

DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS,
RESTRICTIONS, EASEMENTS AND ASSESSMENTS ("RESTRICTIVE
COVENANTS") OF

LAUREN PINES

YORK, SOUTH CAROLINA

200700383881
Filed for Record in
YORK COUNTY, SC
DAVID HAMILTON
11-28-2007 At 02:57 pm.
RESTR COVEN 37.00
OR Vol 9623 Page 30 - 60

Table of Contents

DEFINITIONS3
CHARACTER OF THE DEVELOPMENT4
RESTRICTIONS CONCERNING SIZE, PLACEMENT, AND MAINTENANCE OF DWELLING
UNITS AND OTHER STRUCTURES.....5
EASEMENTS AND SETBACKS10
MISCELLANEOUS PROVISIONS AND PROHIBITIONS.....13
SUBMITTAL AND APPROVAL OF PLANS.....15
ENFORCEMENT19
EFFECT OF BECOMING AN OWNER.....20
TITLES20
DURATION AND AMENDMENT21
ASSOCIATION MEMBERSHIP AND VOTING RIGHTS21
INSURANCE23
COVENANT FOR ASSESSMENTS23
EXHIBIT A.....31

DECLARATION OF COVENANTS, CONDITIONS, COMMITMENTS,
RESTRICTIONS, EASEMENTS AND ASSESSMENTS (“RESTRICTIVE
COVENANTS”) OF

LAUREN PINES

YORK, SOUTH CAROLINA

THIS DECLARATION of Covenants, Conditions, Commitments, Restrictions, Easements and Assessments, hereinafter referred to as the “Declaration” of the “Covenants”, is made this ____ day of _____, 2007 by Laureate Developers, LLC, a South Carolina limited liability company, hereinafter referred to as “Declarant” or “Developer,”

WITNESSETH:

WHEREAS, Declarant is the owner of a certain parcel of real property, hereinafter referred to as the “Real Estate/Development/Property”, as described in Exhibit A attached hereto and by reference is made a part hereof and as may be amended in the future by Declarant to expand the Development to include contiguous parcels of property (“Additional Property”); and

WHEREAS, Declarant hereby subdivides a portion of said Real Estate in one or more Phases into single-family lots known and designates said subdivision as LAUREN PINES, hereinafter referred to as the “Subdivision,” as per plat thereof recorded on the 19th day of November 2007, Volume number D272, Page numbers 4 and 5, in the records of the Clerk of Court in York County, South Carolina, and by reference made a part hereof; and

WHEREAS, Declarant establishes a system of assessments and charges, hereinafter referred to as the “Assessments”, to be borne by Lot Owners (hereinafter referred to as “Owners”) of the Development, to provide for maintenance of the Common Property in the Development, for insurance coverage, and for mutual enforcement of the Covenants;

NOW, THEREFORE, Declarant hereby affirms that the Real Estate described in Exhibit A attached hereto and by reference made a part hereof shall be held, subdivided, sold and conveyed subject to the following Covenants which purport to protect the value and desirability of the Development, and which shall run with the Real Estate and shall be binding on all parties having any right, title or interest in the Real Estate or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I

DEFINITIONS

- A. The following are the definitions of terms used in this Declaration:
1. “Additional Property” shall mean and refer to additional real estate which is or will become part of the entire parcel and which may be made subject to the terms of this Declaration at a future date.
 2. “Architectural Guidelines” shall have the meaning as set forth in ARTICLE VI herein.
 3. “Assessment” shall mean that share of the Common Expenses imposed upon each Lot, as determined and levied pursuant to the provisions of ARTICLE XIII herein.
 4. “Association” shall mean Lauren Pines Homeowners’ Association or an organization of similar name, its successors and assigns, and shall be created as a South Carolina not-for-profit corporation. Its membership shall consist of Owners who pay mandatory assessments for liability insurance, project sign maintenance, storm water detention area maintenance, maintenance of landscaped areas in landscape easements, management fees and other expenses as determined by the Association.
 5. “Builder” shall mean the contractor(s) constructing the first residence on each Lot, which may be the Developer for one or more Lots.
 6. “Architectural Control Committee” or “Committee” shall mean Lauren Pines development control Committee, composed of up to three (3) members initially appointed by Developer, who shall be subject to removal by Developer at any time with or without cause as long as Developer owns at least one (1) Lot. Developer by appointment shall fill vacancies, which may occur from time to time on the Committee until such time as the Subdivision is completely developed, at which time the Association Board of Directors shall appoint the Architectural Control Committee. The Committee shall oversee the development and enforcement of architectural control standards and restrictions with respect to the Subdivision and perform certain other functions as described in this Declaration.
 7. “Architectural Guidelines” shall mean the written document that provides guidelines and requirements for landscaping, building additions, and other items overseen by the Architectural Control Committee.
 8. “Common Expenses” shall mean the actual and estimated costs to the Association for maintenance, management, operation, repair, improvement, and replacement of the Common Property as hereinafter defined and including, but not limited to, the maintenance of the storm water detention

areas, and any other costs or expenses incurred by the Association for the benefit of the Common Property, including the cost of insurance as required herein. Common Expenses shall not include any costs or expenses incurred in connection with the initial installation and completion of streets, utility lines and mains, the drainage system, or other public improvements constructed by Developer.

9. "Common Property/Common Area" shall mean all real and personal property, which is in the nature of common or public improvements. All landscape, utility, storm water, and sign easements, as well as any medians within the public rights-of-way shall be Common Area and shall be maintained by the Association as such.
10. "Declarant" or "Developer" shall mean and refer to Laureate Developers, LLC, a South Carolina limited liability company and its successors and assigns to whom the rights of Declarant have been assigned. Declarant or Developer shall, as the context herein dictates, be synonymous with "Association" until such time as Declarant cedes control thereof to the Owners as provided herein.
11. "Dwelling Unit" shall mean a single-family residence, including attached garage, situated upon a Lot in the Development.
12. "Lot" shall mean any residential parcel of Real Estate identified by number and as shown on the Plat of Development, which is recorded in the Office of the Recorder of York County, South Carolina. No Lot may be subsequently subdivided for development purposes, except to adjust for minor side yard infractions, which may occur.
13. "Owner" shall mean a person who acquires any right, title or interest, legal or equitable, in and to a Lot, but shall exclude those persons having such interest merely as security for the performance of an obligation.
14. "Plat" shall mean the subdivision plat of the Development identified as the Final Plat of Lauren Pines, recorded on the 19th day of November 2007, Volume number D272, Page numbers 4 and 5, in the records of the Clerk of Court in York County, South Carolina, and any Plats of subsequent Phases recorded thereafter.

ARTICLE II

CHARACTER OF THE DEVELOPMENT

- A. In General: Each Lot in the Development shall be a residential lot and shall be used exclusively for single-family residential purposes. No business buildings may be erected on any Lots thereof. No business may be conducted on any Lots thereof, other

than those occupations permitted in the Zoning Ordinance of York County, South Carolina.

- B. Other Restrictions: All Lots in the Development shall be subject to the easements, restrictions and limitations of record, and to all governmental zoning authority and regulations affecting the Development, all of which are incorporated herein by reference.

ARTICLE III

RESTRICTIONS CONCERNING SIZE, PLACEMENT, AND MAINTENANCE OF DWELLING UNITS AND OTHER STRUCTURES

- A. Type, Size, and Nature of Construction Permitted and Approvals Required: No Dwelling Unit, greenhouse, porch, garage, swimming pool, exterior structure, fences, basketball court, tennis court or other recreational facility may be erected, placed or altered on any Lot without the prior written approval of the Architectural Control Committee. Such approval shall be obtained prior to the commencement of construction and shall take into account restrictions as to the type of materials, exterior façade, design, layout, location, landscaping and finished grade elevations. Builders may submit sets of Master Plans of typical homes to the Architectural Control Committee. When approved by the Committee, these Master Plans shall not require subsequent approval unless there are changes thereto.
1. Builder Approval: All Builders who construct the original Dwelling Unit on each Lot must be approved in advance, and in writing, by Developer.
 2. Minimum Areas: The following restrictions shall apply: Any Dwelling Unit erected, placed, or altered shall have the following minimum areas (heated, under roof), exclusive of garages and open porches:
 - (a) 2,000 square feet of main floor area for a one-story Dwelling Unit; or
 - (b) 1,400 square feet of main floor area if higher than one-story; any Dwelling Unit higher than one story having a minimum of 2,400 square feet of finished living space.
 3. Foundations: All foundations shall either be basement, concrete slab, or crawl space design.
 4. Masonry Requirement: The front exterior of all homes shall be a minimum of forty percent (40%) brick or stone masonry, exclusive of doors, windows, and gables. A waiver of this requirement may be allowed by the Architectural Control Committee on any two-story dwelling.

5. Attached Garages: Each Dwelling Unit shall have a minimum of a two-car side-load attached garage unless otherwise approved by the Architectural Control Committee.
6. Driveways and Off-Street Parking Spaces: There shall be a minimum of two (2) off-street parking spaces in each driveway. All driveways shall be constructed of concrete.

A driveway shall not exceed in width the side boundaries of the garage it serves.

Any other driveway design requires the approval of Architectural Control Committee and must be submitted with site plan.

No additional parking shall be permitted on a Lot other than in the existing driveway.

Builders shall install driveways during original construction of the Dwelling Units.

No inoperative or unlicensed vehicles shall be stored or repaired on the outside of any Lot or on the driveway thereof. No camper, trailer, motor home, mobile home, boat, truck, school bus or other vehicle of like kind may be parked within the subdivision unless such vehicle is kept in the garage or otherwise completely screened from view, except for personal automobiles, vans and pick-up trucks. Also refer to ARTICLE V, Section C.

7. Prohibition of Relocated or Moveable Structures: No Dwelling Unit, garage, or other structure of any kind may be moved onto any Lot. Limited exceptions to this restriction may be granted by the Architectural Control Committee in certain cases (e.g., for pre-built storage buildings). No trailer, mobile home, tent, basement, shack, garage, motor home, barn or other structure may be placed or constructed on any Lot at any time for use as either a temporary or permanent residence or for any other purpose, except as reasonably required in connection with the construction of a Dwelling Unit on a Lot.
8. Time Limits to Begin Construction: All Lots purchased from Developer must have construction on Dwelling Units begin within six (6) months of purchase unless Lot Owner receives written permission from Developer approving an extension to this deadline. For Owners who fail to begin construction on a Dwelling Unit for their Lot within the required six (6) month period, and who do not receive a written extension from the Developer, Developer reserves the right and option to repurchase Owner's Lot(s) for the original purchase price.
9. Time Limits to Complete Construction: The exterior of every Dwelling Unit, garage, or other structure permitted to be constructed or to remain on any Lot shall be completed within six (6) months from the start of construction, including the application of at least one (1) coat of paint, stain or varnish on

any exterior wood surfaces.

All structures must be One Hundred Percent (100%) complete, and the site graded, sodded, or seeded and reasonably landscaped within one (1) year from the date of commencement of construction thereof.

10. Maintenance of Lots During Construction: All Lots shall be kept and maintained in a sightly and orderly manner during the period of construction of any structures on said Lots. No trash or rubbish of any kind shall be permitted to accumulate on any Lot or adjacent Lots. Construction debris shall be placed in dumpsters or wire/plastic trash enclosures, which shall be placed on the Lots and not on the streets. The streets shall be kept clear of mud and dirt from water run off and excavation.
11. Basketball Goals and Similar Structures: To preserve the natural quality and aesthetic appearance of the Development, basketball goals or similar structures shall be approved by the Architectural Control Committee for size, location, height, composition, and color prior to installation.
 - (a) No goal or structure may be installed or maintained such that playing basketball occurs in the street.
 - (b) Play equipment. Children's play equipment such as sandboxes, temporary swimming pools having a depth less than twenty-four (24) inches, swing and slide etc., playhouses and tents shall not require approval by the Architectural Control Committee provided such equipment is not more than six (6) feet high, maintained by the Lot Owner in good repair (including painting) and a reasonable effort has been made by the Lot Owner to screen or shield such equipment from view of adjacent Lot Owners, and the equipment is located in the rear of the Lot. Equipment higher than six (6) feet shall require approval of design, location, color, material and use by the Architectural Control Committee.
12. Fences: All fences and masonry landscape walls, except those built by the Developer, shall meet the following standards and must be approved by the Architectural Control Committee prior to installation:
 - (a) Pool fences, where required, shall be a decorative type with some screen landscaping of the sides exposed to the streets.
 - (b) No solid fence construction shall be permitted without the approval of the Architectural Control Committee.
 - (c) Fences shall be shadow box, split rail, or black ornamental wrought iron style, unless otherwise approved by the Architectural Control Committee.

- (d) For non-corner lots, no fence may be installed between the street and the rear face of a house.

For corner lots, no fence may be installed between the street and the corner of the house facing the two respective streets.

- (e) The height of any type of fence may not exceed six (6) feet. All Owners shall maintain their respective fences in good condition including repainting and/or restaining wood fences, removing rust and repainting metal fences, and repairing any structural defects or signs of deterioration.
 - (f) Any deviation from the above requirements shall require approval from the Architectural Control Committee.
 - (g) The Architectural Control Committee shall have the discretion to allow other fence types, based on the plans submitted under ARTICLE III, Section A. and ARTICLE VI, Section A.
13. Landscaping: Initial landscaping of each Lot will be required by Declarant to include specific numbers of each of the following: deciduous shade (overstory) trees, deciduous ornamental (understory) trees, and shrubs for foundation. Each Lot shall have a sod or seeding requirement, as specified by Declarant. Builder is to install required planting material as part of the initial construction of the Dwelling Unit on each Lot. Additional landscaping requirements will be outlined in the Architectural Guidelines.
14. Mailboxes: Builders shall install matching Architectural Control Committee-approved and Post Office-approved curbside rural mailboxes during original construction of the Dwelling Units. Each Owner shall maintain and replace his or her mailbox with the same type, unless a change in design and color is approved by the Architectural Control Committee.
15. Storage Tanks and Storage Areas: Gasoline or other above-ground fuel storage tanks, including above-ground LP tanks, will not be permitted in the Development. Firewood must be placed behind a visual barrier screening the firewood so that it is not visible from neighboring streets.
16. Fire: No outdoor fires for the purpose of burning leaves, grass or other forms of trash shall be permitted to burn upon any street, roadway, or Lot. No outside incinerators shall be kept or allowed on any Lot.
17. Storage Sheds: All accessory buildings shall be architecturally compatible with the Dwelling Unit, shall be constructed with the same or equivalent materials as the Dwelling Unit and shall be subject to the approval of the Architectural Control Committee.
18. Satellite Dish Antennas: Satellite dish antennas exceeding 29 inches in diameter will not be allowed. Satellite dishes 29 inches in diameter or less

shall not be visible from the public street, excluding any dishes mounted on the rooftop of a Dwelling Unit.

19. No dog kennels or dog runs: No dog kennels or dog runs will be allowed in the Development.
 20. Utility Lines: All utility lines in the Development shall be placed underground. Utility lines shall be installed under completed streets by jacking or boring methods. Street cuts will not be permitted.
 21. Utility Meters and HVAC Units: Wherever possible, all utility meters and HVAC units in the Development shall be located in places not seen from the street or shall be screened, if located in the fronts or sides of the Dwelling Unit.
 22. Street Lights: Developer shall enter into a lease agreement for the installation of uniform streetlights as a part of the Development Improvements; the Association shall pay the lease payments and maintain streetlights, according to the lease with the supplier.
- B. Damaged Structures: No Dwelling Unit which has been partially or totally destroyed by fire or other catastrophic event shall be allowed to remain in such state for more than thirty (30) days from the date of such occurrence.
- C. Maintenance of Lots and Improvements: The Owner of any Lot in the Development shall at all times maintain the Lot and any Improvements thereon in such a manner to prevent the Lot and its Improvements from becoming unsightly. Specifically, the Owner shall:
1. Establish and mow the grass with reasonable frequency to prevent overgrowth, including the grass in public rights-of-way within the areas between the Lot boundaries for the Owner's respective Lot and the street (this mowing requirement shall not apply to Lots owned by the Declarant);
 2. Keep Lot free of debris, weeds, and rubbish;
 3. Prevent conditions of any kind from evolving which in the Architectural Control Committee's opinion may detract from or diminish in any way the aesthetic value of the Development;
 4. Remove dead trees and replace with like species; and,
 5. Maintain the exterior of all Improvements in a state of good repair.

In the event an Owner shall fail to maintain the premises and the Improvements thereon in a manner satisfactory to the Association Board of Directors, the Association may, through its agent or representative, after approval by majority vote of the Board, have the right to enter upon said Lot and repair, maintain and restore the Lot and the exterior of the buildings and any other Improvements thereon. The cost of such

exterior maintenance shall be added to and become part of the assessment to which such Lot is subject and the Owner shall be personally liable to the Association for the costs of such maintenance, and the cost, until paid, shall be a permanent charge and lien upon such Lot. Such entry as provided herein shall not be a trespass, nor shall the Association be liable for doing anything reasonably necessary or appropriate in connection with carrying out those provisions, provided such entry shall be at reasonable times and places so as not to interfere with the right of quiet enjoyment of the individual Lot Owner.

ARTICLE IV

EASEMENTS AND SETBACKS

- A. Owner's Easements of Enjoyment of Common Area: Every Owner shall have a non-exclusive right and easement for enjoyment, in common with all Owners, in any Common Area, which non-exclusive right and easement or enjoyment shall be appurtenant to and shall pass with title to every Lot (in the form of a right to membership in the Association), subject to the following provisions:
1. The right of the Association to promulgate reasonable rules and regulations governing the use of the Common Area owned by the Association including, without limitation, parking, swimming, boating, fishing, (including the denial thereof of any such rights) and upon improvements, additions or alterations to the Lots and the Common Area owned by the Association;
 2. The easements reserved elsewhere in this Declaration and the right of the Association to grant further reasonable utility easements across and through the Common Area owned by the Association for the benefit of its members;
 3. The right of the Association to dedicate or transfer all or any part of the Common Area owned by the Association to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members or otherwise allowed pursuant to this Declaration, as amended. No such dedication or transfer, except as allowed pursuant to this Declaration, shall be effective unless there is recorded an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of the membership of each class of members of the Association.
- B. Defined Drainage and Utility Easements: The strips of ground shown on the recorded plat of the Development, which are marked as Drainage and Utility Easements, are reserved for the use of public utility companies, including cable television companies and municipal agencies, for the purpose of installing and maintaining drainage swales, duets, poles, lines, wires, sewers, drains and appurtenances thereto. Said easements shall be perpetual from the date of this Instrument as subscribed to by the Developer, its successors and assigns. No permanent or other structures may be erected or maintained in said easements except for temporary structures, fences, driveways and

walkways. The Owners of Lots in the Development shall take title to said Lots subject to the rights of said companies and agencies and the other Owners of said Lots in the Development for purposes of ingress and egress and maintenance and repair in, along and through said easements so reserved.

York Electric Cooperative is specifically granted a ten (10) foot right-of-way easement along all front and rear property lines and a five (5) foot easement along all side property lines.

- C. Natural Gas Pipeline Restrictions and Easement: The right-of-way and easements co-owned by Carolina Gas Transmission Corporation and York County Natural Gas shall be reserved exclusively as a walking trail easement for the enjoyment of every Owner within the Subdivision. No permanent structures of any kind shall be placed within this easement, including (but not limited to) fences and outbuildings. All drainage fields for septic systems and all wells shall be located outside of this easement. The Association shall strictly enforce this restriction. Any Owners found in violation shall be notified by the Association in writing and shall be given 30 days to cure the violation. **Owners who fail to cure the violation will be fined \$100 per day for each day after 30 days' written notice that the violation remains uncured.**
- D. Undefined Drainage, Utility, Sewer and Other Development Easement: The following rights reserved in this Section shall not be exercised, after the conveyance of any Lot, in a manner that (i) unreasonably and adversely affects any Dwelling Unit or portion thereof located upon such Lot or the Owner's use or enjoyment thereof, or (ii) unreasonably restricts the rights of ingress and egress to such Lot. The following rights and easements reserved by Declarant in this Section shall run with the land, and Declarant's right to further alter or grant easements shall automatically terminate and pass to the Association one (1) year after Declarant shall have conveyed the last Lot within the Property.
1. Declarant hereby reserves unto itself during the Development Period, and thereafter unto any public or private utility, an undefined easement for drainage, utility and sewer purposes in, on and over all of the Common Area and any Lot, so as to permit Declarant to properly install and allow to be maintained all electrical, telephone, water, gas, sanitary and storm sewer, television (including but not limited to cable and/or satellite) transmission facilities, security systems and other utility services (including all necessary lines, pipes, wires, cables, ducts, antennae and other equipment and facilities) to serve any Dwelling Unit constructed in the Development. Improvements or permanent structures installed within the Common Area are subject to the rights (including the right to remove where reasonably necessary without duty of replacement or reimbursement) of the Declarant and any public or private utility to construct, maintain, repair or remove any necessary facilities. This easement shall be in addition to any easement defined upon a Plat as a drainage, sewer, utility, cable, landscape, sign, transmission, flowage or similar type easement.

2. Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the right to an undefined sign and facilities easement (“Sign and Facilities Easement”) to install, erect, construct and maintain an entryway sign or signs, directional signs, lighting, walkways, pathways, fences, walls and other landscaping, architectural and recreational features or facilities considered necessary, appropriate, useful or convenient, anywhere upon the Property (except upon any Lot after the first conveyance thereof). Any such signs shall comply with any applicable zoning requirements and all such facilities shall be maintained by the Association as a part of its Common Area maintenance obligations.
3. Declarant reserves unto itself during the Development Period, and thereafter unto the Association, the full right, title and authority to:
 - (a) Relocate, alter or otherwise change the location of any easement or any facility at any time located therein or thereon;
 - (b) Grant such further easements, licenses and rights-of-way, temporary or permanent, exclusive or non-exclusive, surface or otherwise, as Declarant may deem necessary or appropriate, for ingress and egress, utility and similar purposes on or within any portion of the Development, for the benefit of the Development or any portion thereof; and
 - (c) Describe more specifically or to change the description of any easement, license or right-of-way now or hereafter existing in the Development by written instrument, amended Plat or amendment to the recorded Plat.

The title of the Association (as to the Common Area owned by the Association during the Development Period) and of any Owner of any Lot shall be subject to the rights and easements reserved herein.

E. Easement for Emergency Purposes. An easement is hereby dedicated and granted for use in the case of an emergency by emergency vehicles such as fire trucks, police cars and ambulances and emergency personnel, public and private, over and upon the Common Area and any portion of any Lot.

F. Defined Mounding, Landscaping, and Screening and Sign Easements. The areas shown on the Plat for (i) mounding easements, (ii) landscape or landscape maintenance easements, and/or (iii) sign easements are reserved for such (i) mounding easements, (ii) landscape or landscape maintenance easements, and/or (iii) sign easements. Declarant hereby reserves unto itself during the Development Period, and, thereafter, unto the Association, any such easements for the purposes of (i) providing signs which either advertise the property and the availability of Lots or identify the Property or, (ii) installing landscaping, mounding, and screening. Declarant reserves unto itself during the Development Period and thereafter unto the Association, the exclusive and sole right to erect signs and install landscaping, mounding, and screening within these strips of ground shown on the Plat as landscaping, mounding, and sign easements. No planting shall be done, and no hedges, walls, or other

improvements shall be erected or maintained in the area of such easements except by the Declarant during the Development Period and, thereafter, by the Association. No fences shall be erected or maintained in the area of such easements. Furthermore, notwithstanding anything in this Declaration to the contrary, at any time during the Development Period no planting shall be done, and no hedges, walls, fences, structures, or other improvements shall be erected between (i) any landscape easement or landscape maintenance easement, and (ii) any perimeter roadway, public highway or right-of-way along the perimeter or boundary of the property, except by the Declarant.

- G. Trail Easements. In order to provide for the future common enjoyment of Owners, a ten (10) foot trail easement shall be reserved on the rear of all Lots and a five (5) foot easement shall be reserved along the sides of all Lots in the Subdivision to allow the Association the right to build and extend an interconnected walking trail system within the Subdivision.
- H. Wetlands and Creek Setbacks. A 100-foot building setback from all creeks and wetlands shall be maintained at all times. No permanent structures of any kind shall be placed within this setback area without written permission from the Architectural Control Committee.
- I. Right of Access. Every Owner grants a right of access to his Lot to the Independent Manager and/or any other person authorized by the Board or the Independent Manager for the purpose of making inspection of or for the purpose of correcting any condition originating in his Lot and threatening another Lot or the Common Area, or for the purpose of performing installations, alterations or repairs within the Common Area or an adjoining Lot; provided, however, such requests for entry (except in the case of emergencies where no request shall be required) are made in advance and any such entry is at a time reasonably convenient to the Owner.

ARTICLE V

MISCELLANEOUS PROVISIONS AND PROHIBITIONS

- A. Offensive Activity and Nuisance: No unlawful, noxious or offensive trade or activity shall be conducted or permitted upon any Lot, or in the Common Area, nor shall anything be done thereon which may be or may become an annoyance or nuisance to any other Owner, or which may endanger the health or safety of any other Owner. No Owner shall engage in or permit any disorderly conduct on the Property, or cause or allow any disturbance, including, but not limited to, shouting, singing, or playing any musical instruments, radio, stereo, or television, in a manner that unreasonably disturbs any other Owner. Neither Developer nor any officer, agent, employee or contractor thereof, the Association, or any Owner shall be liable for any damage which may result from enforcement of the provisions of this paragraph.

B. Signs: No signs of any kind shall be placed or displayed in the public view on any Lot or Common Area except signs expressly permitted in the Architectural Guidelines or otherwise approved in writing by the Architectural Control Committee. The provisions of this Section shall not prevent the placement of permanent signs identifying the Subdivision at any entrance to the Subdivision, nor shall it prevent Declarant or its agents from placing signs to advertise the Subdivision during the construction and sale period, including signs on the Common Area and on any Lot owned by the Declarant.

C. Animals: No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats and other common household pets may be kept or maintained provided that (1) they are not kept or maintained for commercial purposes and (2) the animal has not and does not exhibit aggressive, vicious, threatening or dangerous behavior. No savage or dangerous pets, as determined by the Board in its sole discretion, may be kept on the Property. All permitted pets shall be controlled so as not to create a nuisance or unreasonable disturbance (including loud and excessive barking) on the Property. Pet areas shall be kept clean and sanitary so as not to be offensive to other residents. All pets shall be registered, licensed and inoculated as required by law. Owners are responsible for cleaning up any waste materials caused by their animals on common property or on Lots other than the Owners. Pets shall at all times be kept on or within the Lot or restrained by a person capable of controlling the pet.

The Owner of the Lot where any pet resides is fully responsible for insuring that the pet is maintained and controlled in accordance with the provisions of this Declaration. By bringing a pet onto a Lot or by permitting another occupying or visiting the Lot to bring a pet onto the Lot, the Owner of the Lot agrees to indemnify and hold the Association as well as all other Owners harmless from any loss or claim resulting from the actions of the pet or any failure to control or maintain the pet in accordance with the provisions of this Declaration.

Not more than four (4) adult pets of 20 pounds or less, not more than three (3) adult pets of 21 to 75 pounds and not more than 2 adult pets 76 to 150 pounds shall be permitted to be domiciled in a Dwelling Unit or on a Lot. Pets which exceed 150 pounds shall be approved by the Architectural Control Committee.

D. Vehicle Parking:

No Street Parking; No Semi Tractor-Trailers. No motor vehicle shall be continuously or habitually parked on any street or public right-of-way in the Development, this being the intent of Declarant and this Declaration that vehicles be kept in driveways and garages. No semi tractor-trailers, other large trucks, vans or other vehicles, as determined by Declarant in its sole discretion, shall be permitted within the Development, except for limited periods as determined by Declarant in its sole discretion for moving vans being utilized by residents for moving in or out of a residence, except for such construction, delivery or other vehicles as Declarant may permit from time-to-time in its sole discretion.

Any motor vehicle, which is inoperative and not being used for normal transportation, will not be permitted to remain on any street or Lot except within a closed garage. Motor vehicles may not be parked upon grassy or landscaped areas.

Unless otherwise provided by the rules and regulations of the Architectural Control Committee, motor homes, mobile homes, boats, campers, trailers, commercial trucks and similar vehicles may not be parked or stored upon a Lot unless within a closed garage or completely screened from view of surrounding Dwelling Units. Pickup trucks and vans with company logos that are used for commercial purposes are allowed to be parked within the Subdivision as long as no equipment is mounted on the back, sides, or top (e.g., ladders or other equipment).

All passenger vehicles shall be parked in garages or in driveways. Guest vehicles may be parked on the public streets for a period not to exceed twenty-four (24) hours. A guest vehicle does not include any vehicle which is parked frequently on public streets (i.e., if a vehicle is parked on the street for more than 24 hours per month it does NOT qualify as a guest vehicle.). Vehicles may not be placed on blocks or jacks for more than a 48 hour period for purposes of repair, except for repairs made in garages.

The above restriction does not prohibit the temporary parking of such vehicles for loading and unloading purposes either on the street or in the driveway, as long as it is removed from the Subdivision within twenty-four (24) hours of its being parked in the Subdivision.

- E. Ditches and Swales: All Owners shall keep unobstructed and in good repair, all open storm water drainage ditches and swales located on their respective Lots.
- F. Garbage, Trash and Other Refuse: No Owner of a Lot in the Development shall burn or bury out-of-doors, any garbage or refuse. Nor shall any such Owner accumulate or permit the accumulation out-of-doors of such refuse on his or her Lot. All trash containers used for the storage or disposal of such waste shall be kept in a clean, odor-free and sanitary condition and shall be located so as to be concealed from public view except for the day of trash pickup.

ARTICLE VI

SUBMITTAL AND APPROVAL OF PLANS

- A. Submittal of Plans: No building, wall or other structure, except original construction of buildings by or on behalf of Declarant or an original Builder, may be commenced, erected or maintained in the Development, nor may any exterior additions, changes or alterations therein or thereto be made until the plans and specifications for said additions, changes or alterations are submitted to and approved in writing by the Architectural Control Committee for harmony of external design and location in

relation to surrounding structures and topography. All such proposed changes shall be deemed "Improvements." Such approval shall be obtained only after written application has been made to the Committee and any required review fees paid to the Association by the Owner of the Lot requesting authorization from the Committee.

B. Approval of Plans: Approvals, determinations, permissions or consents of and for plans required herein shall be deemed granted if given in writing and signed with respect to the Developer by an authorized Officer or agent thereof, or with respect to the Architectural Control Committee by two of its authorized designee(s).

C. Architectural Control Committee: Upon transfer of control of the Association to the Board of Directors, the Developer will retain the approval of the first Dwelling Unit constructed upon any Lot. All other approvals of plans will be transferred to the Architectural Control Committee.

1. Power of the Committee:

(a) Architectural Guidelines: The Architectural Control Committee may, from time to time, publish and promulgate architectural, landscape and construction guidelines (the "Architectural Guidelines"). The Architectural Guidelines shall be explanatory and illustrative of the general intent of the development of the Property and are intended as a guide to assist the Architectural Control Committee in reviewing plans and specifications for Improvements. The Architectural Guidelines shall also set out, among other things, the procedures for submission, review and approval of plans and specifications to the Architectural Control Committee and the fees to be imposed by the Architectural Control Committee. The Architectural Control Committee is authorized to request the submission of samples of proposed construction materials. In any event, the Architectural Guidelines shall not be binding upon the Architectural Control Committee, may be revised and amended at any time by the Architectural Control Committee, in its sole discretion, and shall not constitute, in every event, the basis for approval or disapproval of plans, specifications and other materials submitted to the Architectural Control Committee for approval.

(b) Variances: Upon submission of a written request for approval of Improvements, the Architectural Control Committee may, from time to time, in its sole discretion, permit Owners to construct, erect or install Improvements which are at variance with architectural or landscaping requirements or provisions that might be otherwise applicable. In any case, however, such variances shall be in basic conformity with and shall blend effectively with the general architectural style and design of the community and shall not materially change the scheme of restrictions herein set forth. Written requests for variances shall be deemed to be disapproved until the Architectural Control Committee has expressly approved the request in writing. No member of the Architectural Control Committee shall be liable to any Owner for any claims, causes of action,

or damages arising out of the grant or denial of any variance to any Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from all other such requests. The grant of a variance to any Owner shall not constitute a waiver of the Architectural Control Committee's right to strictly enforce the covenants, restrictions and architectural standards provided hereunder against any other Owner.

- (c) Power of Disapproval: The Architectural Control Committee may refuse to grant permission to remove trees, repaint, construct, place or make the requested improvement, when;
- i. The plans, specifications, drawings, or other material submitted are inadequate or incomplete, or show the proposed improvement to be in violation of these Restrictions;
 - ii. The design or color scheme of a proposed improvement is not in harmony of the general surroundings of the Lot or with adjacent buildings or structures;
 - iii. The proposed improvement, or any part thereof, would, in the opinion of the Architectural Control Committee, be contrary to the interests, welfare, or rights of all or any part of the other Owners.
- (d) Developer Improvements: The Architectural Control Committee shall have no power with respect to any Improvements or structures erected or constructed by the Developer (or any Builder, if Developer has approved the plans therefore).
- (e) Unapproved Improvements: As to nonconforming or unapproved Improvements, the Association may require any Owner to restore such Owner's Improvements to the condition existing prior to the construction or installation thereof (including, without limitation, the demolition and removal of any unapproved Improvements) if such Improvements were commenced or constructed in violation of this Declaration or any Architectural Guidelines. In addition, the Association may, but has no obligation to, cause such restoration, demolition and removal to be performed and to levy the amount of the cost thereof as a Special Individual Assessment against the Lot or portion of the Property upon which such Improvements were commenced or constructed. In the event that it becomes necessary to resort to litigation to determine the propriety of any constructed Improvement, to remove any unapproved Improvement or otherwise to remedy a violation of the Architectural Guidelines, the Association shall be entitled to recover court costs, attorneys' fees and expenses incurred by the Association and/or the Architectural Control Committee in connection therewith, which costs, fees and expenses may be levied as a Special Individual Assessment

against the Lot or other portion of the Property upon which such Improvement was commenced or constructed.

2. Duties of Architectural Control Committee: The Committee shall approve or disapprove the proposed Improvements within thirty (30) days after all required information is received by it. One (1) copy of submitted material shall be retained by the Committee for its permanent files. All notifications to applicants shall be in writing, and, in the event that such notification is one of disapproval, it shall specify the reason or reasons for such disapproval. In the event that a written approval is not received from the Committee within thirty (30) days from the date of receipt of the information required to be submitted by the Architectural Guidelines, the failure to issue such written approval shall be construed as the disapproval of any such plans submitted.

The submitting party can resubmit and if no written approval or denial is received, after the next thirty (30) days, then no action shall be construed as approval. However, in such an event, any building, structure, or improvement of any kind shall conform without exception to all conditions and criteria established in this Declaration and the Architectural Guidelines.

- (a) In General: Any party to whose benefit these restrictions inure including Developer, Association and any Owner in the Development, may proceed at law or in equity to prevent the occurrence or continuation of any violation of these Restrictions, but neither Developer nor Association shall be liable for damages of any kind to any person for failing to abide by, enforce, or carry out any of these restrictions.
- (b) Limitation of Liability: No member of the Architectural Control Committee shall be liable for claims, causes of action or damages (except where occasioned by willful misconduct of such member) arising out of services performed on behalf of the Architectural Control Committee. Neither the Committee, nor the members thereof, nor the Association, nor Declarant, nor any officers, directors, members, employees, agents or affiliates of any of them, shall be liable for damages or otherwise to anyone submitting plans and specifications and other submittals for approval or to any Owner by reason of mistake of judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval of, or the failure to approve or disapprove of, any plans and specifications. The approval of plans and specifications by the Architectural Control Committee shall not be deemed or construed as a representation or warranty of the Architectural Control Committee, Declarant, or any officer, director, member, employee, agent or affiliate of any of them, that Improvements constructed in accordance with such plans and specifications will comply with applicable zoning ordinances, building codes, or other governmental or quasi-governmental laws, ordinances, rules and regulations or as to the structural soundness or quality.

- (c) Inspections: The Architectural Control Committee may inspect work being performed to insure compliance with these Restrictions and applicable regulations. The Committee shall have the right, during reasonable hours, to enter upon and inspect the Lot and Dwelling Unit, whether prior to, during, or after completion of any construction, for the purpose of determining whether or not the provisions of these Restrictions are being complied with and exercising all rights and powers conferred upon the Committee.
- (d) Non-waiver: The failure of the Architectural Control Committee to act in any particular situation with any particular party shall in no way be a waiver of any right of action or enforcement in the future.

ARTICLE VII

ENFORCEMENT

A. Available Remedies: The provisions of this Declaration were established for the purpose of creating, preserving and maintaining the development and operation of a residential community of the highest quality. The Owner of any Lot, by acceptance of a deed therefore, covenants and agrees that the Association may pursue any breach or violation of the Declaration, rules, regulations and guidelines duly established by the Association in the following manner:

1. The Board has the authority to establish a procedure to address violations of the Declaration, rules, regulations and guidelines.
2. The Association may conduct any administrative proceedings permitted or provided for under the Declaration or as otherwise provided by law, including without limitation, the right of the Association, after notice and an opportunity to be heard, to:
 - (a) Impose reasonable fines for violations of the Declaration, the Bylaws, or other rules, regulations and guidelines,
 - (b) Suspend privileges or services provided by the Association (except rights of access to Lots) for reasonable periods for violations of the Declaration, Bylaws, or other rules, regulations and guidelines or during any period that assessments or other amounts due and owing to the Association remain unpaid for a period of thirty (30) days or longer, or
 - (c) Adjudicate small claims for damages and determine liability therefore.

Prior to pursuing the imposition of a fine or suspension of privileges or services, the offending Owner will be notified and given ten (10) days in which to cure his violation or nonpayment. In the event the violation or

nonpayment is not cured within this ten (10) day period, a hearing shall be held before the Board to determine if the offending Owner should be fined or if privileges or services should be suspended. The violating Owner shall be given notice of the violation and an opportunity to be heard and present evidence before the Board. Afterwards, the Owner will be notified in writing of the Board's decision. If it is decided that a fine should be imposed, a fine not to exceed one hundred dollars (\$100.00) may be imposed for each violation and without further hearing, for each day after the decision that each violation occurs. Fines imposed shall be assessments secured by liens.

- B. Delay or Failure to Enforce: No delay or failure on the part of any aggrieved party to invoke any available remedy with respect to a violation of any one or more of these Covenants shall be held to be a waiver by that party (or any estoppels of that party to assert) of any right available to him upon the occurrence, recurrence or continuation of such violation or violations of these Covenants.

ARTICLE VIII

EFFECT OF BECOMING AN OWNER

All provisions of this Declaration shall be construed to be covenants running with the land, and with every part thereof and interest therein, and every Owner or any other person or legal entity claiming an interest in any Lot, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of this Declaration.

ARTICLE IX

TITLES

The titles of the various Articles and Sections of these Covenants are for the convenience of reference only. None of them shall be used as an aid to the construction of any provisions of the Covenants. Wherever and whenever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or the neuter.

ARTICLE X

DURATION AND AMENDMENT

Duration of Declaration: This Declaration shall be effective for an initial term of twenty (20) years from the date it is recorded, and shall automatically renew for an additional term of ten (10) years each, in perpetuity, unless at the end of any term two-thirds of the Owners vote to terminate this Declaration, in which case this Declaration shall terminate as of the end of the term during which such vote was taken. Notwithstanding the preceding sentence, all easements created or reserved by this Declaration shall be perpetual unless otherwise expressly indicated herein.

ARTICLE XI

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

- A. Amendment of Declaration: As long as Developer is a Class B member as defined in ARTICLE XI, Section C.2, Developer hereby reserves the right to make such amendments to this Declaration as Developer may deem necessary or appropriate without the approval of any other person or entity, or to change or modify the Covenants for amendments to the Plat or ARTICLE III Restrictions which would apply to future construction, provided that Developer shall not be entitled to make any amendment which will have a materially adverse effect on the rights of any Mortgagee, nor which will substantially impair the benefits of the Covenants to any Owner or substantially increase the obligations imposed by the Covenants on any Owner without the written approval of said Owners.
- B. Membership: Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from the ownership of any Lot.
- C. Classes of Membership: The Association shall have two (2) classes of voting members:
1. Class A: Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.
 2. Class B: The Class B member(s) shall be the Declarant, who shall be entitled to fifty (50) votes for each Lot owned, along with the members of the first Board of Directors during their respective terms, who shall have no voting

rights. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) When the Declarant no longer owns one or more Lots in the Subdivision;
or

(b) Ten (10) years from the date of recording of this Declaration.

D. Board of Directors: The members shall elect a Board of Directors of the Association as prescribed by the Association By-Laws. The Board of Directors shall manage the affairs of the Association. The initial Board of Directors shall be appointed by Developer and shall manage the affairs of the Association until Developer transfers control of the Association to the Owners as required herein.

E. Responsibilities of the Association: The Association is hereby authorized to act and shall act on behalf of, and in the name, place and stead of, the individual Owners in all matters pertaining to the determination of Common Expenses, the collection of annual and special Assessments, and the granting of any approvals whenever and to the extent called for by the Declaration for the common benefit of all such Owners. The Association shall also have the right, but not the obligation, to act on behalf of any Owner or Owners seeking enforcement of the Covenants contained in this Declaration. Neither the Association nor its officers or authorized agents shall have any liability whatsoever to any Owner for any action taken under color of authority of the Declaration or for any failure to take any action called for by the Declaration, unless such act or failure to act is in the nature of a willful or reckless disregard of the rights of the Owners or in the nature of willful, intentional, fraudulent or reckless misconduct. The Association shall procure and maintain casualty insurance, liability insurance and such other insurance as it deems necessary or advisable.

F. Professional Management: The Association, by its Board of Directors, may contract for management services and such other services as the Association deems necessary or advisable.

G. Transfer of Control of Association: Developer shall transfer control of the Association to the Owners no later than the earlier of:

1. When the Declarant no longer owns one or more Lots in the Subdivision; or
2. Ten (10) years from the date of recording of this Declaration.

ARTICLE XII

INSURANCE

The Association shall maintain in force adequate public liability insurance protecting the Association against liability for property damage and personal injury occurring on or in conjunction with any and all of the Common Property, if any, as the Board of Directors shall deem appropriate. The Association shall also procure and maintain any other such other insurance as it deems necessary or advisable.

ARTICLE XIII

COVENANT FOR ASSESSMENTS

A. Adoption of Budget; Creation of Lien and Personal Obligation for Assessments.

The Board shall, from time to time and at least annually, prepare and adopt a proposed budget for the Association, determine the amount of expenditures payable by the Owners to meet the proposed budget ("Common Expenses") and allocate and assess Common Expenses among the Owners. The Common Expenses shall include such amounts as the Board deems necessary for the operation and maintenance of the Property and shall include, without limitation, amounts for purposes set forth below, amounts for permitted reserves and such amounts as may be necessary to make up any deficit for outstanding Common Expenses for any previous year.

Each Owner of any Lot or portion of the Property other than the Declarant, by acceptance of a deed, is deemed to covenant and agree to pay to the Association: (1) Annual Assessments or charges of the Association, (2) Supplemental Annual Assessments, (3) Special Assessments, and (4) Special Individual Assessments, such assessments to be established and collected as hereinafter provided. Each annual and special assessment, together with interest, late fees, costs and reasonable attorneys' fees, shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, late fees, costs and reasonable attorneys' fees, shall also be the personal financial obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title (other than as a lien on the Lot) unless expressly assumed by them. Declarant shall be exempt from all assessments relating to any portion of the Property owned by Declarant.

B. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Owners and other residents of the Subdivision to the fullest extent authority or responsibility is granted to the Association hereunder including, and without limiting the generality of

the foregoing, for: improvement, maintenance and operation of roads; rights-of-way; drainage ways; lighting; signage; security; vegetation control; drainage systems; common area and open space landscaping and maintenance, including installation and maintenance of trails; and other Common Property expenses, including but not limited to, the payment of taxes and governmental assessments on the Common Area; payment of insurance premiums for the insurance policies maintained by the Association; payment in connection with any Water System, Street Lights or other utilities serving the Property; payment of management fees to a property manager; the employment of attorneys, architects, accountants and other professionals to represent or assist the Association deemed necessary or appropriate by the Board; the cost of utilities and fuel used in operating facilities in the Common Area; for reserves and to carry out all other purposes and duties of the Association, the Board or the Architectural Control Committee.

C. Payment of Annual Assessments; Due Dates and Maximums. Each Owner of a Lot shall pay to the Association Annual Assessments as hereinafter set forth.

1. Annual assessments provided for herein shall commence as to any Lot as of the date of the conveyance by Declarant to an Owner (other than Declarant or Builders that are designated "Preferred Builder" by Declarant) of such Lot. The Annual Assessment for the first year in which a Lot is subject thereto shall be prorated based upon the number of days remaining in the applicable billing period from the date of such conveyance. The Annual Assessment amount for each and every year shall be in an amount as set by the Board of Directors. Annual Assessments shall be due and payable in advance in full or in installments as determined by the Board. The Board shall fix the amount of the annual Assessment as to each Lot for any calendar year and shall send written notice of the amount of and due date of each installment of such Annual Assessment to each Owner at least thirty (30) days prior to the due date for payment of the assessment or first installment thereof; provided, however, the failure of the Association to send, or of an Owner to receive, such notice shall not relieve any Owner of the obligation to pay Annual Assessments.
2. The maximum Annual Assessment for the initial calendar year 2007 shall not exceed Three Hundred Dollars (\$300) per Lot. The total annual assessment amounts shall be determined by Declarant, at its sole discretion, through the 2010 assessment (calendar) year ending December 31, 2010. Thereafter, the Board of Directors of the Association by a vote in accordance with the Bylaws, without a vote of the Members, may increase the Annual Assessment applicable to each Lot by a maximum amount equal to the previous year's Annual Assessment times the greater of (i) fifteen percent (15%) or (ii) the annual percentage increase in the Consumer Price Index, All Urban Consumers, United States, All Items (1982-84 = 100) (hereinafter "CPI") issued by the U.S. Bureau of Labor Statistics for the most recent 12-month period for which the CPI is available. If the CPI is discontinued, then the index most similar to the CPI published by the United States Government

indicating changes in the cost of living shall be used. If the Annual Assessments are not increased by the maximum amount permitted under the terms of this provision, the difference between any actual increase which is made and the maximum increase permitted for that year shall be computed and the Annual Assessments may be increased by that amount in a future year, in addition to the maximum increase permitted under the terms of the preceding sentence for such future year, by a vote of the Board, without a vote of the Members.

3. For calendar year 2011 and thereafter, the maximum Annual Assessment applicable to each Lot may be increased above the maximum amount set forth above by a vote of a majority of the votes appurtenant to the Lots which are then subject to this Declaration, plus the written consent of Declarant as long as Declarant owns any part of the Property.
4. The Board may fix the Annual Assessment applicable to each Lot at an amount not in excess of the maximum set forth above (the "Maximum Annual Assessment"). If the Board shall levy less than the Maximum Annual Assessment for any calendar year and thereafter, during such calendar year, determine that the important and essential functions of the Association cannot be funded by such lesser assessment, the Board may, by vote in accordance with the Bylaws, levy a "Supplemental Annual Assessment." In no event shall the sum of the Annual and Supplemental Annual Assessments for any year exceed the applicable Maximum Annual Assessment for such year unless approved as specified in Subparagraph 3 above.
5. With respect to any Lot conveyed by Declarant, the purchaser of such Lot shall pay to the Association at closing the amount of the Annual Assessment for the installment period in which the closing occurs on such Lot, prorated based upon the number of days remaining in such installment period. With respect to any Lot conveyed by any Owner other than Declarant, the amount of the Annual Assessment applicable to such Lot for the installment period in which such closing occurs shall be prorated between the buyer and seller thereof as of the date of closing of such conveyance.

D. Special Assessments. In addition to the Annual Assessment authorized above, the Association may levy, in any assessment year, a special assessment ("Special Assessment") applicable to that year only for the purpose of defraying, in whole or in part, the cost of (i) the construction of any Common Area improvements which are not originally constructed by Declarant or (ii) the reconstruction, repair or replacement of the Common Areas, including any improvements located thereon. Provided, however, (a) Declarant shall not be obligated to pay any Special Assessments on Lots owned by Declarant except with Declarant's prior written approval, and (b) any Special Assessment must be approved by Declarant as long as Declarant owns any part of the Property and also by a vote of seventy-five (75%) of the votes appurtenant to the Lots which are then subject to this Declaration.

E. Special Individual Assessments. In addition to the Annual Assessments and Special Assessments authorized above, the Board shall have the power to levy a special assessment applicable to any particular Owner ("Special Individual Assessment") (i) for the purpose of paying for the cost of any construction, reconstruction, repair or replacement of any damaged component of the Common Areas, including any improvements located thereon, whether occasioned by any act or omission of such Owner(s), members of such Owner's family or such Owner's agents, guests, employees, tenants or invitees and not the result of ordinary wear and tear; or (ii) for payment of fines, penalties or other charges imposed against any particular Owner relative to such Owner's failure to comply with the terms and provisions of this Declaration or other governing Documents. Provided, however, Declarant shall not be obligated to pay any Special Individual Assessment except with Declarant's prior written approval. The due date of any Special Individual Assessment levied shall be fixed in the Board resolution levying such Special Individual Assessment. Upon the establishment of a Special Individual Assessment, the Board shall send written notice of the amount and due date of such Special Individual Assessment to the affected Owner(s) at least thirty (30) days prior to the date such Special Individual Assessment is due.

F. Uniform Rate of Assessment. Annual Assessments, Supplemental Annual Assessments and Special Assessments levied by the Association must be fixed at a uniform rate for each Lot.

G. Effect of Nonpayment of Assessments: Remedies of the Association. If any assessment or monthly installment thereof is not paid within thirty (30) days after its due date, the Board may, at its option and without further notice, declare the entire unpaid assessment, both annual and special, immediately due and payable. Unpaid assessments shall bear interest from and after the due date at the rate of eighteen percent (18%) per annum, not to exceed, however, the maximum rate permitted by law. In addition, the Association may impose a reasonable charge for late payment of any assessments not to exceed \$25.00 (which charge may be imposed once in any month during which an assessment or any portion thereof remains unpaid) and shall be entitled to recover fees and penalties for returned checks. The Association may enforce assessment obligations as permitted by law, including, without limitation, by filing and foreclosing a claim of lien and/or by bringing an action at law against the Owner personally obligated to pay the assessment and/or foreclose the lien against his Lot to collect said assessment. Interest, late charges and reasonable attorneys' fees and costs of such action or foreclosure shall be added to the amount of such assessment. Each Owner, by his acceptance of a deed to a Lot, expressly grants to and vests in the Association or its agents the right and power to bring such action or foreclosure. Foreclosure may be accomplished in an action brought in the name of the Association in the manner that a foreclosure of a mortgage or deed of trust would be brought under South Carolina General Statutes, or as otherwise expressly provided by law, and each Owner grants to the Association a power of sale in connection with any such charge or lien. The Association, acting on behalf of the Owners, shall have the power to bid on any Lot and to acquire and hold, lease, mortgage and convey the same. **NO OWNER MAY WAIVE OR OTHERWISE ESCAPE LIABILITY FOR THE**

ASSESSMENTS PROVIDED FOR HEREIN BY NON-USE OF THE COMMON AREA OR ABANDONMENT OF HIS LOT.

During any period in which an Owner is in default in the payment of any installment of an annual, special or other assessment levied by the Association, the voting rights of the Owner in the Association and the right to the use of the Common Area or any other services or facilities which is provided by the Association (except the right of access to the Owner's Lot and the right of access to utility service for such Lot) may be suspended by the Association until such assessment is paid. During any period in which an Owner is in default in the payment of any installment of an annual, special or other assessment levied by the Association, the Board may also notify the owner and holder of any mortgage or deed of trust of a delinquency relating to the Lot encumbered by that mortgage or deed of trust.

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

The following parts of the Property shall be exempt from assessment by the Association: (a) the Common Area; (b) portions of the Property owned by the Declarant; (c) any part of the Property dedicated to and accepted by any public or governmental authority (the recording of this Declaration shall in no way be deemed a dedication of, or offer to dedicate, any part of the Property to any such authority).

- I. Working Capital Assessment.** Upon the closing of the sale of any Lot to an Owner (excluding "Preferred Builders" as designated by Declarant), the new Owner shall pay to the Association a Working Capital Assessment. This assessment, which will be collected at closing, will be part of the general operating funds of the Association. The initial Working Capital Assessment shall be Two Hundred Fifty Dollars (\$250). This amount shall not indicate amounts of future annual Assessments as determined by the Board.
- J. Transfer Expense Assessment.** The Association incurs costs and expenses in connection with each transfer of Lots within the Property. In order to defray those expenses, a Transfer Expense Assessment in the amount of \$50.00 shall be paid by the selling or transferring Owner to the Association, prior to or contemporaneously with the recordation of the deed or other instrument of conveyance. This Transfer Expense Assessment shall be part of the general operating funds of the Association. This Transfer Expense Assessment shall not apply to transfers or conveyances by the Declarant (and "Preferred Builders" as designated by Declarant) to an Owner.
- K. Duties of the Association.** The Board of Directors of the Association shall cause proper books and records of the levy and collection of all assessments to be kept and maintained, including a roster setting forth the identification of each Lot and each

Assessment applicable thereto, which books and records shall be kept by the Association and shall be available for the inspection and copying by each Owner (or duly authorized representative of any Owner) at all reasonable times. Except as may be otherwise provided in the Association's By-Laws, the Association shall cause financial statements to be prepared at least annually for each fiscal year of the Association, and shall furnish copies of the same to any Owner or Mortgagee upon request.

- L. **Deficits.** In the event that the amounts actually expended by the Association for Common Expenses in any fiscal year exceed the amounts received through assessments for that fiscal year, **the Declarant may, at its sole discretion while it owns at least one Lot, make up such deficit through a loan to the Association;** provided, however, that Declarant shall be reimbursed by the Association for such funded deficits, together with interest not to exceed 18% per annum, until so reimbursed from available surpluses in later years or through a Special Assessment at the time of transfer of control of the Association to the Owners.
- M. **Notice and Quorum.** Written notice of any meeting called for the purpose of increasing the Annual or Special Assessments of the Association shall be sent to all Owners not less than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of Owners or of proxies entitled to cast thirty percent (30%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called, subject to the same notice requirement, and the required quorum shall be those Owners who are present at this subsequent meeting. A majority of the Lots represented in this Quorum must approve the assessments.

IN WITNESS WHEREOF, the undersigned officer of Declarant has hereunto caused his name to be subscribed this _____ day of _____, 200____.

DECLARANT: LAUREATE DEVELOPERS, LLC,

a South Carolina limited liability company

By:

Printed:

Title:

STATE OF SOUTH CAROLINA)

)SS:

COUNTY OF YORK)

Before me, a Notary Public in and for said County and State, on this ____ day of _____, 2007, personally appeared _____, the _____ of **LAUREATE DEVELOPERS, LLC, a South Carolina limited liability company**, the Grantor herein, who acknowledged the execution of the foregoing Declaration of Covenants, Conditions, Commitments, Restrictions, Easements and Assessments (“Restrictive Covenants”) of Lauren Pines, Phase I for and on behalf of said Declarant as its free and voluntary act and deed.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal.

Printed:

Notary Public

My Commission Expires: County of Residence:

Witness 1

Witness 2

EXHIBIT A

Description of Land

All those certain lots located in York County, South Carolina, and being shown as Lots 1-7 and Lots 10-54 on final plat of Lauren Pines Subdivision-Phase 1 by David L. Ferguson, PLS, and Power Engineering, Inc. dated August 30, 2007, said plat being recorded in Plat Book D272, pages 4 and 5, Office of the Clerk of Court for York County, South Carolina.