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HORRY COUNTY, S.C.

STATE OF SOUTH CAROLINA) MASTER DECLARATION OF COVENANTS
COUNTY OF HORRY) CONDITIONS, AND RESTRICTIONS OF
PALMETTO POINTE
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THIS Master Declaration of Covenants, Conditions and Restrictions for PALMETTO POINTE is made this 30th day of July, 1997, for 461 Limited Partnership, a South Carolina Limited Partnership, hereinafter referred to as the "Declarant").

W I T N E S S E T H:

WHEREAS, the Declarant is the owner of certain property located in Horry County, South Carolina, and desires to subject such property to the provisions of this Master Declaration of Covenants, Conditions, and Restrictions (hereinafter referred to as the "Master Declaration"), in order to offer for development mixed-use, single family residential, multi-family residential, and commercial communities, and to provide a reasonable and flexible method and guidelines for the administration, assessment, control, coordination, and general manner of development of this Planned Unit Development.

NOW, THEREFORE, the Declarant hereby declares that all of the property described in Exhibit "A" is hereby subjected to this Declaration, and shall be held, transferred, sold, conveyed, leased, occupied, and used subordinate and subject to the following easements, restrictions, covenants, charges, liens, and conditions which are hereby imposed for the purpose of protecting the value and desirability of these lands, and

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which said easements, restrictions, covenants, charges, liens, and conditions shall run with the title to the real property subject to this Declaration, and which shall bind all parties having any right, title, or interest in these described properties, or any portion of same. This document also binds the respective heirs, devisees, representatives, successors, and/or assigns, and shall inure to the benefit of anyone or anything who/which purchases or takes any interest in real property within the land subject to this document.

ARTICLE I
DEFINITIONS

1.1 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 any such terms(s):

1.1.1. "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of PALMETTO POINTE PROPERTY OWNERS' ASSOCIATION, INC., as may be constituted and amended from time to time.

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

1.1.3. "Association" shall mean and refer to PALMETTO POINTE PROPERTY OWNERS' ASSOCIATION, INC., a South Carolina Not-for-Profit Corporation.

1.1.4. "Board of Directors" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

1.1.5. "Commercial Parcels" shall mean and refer to that portion of the Property so designated and upon which it is intended that there will be constructed improvements for commercial use, including without limitation, offices, professional offices, hospitals, nursing homes, medical and dental offices, retail shops and stores, and any related facilities.

1.1.6. "Commercial Unit" shall mean and refer to any improved commercial property which comprises a portion of a commercial parcel.

1.1.7 . "Commercial Unit Association" shall mean and refer to a corporation or an unincorporated association whose shareholders or members are comprised entirely of owners of commercial units.

1.1.8. "Common Areas" shall mean and refer to all real and personal property now ~~or~~ hereafter owned by the Association for the common use and enjoyment of the Owners. The Common Area shall constitute those areas which are so designated by the Declarant (if any) and may include maintenance areas, utility, right of way, and drainage easement areas, and such other lands and/or improvements as may be, now or hereafter, designated as Common Areas by the Declarant. NOTWITHSTANDING ANY SUCH DEDICATION, THE

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DESIGNATION OF ANY LAND AND/OR IMPROVEMENTS AS COMMON AREAS SHALL NOT MEAN OR IMPLY THAT THE PUBLIC AT LARGE ACQUIRES ANY EASEMENT OR USE OF ENJOYMENT THEREIN.

1.1.9. "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 financial, equipment, or material reserves, consistent with the provision and intent of this Declaration.

1.1.10. "Declarant" shall mean and refer to 461 Limited Partnership, a South Carolina Limited Partnership, the ownership entity which has executed this Declaration, or any successor in title to the entire or partial interest of such ownership entity with respect to the Property; provided further, in the instrument of conveyance to any such successor-in-title or assign, such successor-in-title or assign is designated as the "Declarant" by the Grantor of such conveyance, which Grantor shall be the "Declarant" hereunder at the time of such conveyance. Provided further, however, upon such designation of a successor "Declarant", all rights and obligations of the former "Declarant" in and to such status as "Declarant" hereunder shall cease, it being understood that as to all the property there shall be only one person or legal entity entitled to exercise the rights and powers of the "Declarant" hereunder at any one time.

1.1.11. "Development", with an initial capital letter, shall mean and refer to the Property described in Exhibit "A", as limited under the terms of this document, together with all

improvements now or hereinafter made.

1.1.12. "Dwelling", with an initial capital letter, shall mean and refer to any improved property located within the Development intended for the use as (i) a single family detached dwelling (that is, within a Single Family Parcel); or (ii) a townhouse, condominium unit or patio or cluster home, or other similar residential unit, whether detached or attached (that is, within a Multi Family Parcel).

1.1.13. "Lot", with an initial capital letter, shall mean and refer to any Transferred Parcel or to any portion of a Subdivided Transferred Parcel.

1.1.14. "Mortgage", with an initial capital letter, shall mean and refer to a mortgage, bond for title, security deed, deed of trust, installment land sales contract and security agreement, or other similar security instrument, granting, creating or conveying a lien upon, a security interest in, or a security encumbered title to any portion of the Property subjected to this Declaration.

1.1.15. "Mortgagee" shall mean (i) any person named as the mortgagee or beneficiary under any mortgage by which the interest of any Owner is encumbered, or (ii) any successor to the interest of such person under such mortgage.

1.1.16. "Multi-Family Association" shall mean and refer to a corporation or an unincorporated association whose shareholders or members are comprised entirely of Owners of Dwellings within a Multi-Family Area whether submitted to a horizontal property regime or made subject to further or additional restrictions/covenants of ownership and control.

1.1.17. "Multi-Family Declaration" shall mean and refer to any instrument or document, and any amendments thereto, which is recorded in the R.M.C. Office for Horry County, South Carolina, with respect to any Multi-Family Parcel and which creates or governs a multi-family development, including, without limitation, townhouses, patio homes, condominiums, or other form of multi-family development, and which imposes covenants, conditions, easements, and restrictions with respect to such Multi-Family Area.

1.1.18. "Multi-Family Parcel" shall mean and refer to that portion of the Property so designated and upon which it is intended there will be constructed Multi-Family residences, including, without limitation, townhouses, condominium units, or patio homes.

1.1.19. "Occupant" shall mean and refer to any person, including without limitation, any Owner or any guest, invitee, licensee, lessee, tenant, transient paying guest, or family member of an Owner lawfully occupying or otherwise using a Dwelling within the Development.

1.1.20. "Owner", with an initial capital letter, shall mean and refer to one or more persons, including the Declarant, who or which owns fee simple title to all or any portion of a Single Family Parcel, Multi Family Parcel, Commercial Parcel, or to a Dwelling, or to a Commercial Unit.

1.1.21. "Parcel" shall mean any individual parcel that is part of the Property.

1.1.22. "Person" shall mean and refer to a natural person, corporation, partnership, limited partnership, limited liability company, limited liability partnership, association, proprietorship, trust or any other legal entity and any combination thereof.

1.1.23. "Property" shall mean and refer to all the land, and improvements thereon, described in Exhibit "A", and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

1.1.24. "Single Family Association" shall mean and refer to a corporation or an unincorporated association whose shareholders or members are comprised entirely of Owners of Dwellings within a Single-Family Parcel.

1.1.25. "Single Family Declaration" shall mean and refer to an instrument or document and any amendments thereto which is recorded in the R.M.C. Office of Horry County, South Carolina with respect to any Single Family Parcel, and which imposes covenants, conditions, easements, and restrictions with respect to such Single Family area.

1.1.26. "Structure" shall mean:

(a) Anything or object, the placement of which upon any Lot may affect the appearance of such Lot, including by way of illustration and not limitation, any building or part thereof, garage, porch, shed, greenhouse or bathhouse, coop or cage, covered or uncovered patio, swimming pool, dock, fence, curbing, paving, wall, tree, shrub (and all other forms of landscaping), sign, signboard, temporary or permanent living quarters (including any house trailers) or any other temporary

or permanent improvements to such Lot;

(b) Any excavation, grading, fill, ditch, diversion dam, or other thing or device which affects or alters the natural flow of surface water from, upon or across any Lot, or which affects or alters the flow of any waters in any natural or artificial creek, stream, wash or drain, and channel from, upon or across any Lot; and

(c) Any change in the grade at any point on a Lot of more than eighteen (18") inches, whether or not Subsection (b) of this Section applies to such change.

1.1.27. "Subdeveloper" shall mean any person who or which obtains a Parcel from the Declarant for the purpose of further developing such Parcel.

1.1.28. "Subdivided Transferred Parcel" shall mean any Transferred Parcel that is subdivided by a Subdeveloper as provided for herein.

1.1.29. "Subordinate Association" shall mean any association of Unit Owners within a Parcel established by a Subdeveloper to provide for the orderly control, administration, maintenance, and management of that Parcel, and shall include any Single-Family Association, Multi-Family Association, or Commercial Unit Association.

1.1.30. "Transferred Parcel" shall mean any portion of the Property transferred by the Declarant (or its successor or assigns) to any third party other than the Association.

1.1.31. "Unit", with an initial capital letter, shall mean a Lot together with any improvements thereon (residential or commercial) or condominium Unit within a Parcel designated

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and defined as such by a Subordinate Declaration.

1.1.32. "Voting Member" shall mean:

- (a) The Declarant in the case of unsold Parcels;
- (b) A Subdeveloper who owns a Transferred Parcel which remains whole and has not been subdivided; and
- (c) The representative elected by the Owners of Units within a Subdivided Transferred Parcel as provided for herein.

ARTICLE II
PLAN OF DEVELOPMENT

2.1. Plan of Development. The Declarant shall offer the Property for development as a mixed use residential and commercial community. The Development shall consist of whatever mix of residential, commercial and Common Areas as the Declarant, and its assignees, may develop, consistent with this Declaration. The Declarant may convey Common Areas to the Association any time, and from time to time, without notice to or approval by the Association. The Association shall be fully responsible and liable for the operation, maintenance and repair of all Common Areas immediately upon the recordation of the Deed conveying that particular portion of the Common Area to the Association. It is the intent of the Declarant to dedicate the main entry road into this Planned Unit Development to Horry County.

2.2. Subordinate Associations. When any portion of the Property is further subdivided by any person, other than the Declarant, for the purpose of further development (whether Single Family Residential, Multi Family Residential, or Commercial), there shall be established by such person (herein

sometimes referred to as the "Subdeveloper") for each Parcel, an Association of Owners (hereinafter referred to as "Subordinate Association") within that Parcel in order to promote the appropriate development of that Parcel, to provide for the maintenance of the Common Elements located in that Parcel, and to equitably allocate assessments to be collected from each Dwelling or Commercial Unit in fulfilling the assessment obligation of each such parcel as set out herein. (Each Subdeveloper shall also establish an appropriate Declaration of Covenants, Conditions, and Restrictions, or a Master Deed and related documents in the case of a horizontal property regime, hereinafter sometimes referred to as a "Subordinate Declaration"). Each Subordinate Declaration that may, from time to time, be recorded and each Subordinate Association which may, from time to time be created, shall be subject to the provisions of this Declaration, the Association and the Bylaws of the Association, and all rights, covenants, and conditions therein shall be in addition to, but not in abrogation or substitution of, those imposed hereby. In the event there is any conflict between a Subordinate Declaration and this document, the provisions of this document shall control.

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ARTICLE III
PROPERTY RIGHTS

3.1. Owner's Right of Enjoyment. Every Owner shall have the non-exclusive right, privilege and easement to the use and enjoyment of the Common Areas in the Property, and such easement shall be appurtenant to and shall pass with the title to every Parcel and Unit (residential or commercial) subject to the terms and conditions of this Declaration, the Bylaws of the Association, and the rules and regulations adopted by the Board of Directors pursuant to said Bylaws.

3.2. Easements for Declarant. Declarant shall have an alienable and transferable right and easement on, over, through, under and across the Property for the purpose of constructing Common Area improvements, and any other type of improvements whatsoever on the Property, specifically including but not limited to, utilities, roadways and lakes, drainage structures and accessories, and other purposes suitable for the development of this Planned Unit Development, all as Declarant shall desire, at its sole discretion, and for the purpose of doing all things reasonably necessary and proper, in the sole discretion of the Declarant in connection with the development of the Property. In no event shall the Declarant have the obligation to do any of the foregoing.

3.3. Changes in Boundaries; Additions to Common Areas. The Declarant expressly reserves the right and power to change the boundary lines of any unsold property and/or to add portions of unsold Property to the Common Areas.

3.4. Easements for Utilities. There is hereby reserved

for the benefit of the Declarant and/or the Association, as their respective interests may appear, the alienable, transferable and perpetual right, as well as the power and authority, to grant and accept easements as well to and from any private or public authority, agency, public service district, public or private utility or other person, upon, over, under and across all or any portion of the Property for constructing, installing, replacing, repairing, operating, maintaining and using master television antennae and/or television cable systems, security and similar systems, and all utility facilities and services, including but not limited to, storm sewers and drainage systems, and electrical, gas, telephone, water and sewer lines. The Association may grant such easements in the manner set forth in the Bylaws of the Association. To the extent possible, all utility lines serving the Development and located therein shall be located underground. By virtue of any such easement, it shall be expressly permissible for the Declarant and/or the Association, utility company, or other supplier or services, with respect to the portions of the Development so encumbered to: (i) erect and maintain pipes, lines, manholes, pumps and other necessary equipment and facilities; (ii) cut and remove any trees, bushes, or shrubbery; (iii) grade, excavate or fill; or (iv) take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement, and use of such utilities and systems. No building, fence, or structure shall be erected or paving laid within any utility easement, nor any

trees or shrubs planted in such easement, without the written consent of the grantee of such easement or the County, utility or other entity controlling sewer, water, gas, or drainage facilities, as the case may be.

3.5. Easements for Association. There is hereby reserved the general right and easement for the benefit of the Association, its directors, officers, agents and employees, including but not limited to, any property manager employed by the Association, and any employees of such manager, to enter upon any Parcel or Unit in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with permission of the Owner, Occupant, or Subordinate Association, where appropriate.

3.6. Sales and Construction Offices. Notwithstanding any provisions or restrictions herein to the contrary, there is hereby reserved for the benefit of the Declarant the alienable and transferable right and easement in, on, over, under, and across the Property for the maintenance of signs, sales offices, construction offices, business offices and storage facilities, together with such other facilities as, in the sole opinion of the Declarant, may reasonably be required, convenient or incidental to the completion, improvement and/or sale of Parcels for so long as the Declarant owns any part of the Property.

3.7. Governmental Easements. Police, fire, water, health, and other authorized governmental officials, employees

and vehicles shall have the right of unrestricted ingress and egress to the Property, and any portion thereof, for the performance of their official duties.

3.8. Maintenance Easement. Subject to the terms of this Declaration, there is hereby reserved for the benefit of the Declarant and/or the Association, and their respective agents and employees, the unalienable, transferable, and perpetual right and easement to enter upon any portion of the Property for the purpose of mowing, removing, clearing, cutting or pruning grass, underbrush, weeds, stumps or other unsightly growth and removing trash, so as to maintain reasonable standards of health, safety and appearance within the Development, provided that such easement shall not impose any duty or obligation upon the Declarant or the Association to perform any such actions.

3.9. Environmental Easement. There is hereby reserved for the benefit of the Declarant and the Association the alienable, transferable and perpetual right and easement on, over, under, and across any portion of the Property, for the purpose of taking any action necessary to effect compliance with environmental rules, regulations and procedures from time to time promulgated or instituted by the Board of Directors or any governmental authority, such easement to include, without limitation, the right to implement erosion control procedures and practices, the right to drain standing water, and the right to dispense pesticides. Nothing contained herein shall impose a duty or obligation upon the Declarant or the Association to perform any such action.

3.10. Drainage, Wells and Effluent. There is hereby reserved for the benefit of the Declarant and the Association, and their respective agents and employees, the alienable, transferable and perpetual right and easement to: (i) pump water to and from lakes, lagoons, ponds and other bodies of water located on the Property for the purpose of drainage or irrigating any portions of the Development; and, (ii) drill, install, locate, maintain and use wells, pumping stations, drainage pipes, swales, water towers, siltation basins and tanks and related water, drainage, and sewerage treatment facilities and systems within the Property as deemed appropriate by the Declarant or the Association. Nothing contained herein shall impose a duty or obligation upon the Declarant or the Association to perform any such action.

3.11. Restrictive Covenants Regarding Wetlands. A portion of the Property is subject to a Declaration of Restrictive Covenants recorded in Deed Book 1927, at Page 443, in the R.M.C. Office for Horry County, South Carolina ("Wetlands Declaration"). In the event of any conflict between this Master Declaration and the Wetlands Declaration, the provisions of the Wetlands Declaration shall control.

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ARTICLE IV
MEMBERSHIP AND VOTING

4.1. Membership. Every Owner shall be deemed to have a membership in the Association. Membership shall be appurtenant to and may not be separated from ownership of any Parcel or Unit. In the event that fee title to a Parcel or Unit is transferred or otherwise conveyed, the membership in

the Association which is appurtenant thereto shall automatically pass to such transferee, notwithstanding any failure of the transferor to endorse to his transferee any certificates or other evidences of such membership. The foregoing is not intended to include Mortgagees or any other persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate or otherwise affect an Owner's membership in the Association.

The aggregate votes applicable to each Parcel shall be determined as set out in Exhibit "B" which is incorporated herein by reference. Such votes shall be cast as a block, and may not be divided or split.

Each Owner of a Subdivided Transferred Parcel shall be a member of a Subordinate Association created pursuant to the terms of the Subordinate Declaration for that particular Parcel. Each Subordinate Association shall elect a representative who must be an Owner of a Unit within that Parcel, and that representative shall be the Voting Member of this Association (hereinafter referred to as "Voting Member") which will include the right to cast the total votes applicable to the respective Parcel represented by that Voting Member as reflected in Exhibit "B" and to hold an office in this Association. All rights and privileges of membership are set forth herein and in the Bylaws of the Association.

In the event a Subdeveloper fails to establish a Subordinate Association as provided for herein, or in the event such Subordinate Association fails to designate a Voting

Member as provided for herein, then the individual Owners of Units in that Parcel will be entitled to cast one (1) vote for each Unit existing within that Parcel. The majority of votes so cast shall determine the manner in which the total votes of the Parcel (as set out in Exhibit "B") shall be cast. The total votes of any Parcel must be cast together as a block, and may not be split. In the event of any question regarding the manner in which the votes of a particular Parcel may be cast, such question shall be resolved by the Board of Directors of this Association in its sole discretion.

4.2 Voting Members shall include:

- (a) The Declarant in the case of unsold Parcels;
- (b) A Subdeveloper who owns a Transferred Parcel which remains whole and has not been subdivided; and
- (c) The representative elected by the Owners of Units within a subdivided Transferred Parcel as provided for herein.

**ARTICLE V
MAINTENANCE**

5.1. Responsibilities of Owners and Multi-Family Associations. All maintenance and repair of Dwellings, Units, and all Transferred Parcels, including all lawns, landscaping and grounds on or within the Dwelling and/or Commercial Property shall be the responsibility of the individual Owner, the single Family Association, the Multi Family Association, the Commercial Unit Association, the Single Family Parcel Subdeveloper, the Multi Family Parcel Subdeveloper, or the Commercial Parcel Owner, as the case may be, and only the maintenance and repair of Common Areas owned by the

Association herein shall be the responsibility of this Association. Each individual Owner, Subdeveloper, Single Family Association, Multi Family Association or Commercial Unit Association shall be responsible for maintaining his, her, or its Dwelling, Single Family Area, Multi Family Area, or Commercial Area, as the case may be, in a neat, clean, and sanitary condition. Each individual Owner, Single Family Association, Multi Family Association, or Commercial Parcel Owner Unit Association shall be obligated to pay for the cost incurred by this Association for repairing, replacing, maintaining, or cleaning any item which is the responsibility of such Owner, Single Family Association, Multi Family Association, or Commercial Parcel Owner, or Subordinate Association, but which responsibility of such individual Owner, Single Family Association, Multi Family Association, or Commercial Parcel Owner or Subordinate Association fails or refuses to discharge.

5.2. Association's Responsibilities. The Association shall maintain and keep in reasonably good repair all portions of the Common Areas, which responsibility shall include the maintenance, repair and replacement of (i) landscaped areas and other improvements located within the Common Area; (ii) such utility systems which are a part of the Common Areas and which are not maintained by the Declarant or a public authority, public or private utility, or other person. The Association shall not be liable for injury or damage to any person or property (a) caused by the elements or by any Owner

or any other person; (b) resulting from any rain or other surface water which may leak or flow from any portion of the Common Areas; or (c) caused by any pipe, plumbing, drain, conduit, appliance, equipment, security system or utility line or facility, the responsibility for the maintenance of which is that of the Association, becoming out of repair. Nor shall the Association be liable to any Owner for loss or damage, by theft or otherwise, of any property of such Owner which may be stored or left in or upon any portion of the Common Areas or any other portion of the Property. No diminution or abatement of assessments 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, the obligation to pay such assessments being a separate and independent covenant on the part of each Owner.

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5.3. In the event the Declarant or the Association determines that: (i) Any Owner or Subordinate Association, Single Family Association, Multi Family Association or Commercial Parcel Owner has failed or refused to discharge properly his or its obligations with regard to the maintenance, cleaning, repair or replacement of items for which he or it is responsible hereunder; or (ii) that the need

for maintenance, cleaning, repair, or replacement which is the responsibility of the Association hereunder is caused, through the willful or negligent act of an Owner, his family, tenants, guest or invitees, and is not covered or paid for by insurance in whole or in part, then, in either event, the Declarant or the Association, except in the event of an emergency situation, may give such Owner or Single Family Association, Multi Family Association, Subordinate Association, or Commercial Parcel Owner written notice of the Declarant's or the Association's intent to provide such necessary maintenance, cleaning, repair or replacement, at the sole cost and expense of such Owner, Single Family Association or Subordinate Association, Multi Family Association or Commercial Parcel Owner, as the case may be, and such Owner or Subordinate Association shall have fifteen (15) days within which to complete the cleaning, repair or replacement and diligently proceed to complete the same in a good and workmanlike manner. In the event of emergency situations or the failure of any Owner, Single Family Association, Multi Family or Subordinate Association, or Commercial Parcel Owner to comply with the provisions hereof after such notice, the Declarant or the Association may provide (but shall not have the obligation to so provide) any such maintenance, cleaning, repair, or replacement at the sole cost and expense of such Owner, Single Family or Subordinate Association, Multi Family Association, or Commercial Parcel Owner, as the case may be, and said cost shall be added to and become a part of the assessment to which such Owner and his Dwelling or Commercial

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Unit or Transferred Parcel are subject and shall become a lien against such Dwelling or Commercial Unit or Transferred Parcel, and subject to collection and foreclosure in the manner as provided for in Section 6.2 herein; or in the case of a Single Family Subordinate Association, or a Multi Family Association, shall be added to and become a part of the assessments for all Owners within such Single Family or Multi Family Subordinate Association and shall become a lien against such Owners' Dwellings or Commercial Units, and collected or foreclosed in the manner as provided for in Section 6.2 herein. In the event that Declarant undertakes such maintenance, cleaning, repair or replacement, the Association shall promptly reimburse the Declarant for the Declarant's costs and expenses.

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The rights reserved unto the Declarant or the Association provided for hereinabove shall include the right, but not the obligation, to take appropriate action regarding stormwater drainage on any property located within this Planned Unit Development in the event the appropriate party, as provided above, fails to take any necessary or reasonable action in respect to stormwater drainage.

**ARTICLE VI
ASSESSMENTS AND CHARGES**

6.1. Assessments. ~~Assessments shall be computed and assessed against all Parcels and Units as follows:~~

6.1.1. Association Expenses. The Assessments shall be based upon annual estimates of the Association's cash requirements to provide for payment of all estimated expenses

including those arising out of or connected with maintenance and operation of the Common Areas. Such estimated expenses may include, among other things, the following: expenses of management; taxes and special assessments; premiums for all insurance that the Association is required or permitted to maintain hereunder; repairs, improvements, and maintenance; wages of Association employees, including fees for a Manager (if any); utility charges; legal and accounting fees; any deficit remaining from a previous period; creation of a reasonable contingency reserve, surplus, and/or sinking fund; and any other expenses and liabilities which may be incurred by the Association for the benefit of all of the Owners under or by reason of this Declaration. Such expenses shall constitute the Common Expenses.

6.1.2. Annual Budget. The Assessments shall be determined on a calendar year basis. On or before November 1 of each year, the Association shall prepare or cause to be prepared an operating budget for the upcoming calendar year. The budget shall itemize the estimated expenses of the Association for such calendar year, anticipated receipts (if any), and any deficit or surplus from the prior operating period. The budget shall serve as the supporting document for the Assessments for the upcoming fiscal year and as the major guideline under which the Association shall be operated during such annual period. In the event the Board fails for any reason to adopt a budget for the succeeding year, then and until such time as it is adopted, the budget and annual Assessments in effect for the then current year shall be

increased in proportion to the percentage increase, if any, for the then current year, in the Consumer Price Index (all Urban Consumers, United States City Average, All Items 1982=100), or its successor index, and such increased budget shall be the budget for the succeeding year, until a new budget is adopted. The Declarant shall estimate the budget for the first year of the Association. The Board of Directors shall cause an audited or compiled financial statement of the Association to be prepared and available for distribution to the members on an annual basis.

6.1.3. Calculation of Assessments, Notice and Payment.

The Assessments shall be made on a calendar year basis in advance. The amount of the assessments shall be determined in the aggregate for each Transferred Parcel, and such assessment for each Transferred Parcel will be determined by multiplying the annual budget for the upcoming calendar year by a fraction, the numerator of which is the total votes (as shown on Exhibit "B") of that particular Transferred Parcel and the denominator of which is the total number of votes of all Transferred Parcels as of November 15th of each respective year. The Association shall furnish to each Voting Member a copy of the budget and notify each Voting Member as to the amount of the Assessments with respect to all Transferred Parcels on or before December 1 of each year for the calendar year next following such date. Each Subordinate Association shall distribute copies of the notice of assessment and budget to its Members on an annual basis. The Association may, at its election, send such notices and copies of the budget

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directly to the Owners. The Assessments shall be payable in four (4) equal quarterly installments by the Owners to the Association, or to the Subordinate Association, if applicable, by the tenth (10th) day of the months of January, April, July and October during the calendar year to which the Assessment relates, and by the Subordinate Association (if applicable) to this Association by the fifteenth day of those months. All unpaid installments of any Annual Assessments on any Parcel or Unit shall incur a late charge to be determined by the Board, and interest at the rate of Eighteen (18%) Percent per annum (or at such lesser rate as is equal to the maximum interest rate allowed by applicable law) from the date each such installment is due until paid. The failure of the Association to give timely notice of any Assessments as provided herein shall not be deemed a waiver or modification in any respect of the provisions of this Declaration, or a release of any Subordinate Association or Owner from the obligation to pay such assessment or any other assessment; but the date when the payment shall become due in such case shall be deferred to a date fifteen (15) days after notice of such assessment shall have been given to the Subordinate Association or Owner in the manner provided in this Declaration.

No interim adjustment will be made in a Transferred Parcel's total assessments as determined by the process set out above as a result of additional Parcels being conveyed by the Grantor subsequent to November 15th of each respective year. Any adjustment as to a Transferred Parcel's share of the annual budget shall be determined once a year on November

15th. Upon the initial conveyance of a Parcel by the Grantor, the Owner of that Parcel will pay a pro-rated portion of the assessments determined as provided for above. In the event of any dispute regarding the amount of assessment to be collected on a Parcel when it is initially transferred from the Declarant, the decision of the Declarant shall be controlling. Any excess funds collected by the Association shall not be reimbursed to any Owners, but shall be retained by the Association and applied either to reserves or to the next year's budget.

6.2 Creation of the Lien and Personal Obligation of Assessments. The Declarant hereby covenants and each Owner of any Unit by acceptance of a deed or other conveyance and each Subordinate Association is deemed to covenant and agree with each other and with the Association to pay to the Association: (1) Common Expenses Assessments as defined herein which shall include annual assessments Directors; and (2) special assessments for capital improvements necessary for reserves or for any other purpose adopted by the Board of Directors. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be a charge on each Unit and/or Parcel and shall be a continuing lien upon each Unit in favor of the Association. To evidence a lien for sums asserted pursuant to this Article, the Association may prepare a written notice of lien setting forth the amount of the unpaid Assessment, the due date, the amount remaining unpaid, the name of the Owner of the Unit, and an acknowledgment by a duly authorized officer of the Association and may be recorded in the office

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of the Horry County Clerk of Court or R.M.C. Office. No notice of lien shall be recorded until there is a delinquency in payment of the Assessment. Such lien may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in the State of South Carolina. In any such foreclosure, the Owner shall be required to pay the costs and expenses of such proceeding (including reasonable attorney's fees) and such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any Assessments against the Unit which shall become due during the period of foreclosure, and all such Assessments shall be secured by the lien being foreclosed. The Association shall have the right and power to bid in at any foreclosure sale, and to thereafter hold, lease, mortgage, or convey the subject Unit. Each such Assessment, together with Eighteen (18%) Percent such interest, costs and reasonable attorney's fees shall be the personal obligation of the person who was the Owner of such Unit and/or Parcel at the time when the Assessment fell due and also of any subsequent Owner. Assessments shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the Owners and Occupants and in particular for improvements and maintenance (including the payment of ad valorem taxes and other assessments) of the Common Areas and the services and facilities devoted to this purpose and otherwise as provided for or implied herein.

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6.4.1. Any portion of the Common Expenses collected for a reserve fund or funds, if any, may be placed in an account separate from the general operating account of the Association.

6.4.2. Assessments paid into the reserve account shall be the property of the Association and are not refundable. Sellers of Units may treat their outstanding share of the reserve accounts as a separate item in any agreement for the sale of their Units.

6.5. Maintenance, Repairs, and Replacements of the Common Areas. Maintenance, repairs and replacements of the Common Areas shall be performed by the Association as part of the Common Expenses and a reserve fund for this purpose may also be included as a Common Expense.

6.6. Special Assessments for Insurance, Repairs, Taxes Replacements, or Capital Improvements. Without limiting the types or purposes of other special assessments, the Association by act of its Board of Directors, may levy in any year, a special assessment for the purpose of defraying, in whole or in part, any insurance or taxes or the cost of construction, reconstruction or unexpected repair or replacement of a capital improvement deemed to be necessary or beneficial to the Association by the Board, including the necessary fixtures and personal property related thereto.

6.7. Rate of Assessment. Assessments are determined in the aggregate for each Transferred Parcel as provided above and in the manner consistent with the proportionate voting weight as reflected in Exhibit "B". Each Subordinate

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Association document shall provide for the manner of equitably assessing all Dwelling and Commercial Units so that similarly situated Single Family Dwellings, Multi Family Dwellings, and Commercial Units will be treated in a uniform and equitable fashion. In the event of the failure of a Subdeveloper or a Subordinate Association to provide an equitable manner of distributing the respective obligations of the Co-owners of Dwellings or Commercial Units located in such Parcel, this Association shall be authorized, in its sole discretion, to make such a determination as is reasonably required under the circumstances.

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6.8. Declarant Not Responsible for Assessments. The Declarant shall not be assessed and shall not be required to pay to the Association any assessment in respect to any unsold Parcel. In lieu of an assessment, the Declarant will pay a sum to the Association equal to any actual budget deficit after taking into account the total assessments made by the Association against other Owners pursuant to this Declaration. Commencing January 1, 2010, or upon the Declarant transferring Parcels which in the aggregate represent Eighty (80%) Percent of the total votes of the Association pursuant to Exhibit "B" herein, whichever date first occurs, the Declarant shall be subject to assessments as provided for in this Declaration so that it will pay assessments on the same basis provided for other Owners under this Declaration rather than any deficit in the budget as provided for in this Section.

ARTICLE VII
CONDEMNATION

7.1. Condemnation of Property. Whenever all or any part of the Property shall be taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof by the Owner of the Property, the award or proceeds made or collected for such taking or sale in lieu thereof shall be payable to the Owner of the Property so taken and shall be disbursed or held as follows:

7.1.1. If the taking or sale in lieu thereof involves a portion of the Common Areas, then the award shall be payable to the Association. If the portion of the Common Areas so taken or conveyed was improved in any way, then the Association shall repair, rebuild, replace or renovate the improvements so taken, to the extent practicable, on the remaining lands included in the Common Areas which are available therefor, in accordance with plans approved by the Board of Directors. If the awards or proceeds are not sufficient to defray the cost of such repairs and replacement and such deficiency cannot be appropriated from a reserve fund as may have been established for any such purpose, the Board of Directors may levy a special assessment against all Units.

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7.1.2. If the taking or sale in lieu thereof includes all or any part of a Unit or Parcel and also includes any part of the Common Areas, then in the absence of an agreement between the parties, a court of competent jurisdiction shall apportion such award or proceeds and such award or proceeds shall be disbursed to the Association, the Subordinate

Association, and the Owners so affected so as to give just compensation for the land and/or the improvements taken.

ARTICLE VIII
ARCHITECTURAL STANDARDS AND USE RESTRICTIONS

8.1. Erosion Control. No activity which may create erosion or siltation problems shall be undertaken without the prior written approval of the Association of plans and specifications for the prevention and control of such erosion or siltation. The Association may, as a condition of approval of such plans and specifications, require the use of certain means of preventing and controlling such erosion or siltation. Such means may include (by way of example and not of limitation) physical devices for controlling the run-off and drainage of water, special precautions in grading and otherwise changing the natural landscape and required landscaping. Guidelines for the prevention and control of erosion and siltation may be included in the Design Standards of the Association.

8.2. Temporary Buildings. No temporary building, trailer, garage, or building under construction on any Parcel shall be used, temporarily or permanently, as a residence, except as temporary sleeping or living quarters required or desirable for security purposes in accordance with plans and specifications therefore approved by the Association.

8.3. Signs.

(a) No signs (including, but not limited to, commercial and similar signs) shall, without the Association's prior approval of specifications thereof, which such approval will

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not be unreasonably withheld, be installed, altered or maintained on the Property except the following will not require prior approval:

(i) Such signs as may be required by legal proceedings and for display of all building permits;

(ii) The Declarant may install signage within the median and within the right of way of the entrance road to advertise the Project and to provide direction; and

(iii) The Declarant reserves the right to place whatever signs it believes are appropriate in respect to unsold parcels, including directional signage within right of ways of the Association.

8.4. Clothesline, Antennae, Etc. No clothesline or exterior television or radio antenna or satellite dish or receiver or solar or other equipment of any sort shall be placed, allowed, or maintained upon any portion of a structure or Unit without prior written approval of the Association. No antennae shall be installed or used for the purpose of transmitting of electronic signals.

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8.5. Garbage Cans and Woodpiles. All clotheslines, equipment, garbage cans, woodpiles, and solar equipment shall be kept screened by adequate planting or fencing so as to conceal them from view by neighboring residences and streets, and may be maintained in the rear yard of a Unit only.

8.6. Maintenance. Each Owner (and Subordinate Association, where applicable) shall keep and maintain each Unit and structure owned by him, as well as all landscaping located thereon, in good condition and repair, including but

not limited to (i) the repairing and painting (or other appropriate external care) of all structures; (ii) the seeding, watering, and mowing of all lawns, and (iii) the pruning and trimming of all trees, hedges, and shrubbery so that the same are not obstructive of a view by motorists or pedestrians of street traffic. All unimproved Parcels (or portions of Parcels) shall be kept in a reasonably neat and clean condition. Notwithstanding the foregoing, the maintenance required hereunder shall also extend from the boundary of a Unit to the curbing of the right of way bordering said Unit. If in the opinion of the Association, any Owner or Subordinate Association shall fail to perform the duties imposed by this Section, the Association shall notify the Owner and/or Subordinate Association. If the Owner shall fail to take reasonable steps to remedy the condition within thirty (30) days after the mailing of said written notice by certified mail, then the Association shall have the right to perform the required maintenance and to assess its expenses against the Owner and/or the Subordinate Association.

8.7. Commercial and Recreational Vehicles and Trailers.

No commercial vehicle (other than passenger vehicles having a capacity of less than nine passengers), house trailers, mobile homes, motor homes, recreational vehicles, campers, trucks with camper tops, boat or boat trailers or like equipment, shall be permitted on any Parcel or Unit or within the right of way of any street in the Development on a permanent basis, but shall be allowed on a temporary basis not to exceed forty-eight (48) consecutive hours. Notwithstanding the foregoing,

any such vehicles or equipment may be stored on a Unit, provided such vehicle or equipment is kept in an enclosed space and is concealed from view by neighboring Residences and streets.

8.8. Animals. No agricultural animals may be kept on any Parcel or Unit and no animals, including birds, insects, and reptiles may be kept on any Parcel or in any Unit unless kept thereon solely as household pets and not for commercial purposes. No animal shall be allowed to become a nuisance.

8.9. Solid Waste.

(a) No person shall dump rubbish, garbage, or any other form of solid waste on any Parcel, Unit or on Common Property or within the right of way of any street in the Development;

(b) Except for building materials employed during the course of construction of any approved structure, no lumber, metals, bulk materials, or solid waste of any kind shall be kept, stored, or allowed to accumulate on any Unit unless screened or otherwise handled in a manner set forth in the Design Standards by the Association; and

(c) If rubbish, garbage, or any other form of solid waste is to be disposed of by being collected on a regular and recurring basis, containers may be placed in the open on any day that a pick up is to be made, in order to provide access to persons making such pick up. At all other times, such containers shall be screened or enclosed.

8.10. Nuisances. No noxious or offensive activity shall be carried on upon any Unit, nor shall anything be done thereof which may be or may become an annoyance or nuisance to

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the community.

8.11. Sales and Construction Activities.

Notwithstanding any provisions or restrictions contained in this Declaration to the contrary, it shall be expressly permissible for the Declarant and its contractors, agents, employees, successors and assigns, to maintain and carry on such facilities and activities as may be reasonably required, convenient or incidental to the sale of unsold Parcels.

8.12. No Accessory Structures. No accessory structures shall be allowed on any residential parcels.

8.13. Docks and Piers. No docks or piers shall be allowed to extend into lakes and ponds from Single Family Lots. With the approval of the Association, docks may be allowed as an amenity to the overall project or with the additional approval of the applicable Subordinate Association (if any), to a phase of the overall project.

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8.14. Prohibited Commercial Use. The Commercial Parcels may be developed according to all uses outlined in the existing Horry County Ordinances for Highway and Commercial Zoning except the following will not be permitted: package liquor stores, theaters, bowling alleys, off-street commercial parking, motor vehicle service stations, car washes, taverns, billiard halls, skating rinks, private or semi-private clubs, garages, or salvage yards.

8.15. Residential Development. All Single Family and Multi Family Development must conform with the Horry County General Residential Ordinances.

8.16. Single Family Drainage Easement. All Single Family residential lots shall have a drainage easement centered on each side and rear lot lines; side drainage easements shall be 10 feet (5 feet on each side of the property line); rear drainage easements shall be 15 feet (7.5 feet on each side of the property line), and 15 feet total on property lines which abut the project boundary. Provided, however, subject to the requirements of Horry County, the requirements of this paragraph may be released, in whole or in part, by the Association or the Declarant, its successors and assigns, when in its sole discretion there would otherwise be a hardship upon a Lot Owner or substantial damage to one or more of the natural features of the Lot.

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8.17. Fines. Any fines levied pursuant to this Declaration shall become a lien upon the Property and shall be collected in the same manner as assessments and as is more particularly provided for in Section 6.2 of this Declaration. The Association may establish reasonable fines to be collected from any Owner or Subordinate Association when such Owner or Subordinate Association fails to comply with this Declaration or any reasonable rule or regulation promulgated by the Association.

ARTICLE IX
GENERAL PROVISIONS

9.1. Duration. The provisions of this Declaration shall run with the land and be binding upon the title to the Property, shall be binding upon and inure to the benefit of all Owners and Subordinate Associations and the Declarant, the Association, and all mortgagees, and their respective heirs, executors, legal representatives, successors and assigns, and successors in title, and shall be and remain in effect for a period of thirty (30) years from and after the date of the recording of this Declaration, provided that rights and easements which are stated herein to have a longer duration shall have such longer duration. Upon the expiration of said thirty (30) year period, this Declaration shall be automatically renewed for successive ten (10) year periods. The number of ten (10) year renewal periods shall be unlimited, with the expiration of each ten (10) year renewal period automatically causing to commence an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration if, during the last year of an initial thirty (30) year period or the last year of any ten (10) year renewal period, sixty (60%) percent of the total votes of the Association are cast in favor of terminating this Declaration at the end of the then current term. In the event the Association votes to terminate this Declaration, an instrument evidencing such termination shall be filed of record in the Records of the Clerk of Court or R.M.C. Office for Horry County, South Carolina, such

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instrument to contain a certificate wherein the President of the Association swears that such termination was duly adopted by the requisite number of votes. Every purchaser or grantee of any interest in the Development, by acceptance of a deed or other conveyance thereof, thereby agrees that the provisions of this Declaration shall run with the land and be binding upon the title to the land as provided hereby. No termination of this Declaration shall be enforceable or valid if the Declarant owns an interest, unless Declarant consents in writing to the termination.

9.2. Perpetuities. If any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of any present partner (general or limited) of the Declarant.

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9.3. Attorney's Fees and Costs. In any suit or action brought by the Declarant or the Association or their successors and assigns, to enforce any of the terms, provisions, or restrictive covenants of this Declaration, if the Declarant or the Association is the prevailing party, it shall be entitled to its costs and disbursements and reasonable attorney's fees in such suit or action and any appeal thereof.

9.4. Interpretation. In all cases, the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation or construction which, in the opinion of the 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. The provisions of this 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 of record in the Records of the R.M.C. Office for Horry County, South Carolina. The captions of each Article and Paragraph hereof as to the contents of each Article and Paragraph are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article or Paragraph to which they refer. This Declaration shall be construed under and in accordance with the laws of the State of South Carolina.

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9.5. Gender and Grammar. The singular, whenever 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.

9.6. Rights of Third Parties. This Declaration shall be recorded for the benefit of the Declarant, the Owners, the Association, the Subordinate Associations, 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, or in the enforcement of any of the provisions hereof, and subject to the rights of the Declarant and Mortgagees herein provided, the members of the Association shall have the right to extend, modify, amend, or otherwise change the provisions of this Declaration without the consent, permission, or approval of any adjoining owner or third party.

9.7. No Trespass. Whenever the Association is permitted by this Declaration to enter upon or correct, repair, clean, maintain, preserve or do any other action within any portion of the Development, the entering thereon and the taking of such action shall not be deemed to be trespass.

9.8. Notices. Notices required hereunder shall be deemed given when in writing and delivered by hand or sent by United States mail, postage prepaid. All notices to Owners and Subordinate Associations 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 Units. All notices to the Association shall be delivered or sent in care of the Declarant at the Declarant's main office, or to such other address as the Association may, from time to time, notify the Owners. All notices to the Declarant shall be delivered or sent to the Declarant at the Declarant's main office, or to such other address as the Declarant may from time to time notify the Association. Notices to Mortgagees shall be delivered or sent to such addresses as such Mortgagees specify

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in writing to the Association.

9.9. Invalidity and Severability. The invalidity of any part of this Declaration shall not impair or affect the validity or enforceability of the remainder of the Declaration and, in such event, all the other provisions of this Declaration shall continue in full force and effect as if such invalid provisions shall never have been included. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not effect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end, the provisions of this Declaration are declared to be severable.

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9.10. Waiver. No provisions contained in this Declaration shall be deemed to be abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches which may occur.

9.11. Amendments. Amendments to this Declaration shall be proposed by the Declarant, by the Association or by any Voting Member of the Association in accordance with the following procedure:

(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:

(b) This Declaration may be amended at any time and from time to time after notice as hereinabove provided has been given, by a vote of not less than seventy-five (75%) percent of the total vote of the Association; provided, however, in no event shall any rights or privileges granted to the Declarant herein be abrogated or lessened without the express written consent of the Declarant.

(c) Provided, however, this Declaration may be amended unilaterally by the Declarant, without the requirement of any meeting of the Association or notice to any Owner, for the purpose of (i) amending Exhibit "A" or "B"; (ii) correcting any ambiguity or inconsistency within this Declaration; or (iii) amending any portion of this Declaration reasonably required or desired by a lender, a state or federal agency (or political subdivision thereof), or a title insurance company, provided such amendment does not materially prejudice the rights of any Owner and provided that the Declarant, in its sole discretion, determines that such amendment is in the best interest of the Development.

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IN WITNESS WHEREOF, the duly authorized officers of the undersigned have executed this Declaration under seal on the date first above written.

WITNESS:	DECLARANT: 461 LIMITED PARTNERSHIP, a South Carolina Limited Partnership
<i>[Signature]</i>	BY: <i>[Signature]</i>
<i>[Signature]</i>	Its: General Partner

STATE OF SOUTH CAROLINA)
COUNTY OF Horry)

PROBATE

Personally appeared before me one of the above signed witnesses and after being duly sworn deposes that s/he saw the within named Max F. Jones *M.F.J.*, as General Partner of 461 Limited Partnership, as its act and deed, sign, seal and deliver the within Declaration of Covenants, Conditions and Restrictions and that s/he with the below signed Notary Public witnessed the execution thereof.

[Signature]
Witness

Sworn to before me this 30th day of July, 1997.

[Signature]
Notary Public for South Carolina
My Commission Expires: 1/10/2001

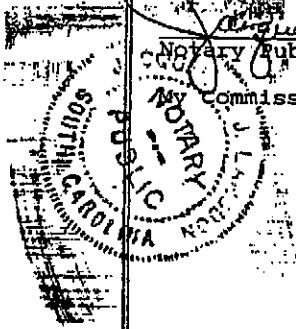


EXHIBIT "A"

ALL AND SINGULAR, that certain piece, parcel or tract of land lying and being situate in Socastee Township, County and State aforesaid, containing 461.77 acres, more or less, and as more particularly shown by metes and bounds upon a plat thereof made for International Paper Company dated April 17, 1978, by Culler Land Surveying Company, Inc., as recorded in Plat Book 70 at page 32, records of Horry County; this property is also shown on that plat prepared by DDC Engineers, Inc., and recorded in Plat Book 146 at Page 115, records of Horry County; said maps being incorporated as a part of this description.

This being the identical property conveyed to 461 Limited Partnership by Deed of Paul E. Creel and Benjamin J. Creel, dated August 18, 1986 and recorded AUGUST 18, 1986 in Deed Book 1070 at page 101, records of Horry County, South Carolina.

HORRY COUNTY ASSESSOR

179-00-16-065

Map , Blk . Parcel

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EXHIBIT "B"

(Total Aggregate Votes for each Parcel
in the Palmetto Pointe Development)

1. For every one-tenth (1/10th) acre of the Property there shall be assigned one (1) vote, except as otherwise provided for herein. Any fraction of property owned shall be rounded up or down to the next nearest one-tenth (1/10th) of an acre for the purpose of determining voting weight.
2. The Declarant initially shall have a total of 18,472 votes pursuant to the By-Laws and this Declaration (461.77 Acres, rounded up to 461.8 = 4,618 votes x 4 = 18,472 total weighted votes).
3. In the event Common Areas are transferred from the Declarant to the Association, the total aggregate vote for the Declarant shall be reduced accordingly and any votes otherwise assigned to ownership of such Common Areas shall be void from the moment of such transfer from the Developer to the Association.
4. In the event the Declarant determines to dedicate any roads in the Palmetto Pointe Subdivision to Horry County upon such dedication any votes otherwise attributable to such portion of the Property which has been dedicated shall be made null and void.
5. The Declarant shall cause to be maintained at its business office a current schedule of the total votes of the Association and the respective allocation of such votes.

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