have the right to erect and maintain stone monuments with an entrance sign thereon (collectively, the "Entrance Signs") on the Sign Easement Tracts and the Promontory Easement Tracts bearing the names of the Subdivision or the individual streets and Declarant, which Entrance Signs shall be built to the applicable governmental standards for signs, and to erect and maintain lighting for the Entrance Signs, planters and other improvements typically used for an entryway (the Sign Easement Tracts, the Entrance Signs, lighting, landscaping and other improvements to be constructed on the Sign Easement Tracts are herein collectively referred to as the "Entrance Monuments", and the Promontory Easement Tracts, the Entrance Sign, lighting, landscaping and other improvements to be constructed on the Promontory Easement Tracts are collectively referred to

as the "Promontory Entrance Monuments"). Declarant and/or the Association shall have the right to go upon the Sign Easement Tracts and the Promontory Easement Tracts in order to erect, repair and maintain the Entrance Monuments and the Promontory Entrance Monuments, including the landscaping and irrigation thereof and the erection and maintenance of the Entrance Signs, lighting and planters located thereon.

**Section 11. Fences and Walls: Frontage Fence Easement.** No wooden fence, or brick or stone wall may be erected nearer the front lot line of a Lot than the front face of the dwelling located on such Lot. In the case of a corner Lot, no sideyard fence shall be located nearer than the side of the house facing the side street line. No wooden fences, or brick or stone walls greater than six (6) feet in height are permitted. Chain link or other metal fencing is not permitted, except that 2" x 4" metal mesh may be used with split rail fencing to contain animals or children within rear or side yards. Perimeter fencing shall not have more than fifty percent (50%) of any of its surface closed as viewed from a point on a line of sight perpendicular to the line of the fence. A wall constructed of brick or stone and used in lieu of a fence is exempt from the openness test.

Notwithstanding the foregoing, Declarant hereby reserves unto itself and its successors and assigns and grants to the Association an easement ten (10) feet in width along the northerly boundary of Lot 1 and the southerly boundary of Lot 22 which abut the right of way of Wynmere Way, as more particularly shown and designated as "Frontage Fence Easement" on the Map, for the purpose of erecting and maintaining the Frontage Fence within said designated easement area (the "Frontage Fence"). The Frontage Fence shall be maintained as Common Area in accordance with the terms of this Declaration.

**Section 12. Signs.** No signs of any kind shall be displayed to the public view on any Lot with the following exceptions which may not exceed five square feet in size: (a) one sign (on the Lot only) advertising the property for sale or rent; and (b) one sign (on the Lot only) used by a builder to advertise the property during the construction and sales period; and (c) temporary political signs. These restrictions shall never apply to permanent entry signs, or to temporary entry signs or advertising, or for sales signs installed by Declarant or its agents prior to the sellout of the Subdivision.

**Section 13. Antennas: Satellite Dishes or Discs.** No freestanding radio or television transmission or reception towers, antennas, discs or satellite dishes may be erected or maintained on any Lot. Customary roof-mounted antennas which may extend not more than ten (10) feet above the highest roof line ridge of the house are permitted.

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Section 14. Lot Maintenance; Trash Disposal. Each Owner shall keep his Lot in a clean and orderly condition and shall keep the improvements thereon in a suitable state of painting and repair, promptly repairing any damage thereto by fire or other casualty. No clothesline may be erected or maintained on any Lot other than a clothesline located directly behind and within thirty (30) feet of the residence and not within the fifty (50) foot waterfront setback. No Lot shall be used in whole or in part for storage of trash of any character whatsoever and no trash, rubbish, stored materials or similar unsightly items shall be allowed to remain on any Lot outside of an enclosed structure, except when temporarily placed in closed, sanitary containers pending collection by trash collection authorities or companies.

Section 15. Offstreet Parking. Each Lot Owner shall provide a concrete or asphalt driveway which provides space for parking two automobiles off the street prior to the occupancy of any dwelling constructed on the Lot. No truck or commercial vehicle in excess of one-ton load capacity or any vehicle under repair, or any trailer, wrecked or junked motor vehicle shall be parked upon or permitted to remain on any Lot or the Parking Area. No boat or boat trailer may be parked, left or stored on the Parking Area. No trailer, mobile home, recreational vehicle, camper or boat shall be used as a residence, either temporarily or permanently, on any Lot or on the Parking Area for a period exceeding 24 hours unless it is parked off the street and not within the front or side yard setbacks of the Lot. All automobiles, trucks and other vehicles described above must have a current license plate affixed unless parked in an enclosed garage.

Section 16. Sewage Disposal. Every dwelling unit erected on any Lot shall be served by an approved septic system for the disposal of sewage, or connected to a private or public sewage disposal system. All septic systems or other private sewage disposal systems shall be approved by, and constructed and maintained in accordance with all the regulations and requirements of all governmental authorities and regulatory agencies having jurisdiction.

Section 17. Nuisances. No noxious or offensive trade or activity shall be carried on upon any Lot or in any residential dwelling or outbuilding, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No substance, thing or material shall be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace and quiet of the occupants of surrounding property. No animals, livestock, or poultry of any kind shall be raised, bred, or

kept on any Lot or in any residential dwelling or outbuilding except that dogs, cats, or other household pets may be kept or maintained provided they are not kept, bred, or maintained for commercial purposes. The number of household pets kept or maintained shall not exceed three (3) in number except for newborn offspring of such household pets which are under nine (9) months in age.

**Section 18. Diligent Construction.** All construction, landscaping or other work which has been commenced on any Lot must be continued with reasonable diligence to completion and no partially completed houses or other improvements shall be permitted to exist on any Lot, except during such reasonable time period as is necessary for completion. The exterior of any building must be completed within one (1) year from the date of commencement of construction. No construction materials of any kind may be stored within forty-five (45) feet of the street curb. Any damage to any street, curb or sidewalk or any part of any Common Area or any utility system caused by the Owner or the Owner's builder shall be repaired by such responsible Owner. The Owner of each Lot shall at all times keep contiguous public and private areas free from any dirt, mud, garbage, trash or other debris which is occasioned by construction of improvements on such Owner's Lot. Declarant may provide for the cleaning of public and private areas due to the activities of the Owner or Owner's builder and may assess the Owner a reasonable charge not to exceed the actual cost for such cleaning. Each Owner's builder shall, consistent with standard construction practices, keep all portions of the Lot free of unsightly construction debris and shall at all times during construction either provide dumpsters for the containment of garbage, trash or other debris which is occasioned by construction of improvements on a Lot, or take other measures consistent with standard construction practices necessary to keep the Lot free of such garbage, trash, or other debris. Each Owner shall be responsible for erosion control protection during any earth-disturbing operation.

**Section 19. Public Water System.** Declarant shall construct a water system in order to provide water supplies necessary to serve the Subdivision (the "Water System"). All water mains and pipes and other equipment necessary for the operation and maintenance of the Water System shall be located within the Utility Easements described in Section 8 of this Article IX, or within public or private road rights-of-way. Upon its completion, the Water System and all mains, pipes, equipment and other personal property which is part thereof, shall become the property of the Seneca Light and Water Department, a public utility company duly licensed and operating under the authority granted by the South Carolina Department of Health and Environmental Control. The Water

System shall be the sole provider of water supplies to the Subdivision, and no well may be dug or constructed on any Lot for the purpose of providing domestic water supply.

**Section 20. Tree Removal.** The clear-cutting of trees shall not be permitted within the fifty (50) foot waterfront setback.

**Section 21. Marine Toilets.** No water craft equipped with a marine toilet having a fixed or portable holding tank, or a through hull or overboard discharge toilet, shall be permitted at the Pier or Boatslips.

**Section 22. Promontory Roadway Easement.** Declarant reserves unto itself and its successors and assigns and grants to the Association for the common use, benefit and enjoyment of the Promontory Lot Owners a non-exclusive easement over and across the Promontory Roadway Easement for the purposes of (1) the construction, maintenance and repair of the Roadway to serve the Promontory Lots; (2) providing ingress, egress and access over the Roadway to and from the Promontory Lots; and (3) the installation, maintenance and repair of utilities and drainage facilities. Declarant shall construct and the Association shall maintain and repair the Roadway over the Promontory Roadway Easement. Any portion of the Promontory Roadway Easement which is not paved as part of the Roadway shall be maintained by the Owner of the Promontory Lot over which such unpaved portion of the Promontory Roadway Easement is located.

To the extent that the Roadway has not been dedicated to the use and enjoyment of the public sufficient to provide access to a Promontory Lot, each Promontory Lot shall be conveyed with (and each Promontory Lot Owner is hereby conveyed) a perpetual, non-exclusive easement and right to use the Roadway for the purpose of providing access to and from each Promontory Lot. In the event of dedication and acceptance of the Roadway, such easement and right shall terminate with respect thereto.

#### ARTICLE X

#### INSURANCE

**Section 1. Board of Directors.** The Board of Directors shall obtain and maintain at all times insurance of the type and kind and in no less than the amounts set forth below:

(a) **Fire.** All improvements and all fixtures included in the Common Area, including the Clubhouse, Pool, Tennis Court, Pier and Boatslips, and all personal property and



supplies belonging to the Association shall be insured in an amount equal to 100% of the current replacement cost up to the amount specified in the insurance policy (exclusive of land, foundation, excavation and other normally excluded items) as determined annually by the Board of Directors with the assistance of the insurance company providing coverage. The Board of Directors shall, at least annually, review the insurance coverage required herein and determine 100% of the current replacement cost of such improvements and fixtures and personal property and supplies. Such coverage shall provide protection against loss or damage by fire, windstorm, vandalism and malicious damage and all perils covered by a standard "all risk" insurance policy. All such policies shall provide that adjustment of loss shall be approved by the Board of Directors and the insurance company. In addition to the provisions and endorsements set forth in Section 4 of this Article, the fire and casualty insurance described herein shall contain the following provisions:

(i) a waiver of subrogation by the insurer as to any claims against the Association, any officer, director, agent or employee of the Association, the Owners and their employees, agents, tenants and invitees; and

(ii) a provision that the coverage will not be prejudiced by act or neglect of one or more Owners when said act or neglect is not within the control of the Association or by any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

The property and public liability insurance policy shall not contain (and the insurance shall not be placed with companies whose charters or bylaws contain) provisions whereby: (1) contributions or assessments may be made against the Association, the Owners or the Mortgagees; (2) loss payments are contingent upon action by the carriers, directors, policy holders or members; and (3) there are limiting clauses (other than insurance conditions) which could prevent Owners or Mortgagees from collecting the proceeds.

(b) Public Liability. The Board of Directors shall also be required to obtain and maintain to the extent obtainable, public liability insurance in such limits as the Board of Directors may, from time to time, determine to be customary for projects similar in construction, location and use as the Development, covering each member of the Board of Directors, the managing agent, if any, and each Owner with respect to his liability arising out of the ownership, maintenance, or repair of the Common Areas; provided, however, that in no event shall the amounts of such public liability

insurance ever be less than \$1,000,000 per occurrence against liability for bodily injury, including death resulting therefrom, and damage to property, including loss of use thereof, occurring upon, in or about, or arising from or relating to, the property or any portion thereof. Such insurance shall include endorsements covering cross liability claims of one insured against another, including the liability of the Owners as a group to a single Owner. The Board of Directors shall review such limits annually. Until the first meeting of the Board of Directors following the initial meeting of the Owners, such public liability insurance shall be in amounts of not less than \$1,000,000 per occurrence for claims for bodily injury and property damage.

(c) Fidelity Coverage. The Board of Directors shall also be required to obtain fidelity coverage against dishonest acts on the part of all persons, whether officers, directors, trustees, employees, agents or independent contractors, responsible for handling funds belonging to or administered by the Association. The fidelity insurance policy shall be written in an amount sufficient to provide protection which is in no event less than one and one-half times the Association's estimated annual operating expenses and reserves. An appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

(d) Other. Such other insurance coverages, including flood insurance and worker's compensation, as the Board of Directors shall determine from time to time desirable.

Section 2. Premium Expense. Premiums upon insurance policies purchased by the Board of Directors shall be paid by the Board of Directors and charged as a common expense to be collected from the Owners pursuant to Articles V, VI and VII hereof.

Section 3. Special Endorsements. The Board of Directors shall make diligent effort to secure insurance policies that will provide for the following:

(a) recognition of any insurance trust agreement entered into by the Association;

(b) coverage that may not be cancelled or substantially modified (including cancellation for nonpayment of premium) without at least forty-five (45) days' prior written notice to the named insured, any Insurance Trustee and all Mortgagees; and

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(c) coverage that cannot be cancelled, invalidated or suspended on account of the conduct of any officer or employee of the Board of Directors without prior demand in writing that the Board of Directors cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, any Owner or any Mortgagee.

Section 4. General Guidelines. All insurance policies purchased by the Board of Directors shall be with a company or companies licensed to do business in the State of South Carolina and holding a rating of "A-10" or better by the current issue of Best's Insurance Reports. All insurance policies shall be written for the benefit of the Association and shall be issued in the name of and provide that all proceeds thereof shall be payable to the Association. Notwithstanding any of the foregoing provisions and requirements relating to insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, who shall have exclusive authority to negotiate losses under any policy providing such insurance.

Section 5. Owner's Personal Property. The Association or the Declarant shall not be liable in any manner for the safekeeping or conditions of any boat or other personal property belonging to or used by any Owner or his family, guests or invitees, located on or used at the Pier, Boatslips, Amenity Area or other Common Areas. Further, the Association or the Declarant shall not be responsible or liable for any damage or loss to or of said boat, its tackle, gear, equipment or other property located thereon, or any other personal property of any Owner, his family, guests or invitees located on or used at the Pier, Boatslips or other Common Areas. Each Owner shall be solely responsible for all such boats and other personal property and for any damage thereto or loss thereof, and shall be responsible for the purchase of, at such Owner's sole cost and expense, any liability or other insurance for damage to or loss of such property. Every Member of the Association is required to submit to the Association a Certificate of Insurance showing proof of boat liability insurance coverage at the time of initiating the use of the Piers and Boatslips.

ARTICLE XI

RIGHTS OF MORTGAGEES

Section 1. Approval of Mortgagees. Unless at least seventy-five percent (75%) of the Mortgagees holding Mortgages on Lots located within the Development then subject to the full application of this Declaration, have given their prior written approval, the Association shall not:

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(a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any real estate or improvements thereon which are owned, directly or indirectly, by the Association (the granting of easements for utilities or other purposes shall not be deemed a transfer within the meaning of this clause);

(b) change the method of determining the obligations, assessments, dues or other charges which may be levied against an Owner;

(c) fail to maintain fire and extended coverage insurance on insurable improvements in the Common Area on a current replacement cost basis in an amount not less than 100% of the insurable value as set forth in Article X; or

(d) use the proceeds of any hazard insurance policy covering losses to any part of the Common Area for other than the repair, replacement or reconstruction of the damaged Common Area or other common amenities.

**Section 2. Additional Rights.** Any Mortgagee shall have the following rights, to wit:

(a) to be furnished at least one copy of the annual financial statement and report of the Association, such annual statement and report to be furnished within ninety (90) days following the end of each fiscal year;

(b) to be given notice by the Association of the call of any meeting of the Association's membership, and to designate a representative to attend all such meetings;

(c) to be given prompt written notice of default under the Declaration, the Bylaws or any rules and regulations promulgated by the Association by any Owner owning a Lot encumbered by a Mortgage held by the Mortgagee, such notice to be sent to the principal office of such Mortgagee or the place which it may designate in writing;

(d) to be given prompt written notice of any casualty loss or loss by eminent domain or other taking of the Common Areas or any Lot encumbered by a Mortgage held by the Mortgagee;

(e) to be given prompt written notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

(f) to be given prompt written notice of any eminent domain or condemnation proceeding affecting the Property; and

(g) to be given prompt written notice of any action which requires the consent of all or any portion of the Mortgagees as specified herein.

Whenever any Mortgagee desires the provisions of this Section to be applicable to it, it shall serve or cause to be served written notice of such fact upon the Association by Certified Mail, return receipt requested, addressed to the Association and sent to its address stated herein, identifying the Lot or Lots upon which any such Mortgagee holds any Mortgage or identifying any Lot owned by it, together with sufficient pertinent facts to identify any Mortgage which may be held by it and which notice shall designate the place to which notices are to be given by the Association to such Mortgagee.

Section 3. Books and Records. Any Mortgagee will have the right to examine the books and records of the Association during any reasonable business hours.

Section 4. Payment of Taxes and Insurance Premiums. The Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge or lien against the Common Areas and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage upon the lapse of a policy for property owned by the Association and the persons, firms or corporations making such payments shall be owed immediate reimbursement therefor from the Association.

ARTICLE XII

CONDEMNATION

Section 1. Partial Taking Without Direct Effect on Lots. If part of the Property shall be taken or condemned by any authority having the power of eminent domain, such that no Lot is taken, all compensation and damages for and on account of the taking of the Common Area, exclusive of compensation for consequential damages to certain affected Lots, shall be paid to the Board of Directors in trust for all Owners and their Mortgagees according to the loss or damages to their respective interests in such Common Area; provided, however, that all compensation and damages for and on account of the taking of the Pier and Boatslips shall be held in trust by the Board of Directors for all Boatslip Lot Owners and their Mortgagees according to the loss or damages to their respective interests in the Pier and Boatslips; and provided further, that all compensation and damages for and on account of the taking of the Roadway shall be held in trust by the Board of Directors

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for all Promontory Lot Owners and their Mortgagees according to the loss or damages to their respective interests in the Roadway. The Association, acting through the Board of Directors, shall have the right to act on behalf of the Owners with respect to the negotiation and litigation of the issues with respect to the taking and compensation affecting the Common Area, without limitation on the right of the Owners to represent their own interests. Each Owner, by his acceptance of a deed to a Lot, hereby appoints the Association as his attorney-in-fact to negotiate, litigate or settle on his behalf all claims arising from the condemnation of the Common Area. Such proceeds shall be used to restore the Common Area with the excess, if any, to be retained by the Association and applied to future operating expenses by the Board of Directors, in its sole discretion. Nothing herein is to prevent Owners whose Lots are specifically affected by the taking or condemnation from joining in the condemnation proceedings and petitioning on their own behalf for consequential damages relating to loss of value of the affected Lots, or improvements, fixtures or personal property thereon, exclusive of damages relating to the Common Area. In the event that the condemnation award does not allocate consequential damages to specific Owners, but by its terms includes an award for reduction in value of Lots without such allocation, the award shall be divided between affected Owners and the Board of Directors, as their interests may appear, by the Board of Directors in its sole discretion.

Section 2. Partial or Total Taking Directly Affecting Lots. If part or all of the Property shall be taken or condemned by any authority having the power of eminent domain, such that any Lot or a part thereof (including specific easements assigned to any Lot) is taken, the Association shall have the right to act on behalf of the Owners with respect to Common Area as provided in Section 1 of this Article XII and the proceeds shall be payable as outlined therein. The Owners directly affected by such taking shall represent and negotiate for themselves with respect to the damages affecting their respective Lots. All compensation and damages for and on account of the taking of any one or more of the Lots, or improvements, fixtures or personal property thereon, shall be paid to the Owners of the affected Lots and their Mortgagees, as their interests may appear. If all of the Property shall be taken such that the Association no longer has reason to exist and shall thereafter be dissolved and/or liquidated, all compensation and damages for and on account of the taking of the Common Area shall be distributed with the other assets of the Association in accordance with the Articles of Incorporation.

Section 3. Notice to Mortgagees. A notice of any eminent domain or condemnation proceeding shall be sent to all

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Mortgagees who have served written notice upon the Association in accordance with Article XI, Section 2 hereof.

ARTICLE XIII

GENERAL PROVISIONS

Section 1. Enforcement. Declarant, being the developer of other subdivisions in the area of the Subdivision, wishes to maintain a high standard in the appearance and quality of the Subdivision. Though damages would be difficult to measure, the failure of the Owners and the Association to abide by the terms, covenants and restrictions contained in this Declaration would result in irreparable damage to Declarant and its reputation. Accordingly, Declarant, during the term of this Declaration as set forth in Section 4 of this Article XIII, as well as the Association or any Owner or Owners, shall have the right to enforce all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration by proceeding at law or in equity against any person or persons violating or attempting to violate any such restriction, covenant, reservation, lien or charge, either to restrain violation thereof or to recover damages therefor. Each Owner and the Declarant shall have all appropriate remedies at law or in equity to enforce the provisions of this Declaration and the Bylaws and any duly authorized rules and regulations governing the Development against the Association.

In addition, the Association hereby covenants and agrees that it shall exercise its power of enforcement hereunder in order to maintain a first class subdivision in appearance and quality, and that it shall, upon the request of Declarant, enforce any restriction, condition, covenant or reservation contained in this Declaration deemed by Declarant, in its sole discretion, to have been violated, using all remedies available to the Association at law or in equity. The Declarant hereby reserves the right and easement to go upon any portion of the Common Area at any time in order to repair and maintain such Common Area where needed, in Declarant's sole discretion, to bring such Common Area within the standards required by Declarant. Should Declarant so go upon the Common Area to perform maintenance and repairs for such purpose, the Association hereby agrees to reimburse Declarant in full for the cost of such maintenance and repairs, upon receipt of a statement for such cost from Declarant. Failure by Declarant, the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

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**Section 2. Severability.** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

**Section 3. Amendment.** The covenants and restrictions of this Declaration may be amended at any time and from time to time by an agreement signed by Owners holding a majority of votes appurtenant to the Lots which are then subject to this Declaration; provided, however, that such amendment must be consented to by Declarant so long as Declarant is the owner of any Lot in the Development. It is further provided that any amendment affecting the Boatslip Lots, Pier and Boatslips must be approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by Members owning Boatslip Lots, and any amendment affecting the Promontory Lots or the Roadway must be approved by a vote of no less than two-thirds (2/3) of all votes entitled to be cast by members owning Promontory Lots. Any such amendment shall not become effective until the instrument evidencing such change has been filed of record. Notwithstanding the foregoing, the consent of the Owners holding two-thirds (2/3) of the votes in the Association and the approval of Mortgagees holding Mortgages on Lots to which at least two-thirds (2/3) of the votes of the Association are appurtenant, plus the written consent of Declarant shall be required to terminate the legal status of the Association, to contract the land in the Development, to convey any portion of the Common Area to any other party, to withdraw any portion of the Property from the requirements of this Declaration, or to restrict or revoke Declarant's right of enforcement hereunder provided for in Section 1 of this Article XIII. The consent of the Owners having at least two-thirds (2/3) of the votes in the Association and the approval of Mortgagees holding Mortgages on Lots to which at least a majority of the votes are appurtenant shall be required to add or amend any material provision of this Declaration which establish, provide for, govern or regulate any of the following:

- (a) voting;
- (b) assessments, assessment liens or subordinations of such liens;
- (c) reserves for maintenance, repair and replacement of the Common Areas;
- (d) insurance or fidelity bonds;
- (e) rights to use of the Common Areas;



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- (f) responsibility for maintenance and repair of the Common Areas;
- (g) boundaries of any Lot;
- (h) the interest in the Common Areas;
- (i) convertibility of Lots into Common Areas or of Common Areas into Lots;
- (j) leasing of Lots;
- (k) imposition of any right of first refusal or similar restriction on the right of any Lot Owner to sell, transfer, or otherwise convey his or her Lot;
- (l) any provisions which are for the express benefit of Mortgagees or insurers or guarantors of Mortgages.

An addition or amendment to the Declaration shall not be considered material if it is for the purpose of correcting technical errors or for clarification only. A Mortgagee who receives a request to approve non-material additions or amendments who does not deliver or post to the requesting party a negative response within thirty (30) days shall be deemed to have approved such request.

**Section 4. Term.** The covenants and restrictions of this Declaration are to run with the land and shall be binding upon all parties and all persons claiming under them for a period of 25 years from the date this Declaration is recorded; after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years unless an instrument signed by two-thirds (2/3) of the then Owners of the Lots, plus Declarant, has been recorded, agreeing to terminate said covenants and restrictions in whole or in part. Provided, however, that the residential use restrictions set forth in Article IX, Section 1 of this Declaration shall run with the land and shall be binding upon all parties and all persons claiming under them in perpetuity.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed by its officers thereunto duly authorized and its corporate seal to be hereunto affixed, all the day and year first above written.

WITNESS #1

Sharon C. Annewood

WITNESS #2

Edeline G. Williams

Assistant Secretary

CRESCENT RESOURCES, INC.,  
a South Carolina Corporation

By: Robert B. Dienst  
Vice President

[CORPORATE SEAL]

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

This 22<sup>nd</sup> day of October, 1990, personally came before me Robert B. Dienst, who, being by me duly sworn, says that he is the Vice President of CRESCENT RESOURCES, INC., a South Carolina corporation, and that the seal affixed to the foregoing instrument is the official seal of the Corporation, and that said writing was signed and sealed by him, in behalf of said Corporation, by its authority duly given. And the said Robert B. Dienst acknowledged the said writing to be the act and deed of said Corporation.

Sharon C. Annewood  
NOTARY PUBLIC

My Commission Expires:  
10/13/93

[SEAL]

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BOOK 670 PAGE 218

**SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS**

**EAST SHORES II**

THIS SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Supplemental Declaration") is made effective the 16th day of October, 1991 by CRESCENT RESOURCES, INC., a South Carolina corporation ("Declarant").

**STATEMENT OF PURPOSE**

A. The Declaration of Covenants, Conditions and Restrictions dated October 22, 1990 and recorded in Book 640, Page 126, Office of the Clerk of Court for Oconee County, South Carolina (the "Declaration"), established certain covenants, conditions, restrictions and easements with respect to the Property described therein and shown on Map recorded in Plat Book A-75, Page 4, Office of the Clerk of Court for Oconee County. Capitalized terms used in this Supplement Declaration not otherwise defined herein shall have the same meaning as set forth in the Declaration.

B. Under Article II, Section 2 of the Declaration, Declarant has the right to bring within the coverage of the Declaration additional property by filing of record a Supplemental Declaration of Covenants, Conditions and Restrictions for such additional property.

C. Declarant desires to subject to the terms and provisions of the Declaration the property shown as Lots 1 through 18, inclusive, of East Shores II on map (the "Phase II Map") dated February 1, 1991 and recorded in Plat Book A-97, Page 1, Office of the Clerk of Court for Oconee County (such Phase II Lots hereafter collectively referred to as the "Additional Property").

NOW, THEREFORE, Declarant, by this Supplemental Declaration, declares that the Additional Property shall be held, transferred, sold, conveyed and occupied subject to the Declaration and this Supplemental Declaration, the provisions of which shall run with the title to the Additional Property and be binding upon any parties owning any right, title or interest in and to the Additional Property or any part thereof their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

DRAWN BY AND MAIL TO:

Tim H. Kinskey, Esq.  
Parker, Poe, Adams & Bornstein  
2600 Charlotte Plaza  
Charlotte, NC 28244

Rt : ERA  
510 Mtn View  
Seneca, SC

FILED FOR RECORD  
OCONEE COUNTY, S.C.  
OCT 17 3 35 PM '91

Recorded this 17 day of Oct A.D., 19 91  
Vol. 670 Page 218 and certified  
C.C.C.P.G.S.

*Julius C. Smith*

Oconee County, S.C.

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Accordingly, Declarant hereby supplements Article I of the Declaration as follows:

1. Article I, Section 6 is hereby supplemented by adding Lots 2, 3, 16, 17 and 18 of East Shores II as shown on the Phase II Map to the definition of "Boat Slip Lots".

2. Article I, Section 16 is hereby supplemented by adding to the definition of "Map" the Phase II Map, and any revisions or re-recordings of the "Map", recorded by Declarant from time to time in the Office of the Clerk of Court for Oconee County.

3. Article I, Section 20 is hereby supplemented by adding Lots 1 and 4 through 15, inclusive, of East Shores II as shown on the Phase II Map to the definition of "Non-Boat Slip Lots".

All covenants, conditions, restrictions and easements established by and contained in the Declaration shall remain in full force and effect and shall apply to the Additional Property as applicable.

IN WITNESS WHEREOF, Declarant has caused this Supplemental Declaration to be duly executed by its officers duly authorized and its corporate seal to be hereunto affixed effective the date first written above.

CRESCENT RESOURCES, INC., a  
South Carolina corporation

ATTEST:

By: *Russ J. Gooding*  
Title: Assistant Secretary

By: *Robert B. Dienst*  
Title: Vice President

[CORPORATE SEAL]

*Carolyn Miller Buckley*  
Witness #1  
*Sharon C. Amewood*  
Witness #2

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STATE OF ~~SOUTH~~ CAROLINA  
NORTH  
COUNTY OF MECKLENBURG

Personally appeared before me, Cathy Walters Barkley  
(name of Witness #1) and made oath that he/she saw the within  
named CRESCENT RESOURCES, INC. by Robert B. Dienst  
its Vice President and Paul J. Bradley  
its Assistant Secretary sign and seal and as the  
corporate act and deed deliver the within written instrument  
and that he/she with Sharon C. Arrowood (name of  
Witness #2) witnessed the execution thereof and saw the  
corporate seal affixed thereto.

Sworn to before me this 16th day of October A.D.,  
1991.

Cathy Walters Barkley  
(Witness #1 Sign Here)

Sharon C. Arrowood  
NOTARY PUBLIC

My Commission Expires:  
October 13, 1993

[SEAL]

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BOOK 681 PAGE 256a

FILED FOR RECORD  
OCONEE COUNTY  
S.C.

STATE OF SOUTH CAROLINA } AMENDMENT TO DECLARATION  
COUNTY OF OCONEE } COVENANTS, CONDITIONS AND  
RESTRICTIONS FOR EAST SHORES

SALLIE S. SMITH  
CLERK OF COURT

WHEREAS, Covenants, Conditions, and Restrictions for East Shores were recorded in the Office of the Clerk of Court for Oconee County on December 27, 1990 in Deed Book 640, at page 126; and

WHEREAS, Supplemental Declarations of Covenants, Conditions, and Restrictions was recorded October 17, 1991 in Deed Book 670, at Page 218, records of Oconee County, South Carolina; and

WHEREAS, Article I, Section 16 was supplemented by adding to the definition of "map" in part "...any revisions or re-recordings of the "map", recorded by Declarant from time to time in the Office of the Clerk of Court for Oconee County."; and

WHEREAS, East Shores I consisted of twenty two (22) lots, five (5) of which are still owned by Crescent Resources, Inc.; and

WHEREAS, East Shores II consisted of eighteen (18) lots, nine (9) of which are still owned by Crescent Resources, Inc; and

WHEREAS, under Article IV, Section 2 (b), Crescent Resources, Inc. has a total of fifty six (56) votes out of a total of eighty one (81) votes; and

WHEREAS, Article XIII, Section 3 states that the Covenants and Restrictions may be amended by an agreement signed by the owners holding a majority of the votes

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Clerk of Court

appurtenant to the lots, which are subject to the Declaration and that such Amendment must be consented to by the Declarant; and

WHEREAS, Crescent Resources, Inc. holds the majority of the votes subsequent to the restrictive covenants as hereinabove cited; and

WHEREAS, the owners of Lot Seven (7), East Shores I, Terrence A. Kamp and Kathleen Kamp, have requested an amendment covering the front setback requirement of Lot Seven (7) East Shores I only as follows:

Article IX, Section 5, Lot 7, East Shores I, only, be amended by re-recording of the map whereby front (street right-of-way) setback shall be twenty (20') feet.

NOW, THEREFORE, Know All Men By These Presents that we, the undersigned, being the majority of the owners of Lots of East Shores Subdivision do hereby agree and consent to and by these presents amend the Covenants, Conditions and Restrictions for East Shores Subdivision as follows:

Article IX, Section 5, Lot 7, East Shores I, only, shall be amended by re-recording of the map whereby front (street right-of-way) setback shall be twenty (20') feet.

All other terms of said Covenants, Conditions and Restrictions shall remain in full force and effect.

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IN WITNESS WHEREOF, we have hereunto set our hands and seals this 5th day of February, 1992.

WITNESSES:

Cathy Webster Barkley  
Sharon C. Annswood

CRESCENT RESOURCES, INC.

BY: Robert B. Dierat, Jr.

STATE OF NORTH CAROLINA }

COUNTY OF CABARRUS }

PROBATE

Personally appeared before me the undersigned witness who being duly sworn says that (s)he saw the within named authorized agent for Crescent Resources, Inc., sign, seal and as its act and deed deliver the foregoing instrument and that (s)he, with the other witness subscribed above, witnessed the execution thereof.

Cathy Webster Barkley

SWORN to before me this 5th day of February, 1992

Sharon C. Annswood  
Notary Public of North Carolina  
My Commission Expires: 10/13/93

The undersigned as Declarant of the above cited Declaration of Covenants, Conditions and Restrictions for East Shores Subdivision hereby consent to this Amendment to said Restrictions.

CRESCENT RESOURCES, INC.

BY: Robert B. Dierat, Jr.



10.00  
10.00 Plat  
ERA  
Call Plat  
003798

BOOK 689 PAGE 228

**SUPPLEMENTAL DECLARATION OF  
COVENANTS, CONDITIONS AND RESTRICTIONS**

**EAST SHORES III**

THIS SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ("Supplemental Declaration") is made effective the 9<sup>th</sup> day of Dec, 1991 by CRESCENT RESOURCES, INC., a South Carolina corporation ("Declarant").

**STATEMENT OF PURPOSE**

A. The Declaration of Covenants, Conditions and Restrictions dated October 22, 1990 and recorded in Book 640, Page 126, Office of the Clerk of Court for Oconee County, South Carolina (the "Declaration"), established certain covenants, conditions, restrictions and easements with respect to the Property described therein and shown on Map recorded in Plat Book A-75, Page 4, Office of the Clerk of Court for Oconee County. Capitalized terms used in this Supplement Declaration not otherwise defined herein shall have the same meaning as set forth in the Declaration.

B. Under Article II, Section 2 of the Declaration, Declarant has the right to bring within the coverage of the Declaration additional property and boatslips by filing of record a Supplemental Declaration of Covenants, Conditions and Restrictions for such additional property and boatslips.

C. Declarant desires to subject to the terms and provisions of the Declaration the additional four (4) boatslips within the Pier designated as Boatslips K through N on Exhibit A hereto and the property shown as Lots 1 through 12, inclusive, of East Shores III on map (the "Phase III Map") dated Oct 31, 1991 and recorded in Plat Book A-28, Page 1, Office of the Clerk of Court for Oconee County (such additional boatslips and Phase III Lots hereafter collectively referred to as the "Additional Property").

D. Under Article II, Section 2(b) of the Declaration, any Supplemental Declaration may contain complimentary, additional restrictions therein, and Declarant desires to restrict the access of each lot to certain public rights-of-way.

**DRAWN BY AND MAIL TO:**

Tim M. Kinskey, Esq.  
Parker, Poe, Adams & Bernstein  
2600 Charlotte Plaza  
Charlotte, NC 28244

Recorded this 16 day of April  
A. D., 19 92 in Vol. 689  
Page 228 and Certified:

*Sallie G. Smith*  
C.C.C.P.G.S.

Oconee County, S.C.

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OCONEE COUNTY  
S.C.  
APR 15 2 28 PM '92  
SALLIE G. SMITH  
CLERK OF COURT

BOOK 689 PAGE 229

NOW, THEREFORE, Declarant, by this Supplemental Declaration, declares that the Additional Property shall be held, transferred, sold, conveyed and occupied subject to the Declaration and this Supplemental Declaration, the provisions of which shall run with the title to the Additional Property and be binding upon any parties owning any right, title or interest in and to the Additional Property or any part thereof, their heirs, successors and assigns and shall inure to the benefit of each owner thereof.

Accordingly, Declarant hereby supplements Article I of the Declaration as follows:

1. Article I, Section 6 is hereby supplemented by adding Lots 11 and 12 of East Shores III as shown on the Phase III Map to the definition of "Boatslip Lots".

2. Article I, Section 7 is hereby supplemented by adding to the definition of "Boatslips" four (4) additional boatslips located within the Pier, which boatslips are designated K through N on Exhibit A hereto, in accordance with the terms of Article II, Section 2 of the Declaration, and as more particularly addressed in Article VI of the Declaration.

3. Article I, Section 10 is hereby supplemented by adding to the definition of "Common Area" the property shown and designated on the Phase III Map as "Sign Easement".

4. Article I, Section 13 is hereby supplemented by adding to the definition of "Entrance Monuments" the easement areas reserved and granted by Declarant in Article IX, Section 10 of the Declaration as supplemented by this Supplemental Declaration, over the portions of Lots 11 and 12 of East Shores III shown as "Sign Easements", all as shown on the Phase III Map, and the improvements and amenities thereon.

5. Article I, Section 16 is hereby supplemented by adding to the definition of "Map" the Phase III Map, and any revisions or re-recordings of the "Map" or the Phase III Map, recorded by Declarant from time to time in the Office of the Clerk of Court for Oconee County.

6. Article I, Section 20 is hereby supplemented by adding Lots 1 through 10, inclusive, of East Shores III as shown on the Phase III Map to the definition of "Non-Boatslip Lots".

7. Article IX, Section 10 is hereby supplemented by adding the following portions of Lots 11 and 12 to the

BOOK 689 PAGE 256

definition of "Sign Easement Tracts" over which Declarant hereby reserves for Declarant itself, its successors in interest and assigns, and grants to the Association, non-exclusive perpetual easements for the purposes of landscaping and maintaining entryways and for other purposes more particularly expressed therein:

- (f) the southeast corner of Lot 11 of Phase III; and
- (g) the northeast corner of Lot 12 of Phase III.

All covenants, conditions, restrictions and easements established by and contained in the Declaration shall remain in full force and effect and shall apply to the Additional Property as applicable.

FURTHERMORE, Declarant hereby imposes the following additional restrictions to Lots 1 through 12 of East Shores III:

1. No Lot shall have direct access to that certain seventy-five (75) and eighty (80) foot public highway shown on the Phase III Map and commonly known as "Highway 130", except for Lots 1 and 10.
2. Lot 11 shall have access to and from that certain fifty (50) foot public right-of-way only along lot lines C13, C12, and L41, all as shown on the Phase III Map.
3. Lot 12 shall have access to and from that certain fifty (50) foot public right-of-way only along lot lines C15, L44 and L45, all as shown on the Phase III Map.

IN WITNESS WHEREOF, Declarant has caused this Supplemental Declaration to be duly executed by its officers duly authorized and its corporate seal to be hereunto affixed effective the date first written above.

CRESCENT RESOURCES, INC., a South Carolina corporation

ATTEST:

By: *Ann Muddley*  
Title: Assistant Secretary

By: *Robert B. Diemel*  
Title: VICE - PRESIDENT

[CORPORATE SEAL]

*Cathy Martin Beasley*  
Witness #1

*Sharon C. Annewood*  
Witness #2

BOOK 689 PAGE 237

STATE OF NORTH CAROLINA  
COUNTY OF MECKLENBURG

Personally appeared before me, Cathy Walters Barkley  
(name of Witness #1) and made oath that he/she saw the within  
named CRESCENT RESOURCES, INC. by Robert B. Dienst  
its Vice President and Paul J. Bradley  
its Assistant Secretary sign and seal and as the  
corporate act and deed deliver the within written instrument  
and that he/she with Sharon C. Arrowood (name of  
Witness #2) witnessed the execution thereof and saw the  
corporate seal affixed thereto.

Sworn to before me this 9th day of December A.D.,  
1991.

Cathy Walters Barkley  
(Witness #1 Sign Here)

Sharon C. Arrowood  
NOTARY PUBLIC

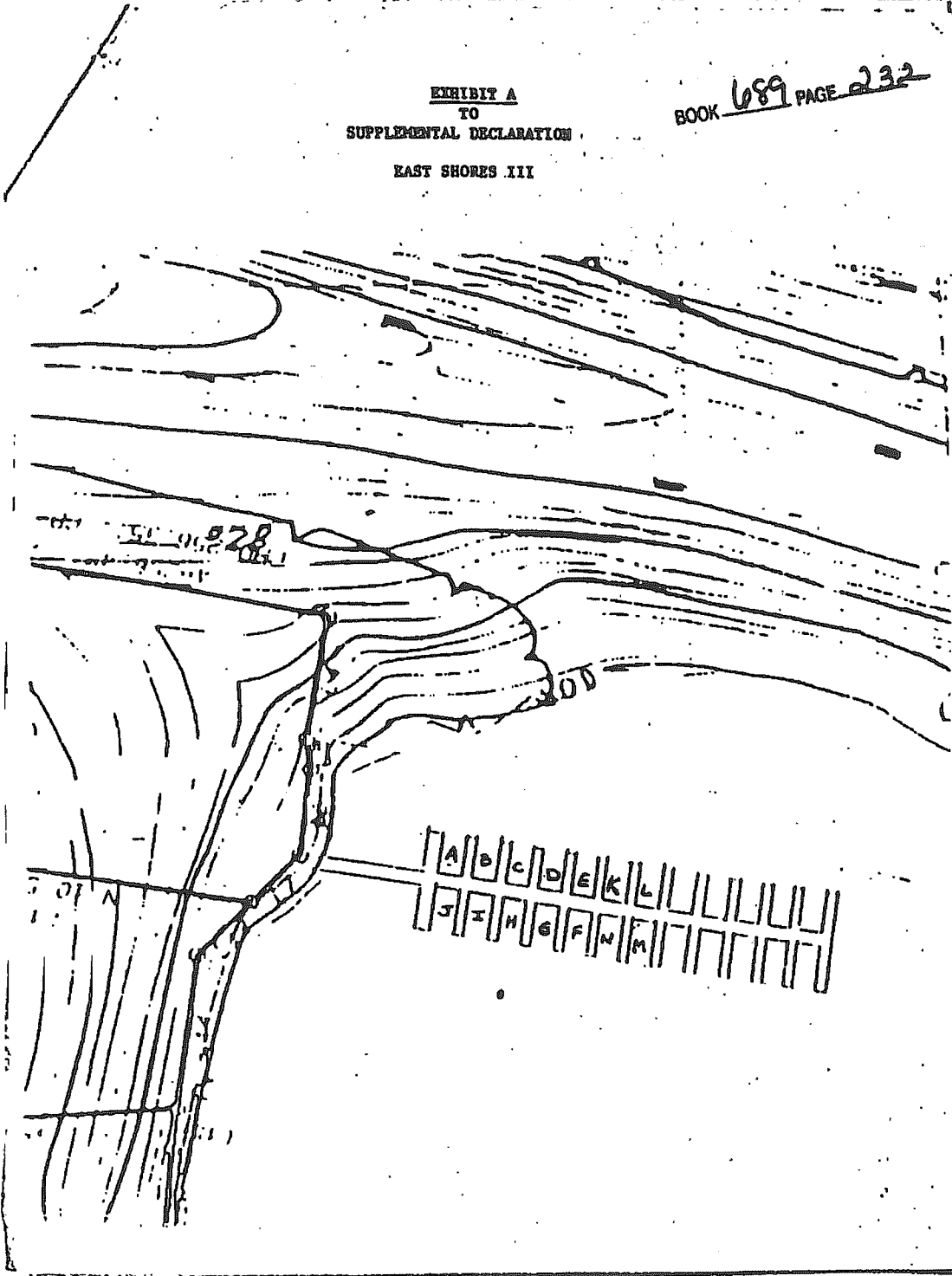
My Commission Expires:  
10/13/93

[SEAL]

87:ba/396  
CR082-30008

EXHIBIT A  
TO  
SUPPLEMENTAL DECLARATION  
EAST SHORES III

BOOK 689 PAGE 232



16.00  
ERA  
510 New Blinn  
Socorro  
008923

Recorded this 21 day of Sep 1993  
Book 93 Page 303087  
R.F. Williams  
Auditors Oconee County, S.C.

BOOK 0746 PAGE 011

STATE OF SOUTH CAROLINA  
COUNTY OF OCONEE

SECOND AMENDMENT TO DECLARATION  
OF COVENANTS, CONDITIONS  
AND RESTRICTIONS - EAST SHORES

THIS SECOND AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS - EAST SHORES ("Amendment") is made effective September 10, 1993 by CRESCENT RESOURCES, INC. (formerly Crescent Land & Timber Corp.); a South Carolina corporation ("Declarant").

Statement of Purpose

A. Declarant filed the Declaration of Covenants, Conditions and Restrictions - East Shores in Book 640, Page 126, the Supplemental Declaration of Covenants, Conditions and Restrictions - East Shores II in Book 670, Page 218, the Amendment to Declaration of Covenants, Conditions and Restrictions for East Shores in Book 681, Page 256, and the Supplemental Declaration of Covenants, Conditions - East Shores III recorded in Book 689, Page 228 (collectively, the "Declaration") all in the Office of the Clerk of Court for Oconee County. Capitalized terms used in this Amendment not otherwise defined herein shall have the same meaning as set forth in the Declaration.

B. Declarant desires to add a new Article XIV to the Declaration, providing for the establishment of an Architectural Control Committee.

C. Declarant is the Owner of eleven (11) Lots in East Shores and pursuant to Article IV, Section 2(b) of the Declaration, Declarant has forty-four (44) votes to cast in favor of this Amendment.

NOW, THEREFORE, Declarant hereby amends the Declaration as follows:

1. Definition of Map. The definition of Map in Article I, Section 16 shall include and refer to any Map specifically designated in the Declaration and any revisions or additions subsequently made thereto.

THIS PROPERTY DESIGNATED AS  
MAP  SUB  BLK  PARC

DRAWN BY AND MAIL TO:

Parker, Poe, Adams & Bernstein (LJS/VEH)  
101 West St. John Street, Suite 203  
Spartanburg, SC 29306

ON OCONEE COUNTY TAX MAPS  
R.F. Williams  
OCONEE COUNTY ASSESSOR

FILED FOR RECORD  
OCONEE COUNTY  
S.C.  
SEP 20 1 54 PM '93  
SALLIE C. SMITH  
CLERK OF COURT

BOOK 0746 PAGE 012

2. Addition of Article XIV. Article XIV as hereinafter set forth shall, as of the effective date of this Amendment, be added to the Declaration and be binding on all Owners of any Lots or other portions of the Property, their heirs, successors and assigns.

ARTICLE XIV

ARCHITECTURAL AND LANDSCAPING CONTROL

Section 1. General. Notwithstanding anything to the contrary contained in this Declaration and any Supplemental Declarations of Covenants, Conditions and Restrictions for East Shores, no Improvements (as defined in Section 4) shall be commenced, erected or maintained on any Lot, subject to the provisions of Section 7 hereof, until: (a) the Architectural Control Committee (herein called the "Architectural Control Committee"), appointed as hereinafter provided, has approved the plans and specifications therefor and the location of such Improvements and has given its written approval for commencement of construction; and (b) the fees set forth in this Article XIV have been paid. In addition to any standards established pursuant to this Declaration, Declarant may establish, by Additional or Supplemental Declarations, architectural and landscaping control standards, guidelines and restrictions in regard to various Phases of the Property.

The Board of Directors may delegate to the Architectural Control Committee any powers or authority reserved or granted to the Board of Directors under this Article XIV.

Section 2. Composition of Architectural Control Committee. So long as Declarant owns any Lot or other portion of the Property, a majority of the members of the Architectural Control Committee shall be appointed by Declarant and the remaining members of the Architectural Control Committee shall be appointed by the Board of Directors. At such time as Declarant no longer owns any Lot or other portion of the Property or at such earlier date as Declarant releases in writing its right to appoint members of the Architectural Control Committee, the members of the Architectural Control Committee shall thereafter be appointed by the Board of Directors. The members of the Architectural Control Committee shall be appointed annually and will be composed of at least three (3) and not more than seven (7) individuals, the exact number of members of the Architectural Control Committee to be designated from time to time by the body then having the authority to appoint a majority of such members (Declarant or the Board

of Directors, as the case may be). The members of the Architectural Control Committee need not be Owners of property in the Development. In the event of the death or resignation of any member of the Architectural Control Committee, the body then having the authority to appoint such member to the Architectural Control Committee shall have full authority to designate and appoint a successor. Members of the Architectural Control Committee may be removed and replaced at any time, with or without cause, and without prior notice, by the body then having the authority to appoint such members. Notwithstanding anything contained herein to the contrary, the Architectural Control Committee shall have the right, power and authority to employ and/or use the services of any architects, engineers or other professionals as it deems necessary or advisable, in its sole discretion, to carry out the duties and obligations of the Architectural Control Committee as described in this Article XIV.

Section 3. Architectural and Landscape Guidelines.

(a) The Architectural Control Committee shall, from time to time, publish and promulgate architectural and design guidelines. Such architectural and design guidelines shall be explanatory and illustrative of the general intent of the development of the Property and are intended as a guide to assist the Architectural Control Committee in reviewing plans and specifications for Improvements. Such architectural and design guidelines shall also set out, among other things, the procedures for submission, review and approval of plans and specifications to the Architectural Control Committee and the fees to be imposed by the Architectural Control Committee, as more specifically described in Section 8 hereof. In any event, such architectural and design guidelines shall not be binding upon the Architectural Control Committee, may be revised and amended at any time by the Architectural Control Committee, in its sole discretion, and shall not constitute, in every event, the basis for approval or disapproval of plans, specifications and other materials submitted to the Architectural Control Committee for approval.

(b) The Architectural Control Committee shall promulgate and amend from time to time landscape guidelines which shall establish approved standards, methods and procedures for landscaping, landscape management and landscape maintenance in the Property, including the removal of trees. Such authorized standards, methods and procedures shall be utilized by Owners, and their contractors and sub-contractors. The approval by the Architectural Control Committee of any landscaping plan or



other Improvement in connection with landscaping on a Lot, Tract or other portion of the Property shall be based upon the conformity of such plan or Improvement with such landscape guidelines. In any event, such landscape guidelines shall not be binding upon the Architectural Control Committee, may be revised and amended at any time by the Architectural Control Committee, in its sole discretion, and shall not constitute, in every event, the basis for approval or disapproval of landscaping plans, specifications and other materials submitted to the Architectural Control Committee for approval.

(c) The Architectural Control Committee is also hereby authorized to publish and promulgate from time to time, and revise and amend at any time in its sole discretion, construction rules to be followed by all Owners and builders performing work or constructing Improvements on the Property.

(d) The architectural and design guidelines described in (a) above, the landscape guidelines described in (b) above and the construction rules described in (c) above shall herein collectively be referred to as the "Architectural and Landscape Guidelines". The Architectural Control Committee may publish and promulgate different Architectural and Landscape Guidelines for different Phases, sections or portions of the Property.

Section 4. Definition of "Improvements". The term "Improvement" or "Improvements" shall mean and include any and all man-made changes or additions to a Lot, including but not limited to the location, materials, size and design of all buildings (including any exterior devices attached to or separate from buildings, such as heating and air conditioning equipment, solar heating devices, antennae, satellite dishes, clothes lines, etc.), storage sheds or areas, piers, docks, boathouses, roofed structures, parking areas, fences, "invisible" pet fencing, pet "runs", lines and similar tethers or enclosures, walls, landscaping (including cutting of trees), hedges, mass plantings, poles, driveways, ponds, lakes, changes in grade or slope, site preparation, swimming pools, hot tubs, jacuzzis, tennis courts, treehouses, basketball goals, skateboard ramps, and other sports or play apparatus, signs, exterior illumination and changes in any exterior color or shape; and also including site preparation on any Lot, change in grade or slope of any Lot, or erection of buildings or exterior additions or alterations to any building situated upon any Lot, erection of or changes or additions in fences, hedges, walls and other structures, any landscaping, or any cutting of trees on any Lot. The definition of Improvements includes both original

Improvements and all later changes to Improvements. The definition of Improvements, however, does not include the replacement or repair of Improvements previously approved by the Architectural Control Committee, provided that such replacement or repair does not change exterior colors, materials, designs or appearances from that which were previously approved by the Architectural Control Committee.

Section 5. Enforcement. It is Declarant's intent that the architectural control provisions of this Declaration are to permit control of the architectural design and landscaping and to establish quality standards for construction and construction activity in the Property and to help preserve values of properties in the Property. All Owners by purchasing property subject to this Declaration acknowledge that a violation of any such provisions could result in irreparable harm and damage to Owners of property in the Property and Declarant, and to the values of their properties, a monetary measure of which harm and damage would be difficult to establish. Accordingly, the Association shall have the specific right (but no obligation) to enforce and/or to prevent any violation of the provisions contained in this Article XIV by fines and/or proceedings at law or in equity against the person or persons violating or attempting to violate any such provisions. Any such fines may be leveled as a Special Individual Assessment against the Lot upon which the violation or attempted violation occurred.

Declarant and all Owners shall be deemed to hereby specifically reserve and grant unto the Architectural Control Committee, the Board of Directors and any agent or member thereof, the right of entry and inspection upon any portion of the Property for the purpose of determination by the Architectural Control Committee or the Board of Directors whether there exists any construction of any Improvement which violates the terms of any approval by the Architectural Control Committee, the terms of the Architectural and Landscape Guidelines, the terms of this Declaration or any Supplemental Declaration, or any amendments hereto or thereto.

As to nonconforming or unapproved Improvements, the Board of Directors may require any Owner to restore such Owner's Improvements to the condition existing prior to the construction thereof (including, without limitation, the demolition and removal of any unapproved Improvement) if such Improvements were commenced or constructed in violation of this Article XIV. In addition, the Board of Directors may, but has no obligation to cause such restoration, demolition and removal and levy the amount of the cost thereof as a Special Individual Assessment against

the Lot or portion of the Property upon which such Improvements were commenced or constructed.

In the event that it becomes necessary to resort to litigation to determine the propriety of any constructed Improvement, to remove any unapproved Improvement or otherwise to prevent or remedy a violation of the Architectural and Landscape Guidelines, the Board of Directors shall be entitled to the recovery of court costs, attorneys' fees and expenses incurred by the Board of Directors and/or the Architectural Control Committee in connection therewith, which costs, fees and expenses may be levied as a Special Individual Assessment against the Lot or other portion of the Property upon which such Improvement was commenced or constructed.

Any Owner shall have the right, at its sole cost and expense, to enforce the provisions of this Declaration.

Section 6. Failure of the Architectural Control Committee to Act. If the Architectural Control Committee fails to approve or disapprove any plans and specifications and other submittals which conform (and which relate to Improvements which will conform) with the requirements hereof or to reject them as being inadequate or unacceptable within thirty (30) business days after receipt thereof, and provided such submittal was a full and complete submittal, in accordance with the Architectural and Landscape Guidelines, of all items that were to have been submitted to the Architectural Control Committee, and provided the Architectural Control Committee shall again fail to approve or disapprove of such plans, specifications and other submittals within ten (10) days after additional written request to act on such items is delivered to the Architectural Control Committee following the passage of such first above-described thirty (30) business day period, it shall be conclusively presumed that the Architectural Control Committee has approved such conforming plans and specifications and other submittals, EXCEPT that the Architectural Control Committee shall not be presumed by any failure to act to have waived any requirements specified in this Declaration or any Additional Declaration, nor to have granted its discretionary approval as to any matter for which the Committee's discretionary approval is required, nor to have waived any of the requirements set forth in Sections 8 and 9 below. If plans and specifications or other submittals are not sufficiently complete or are otherwise inadequate, the Architectural Control Committee may reject them as being inadequate or may approve or disapprove part, conditionally or unconditionally, and reject the balance. The Architectural Control Committee is authorized to request the submission of samples of proposed construction materials.

Section 7. Variances. Upon submission of a written request for same, the Architectural Control Committee may, from time to time in its sole discretion and acting in place of Declarant, permit Owners to construct, erect or install Improvements which are at variance with restrictions, requirements or provisions of this Declaration or any Supplemental Declaration, but only as to those matters for which Declarant has specifically reserved the right to grant variances or waive requirements. In any case, however, such variances shall be in basic conformity with and shall blend effectively with the general architectural style and design of the Development and shall not materially change the scheme of restrictions herein set forth. Written requests for variances shall be deemed to be disapproved in the event the Architectural Control Committee has not expressly and in writing, approved such request within thirty (30) business days of the submission of such request. No member of the Architectural Control Committee shall be liable to any Owner for any claims, causes of action, or damages arising out of the grant or denial of any variance to any Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from other such requests and the grant of a variance to any Owner shall not constitute a waiver of the Architectural Control Committee's right to strictly enforce the covenants, restrictions and architectural standards provided hereunder or under any Supplemental Declaration, against any other Owner.

Section 8. Fees Required by Architectural Control Committee. The Architectural Control Committee, in its sole discretion, may require that each Owner submitting plans and specifications for Improvements to the Architectural Control Committee pay one or more fees to the Architectural Control Committee or to Declarant as a condition to commencement or construction of such Improvements. Such fee(s), including the amount(s), payee and purpose(s) thereof, shall be established and set forth in the Architectural and Landscape Guidelines.

Section 9. No Construction Without Payment of Fees. Notwithstanding anything contained in this Article XIV to the contrary, plans and specifications for Improvements to be constructed on a Lot or other portion of the Property shall not be deemed to have been properly submitted unless and until any and all fees required by the Architectural Control Committee to be paid in connection with such Improvements, as provided in Section 8 above, shall have been paid to the Architectural Control Committee or Declarant as required.

AGD/3408(9-15-93)30008

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 JAMES C. SMITH  
 COUNTY CLERK

BOOK 0746 PAGE 018

Section 10. Notices and Submittals. Notices and submittals to the Architectural Control Committee shall be in accordance with the notice provisions set forth from time to time in the Architectural and Landscape Guidelines.

Section 11. Limitation of Liability. No member of the Architectural Control Committee shall be liable for claims, causes of action or damages (except where occasioned by willful misconduct of such member) arising out of services performed pursuant to this Article XIV. Neither the Architectural Control Committee, nor the members thereof, nor the Board of Directors, nor Declarant, nor any officers, directors, members, employees, agents or affiliates of any of them, shall be liable in damages or otherwise to anyone submitting plans and specifications and other submittals for approval or to any Owner by reason of mistake of judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any plans or specifications. Every person who submits plans or specifications, and every Owner, agrees that he will not bring any action or suit against Declarant, the Board of Directors, the Architectural Control Committee, the Board of Directors, or the officers, directors, members, employees, agents or affiliates of any of them, to recover any such damages and hereby releases, demises, and quitclaims all claims, demands and causes of action arising out of or in connection with any judgment, negligence or nonfeasance and hereby waives the provisions of any law which provides that a general release does not extend to claims, demands and causes of action not known at the time the release is given. Declarant shall be the sole party responsible for the performance of Declarant's obligations under this Declaration, and no other person, firm or entity, including, without limitation, any entity affiliated with Declarant, shall have any obligation or liability for Declarant's obligations under this Declaration.

Section 12. Miscellaneous. Members of the Architectural Control Committee, in the sole discretion of the body appointing such Members (Declarant or the Board of Directors, as the case may be) may be compensated for their services. The Master Association shall reimburse members of the Architectural Control Committee for reasonable out-of-pocket expenses associated with their activities

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SALLIE C. SMITH  
CLERK OF COURT

hereunder. All costs, expenses and attorneys' fees of the Architectural Control Committee, including those incurred in connection with their enforcement or other powers as provided herein, shall be borne by the Association; provided however, that nothing herein shall be deemed to negate the Board of Directors' right to an award of court costs, attorneys' fees and expenses in accordance with Section 5 hereof.

3. No Other Amendments. Except as expressly amended herein, the Declaration shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, Declarant has caused this Amendment to be duly executed effective the day and year written above.

DECLARANT:

CRESCENT RESOURCES, INC., a South Carolina Corporation

By: [Signature]  
President

WITNESS:

[Signature]  
Sharon C. Amoswood

ATTEST:

By: [Signature]  
Assistant Secretary

[CORPORATE SEAL]

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OCHONEE COUNTY  
S.C.  
SEP 20 1 54 PM '93  
SALLIE G. SMITH  
CLERK OF COURT

BOOK 0746 PAGE 020

STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

Personally appeared before me, Stephen M. Schreiner,  
(First Witness) and made oath that he/she saw the within named  
Crescent Resources, Inc. by Gilbert D. Stephenson, Jr. its Vice  
President, and Ethelene G. Williams its Assistant  
Secretary, Sign, Seal and as the Corporate Act and Deed deliver  
the within written Deed; and that he/she with  
Sharon C. Arrowood (Second Witness) witnessed the  
execution thereof and saw the corporate seal thereto affixed.

*[Handwritten signature]*  
\_\_\_\_\_  
First Witness

Sworn to before me this 16th  
day of September A.D. 19 93  
Sharon C. Arrowood (L.S.)  
Notary Public for North Carolina

My Commission Expires: 10/13/93

[NOTARY SEAL]

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SALLIE G. SMITH  
CLERK OF COURT

BOOK 0788 PAGE 0319

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STATE OF SOUTH CAROLINA )  
                                  ) AMENDMENT TO DECLARATION  
COUNTY OF OCONEE ) OF COVENANTS, CONDITIONS AND  
                                  ) RESTRICTIONS FOR EAST SHORES  
                                  ) SECTION I, II, and III

WHEREAS, Covenants, Conditions, and Restrictions for East Shores were recorded in the Office of the Clerk of Court for Oconee County on December 27, 1990 in Deed Book 640, at page 126, Amended in Deed Book 670, at Page 218, Deed Book 689, at Page 228, and in Deed Book 746, at Page 11, all records of Oconee County, South Carolina.

WHEREAS, Article I, Section 16 was supplemented by adding to the definition of "map" in part "...any revisions or re-recordings of the "map", recorded by Declarant from time to time in the Office of the Clerk of Court for Oconee County."; and

WHEREAS, East Shores I consists of twenty two (22) lots; and

WHEREAS, East Shores II consists of eighteen (18) lots; and

WHEREAS, East Shores III consists of eleven (11) lots; and

WHEREAS, under Article IV, Section 2 (b), Crescent Resources, Inc. has a total of 17 votes out of a total of 63 votes; and

WHEREAS, Article XIII, Section 3 states that the Covenants and Restrictions may be amended by an agreement signed by the owners holding a majority of the votes appurtenant to the lots, which are subject to the Declaration and that such Amendment must be consented to by the Declarant; and

WHEREAS, the undersigned owners hold the majority of the votes subsequent to the restrictions, covenants as hereinabove cited; and

CLERK OF COURT  
SALLIE C. SMITH  
SEP 29 3 12 PM '94  
S.C.  
OCONEE COUNTY  
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BOOK 0788 PAGE 0320

WHEREAS, the owners of Lot 12, East Shores III, William R. Brady and Ute E. Brady, have requested an amendment covering the rear setback requirement of Lot 12, East Shores III only as follows:

Article IX, Section 5, Lot 12, East Shores III, only, be amended by whereby the rear setback shall be 25.00 feet rather than the 35 feet rear setback as stated on the Map and specified in this Section.

NOW, THEREFORE, Know All Men By These Presents that we, the undersigned, being the majority of the owners of Lots of East Shores Subdivision, Sections I, II, and III do hereby agree and consent to and by these presents amend the Covenants, Conditions and Restrictions for East Shores Subdivision, Sections I, II, and III as follows:

Article IX, Section 5, Lot 12, East Shores III, only, shall be amended by whereby the rear setback shall be 25.00 feet rather than the 35 feet rear setback as stated on the Map and specified in this Section.

All other terms of said Covenants, Conditions and Restrictions shall remain in full force and effect.

IN WITNESS WHEREOF, we have hereunto set our hands and seals this 6<sup>th</sup> day of September, 1994.

WITNESSES:

*[Handwritten signatures of witnesses]*

Michael A. Pruitt & Beth D. Pruitt  
Owner of Lot 17, East Shores II  
Michael A. Pruitt & Beth D. Pruitt  
Owner of Lot 18, East Shores II  
A. Marshall Bowler & Catherine A. Bowler  
Owner of Lot 9, East Shores III  
[Signature] & [Signature]  
Owner of Lot 06, East Shores III  
[Signature]  
Owner of Lot 8, East Shores III  
Deanna M. Brunson  
Owner of Lot 8, East Shores III

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*Wm Phillips*  
Owner of Lot 2, East Shores 2

*R Peterson*  
Owner of Lot 7, East Shores II

*John H. ...*  
Owner of Lot 7, East Shores I

*W. ...*  
Owner of Lot 7, East Shores I

*William R. Brady*  
Owner of Lot 13, East Shores III

Owner of Lot 10, East Shores II

*Ed ...*  
Owner of Lot 9, East Shores II

*Ed ...*  
Owner of Lot 9, East Shores I

*Ed ...*  
Owner of Lot 10, East Shores I

Owner of Lot 16, East Shores II

*Charles ...*  
Owner of Lot 12, East Shores II

*Wm ...*  
Owner of Lot 6, East Shores I

*John ...*  
Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

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Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

Owner of Lot    , East Shores    

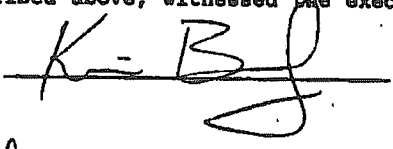
Owner of Lot    , East Shores

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STATE OF SOUTH CAROLINA )  
COUNTY OF )

PROBATE

Personally appeared before me the undersigned witness who being duly sworn says that (s)he saw the within named owners of lots within East Shores I, II, and III, sign, seal and as their act and deed deliver the foregoing instrument and that (s)he, with the other witness subscribed above, witnessed the execution thereof.



SWORN to before me this  
12<sup>th</sup> day of August, 1994

  
Notary Public of South Carolina  
My Commission Expires: 11-26-95

FILED FOR RECORD  
OCONEE COUNTY  
S.C.  
SEP 29 3 22 PM '94  
SALLIE C. SMITH  
CLERK OF COURT

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Witnesses:

*[Signature]*  
Rebecca G. Ingi

Crescent Resources, Inc.

BY: *[Signature]*  
Owner of Lot 18, East Shores I  
Lot 3, East Shores II  
Lot 1, East Shores II  
Lot 2, East Shores III  
Lot 11, East Shores III

STATE OF NORTH CAROLINA )  
COUNTY OF MECKLENBURG )

PROBATE AS TO  
CRESCENT RESOURCES, INC.

Personally appeared the undersigned witness and made oath that (s)he saw the within named duly authorized officer of Crescent Resources, Inc. sign, seal, and as his/her act and deed deliver the within written instrument and that (s)he, together with the other witness subscribed above, witnessed the execution thereof.

*[Signature]*  
Rebecca G. Ingi

SWORN to before me this  
6<sup>th</sup> day of Sept., 1994  
*[Signature]*  
Carole Natter Barkley  
Notary Public of North Carolina  
My Commission Expires: October 27, 1998

SALLIE C. SMITH  
CLERK OF COURT

SEP 29 3 12 PM '94

FILED FOR RECORD  
OGONEE COUNTY  
S.C.