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VICKI M. MCCARTHY - REGISTER OF DEEDS
SUMTER COUNTY BY: K. McLeod

**DECLARATION OF COVENANTS
STONECROFT POND
AND
STONECROFT POND ASSOCIATION, INC.**

STATE OF SOUTH CAROLINA)
)
COUNTY OF SUMTER)

**DECLARATION OF COVENANTS
STONECROFT POND**

THIS DECLARATION is made this 14th day of May, 2013, by **MEADOWCROFT, INC.**, hereinafter collectively called "Declarant", which declares that the real property described herein, which is or may be owned by Declarant, is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, restrictions, reservations, easements, charges and liens (sometimes referred to as "Covenants and Restrictions") hereinafter set forth.

WITNESSETH:

Declarant is or was the owner of the real property described as follows:

All those lots and parcels of land lying, being and situate in Sumter County, South Carolina, designated as lots **124, 125, 127, 128, 143 and 144** shown on a plat of Section No. 3 of Stonecroft II Subdivision by Carl J. Croft, PLS, dated November 6, 2006, and revised June 20, 2007, in Plat Book Volume PB2007 at Page 310, as well as, lots **129 through 142 and Reserved Parcel "A"** shown as 5.82 acres on a plat of Section No. 4A of Stonecroft II Subdivision by Carl J. Croft, PLS, dated January 29, 2008, in Plat Book Volume PB2010 at Page 6.

Such real property is hereinafter referred to as the "Property".

Lots 124, 125, and 128 shown on a plat of Section No. 3 of Stonecroft II Subdivision by Carl J. Croft, PLS, dated November 6, 2006, and revised June 20, 2007, in Plat Book Volume PB2007 at Page 310, being conveyed by the Declarant prior to the declaration of these covenants, may be made a part of these covenants by written agreement by the owner/owners of said lots with the Declarant and payment of the within required dues and assessments. The owner/owners of these three lots shall not have any rights or privileges over the property until such agreement is executed between the Declarant or its successors and such lot owner, and filed with the Sumter County Register of Deeds.

Declarant hereby declares the Property shall be held, sold, and conveyed subject to the following easements, restrictions, covenants, and which shall run with the real property

subjected to this Declaration and which shall be binding on all parties having any right, title, or interest in the described Property or any part thereof, their heirs, successors, successors-in-title, and assigns, and shall ensure to the benefit of each owner thereof. These covenants are in addition to any other restrictive covenants.

ARTICLE I

DEFINITIONS

The following words and terms when used in this Declaration or any Supplemental Amendment (unless clearly indicated otherwise) shall have the following meanings:

"Articles of Incorporation" or "Articles" shall mean and refer to the Articles of Incorporation of Stonecroft Pond Association, to be filed with the Secretary of State of the State of South Carolina.

"Association" shall mean and refer to Stonecroft Pond Association, a South Carolina eleemosynary corporation, its successors and assigns, whether now in existence or created on some future date at the direction of the Declarant.

"Base Assessment" shall mean and refer to an assessment established by the Board of Directors to fund common expenses levied against lots as provided for herein or by a Supplemental Amendment.

"Board of Directors" or "Board" or "Directors" shall mean and refer to the elected body of Stonecroft Pond Association, having its normal meaning under South Carolina corporate law.

"By-Law" shall mean and refer to the Bylaws of Stonecroft Pond Association, as amended from time to time.

"Common Area(s)" shall mean all the real and personal property now owned, hereafter acquired, or otherwise held by the Association for the common use and enjoyment of the Owners, together with those areas, if any, which by the terms of this Declaration or by contract or agreement with any third party become the responsibility of the Association.

The recording and reference to "Common Areas" on a map or plat shall not in and of itself be construed as creating any dedications, rights or easements (negative, reciprocal or otherwise), all such dedications, rights and/or easements being made only specifically by this Declaration, any amendment or supplement hereto, or any deed of conveyance from Declarant, its successors or assigns. Declarant reserves the right to relocate Common areas as shown upon said maps or plats at anytime prior to conveyance of same to the Association.

"Common Expenses" shall mean and include the actual and estimated expenses incurred by the Association for the general benefit of all owners, including but not limited to, a reasonable reserve, all as may be found to be necessary and appropriate by the Board of Directors pursuant to this Declaration, the By-Laws, and Articles of Incorporation.

"Declarant" shall mean and refer to Meadowcroft, Inc., their successors, successors-in-title or assigns, who take title to any portion of the property for the purpose of development and sale and are designated as the Declarant hereunder in a recorded instrument executed by the immediately preceding Declarant.

"Declaration" shall mean and refer to this Declaration of Covenants (as amended, renewed, supplemented or extended from time to time) and all exhibits attached hereto.

"Member(s)" shall mean and refer to every person, entity, or organization which holds membership in the Association, as provided herein.

"Mortgage" shall mean and refer to a Mortgage, Deed of Trust, Deed to secure debt, or any other form of security Deed.

"Mortgagee" shall mean and refer to a beneficiary or holder of a Mortgage.

"Mortgagor" shall mean and refer to any person who gives a Mortgage.

"Owner(s)" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the Property, including contract sellers, but excluding those having such interests merely as security for the performance of an obligation. If a lot is sold under a recorded contract of sale and the contract specifically so provides, then the purchaser rather than the fee owner will be considered the Owner.

"Property" shall mean and refer to the real property described herein on page two (2).

"Lot(s)" shall mean those portions of the property designated by number as listed and included in the Property and as referenced on the associated plats.

ARTICLE II

POND OWNER'S ASSOCIATION

Creation of the Pond Owner's Association. The Pond Owner's Association shall be formed as a nonprofit corporation, at such time as is designated by Declarant. Upon formation, the Declarant may create Bylaws for such corporation as deemed appropriate by the Declarant.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership: Every Owner of a lot which is a part of the property shall be a Member of the Association upon formation. Membership in the Association shall be appurtenant to and may not be separated from ownership of any lot. However, owners of Lots 124, 125 and 128 shall be excluded from the association until such time as a duly executed agreement has been signed and filed making such owner subject to these covenants.

No Owner, whether one (1) or more persons, shall have more than one (1) membership per lot owned. In the event the Owner of a lot is more than one (1) person, voting rights shall be determined by said common joint owners appointing one Voting Member. The rights and privileges of membership may be exercised by a Member or the Member's spouse, subject to the provisions of this Declaration and the Bylaws. The membership rights of a lot owned by a corporation or partnership shall be exercised by the individual designated by the Owner in a written instrument provided to the Secretary of the Association subject to the provisions of this Declaration and the Bylaws.

Section 2. Voting Rights: Voting rights of the membership shall be appurtenant to the ownership of the lots.

Section 3. Voting Members: The record owner of the fee simple title to each lot which is a part of the Property, including contract sellers, but excluding those having such interests merely as security for the performance of an obligation, shall designate a person to be responsible for voting on behalf of such record owner for the election of Directors, amending this Declaration or the Bylaws, and all other matters requiring the vote of the Voting Members as provided in this Declaration and the Bylaws. If a lot is sold under a recorded contract of sale, and the contract specifically so provides, then the purchaser rather than the fee owner will be considered the record owner. Nothing herein shall preclude the record owner of a fee simple title to any lot from designating himself or herself as a Voting Member. On all matters requiring a vote of the Voting Members, each Voting member shall cast one (1) vote for each lot it represents, unless otherwise specified in the Bylaws or this Declaration. Owners of Lots 124, 125 and 128 shall be excluded from voting until such time as a duly executed agreement has been signed and filed making such owner subject to these covenants.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON AREAS

Section 1. Member's Easements: Each Member, and each tenant, and invitee of such Member and Owner, shall have a permanent and perpetual easement for use of the

Common Areas subject to such rules and regulations established by the Association.

Section 2. Easements Appurtenant: The easements provided in Section 1 shall be appurtenant to and shall pass with the title to each lot.

Section 3. Maintenance: The Association shall at all times maintain in good repair, and shall repair or replace as often as necessary the Common Areas and all improvements thereon. The Association shall be responsible for the maintenance of all Common Areas, pump, water and drain lines. The Owners shall, through assessments, bear all costs and expenses associated with the maintenance of the Common Areas. The Board of Directors acting on a majority vote shall order all work to be done and shall pay for all expenses including all electricity consumed in the Common Areas and all other common expenses. All work pursuant to this Section and all expenses hereunder shall be paid for by the Association through either Base Assessments or Special Assessments imposed in the best interest of the Association.

Section 4. Delegation of Use:

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

(b) Tenants. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be delegated by the Owner to his tenants who occupy the residence of the Owner within the Property.

(c) Guests. Recreational facilities, if any, situated upon the Property may be utilized by guests of Owners or tenants subject to the rules and regulations established by the Board of Directors governing said use.

Section 5. Ownership: The Declarant may convey the fee simple title to the Common Areas to the Association subject to certain easements of record, whether express or implied, and any easements retained herein or by the instrument of conveyance. The Association shall accept such conveyance. All real estate taxes against the Common Areas shall be assessed against and payable by the Association, as shall any personal property taxes on any personal property owned by the Association. Declarant shall have the right from time to time to enter upon the Common Areas and adjoining properties during periods of construction for the purpose of constructing any facilities on the Common Areas which Declarant elects to construct. The Owner of a lot shall have no personal liability for any damage for which the Association is legally liable or arising out of or connected with the existence or use of any Common Areas or any other property required to be maintained by the Association.

ARTICLE V

COVENANT FOR ASSESSMENTS

Section 1. Creation of Assessments: There are hereby created assessments to pay for Association expenses as the Board of Directors may from time to time specifically authorize, such Assessments to be commenced at the time and in the manner set forth in Section 6 of this Article. There shall be two (2) types of assessments: (a) Base Assessments, and (b) Special Assessments. Such Base Assessments and Special Assessments are sometimes hereinafter collectively referred to as "Assessments."

Base Assessments shall be used to fund Common Expenses for the benefit of all Members of the Association and except as specifically provided for herein, shall be levied equally on all lots as provided in Section 3 of this Article. Special Assessments for capital improvements and other designated purposes shall be levied by the Board of Directors and payable in such manner and at such time or times as may be determined by the Board of Directors. Any reference herein to the right of the Association to make assessments shall mean an assessment which has previously been approved by the Board of Directors of the Association.

The Declarant, for each lot owned within the Property, hereby covenants and agrees to pay to the Association, and each Owner of a 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; (1) Base Assessments, and (2) Special Assessments, such assessments to be established and collected as hereinafter provided.

Section 2. Purposes of Assessments: The Assessments levied by the Association shall be used for the maintenance of the pond, and other expenditures authorized by the Board of Directors including but not limited to, the cost of repair, replacement and additions to the Common Areas and necessary capital improvements, the cost of labor, equipment, materials, management and supervision thereof, the payment of taxes assessed against the Common Areas, the procurement and maintenance of insurance, the employment of attorneys to represent the Association when necessary, and such other needs as may arise.

The Association is specifically authorized to enter into subsidy contracts or contracts for "in-kind" contributions of services or materials or a combination of services and materials with Declarant or other entities for the payment of any portion of the Common Expenses.

Section 3. Computation of Base Assessments: Until such time as the Association is created and incorporated, the Declarant may assess each Member a pro-rata portion of the estimated operating expenses for that year. Following the creation of the Association, it shall be the duty of the Board of Directors, at least sixty (60) days before

the beginning of each fiscal year, or as soon thereafter as reasonable practical, to prepare a budget for the estimated Common Expenses of the Association during the coming calendar year. The budget shall include a capital contribution used to establish a reserve fund in accordance with a capital budget also to be prepared by the Board of Directors. The Base Assessment to be levied for the coming year against each lot subject to assessment under Section 7 herein shall be computed so as to fund the estimated Common Expenses and capital contribution. The Board shall cause a copy of the Common Expense budget (and the capital budget as hereinafter provided) and notice of the amount of the Base Assessment to be delivered to each owner at least thirty (30) days prior to the beginning of the fiscal year or as soon thereafter as reasonably practical. Such budgets and assessment shall become effective unless vetoed at a meeting of the Voting Members with affirmative votes for such veto totaling at least a majority of the membership entitled to vote.

Notwithstanding the foregoing, in the event the proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then and until such time as a budget shall be determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year, and the Base Assessment due for the prior year shall be due and payable.

Section 4. Special Assessments: The Declarant or the Association may levy Special Assessments from time to time. Except as otherwise expressly provided in this Declaration, any such Special Assessments shall have the majority approval of the Board of Directors of the Association. Any Special Assessment may be vetoed as provided in Section 3 above.

The Declarant or Association may also levy a Special Assessment against any Member to reimburse the Association for costs incurred in bringing a Member into compliance with the provisions of the Declaration, any amendments thereto, the Articles, the Bylaws, and the Association's rules and regulations. Such Special Assessment may be levied upon the vote of the Board after notice to the Member and an opportunity for a hearing.

Section 5. Capital Budget and Contribution: Upon creation of the Association, the Board of Directors shall annually prepare a capital budget for the Association, taking into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall include in the Base Assessments for each calendar year period the capital needs of the Association as shown on the capital budget and the other projected reoccurring cost.

Section 6. Commencement and payment of Base Assessments: Base Assessments provided for in this Article shall be due and payable on the first day of each calendar year, or upon the closing of each lot, for any lot purchased from Declarant. Base Assessments payable by the owner of a lot during the first year of ownership shall be pro-rated for the remainder of the first year with such Base Assessment commencing

upon the closing date of the lot. Assessments may, in the discretion of the Board of Directors, be paid in installments and on such dates as may be fixed by the Board of Directors. The Board of Directors shall have the right to accelerate installment payments of Base Assessments for any nonpaying owner. After the payment of the pro-rated Base Assessment for the first year of ownership, each lot shall be assessed an equal Base Assessment.

The due date of any Special Assessment shall be fixed by the Board of Directors.

Section 7. Duties of the Board of Directors: The Board of Directors shall fix the amount of the Base Assessment against the lots subject to the Association's jurisdiction for each assessment period and provide written notice thereof to the Owners at least thirty (30) days in advance of the calendar year end, and shall, at that time, prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner.

The Board of Directors shall upon demand at anytime furnish to any Owner liable for a Base Assessment, a certificate in writing signed by an Officer of the Association setting forth whether such Base Assessment has been paid as to any particular lot. Such certificate shall be conclusive evidence of payment of any Base Assessment to the Association therein stated to have been paid.

The Association, through the action of its Board of Directors, shall have the power, but not the obligation, to enter into agreements from time to time with one or more persons, firms or corporations for management services. The Association shall have all other powers provided in the Articles of Incorporation and Bylaws.

Section 8. Effect of Non-Payment of Assessments, the Personal Obligation of the Owner, the Lien, Remedies of the Association: Any Assessment not paid on the date due shall become delinquent and shall, together with interest thereon as hereinafter provided, the cost of collection thereof as hereinafter provided, reasonable late charges as determined by the Board, and reasonable attorney's fees, becoming a continuing lien on the lot of the nonpaying Owner. Such lien shall bind such lot in the hands of the then Owner, his heirs, devisees, personal representatives, successors and assigns, and shall also be the personal obligation of the then Owner, his heirs, devisees, personal representatives, successors and assigns. Every purchaser of a lot shall be required to determine the status of the Assessments as to the lot at the time of purchase and shall be deemed to assume any outstanding Assessments not paid by the Seller of such lot.

If the Assessment is not paid within thirty (30) days after the due date, the Assessment shall bear interest from the date due at the highest allowable rate of interest and the Association may bring an action at law against the Owner personally obligated to pay the same or may record and foreclose a claim of lien against the property on which the Assessment is unpaid, or may pursue one or more of such remedies at the same time or successively, and there shall be added to the amount of such Assessment as

above provided, reasonable late charges, costs of the action and collection, and reasonable attorney's fees to be fixed by the court, and the Association shall be entitled to attorney's fees in connection with any appeal of any such action.

In addition to the rights of collection of Assessments stated in this Section, the Owner and all persons acquiring title to or an interest in a lot as to which the Assessment is delinquent, including, without limitation, persons acquiring title by operation of law and by judicial sale, shall not be entitled to the enjoyment and use of recreational facilities, if any, until such time as all unpaid and delinquent Assessments due and owing from the selling Owner have been fully paid.

No Owner may waive or otherwise exempt himself/herself from liability for the Assessments provided for herein, including, by way of illustration and not limitation, by non-use of Common Areas or abandonment of his/her lot. The obligation to pay Assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of Assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the Bylaws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

It shall be the legal duty and responsibility of the Association to enforce payment of the Assessments hereunder.

Section 9. Subordination of the Lien to Mortgages: Upon recording of a claim of lien on any lot, there shall exist a perfected lien for unpaid Assessments prior and superior to all other liens, except the lien of any Mortgage recorded prior to recordation of the claim of lien, which Mortgage encumbers the lot to any institutional lender and which is now or hereafter placed upon any Property subject to Assessments; provided, however, that any mortgagee when in possession of any receiver, and in the event of a foreclosure, any purchaser at a foreclosure, and all persons claiming by, through or under such purchaser or mortgagee shall hold title subject to the liability and lien of any Assessment becoming due after such foreclosure (on conveyance in lieu of foreclosure) took place. Such lien, when delinquent, may be enforced by suit, judgment and foreclosure. Any unpaid Assessment which cannot be collected as a lien against any lot by reason of the provisions of this Section, shall be deemed to be an Assessment divided equally among, payable by, and a lien against all lots subject to Assessments by the Association, including the lots as to which the foreclosure (or conveyance in lieu of foreclosure) took place.

The Association, acting on behalf of the Owners, shall have the power to bid for the Property at foreclosure sale and to acquire and hold, lease, mortgage, and convey the same. During the period in which a lot is owned by the Association following

foreclosure: (a) no right to vote shall be exercised on its behalf; (b) no assessment shall be assessed or levied on it; (c) every other lot shall be charged, in addition to its usual assessment, its equal pro-rata share of the assessment that would have been charged such lot had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid Common Expenses, Assessments, and attorney's fees shall be maintainable without foreclosing or waiving the lien securing the same.

Section 10. Effect on Declarant: Notwithstanding any provision that may be contained to the contrary in this Declaration, for as long as Declarant is the Owner of any lot in the Property, Declarant shall not be liable for Assessments against such lot, in excess of 20% of the per lot assessment provided Declarant funds any deficit in operating expenses of the Association. This obligation to fund any deficit; in operating expenses of the Association may be satisfied in the form of a cash subsidy or by "in kind" contributions of services or materials, or a combination of these. Declarant may at anytime commence paying such Assessments as to lot it owns and thereby automatically terminate its obligation to fund deficits in the operating expenses of the Association. The Declarant shall have the right to select, on an annual basis, its method of payment.

Section 11. Access at Reasonable Hours: For the purpose solely of performing the maintenance authorized by this Declaration, including without limitation, all of the maintenance and work necessary to bring a Member and his lot into compliance with the provisions of the Declaration, any amendments thereof, the Articles, the Bylaws, and the Association rules and regulations, the Association, through its duly authorized agents or employees or independent contractors, shall have the right, to enter upon any lot at reasonable hours on any day except Sunday, or at anytime in case of an emergency. Such entry shall not be deemed a trespass.

ARTICLE VI

POND REGULATIONS

Section 1. Use Of The Pond: the pond is known as "Stonecroft Pond" and may be used jointly with Owners of the Property (except for those excluded herein) with the following regulations:

- A. No water shall be pumped from the pond for irrigation or any other purpose.
- B. No petroleum powered boats will be permitted on the pond except for use in connection with maintenance of the pond, and associated utilities and equipment. Electric powered boats are permissible.
- C. No guest shall be permitted on any boat unless accompanied by a Property Owner or a Member of the immediate family of a Property Owner, except

overnight guests may use a Property Owner's boat. A guest may use his own boat if accompanied by a Property Owner or Member of his immediate family, however, no such boats shall be stored or moored, on the pond.

- D. Upon two weeks notice to Property Owners, the water level may be lowered for maintenance purposes.
- E. No piers, docks or other structures will be permitted except a structure constructed for the Common Use by all Members in compliance with plans approved by the Declarant.
- F. No swimming or hunting will be permitted on the pond.

ARTICLE VII

EASEMENTS

Section 1. Easements Reserved by Declarant and/or Association: Easements for the installation and maintenance of water lines, gas lines, telephone lines, cable television lines, electric power lines, sanitary sewer and drainage facilities and for other utility installations are hereby reserved and may also be reserved as outlined on a recorded plat and/or may be granted by Declarant, its successors and assigns, and in addition, the Association hereby reserves and may grant easements for the installation and maintenance of sewerage, cable, utility and drainage facilities over the Property that is owned by the Association. Within any such easements above provided for, no structure, planting or other material shall be placed or permitted to remain which may interfere with the installation of sewerage disposal facilities and utilities, or which may change the direction of flow or drainage channels in the easements or which may obstruct or retard the flow of water through drainage channels in the easements. In addition, the Association shall have the continuing right and easement to maintain all sewer and water lines located on the Property and shall have an easement to maintain the pump, electrical service lines and water lines connected to the pump located on the Property. The pond is an integral part of the drainage plan for Stonecroft Subdivision and Declarant retains an easement for its use as a retention or detention pond.

Declarant further reserves unto itself, its successors and assigns, a perpetual, alienable and release-able easement and right on, over, and under the ground to erect, maintain and use poles, wires, cables, conduits, sewers, water mains, and other suitable equipment for the conveyance and use of electricity, cable television, security cable equipment, telephone equipment, gas, sewer, water or other private or public convenience or utilities. Moreover, the Declarant may cut, at its own expense, drain ways for surface water along the side lines of any lot, wherever and whenever such action may appear to the Developer to be necessary in order to maintain reasonable standards of health, safety and appearance utilizing the easements outlined above. The use of these

easement areas by Declarant, its successors and assigns, shall not be deemed a trespass.

ARTICLE VIII

INSURANCE AND CASUALTY LOSSES

Section 1. Insurance: The Board of Directors, or its duly authorized agent, shall have the authority to and shall obtain, if reasonably available, blanket all-risk insurance for all insurable improvements on the Common Areas. If blanket all-risk coverage is not reasonably available, then at a minimum, an insurance policy providing fire and extended coverage shall be obtained.

If reasonably available, the Board shall also obtain a public liability policy covering the Common Areas, the Association and the Members for all damage or injury caused by the negligence of the Association, its employees or agent, or any of the Members. If reasonably available, the public liability policy shall have at least a One Million and No/100 Dollar (\$1,000,000.00) single person limit as reflects bodily injury and property damage.

ARTICLE IX

FINANCING PROVISIONS

Section 1. Books and Records: Any Owner or holder, insurer or guarantor of a first mortgage on any lot will have the right to examine the books and records of the Association, current copies of this Declaration, the Bylaws of the Association and its Rules and Regulations, if any, during any reasonable business hours and upon reasonable notice. Any holder of a first mortgage shall be entitled to, upon written request, a copy of the Association's financial statements for the previous year.

Section 2. Payment of Taxes and Insurance Premiums: The Owners and holders of first mortgages on lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge or lien against any of 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 X

RULES AND REGULATIONS

Section 1. Compliance by Members and Owners. Every Member and Owner shall

comply with the restrictions and covenants set forth herein and any and all rules and regulations which from time to time may be adopted by the Board of Directors of the Association.

Section 2. Enforcement. Failure of a Member and Owner to comply with such restrictions, covenants, or rules and regulations shall be grounds for action which may include, without limitation, an action to recover sums due for damages, injunctive relief, or any combination thereof. Failure of the Association to enforce any covenant or restriction shall not be deemed a waiver of the right to do so thereafter.

Section 3. Fines. In addition to all other remedies, in the sole discretion of the Board of Directors, after reasonable notice to the offender, may impose a fine upon a Member and Owner for failure of a Member and Owner, his family, guests, invitees, lessees or employees to comply with any covenant, restriction, rule or regulation.

The non-compliance shall be presented to the Board of Directors after which the Board of Directors shall hear reasons why penalties should not be imposed. A written decision of the Board of Directors shall be submitted to the Member or Owner no later than twenty-one (21) days after the Board of Directors meeting. These fines shall not be construed to the exclusive, remedy and shall exist in addition to all other rights and remedies to which the Association may be otherwise legally entitled; however, any penalty paid by the offending Member or Owner shall be deducted from or offset against any damages which the Association may otherwise be entitled to recover by law from such Member or Owner.

ARTICLE XI

GENERAL PROVISIONS

Section 1. Severability. Invalidation of any one of these covenants or restrictions by judgement or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 2. Term. The covenants and restrictions of this Declaration shall run with and bind the Property for a term of thirty (30) years from the date this Declaration is recorded, and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any Property or lots subject to this Declaration, their respective legal representative, heirs, successors, and assigns, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended at anytime by an instrument signed by the Voting Members representing not less than sixty-seven percent (67%) of the Lot Owners, and the Declarant, so long as the Declarant still owns any portion of the Property.

ARTICLE XII**AMENDMENT OF DECLARATION WITHOUT APPROVAL OF OWNERS**

The Declarant, without the consent or approval of any other owner or the Members of the Association, shall have the right to amend this Declaration to conform to the requirements of any law or governmental agency having legal jurisdiction over the Property or to qualify the Property or any lots and improvements thereon for mortgage or improvement loans made by, guaranteed by, sponsored by or insured by a governmental or quasi-governmental agency or to comply with the requirements of law or regulations of any corporation or agency belonging to, sponsored by or under the substantial control of, the United States Government or the State of South Carolina, regarding the purchase or sale of such lots and improvements, or mortgage interests therein, as well as any other law or regulation relating to the control of the Property, including, without limitation, ecological control of the Property, standards, aesthetics and matters affecting the public health, safety and general welfare. A letter from an official of any such corporation or agency, including, without limitation, the Veterans Administration (VA), U. S. Department of Housing and Urban Development (HUD), the Federal Home Loan Mortgage Corporation, Government National Mortgage Corporation, or the Federal National Mortgage Association, requiring an amendment as a condition of the approval, or suggesting an amendment, shall be sufficient evidence of the approval of such amendment of VA, HUD and/or such corporation or agency and permit Declarant to amend in accord with such letter.

No amendment made pursuant to this Section shall be effective until duly recorded in the public records of Sumter County, South Carolina.

ARTICLE XIII**DECLARANT'S RIGHTS**

Any or all of the special rights and obligations of the Declarant may be transferred to other persons or entities, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained herein, and provided further, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the public records of Sumter County, South Carolina.

Notwithstanding any provisions contained in the Declaration to the contrary, so long as the initial sale of lots shall continue, it shall be expressly permissible for Declarant to maintain and carry on upon portions of the Common Areas such facilities and activities as, in the sole opinion of the Declarant, may be reasonably required, convenient, or incidental to the sale of such lots.

So long as Declarant continues to have rights under this paragraph, no person or

