

STATE OF SOUTH CAROLINA AMENDED DECLARATIONS, OF COVENANTS,  
CONDITIONS, AND RESTRICTIONS FOR PALMETTO PLANTATION COUNTY OF YORK

THIS AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PALMETTO PLANTATION SUBDIVISION is made this 15<sup>th</sup> day October, 2001, and expressly supersedes the DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PALMETTO PLANTATION SUBDIVISION made January 15, 1996, by COLIN & STORMS CONSTRUCTION COMPANY, INC., and recorded in Book 1534 at Page 2, on May 23, 1996 in the Office of the Clerk of Court for York County, South Carolina.

P U R P O S E :

The purpose of these amendments is to reflect that Colin & Storms Construction Company, Inc. (The "declarant" and the "class b member of the Association" under the original declaration cited above) has transferred all property in the development and is no longer a member of the Palmetto Plantation Homeowner's Association, Inc.; to replace prior references to the "declarant" with the "Palmetto Plantation Homeowner's Association, Inc.;" and to update these conditions, covenants and restrictions, accordingly.

R E C I T A L S :

WHEREAS, The Palmetto Plantation Homeowner's Association, Inc., a South Carolina not-for-profit corporation, was designated as the successor in interest to Colin & Storms Construction Company, Inc. of certain real property located in York County, South Carolina, which is more particularly described in Exhibit "A" attached herein by reference, and

WHEREAS, Colin & Storms Construction Company, Inc., has transferred ownership of all properties within the development to individual purchasers or to the Palmetto Plantation Homeowner's Association, Inc., and

WHEREAS, the Palmetto Plantation Homeowner's Association, Inc. desires to maintain such property according to a common scheme of development and use under the provisions of the prior Declaration of Covenants, Conditions and Restrictions and to develop the property as a residential community to be known as Palmetto Plantation.

NOW, THEREFORE, the Palmetto Plantation Homeowners Association, Inc., as successor in interest to Colin & Storms Construction Company, Inc., hereby declares that all of the property described in Exhibit "A" to the original DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR PALMETTO PLANTATION, previously filed with the Clerk of Court for York County, South Carolina in Book 1514 at page 2, shall be held, transferred, sold, conveyed, leased, occupied, and used subject to the following easements, restrictions, covenants, charges, liens, and conditions which are for the purpose of protecting the value and desirability of, and which shall touch, concern and run with the title to such real property and which shall be binding upon and inure to the benefit of all parties having any right, title, or interest therein, including their respective heirs, successors, successors-in-title, and assigns.

## ARTICLE I

### DEFINITIONS

1.01 Definitions. When used in this Declaration, unless

the context shall prohibit or require otherwise, the following words shall have all the following meanings and all definitions shall be applicable to the singular and plural forms of such terms:

(a) "Architectural Review Board" shall mean and refer to the governing body appointed by the Association's Board of Directors which reviews all construction, development, landscaping and other plans for improvements to the property.

(b) "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of Palmetto Plantation Homeowner's Association, Inc., as may be amended from time to time.

(c) "Assessment" shall mean and refer to an Owner's share of the Common Expenses or other charges from time to time assessed against an Owner by the Association in the manner herein provided.

(d) "Association" shall mean and refer to the Palmetto Plantation Homeowner's Association, Inc., a South Carolina non-profit corporation, its successors and assigns.

(e) "Board of Directors" shall mean and refer to the Board of Directors of the Association, which shall be the governing body of the Association.

(f) "Bylaws of the Association" or "Bylaws" shall mean or refer to the Bylaws of Palmetto Plantation Homeowner's Association, Inc. which shall govern the administration of and operation of the Association.

(g) "Common Area(s)" shall mean and refer to all real and personal property now or hereafter designated in writing by the Declarant as Common Areas and conveyed to the Association, or designated as Common Areas and held by Declarant for the benefit of the Association. Such real property may include, but shall not be limited to, roads, driveways, walkways, rights-of ways, paths, open spaces (landscaped and natural), recreational facilities and such other common areas which have been or may be designated by the Declarant as constituting Common Areas within the property, together with improvements thereon.

(h) "Common Expenses" shall mean and refer to all expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation or maintenance of reserves, pursuant to the provisions of this Declaration.

(i) [deleted] of the property at a foreclosure sale.

(j) "Declaration" shall mean and refer to this "Declaration of Covenants, Conditions and Restrictions for Palmetto Plantation" and all amendments thereof and supplementary Declarations filed of record in the Office of the Clerk of Court for York County, South Carolina.

(k) "Development" shall mean and refer to the property and all improvements located or constructed thereon.

(l) " Dwelling " shall mean and refer to any improved property intended for use as a single-family detached dwelling or as a patio or cluster dwelling; provided, however, that until a certificate of occupancy has been issued, the land shall be considered as a lot and not a dwelling.

(m) " Foreclosure " shall mean and refer to, without limitation, the judicial foreclosure of a Mortgage or the conveyance of secured property by a deed in lieu of a judicial foreclosure.

(n) " Lease " shall mean and refer to any lease, sublease, or rental contract, whether oral or written.

(o) " Lot " shall mean and refer to any unimproved portion of the property upon which it is intended that a single dwelling shall be constructed. A parcel of land shall be deemed unimproved and thus considered to be a lot, rather than a dwelling, until a Certificate of Occupancy has been issued for the improvements constructed thereon. Upon issuance, such parcel and the improvements thereon shall thereafter collectively be considered to be a dwelling for the purposes of this Declaration.

(p) " Mortgage " shall mean and refer to a mortgage, security deed, deed of trust, installment land sales contract, or other similar security instrument granting, creating, or conveying a lien upon, a security interest in, or a security title to a lot, dwelling, or to all or any portion of the property.

(q) " Mortgagee " shall mean and refer to the holder of a Mortgage.

(r) " Occupant " shall mean and refer to any person, including, without limitation, any Owner or any guest, invitee, lessee, tenant, or family member of an Owner, occupying a dwelling within the Development.

(s) " Owner " shall mean and refer to one or more persons, including Declarant, who or which owns fee simple title to any lot or dwelling, expressly excluding, however, those persons having an interest under a Mortgage.

(t) " Person " shall mean and refer to a natural person, corporation, partnership, association, trust, or other legal entity, or any combination thereof.

(u) " Property " shall mean and refer to those tracts or parcels of land described in Exhibit " A ", together with all improvements thereon.

(v) " Site Plan " shall mean and refer to that certain plat of survey entitled " Palmetto Plantation, Fort Mill Township, York County, South Carolina ", dated \_\_\_\_\_, prepared by A. Alan Wallwork, SCRLS #2951, which is recorded in Plat Book \_\_\_\_\_ at Page \_\_\_\_\_, in the Office of the Clerk of Court for York County, South Carolina.

(w) " Major Landscaping " shall mean any addition, alteration, or removal of any thing or things (including trees, shrubbery, structures, gardens, etc.) or other change to any lot which, if undertaken by a professional landscaping company or contractor, would have a fair market value of goods or services or both of five hundred (\$500) or more, whether or not said work is done by any such company, contractor, or by the homeowner, or any other person.

## ARTICLE II

### PLAN OF DEVELOPMENT

#### 2.01 Plan of Development of Property.

(a) The property which is, and shall be held, transferred, sold, conveyed, leased and occupied subject to this declaration, is shown and described on Exhibit "A", which shall include, but not be limited to lots, dwellings, roads, utility systems, drainage systems, common areas, and other improvements, to the extent the same are from time to time installed and existing. The property shall contain one hundred twenty-five (125) single family lots, and one (1) dwelling may be constructed on each such lot.

(b) The Association reserves the right to impose additional covenants, conditions and restrictions on the lots, dwellings, common areas, and other improvements that the Declarant may from time to time develop within and on the property shown and described on the Site Plan, which covenants, conditions and restrictions shall be in addition to, but not in abrogation or substitution of, those imposed by this Declaration.

(c) The Association shall have the right, but not the obligation, to designate or re-designate common areas, to install or maintain any water, sewer, and any other utility systems and facilities, and to install any security or refuse facilities.

2.2 Interest Subject to Plan of Development. Every purchaser of a lot or dwelling and every Mortgagee holding an interest therein shall take title, or hold such security interest, with notice of the plan of development as set forth in this Declaration, or in the prior Declaration. Any provision of this Declaration to the contrary, notwithstanding, the provisions of the plan of development set forth in this Article or in the prior Declaration may not be materially changed, modified, rescinded, supplemented, or amended in whole or in part without the prior written consent of the Association.

## ARTICLE III

### PROPERTY RIGHTS

3.01 Owners of Lots and Dwellings. Each lot and dwelling shall for all purposes constitute real property which, subject to the provisions of this Declaration, may be conveyed, transferred, and encumbered the same as any other real property. Each Owner shall be entitled to the exclusive ownership and possession of his lot or dwelling, subject to the provisions of this Declaration, including without limitation, the provisions of this Article. Each Owner shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership ceases for any reason, at which time his membership in the Association shall automatically pass to the successor-in-title to his lot or dwelling.

3.02 Owner's Easement of Enjoyment. Subject to the provisions of this Declaration and the rules, regulations, fees, and charges from time to time established by the Board of Directors in accordance with the Bylaws, every Owner, his family and guests shall have a non-exclusive right, privilege, and easement in and to the common areas for their intended purpose, such easement to be appurtenant to and to pass and run with title to each lot and dwelling, subject to the rights and easements reserved in this Article for the Association.

3.03 Access. All Owners, by accepting title to lots, dwellings, or other property conveyed subject to this Declaration, acknowledge and agree that their means of access and ingress and egress to their lots and dwellings shall be limited to roads, sidewalks, and walkways located within the Development. The Association reserves the right to restrict access over all the roads within the Development as it deems fit, so long as Owners possess an adequate and convenient means of access to the lots and dwellings located in the Development.

3.04 [Deleted].

3.05 [Deleted].

3.06 Easements for Utilities. There is hereby reserved for the benefit of Declarant, the Association, and their respective successors and assigns, the alienable, transferable, and perpetual right and easement, as well as the power to grant and accept easements to and from any public authority or agency, public service district, public or private utility, or other person or entity, upon, over, under, and across (i) all of the common areas, (ii) the portion of each lot or dwelling within ten (10) feet of the rear property line and within five (5) feet within the side boundary line of each such lot or dwelling, and (iii) all land hereafter designated along the interior of each boundary of all lots and all dwellings for the purpose of installing, replacing, repairing, maintaining, and using all utilities, including, but not limited to storm sewers, drainage systems, electrical, gas, telephone, cable television, water, sewer, water treatment, and irrigation lines. To the extent practicable and economically feasible, all utility lines and facilities serving the Development and located therein shall be located underground. By virtue of any such easement, it shall be expressly permissible for the providing utility company or other supplier or servicer, with respect to the portions of the Development so encumbered (i) to erect and maintain pipes, lines, manholes, pumps, and other necessary equipment and facilities; (ii) to cut and remove any trees, bushes or shrubbery; (iii) to grade, excavate, or fill; or (iv) to take any other similar action reasonably necessary to provide for the economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems.

3.07 Easements for Walks, Paths and Signs. There is hereby reserved for the benefit of the Association, and its respective successors and assigns, the alienable, transferable, and

perpetual right and easement, upon, over, and across the common areas for the installation, maintenance, and use of sidewalks, paths, traffic directional signs, and related improvements.

3.08 [Deleted].

3.09 [Deleted].

3.10 Maintenance Easement. There is hereby reserved for the benefit of the Association, and its respective agents, employees, successors, and assigns, an alienable, transferable, and perpetual right and easement to enter upon any lot and upon unimproved portions of any dwelling for the purpose of mowing, removing, clearing, cutting, or pruning under-brush, weeds, stumps, or other unsightly growth and removing trash, so as to maintain reasonable standards of health, fire safety, and appearance within the Development; provided, however, that the reservation of such easements shall not impose any duty or obligation upon the Association to perform any such actions.

3.11 Environmental Easement. There is hereby reserved for the benefit of the Association and its respective agents, employees, successors, and assigns, an alienable, transferable, and perpetual right and easement on, over and across all lots and all unimproved portions of dwellings for the purpose of taking any action necessary to effect compliance with environmental rules and regulations, such easements to include, without limitation, the right to implement erosion control procedures and practices, the right to drain standing water, the right to dispense pesticides and herbicides, the right to pump water from lagoons, ponds or other bodies of water within the Development for irrigation or fire fighting purposes, and the right to spray and locate any treated sewage effluent within the common areas or upon any lot or upon the unimproved portions of any dwelling, provided, however, that the reservation of such easements shall not impose any duty or obligation upon the Association to perform any such actions.

## ARTICLE IV

### MEMBERSHIP IN THE ASSOCIATION

4.01 Membership. Every Owner shall have a membership in the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot or dwelling, and ownership of a lot or dwelling shall be the sole qualification for such membership. In the event that fee title to a lot or dwelling is transferred or otherwise conveyed, the membership in the Association which is appurtenant thereto shall automatically pass to such transferee. No Owner, whether one or more persons, shall have more than one membership per lot or dwelling.

4.02 Voting Rights. The Association shall have one (1) class of voting membership:

(a) Class A. Class A Members shall be the Owners of lots and dwellings with the exception of the Declarant. The voting weight appurtenant to each lot is equal and each lot shall have one (1) vote. Upon the construction of a dwelling upon a lot, the Owner of the dwelling shall have a vote equal to one and one-half (1.5) times the vote of an Owner of a lot.

(b) [Deleted].

## ARTICLE V

### MAINTENANCE

5.01 Responsibilities of Owners. Unless specifically identified herein as being the responsibility of the Association, all maintenance and repair of lots and dwellings, and all lawns, landscaping and grounds on and within a lot or dwelling, shall be the responsibility of each Owner. Each Owner shall be responsible for maintaining his lot or dwelling in a neat, clean, and sanitary condition, and such responsibility shall include the maintenance and repair of all exterior surfaces of all dwellings, buildings, and other structures and all lawns, trees, shrubs, hedges, grass, and other landscaping.

#### 5.02 Association's Responsibility.

(a) Except as may be herein otherwise specifically provided, the Association shall maintain and keep in good repair all portions of the common areas. The Association shall not be liable for injury or damage to any person or property: (i) caused by any Owner or any other person not acting as either agent or employee of the Association; (ii) caused by weather conditions or resulting from any rain or other surface water which may leak or flow from any portion of the common areas; or (iii) caused by any pipe, plumbing, drain, conduit, equipment, security system, utility line or facility, the responsibility for the maintenance of which is that of the Association. No diminution or abatement of assessments, fees, or charges shall be claimed or allowed by reason of any alleged failure of the Association to take some action or to perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

(b) In the event that the Board of Directors determines that any Owner has failed or refused to properly discharge his obligations with regard to the maintenance, cleaning, repair, or replacement of items for which he is responsible, the Association, except in the event of an emergency situation, shall give such Owner written notice of the Association's intent to provide such necessary maintenance, cleaning, repair, or replacement, at the sole cost and expense of such Owner, setting forth the maintenance, cleaning, repairs, or replacement deemed necessary. In the event of emergency situations or the failure of any Owner to comply with the provisions hereof after such notice, the Association may, but shall not have the obligation to, provide any such maintenance, cleaning, repair, or replacement at the sole cost and expense of such Owner the cost of which shall be added to and become a part of the assessment to which such Owner and his lot or dwelling is subject and shall become a lien against such lot or dwelling.



## ARTICLE VI

### INSURANCE AND CASUALTY LOSSES

#### 6.01 Insurance.

(a) The Board of Directors or its duly authorized agents shall have the authority to and shall obtain and continue in effect adequate property insurance, in such form as the Board deems appropriate, for the benefit of the Association and for the purpose of insuring all insurable improvements in and to the Common Areas against loss or damage by fire or other hazards, including, without limitation, extended coverage, to cover the full replacement cost (without depreciation, but subject to such deductible levels as are deemed reasonable by the Board) of any repair or reconstruction in the event of damage or destruction from any such hazard.

(b) The Board or its duly authorized agents shall have the authority to and shall obtain and continue in effect a public liability policy covering all the Common Areas and all damage or injury caused by the negligence of the Association, its members, its directors and officers, or any of its agents. Such public liability policy shall provide such insurance coverage as is determined, from time to time, to be necessary by the Board of Directors.

(c) The Board or its duly authorized agents shall have the authority and may obtain: (i) workers' compensation insurance to the extent necessary to comply with any applicable laws, and (ii) such other types and amounts of insurance as may, from time to time, be determined by the Board to be necessary or desirable.

6.02 Damage or Destruction to Common Areas. Immediately after the damage or destruction by fire or other casualty to all or any part of the Common Areas covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance, and, in any event, the Board shall obtain reliable and detailed estimates of the cost of repair or reconstruction of all or any part of the Common Areas which were damaged or destroyed. Repair or reconstruction shall mean repairing or restoring the damaged property to substantially the same condition in which it existed prior to the fire or other casualty. In the event that the insurance proceeds, if any, for such damage or destruction are not sufficient to defray the cost of repair or restoration, and such deficiency cannot be appropriated from a reserve fund which may have been established for such purpose, the Board of Directors may levy a special assessment against all Owners, without the necessity of a vote pursuant to Section 9.04 hereof, such special assessment to be in an amount sufficient to provide funds to pay such excess cost of repair or reconstruction. Such a special assessment shall be levied against the Owners equally in the same manner as annual assessments are levied, and additional special assessments may be made at any time during or following the completion of any repair or reconstruction. Any and all sums paid to the Association under and by virtue of such assessments shall be held by and for the benefit of the Association together with the insurance proceeds, if any, for such damage or destruction.

6.03 Damage or Destruction to Lots or Dwellings. In the event of damage or destruction by fire or other casualty to any lots or dwellings and the Owner elects not to repair or rebuild such damaged or destroyed lot or dwelling, such Owner shall promptly clear away the ruins and debris of any damaged improvements or vegetation and leave such lot or dwelling in a clean, orderly, safe and sightly condition. Should the Owner elect to repair or rebuild such lot or dwelling, the Owner shall promptly repair or rebuild such improvements to substantially the same condition as they existed prior to such fire or other casualty and in accordance with all applicable standards, restrictions and provisions of this Declaration, including, without limitation, the provisions of Article X of this Declaration.

## ARTICLE VII

### CONDEMNATION

7.01 Condemnation of Common Areas. Whenever all or any part of the Common Areas of the Development shall be taken by any authority having the power of condemnation or eminent domain, or conveyed in lieu thereof, the award proceeds made or collected for such taking or conveyance in lieu thereof shall be payable to the Association. If the taking or conveyance in lieu thereof includes all or any part of a lot or dwelling, and also includes any part of the Common Areas, then a court of competent jurisdiction shall apportion such award or proceeds and such award or proceeds shall be disbursed to the Association, so as to give just compensation to the Owners of any lot or dwelling, for the taking of their interest in such lot or dwelling; provided, however, such apportionment may instead be resolved by the agreement of (i) the Board of Directors, and (ii) the Owners of all lots or dwelling, wholly or partially taken or sold, together with the Mortgagees for each such lot or dwelling.

7.02 Condemnation of Lots or Dwellings.

(a) In the event that all or any part of a lot or dwelling is taken by any authority having the power of condemnation or eminent domain, or conveyed in lieu thereof, and in the further event that the Owner of such lot or dwelling elects not to restore the remainder of the lot or dwelling, then such Owner shall promptly clear away any remaining improvements damaged or destroyed by such taking or conveyance and shall leave such lot or dwelling in a clean, orderly and safe condition. In addition, if the size or configuration of such lot or dwelling remains after such taking or conveyance is insufficient to permit the restoration of the remaining improvements in their condition prior to such taking or conveyance in compliance with all applicable standards, restrictions, and provisions of the Declaration and all applicable zoning, subdivision, building and other governmental regulations, then the Owner shall have the option of deeding the remaining portion of the lot or dwelling to the Association as a part of the Common Area, and thereafter the Owner shall not have any further voting rights, membership rights or privileges in the Association or with respect to the Development and shall not be subject to any further assessments imposed by the Association and payable after the date of such conveyance.

(b) [Deleted].

## ARTICLE VIII

### ADMINISTRATION

8.01 Common Areas. The Association, subject to the rights and duties of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Areas and all improvements thereon (including furnishings and equipment related thereto) and shall keep the same in a good, clean and attractive condition, order, and repair. Except to the extent otherwise required by the provisions of the South Carolina Code of Laws relating to nonprofit corporations, this Declaration, the Bylaws, or the Articles of Incorporation, the powers herein or otherwise granted to the Association may be exercised by the Board of Directors, acting through the officers of the Association, without any further consent or action on the part of the Owners.

8.02 Duties and Powers. The duties and powers of the Association shall be those set forth in the provisions of the South Carolina Code of Laws relating to nonprofit corporations, this Declaration, the Bylaws, and the Articles of Incorporation, together with those reasonably implied to effect the purposes of the Association; provided, however, in the event of conflicts or inconsistencies, the provisions of the South Carolina Code of Laws, this Declaration, the Articles of Incorporation, and the Bylaws, in that order, shall prevail.

8.03 Management Agreement. All costs and expenses incident to the employment of a manager for the Association and the Development shall be a Common Expense. During the term of such management agreement, such manager may, if authorized by the Board of Directors, exercise all of the powers and shall be responsible for the performance of all the duties of the Association. In addition, the Association may pay for, and the Board of Directors may hire and contract for such legal, accounting and other professional services as it deems necessary or desirable in connection with the operation of the Development or the enforcement of this Declaration, the Bylaws, or the rules and regulations of the Association. Every grantee of any interest in the Development, by acceptance of a deed or other conveyance of such interest shall be deemed to ratify such management agreement.

8.04 Personal Property and Real Property for Common Use. The Association, through action of its Board of Directors, may acquire and hold tangible and intangible personal property and real property and may dispose of the same by sale or otherwise. All funds received and title to all properties acquired by the Association and the proceeds thereof, after deducting the costs incurred by the Association in acquiring or selling the same, shall be held by and for the benefit of the Association.

## ARTICLE IX

### ASSESSMENTS

9.01 Purpose of Assessments. The assessments for Common Expenses shall be used by the Association for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and occupants of the Development, and maintaining the Development and improvements therein, all as may be more specifically authorized from time to time by the Board of Directors.

9.02 Creation of Lien and Personal Obligation Assessments. Each Owner of a lot or dwelling, by acceptance of a deed or other conveyance thereof, is deemed to covenant and agrees to pay the Association: (a) annual assessments to be established and collected as provided in Section 9.03 hereof; (b) special assessments to be established and collected as provided in Section 9.04 hereof; and (c) individual or specific assessments, fines or liquidated damages assessed against any particular lot or dwelling which are established pursuant to the terms of this Declaration. Any such assessments, together with late charges, simple interest at the maximum rate allowable by law per annum, plus court costs and attorneys' fees incurred to enforce or collect such assessments, shall be an equitable charge and a continuing lien upon the lot or dwelling. In the event of co-ownership of any lot or dwelling, all of such co-Owners shall be jointly and severally liable for the entire amount of such assessments. Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors, provided that unless otherwise stated by the Board, the annual assessments shall be paid in advance at the beginning of the fiscal year of the Association.

#### 9.03 Computation of Annual Assessments.

(a) It shall be the duty of the Board at least thirty (30) days prior to the Association's annual meeting to prepare a budget covering the estimated Common Expenses during the coming year, such budget to include a capital contribution or reserve account, if necessary, for the capital needs of the Association. The Board shall cause a copy of the budget and the proposed annual assessments for the following year to be delivered to each Owner at least fifteen (15) days prior to such meeting. Subject to the terms and conditions of this Article IX, the budget and the annual assessments shall become effective unless disapproved at the annual meeting by vote of a majority of the Owners who are voting in person or by proxy at such annual meeting. If the budget at any time proves inadequate for any reason, then the Board may call a special meeting of the Association for the approval of a special assessment as provided in Section 9.04 hereof. The annual assessments levied on each lot shall be equal; in computing the proration of annual assessments, the Owner of each dwelling shall be responsible for assessments equal to one and one-half (1.5) times the annual assessment levied on the owner of a lot.

(b) The maximum annual assessment may not be increased more than five (5%) percent above the maximum assessment for the previous year without a favorable vote of two-thirds (2/3) of the members of the Association voting in person or by proxy at the annual meeting duly called for such purpose.

9.04 Special Assessments. In addition to the annual assessments authorized above, the Association, acting through its Board of Directors, may levy, in any assessment year, special assessments for Common Expenses, 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 a capital improvement in a Common Area provided that except as otherwise provided herein, any such assessment shall be approved by a vote of two-thirds (2/3) of the Owners who are voting in person or by proxy at a meeting duly called for this purpose in accordance with the provisions

of Section 9.06 hereof. The Board of Directors, in its discretion, may make such special assessments payable in installments over a period which may extend in excess of the fiscal year in which adopted.

9.05 Individual Assessments. Any repair or maintenance expenses of the Association occasioned by the negligent or willful conduct of less than all of the Owners or by the family, tenants, agents, guests, or invitees of any individual Owner or Owners shall be specifically assessed against such Owners and their respective lots or dwellings. The individual assessments provided for in this Section shall be levied by the Board of Directors and the amount and due date of such individual assessment shall be specified by the Board.

9.06 Notice of Meeting and Quorum. Written notice of the annual meeting of the Association, as well as any other meeting called for the purpose of taking any action authorized under Section 9.03 and 9.04 hereof, shall be sent to all Members not less than fifteen (15) days nor more than forty-five (45) days in advance of such meetings. With respect to annual meetings, the presence of Members or proxies entitled to cast over thirty (30%) percent of all the votes of the Association shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum for the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

9.07 Liens. All sums assessed against any lot or dwelling pursuant to this Declaration, together with court costs, reasonable attorneys' fees, late charges, and interest as provided herein, shall be secured by an equitable charge and continuing lien on such lot or dwelling in favor of the Association.

9.08 Effect of Nonpayment; Remedies of the Association. Any assessments of an Owner or any portions of such assessments which are not paid when due shall be considered delinquent. Any assessment or charge delinquent for a period of more than ten (10) days after the due date shall incur a late charge in an amount to be determined by the Board from time to time and shall also commence to accrue simple interest at the maximum allowed by law simultaneously as the same shall become due and payable, and if an assessment or charge has not been paid within thirty (30) days, the entire unpaid balance of the assessment or charge may be accelerate at the option of the Board, and be declared due and payable in full, and shall also commence to accrue simple interest as provided in the immediately preceding sentence. All costs of collection (including reasonable attorneys' fees and court costs), shall also be the responsibility of the Owner. If any assessment or charge is not paid within thirty (30) days, all rights and privileges as a Member of the Association shall be suspended until the entire unpaid balance, interest and costs unpaid after sixty (60) days from the original due date, the Association may, as the Board shall determine, institute a lawsuit to collect such amounts and to foreclose on its lien. The Association shall give timely written notice to any applicable Mortgagees in the event of a sixty (60) day delinquency in paying assessments, prior to instituting a lawsuit as provided by the immediately preceding sentence. The equitable charge and lien provided for in this Article shall be in favor of the Association, and each Owner, by his acceptance of a deed or other conveyance to a lot or dwelling, vests in the Association and its agents the right and power to bring all actions against him personally for the collection of such assessments and charges as a debt and/or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property, and the personal obligation for delinquent assessments shall not pass to an Owner's successor-in-title unless expressly assumed.

9.09 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first Mortgage. Sale, transfer or conveyance of any lot or

dwelling shall not affect the assessment lien. However, the sale or transfer of any lot or dwelling pursuant to foreclosure of a Mortgage or any proceeding in lieu thereof, shall extinguish the lien of this assessment as to payments which become due prior to such sale or transfer. No sale, transfer or conveyance shall relieve such Lot or Dwelling from liability for any assessments thereafter becoming due or from the lien thereof.

9.10 Date of Commencement of Annual Assessments. The annual assessments shall commence as to each lot or dwelling on the day on which such lot or dwelling is submitted to this Declaration and shall be due and payable in such manner and on such schedule as the Board of Directors may provide.

## ARTICLE X

### ARCHITECTURAL STANDARDS AND USE RESTRICTIONS

10.01 Purpose. In order to preserve the natural setting and beauty of the Development, to establish and preserve a harmonious and aesthetically pleasing design for the Development, and to protect and promote the value of the Development, all improvements shall be subject to the restrictions set forth in this Article X. Every grantee of any interest in the Development, by acceptance of a deed or other conveyance of such interest, agrees to be bound by the provisions of this Article X.

10.02 Architectural Review Board. The Board of Directors shall establish the Architectural Review Board, which shall consist of a minimum of three (3) members, one of which shall be the a member of the Board of Directors. Any member of the Architectural Review Board appointed by the Board of Directors may be removed with or without cause by a majority vote of the Board at any time by written notice to such appointee, and a successor or successors appointed to fill such vacancy shall serve the remainder of the term of the former member. The Architectural Review Board shall elect a chairman and he, or in his absence, the vice chairman, shall be the presiding officer at its meetings. The Architectural Review Board shall establish regular meetings. A majority of the members present in person or by proxy shall constitute a quorum for the transaction of business. The Architectural Review Board is authorized to retain the services of consulting architects, landscape architects, land planners, engineers, inspectors, attorneys, and/or other professionals in order to advise and assist it in performing its functions.

10.03 Architectural Approval. No buildings, structures, or improvements of any type or nature shall be constructed, altered or modified without the prior written approval of the Architectural Review Board. The Architectural Review Board must receive three (3) copies of the plans and specifications and related data (including, if required by the Architectural Review Board, a survey showing the location of trees of six (6) inches in diameter at a height of four (4) feet above ground level and other significant vegetation on such lot), which shows the nature, color, type, shape, height, materials, and location of the proposed improvements. In undertaking its review, the Architectural Review Board shall consider such factors as (i) the harmony of external design; (ii) location; (iii) quality of design, workmanship and materials; and (iv) appearance in relation to surrounding structures and topography. At least one (1) copy of such plans, specifications, and related data submitted shall be retained in the records of the Architectural Review Board, and one (1) copy shall be returned to the Owner marked "approved", "disapproved" or "approved with conditions". The Architectural Review Board may establish a schedule of fees sufficient to cover the expense of reviewing plans and related data and to compensate any consulting professionals it may retain. The Architectural Review Board shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable to the Association. In the event the Architectural Review Board shall determine that construction is not proceeding in compliance with approved plans and specifications, the Architectural Review Board shall be entitled to enjoin further construction and to require the removal or correction of any work already in place which does not comply with approved plans and specifications. In the event the Architectural Review Board fails to approve or disapprove in writing any proposed plans and specifications within sixty (60) days after such plans and specifications have been submitted, such plans and specifications will be deemed to have been expressly approved. Upon approval of plans and specifications, no further approval under this Article X shall be required, unless (i) such construction has not substantially commenced within sixty (60) days of the approval of such plans and specifications, or (ii) such plans and specifications are materially altered or changed.

10.04 Permits, Codes, and Ordinances.

The Architectural Review Board does not have the authority to approve any variances to any governmental codes, permits, or ordinances. All improvements must meet all governmental construction codes. Even with the approval of plans and specifications by the Architectural Review Board, it is the homeowner's responsibility to obtain the required permits. When submitting a plan for an exterior improvement of any dwelling in the development, the homeowner shall include the name, address, and license information of the contractor(s) that will do the work, or indicate that the homeowner will perform the work.

#### 10.05 Landscaping Approval.

(a) To preserve the aesthetic appearance of the Development, no major landscaping shall be implemented and installed by any Owner unless and until the plans have been submitted to, and approved in writing by, the Architectural Review Board. The provisions of Section 10.03 regarding time for approval of plans, right to inspect, right to enjoin and/or require removal, shall also be applicable to any proposed major landscaping. Such plans may be required to include a grading plan and calculation of the ratio of the area to be covered by grass lawns versus the area to be left in a natural state. Such landscape and grading plans may be reviewed and approved by the Architectural Review Board with consideration to (i) the harmony of the proposed landscape design to the environmental character of the surrounding area; (ii) integration of any structures and proposed landscaping to the character and nature of the surrounding area; (iii) the preservation of natural drainage patterns; (iv) the visual impact in relation to surrounding area; and (v) the establishment of adequate and sufficient shading and buffering.

(b) Unless located within five (5) feet of a building or improvement the plans for which have been approved, no trees, shrubs, bushes, or other vegetation having a trunk diameter of six (6) inches or more at a point of four (4) feet above ground level, shall be cut, removed or mutilated by any Owner without obtaining the prior written approval of the Architectural Review Board, provided, however, that dead or diseased trees, shrubs, bushes, or other vegetation shall be cut and removed promptly. If any Owner removes a viable tree without the approval of the Architectural Review Board, the Owner shall replace it with a tree of comparable value. In the event the Owner fails within (30) days to satisfactorily replace the tree, the Owner shall pay the Association on demand liquidated damages of Two Thousand Five Hundred (\$2500.00) Dollars per lost tree and the Association or Architectural Review Board shall have the right to enter the property for the purpose of replacing the tree. In view of the difficulty in estimating the damage to the Development for the loss of the tree, this sum is agreed upon, fixed and determined by the parties as liquidated damages and is not in the nature of a penalty. The liquidated damages will become a lien on the property of the Owner and all provisions relative to assessments herein shall apply to the liquidated damages.

10.06 Approval Not a Guarantee. The Association or the Architectural Review Board shall not be responsible or liable for any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Article X, nor for any defects in construction undertaken pursuant to such plans and specifications.

10.07 Septic Tanks and Wells. All utility and mechanical equipment shall be adequately screened so as not to be visible from any public or private right-of-way or any portion of the Common Area. No septic tanks or wells shall be installed, used or maintained on any lot.

10.08 Exterior Appearance. Chainlink fences are not allowed within the Development. No foil or other reflective materials shall be used on any windows for sunscreens, blinds, shades or other purpose, and all window treatments for all dwellings within the Development shall conform to such rules and regulations as may be established by the Architectural Review Board. No



window-mounted heating or air-conditioning units shall be permitted. Outside clotheslines or other outside facilities for drying or airing clothes are specifically prohibited, nor shall any clothing, rugs, or other items be hung on any railing, fence, hedge or wall.

Any and all mail boxes or newspaper delivery boxes shall be uniform in construction and appearance and shall be approved by the Architectural Review Board. Plans, specifications and drawings of the required appearance of mail boxes and newspaper boxes will be made available to any owner or builder through the Architectural Review Board.

#### 10.09 Building Restrictions.

(a) Single Family Homes. Dwellings constructed on lots in all sections of the Development as shown on the Site Plan, excepting Patio Home lots, shall have a minimum of (i) 1500 square feet of fully enclosed heated living space (exclusive of roofed or unroofed porches, terraces, decks, carports, garages or other buildings) for a one (1) story dwelling; (ii) 1000 square feet of fully enclosed heated living space on the first floor for a one and one-half ( $\frac{1}{2}$ ) story split foyer or split-level dwelling; or (iii) 1000 square feet of fully enclosed heated living space on the first floor for a two (2) or two and one-half ( $2\frac{1}{2}$ ) floor dwelling.

(b) Patio Homes. dwellings constructed on lots designated as Patio Home lots as shown on the Site Plan shall have minimum of (i) 1200 square feet of fully enclosed heated living space (exclusive of roofed or unroofed porches, terraces, decks, carports, garages or other buildings) for a one (1) story dwelling; (ii) 800 square feet of fully enclosed heated living space on the first floor for a one and one-half ( $1\frac{1}{2}$ ) story split foyer or split-level dwelling; (iii) or 800 square feet of fully enclosed heated living space for a two (2) story or two and one-half ( $2\frac{1}{2}$ ) story dwelling.

(c) Requirements Applicable to All Dwellings. In addition all dwellings shall (i) have a minimum finished first floor elevation twenty-four (24) inches above the grade of the lot; (ii) have a maximum height of thirty-five (35) feet above grade; and (iii) be designed and constructed in compliance with any requirements imposed by the York County Building Code.

(d) Setbacks Applicable to Single Family Homes. The front setback for construction of a dwelling on Single Family Home lot shall be at least twenty-five (25) feet inside of a parallel to the front property line of the lot, twenty-five (25) feet inside of and parallel to the rear property line of the lot, ten (10) feet inside of and parallel to the side property lines of the lot; provided, however, that the front setback shall be thirty-five (35) feet for construction of a dwelling on a Single Family Home lot which fronts on a collector street as shown on the Site Plan.

(e) Setbacks Applicable to Patio Home. The front setback for construction of a dwelling on a Patio Home lot shall be at least twenty-five (25) feet inside of a parallel to the front property line of the lot, five (5) feet inside of and parallel to the side property lines of the lot.

10.10 Signs. Except as may be required by legal proceedings, no signs or advertising posters of any kind shall be maintained or permitted on any lot or dwelling within any windows or on the exterior of any dwellings or other improvements located within the Development, without the express written permission of the Architectural Review Board. The approval of any signs and posters, including, without limitation, name and address signs, shall be upon conditions as may be determined from time to time by the Architectural Review Board and may be withheld based on purely aesthetic considerations, so long as such decision is not arbitrary or capricious. In addition, the Board of Directors, on behalf of the Association, where applicable, shall have the right to erect reasonable and appropriate signs on any portion of the Common Areas and within the easement areas established in Article III hereof. Provided, however, that no portion of this section shall be deemed to preclude a homeowner from placing political signs on his own lot

during the election season, nor shall it preclude the placement of reasonable real estate signs offering the property for sale within the homeowner's lot.

10.11 Pets. No animals, livestock, birds or poultry of any kind shall be related, bred, or kept by any Owner or occupant of a dwelling, provided however, that a reasonable number of generally recognized household pets may be kept in dwellings within the property, subject to rules and regulations adopted by the Association, through its Board of Directors. Such household pet or pets must be kept or maintained solely as domestic pets and not for any commercial purpose. All pets are subject to York County codes and ordinances, and any violations should be reported to County Officials. Upon the written request of any Owner of a lot or dwelling, the Board of Directors of the Association may conclusively determine, in its sole and absolute discretion, whether, for purposes of this Section 10.11 a particular pet is a generally recognized house pet or if such pet is a nuisance. The Board of Directors of the Association shall have the right to require the owner of a particular pet to remove such pet from the Development if such pet is found to be a nuisance or to be in violation of the pet restrictions adopted by the Association. The Board of Directors shall have the further right to fine any Owner of a lot or dwelling (in an amount not to exceed \$50.00 per violation) for the violation of pet restrictions adopted by the Association. In addition, the Owner shall be liable to the Association for the full cost of repair of any damage to the Common Areas caused by the pet of an Owner or of an occupant of his dwelling. Any such fine and/or cost of repair shall be added to and become a part of the assessments applicable to such lot or dwelling.

10.12 Nuisances. No rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of the Development, nor shall any nuisance or odors be permitted to exist or operate upon or arise from the Development, so as to render any portion thereof unsanitary, unsightly, offensive, or detrimental to persons using or occupying any other portions of the Development. Noxious or offensive activities shall not be carried on in any lot, dwelling or in any part of the Common Areas, and each Owner, his family, tenants, guests, invitees, servants, and agents shall refrain from any act which would cause disorderly, unsightly, or unkept conditions, or which would cause embarrassment, discomfort, annoyance, or nuisance to the Owners or occupants of other portions of the Development, or which would result in a cancellation of any insurance for any portion of the Development, or which would be in violation of any law, governmental code or regulation. Any waste, garbage, or refuse materials produced or occurring as a result of the permitted activities conducted within any portion of the Development shall be stored, processed and transported away from the Development in a safe, neat, clean and efficient, healthy and sanitary manner. Any and all streets, roadways, driveways, and right-of-ways, including Common Areas, shall be kept reasonably clean and free of leaves, limbs, excess dirt, sand and soil, and any and all other types of debris.

10.13 Motor Vehicles, Trailers, Boats. Each Owner shall park automobiles off streets and roads within the Development. There shall be no outside storage or overnight parking of any mobile home, trailer (either with or without wheels), motor home, tractor, truck (other than standard size or compact pick-up trucks), commercial vehicles of any type, boat or other watercraft, boat trailer, or any other related forms of transportation upon any lot, dwelling or within any portion of the Common Areas.

## ARTICLE XI

### GENERAL PROVISIONS

11.01 [Deleted].

11.02 [Deleted].

11.03 Amendments by Association. Amendments to this Declaration shall be proposed and adopted in the following manner:

(a) Notice of the subject matter of the proposed amendment shall be included in the notice of the meeting of the Association at which such proposed amendment is to be considered and shall be delivered to each member of the Association.

(b) At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board of Directors or by members of the Association. The amendment must be approved by Owners holding at least two-thirds (2/3) of the total votes in the Association.

(c) The agreement of the required percentage of the Owners to any amendment of this Declaration shall be evidenced by the Association's respective execution of such amendment, or, in the alternative, the sworn statement of the President of the Association attached to or incorporated in the amendment executed by the Association, which states that the agreement of all required parties was lawfully obtained. Any such amendment of this Declaration shall become effective only when recorded in the Clerk of Court's Office for York County, South Carolina or at such later date as may be specified in the amendment itself.

11.04 Enforcement. Each Owner shall comply with the Bylaws and the published rules and regulations of the Association adopted pursuant to this Declaration, as either of the same may be lawfully amended from time to time, and with the covenants, conditions, and restrictions set forth in this Declaration and in the deed or other instrument of conveyance to his lot or dwelling. Failure to comply shall be grounds for imposing fines, for suspending voting rights, or for instituting an action to recover sums due, for damages, and/or injunctive relief, with such actions to be maintained by the Association, the Board of Directors on behalf of the Association, or, in a proper case, by an aggrieved Owner. Should the Association employ legal counsel to enforce any of the foregoing, all costs incurred in connection with such enforcement, including court costs and reasonable attorneys' fees, shall be paid by the violating Owner. Inasmuch as the enforcement of the provisions of this Declaration, the Bylaws, and the rules and regulations of the Association are essential for the effectuation of the general plan of development contemplated hereby and for the protection of present and future Owners, it is hereby declared that any breach thereof may not adequately be compensated by recovery of damages, and the Association, or any aggrieved Owner, in addition to all other remedies, and not by way of limitation, may require and shall be entitled to the equitable remedies of specific performance and of injunction to restrain any such violation or breach or any threatened violation or breach. No delay, failure, or omission on the part of the Association, or any aggrieved Owner in exercising any right, power, or remedy herein provided shall be construed as an acquiescence thereto or shall be deemed a waiver of the right to enforce such right, power, or remedy thereafter as to the same violation or breach, or as to a violation or breach occurring prior or subsequent thereto, and shall not bar or affect its enforcement. No right of action shall accrue nor shall any action be brought or maintained by anyone against the Association for, or on account of any failure to bring any action on account of any violation or breach, or threatened violation or breach, by any person of the provisions of this Declaration, the Bylaws, or any rules and regulations of the Association, however long continued.

11.05 Duration. The provisions of this Declaration shall run with and bind title to the property, shall be binding upon and inure to the benefit of all Owners and Mortgagees and their respective heirs, executors, legal representatives, successors, and assigns, and shall be and remain in effect for a period of thirty (30) years from and after the date of the recording of the Prior Declaration, provided that rights and easements which are stated herein to have a longer duration shall have such longer duration. Upon the expiration of said thirty (30) year period, this Declaration shall be automatically renewed for successive ten (10) year periods. The number of ten (10) year renewal periods shall be unlimited; provided, however, that if there shall be no renewal or extension of this Declaration, an instrument evidencing such termination shall be filed of record in the Clerk of Court's Office for York County, South Carolina. Every purchaser or grantee of any interest in any property, by acceptance of a deed or other conveyance, thereby agrees that the provisions of this Declaration shall run with and bind title to the property as provided hereby.

11.06 Interpretation. This Declaration shall be governed by and construed under and in accordance with the laws of the State of South Carolina, without regard to its conflicts of law rules. In all cases, the provisions set forth or provided for in this Amended Declaration shall be construed together and given that interpretation or construction which, in the opinion of Declarant or the Board of Directors will best effect the intent of the general plan of development. The provisions hereof shall be liberally interpreted and, if necessary, they shall be so extended or enlarged by implication as to make them fully effective, or by reference to the Prior Declaration. The provisions of this Amended Declaration shall be given full force and effect notwithstanding the existence of any zoning ordinance or building codes which are less restrictive. The effective date of this Declaration shall be the date of its filing for record in the Clerk of Court's Office for York County, South Carolina.

11.07 Headings. The heading and captions of each Article and Section are inserted here for reference purposes only and shall not affect in any way the meaning or interpretation of the particular Article or Section which they refer.

11.08 Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or other entities or to individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

11.09 Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but in the event that any one or more provisions of this Declaration shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect an other provisions of this Declaration and this Declaration shall be construed as if such invalid, illegal or unenforceable provisions had never been contained herein.

11.10 Rights of Third Parties. This Declaration shall be recorded for the benefit of Declarant, the Owners and their Mortgagees as herein provided, and by such recording, no adjoining property owner or third party shall have any right, title or interest whatsoever in the Development, except as provided herein, or in the operation or continuation thereof in the enforcement of any of the provisions hereof.

11.11 Notice of Sale. In the event an Owner sells or otherwise disposes of any lot or dwelling, the owner must promptly furnish to the Association in writing the name and address of such purchaser or transferee.

11.12 No Trespass. Whenever the Association, the Board of Directors, the Architectural Review Board, and their respective successors, assigns, agents, or employees are permitted by this Declaration to enter upon or correct, repair, clean, maintain, preserve, replace, or do any other action within any portion of the Development, the entering thereon and the taking of such action shall be deemed to be trespass.

11.13 Notices. All notices required hereunder shall be in writing and shall be delivered by hand or sent by United States Mail, postage prepaid. All notices to Owners shall be delivered or sent to such addresses as have been designated in writing to the Association, or if no address has been so designated, at the addresses of such Owners' respective lots or dwellings. All notices to the Association shall be delivered or sent to the Association at Post Office Box 3423, Fort Mill, SC 29708, or to such other address as the Association may from time to time notify the its Members.

IN WITNESS WHEREOF, the duly authorized officers of the undersigned Association have executed this Amended Declaration of Covenants, Condition and Restrictions for Palmetto Plantation under seal, this \_\_\_\_ day of \_\_\_\_\_, 2001.

PALMETTO PLANTATION ASSOCIATION, INC.

BY: Thomas C. Harris, President

Witness

Witness

ATTEST:

Secretary

STATE OF SOUTH CAROLINA, PROBATE COUNTY OF YORK

PERSONALLY appeared before me, KEVIN M. CUNNINGHAM, and made oath that he saw the within named PALMETTO PLANTATION ASSOCIATION, INC., by and through Thomas C. Harris, its President, publish, declare, subscribe, sign, and seal as its act and deed, deliver this Amended Declaration of Covenants, Conditions, and Restrictions for Palmetto Plantation and that he, with \_\_\_\_\_ and \_\_\_\_\_, witnessed the due execution thereto.

\_\_\_\_\_

KEVIN M. CUNNINGHAM

SWORN TO before me, this \_\_\_\_\_, day of \_\_\_\_\_, 2001.

\_\_\_\_\_

Notary Public