

STATE OF SOUTH CAROLINA)
COUNTY OF LEXINGTON)

THIS DECLARATION IS SUBJECT TO
ARBITRATION PURSUANT TO ARTICLE
VI, SECTION 5, AND SOUTH CAROLINA
CODE ANN. (1976 CUMM.), SECTION 15-48-10,
et. Seq.

Declaration of Covenants, Conditions and Restrictions Of Pintail Point

This Declaration made on the date hereinafter set forth by LAB Investors, LLC hereinafter referred to as “Declarant”.

W I T N E S S E T H:

Whereas, Declarant is the owner of property near the Town of Lexington County, South Carolina, which is described as:

That tract of land, together with any improvements thereon, situate, lying and being primarily in the Lexington County, South Carolina, containing 85.9 acres, more or less, in a subdivision known as “Pintail Point”, and being more fully shown and delineated on a Bonded Plat prepared for Pintail Point, Phase I, dated July 13, 2004 and revised August 18, 2004, said Bonded Plat being recorded in the RMC office for Lexington County in **Plat Book 9715, Page 250**; said property having the courses, metes, measurements and boundaries as shown on the aforesaid plats, and being more fully described on Exhibit “A” attached hereto and incorporated herein by reference; and

Whereas, Declarant intends to sell lots for the development of a residential community on the afore described property, which community, known as ***Pintail Point*** is to be governed by its residents, who shall be members of ***Pintail Point*** Homeowners Association, which Association shall own or have access to common areas for the use and benefit of its residents; and

Whereas, Declarant has been instrumental in the incorporation of ***Pintail Point*** Homeowners Association, a corporation organized under the laws of the State of South Carolina, for the purpose of providing a means by which the residents of ***Pintail Point*** can manage and control the common areas of ***Pintail Point***, and otherwise provide for the general well-being of the community and its residents;

Now, Therefore, Declarant hereby declares that the property described above shall be held, sold, and conveyed subject to the following perpetual easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property heretofore described and shall be binding on all parties having any right, title or interest in the afore described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

Article I

Definitions

Section 1. “Association” shall mean and refer to *Pintail Point* Homeowners Association, its successors and assigns.

Section 2. “Owner” shall mean and refer to the record owner of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation; provided, however, no Lot may be owned by more than two individuals and, if a lot is owned by a entity, the ownership of the entity shall be limited to no more than two individuals.

Section 3. “Properties” shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. “Common Area” shall mean all real property which shall be owned by the Association for the common use and enjoyment of the owners.

Section 5. “Lot” shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. “Declarant” shall mean and refer to *LAB Investors, LLC.*, its successors and assigns, or a successor in title if such successor in title should acquire more than thirty (30%) percent of the remaining unsold Lots from the Declarant for the purpose of development and shall be designated as such successor Declarant by *Pintail Point, Inc.*, or by its duly appointed legal representative. Any such designation shall be in writing, shall be recorded in the RMC Office for Lexington County, South Carolina and shall refer to this Declaration. Any such successor Declarant shall have all rights, powers, and authority of the original Declarant.

Section 7. “Class A Members” shall be all Owners with the exception of the Declarant.

Section 8. “Class B Members” shall be member(s), shall be Declarant.

Article II

Property/Site Use

Section 1. The following property/site use shall be appurtenant to and shall pass with the title to every Lot:

(a) No dwelling shall be permitted on any lot which has less than Two Thousand Two Hundred and no/100 (2,200) heated square feet, exclusive of porches and garages. All house plans are to be approved by Pintail Point Architectural Review Board before Construction. All construction shall comply with architectural guidelines, changes and modifications.

(b) No lot shall be subdivided or reduced in size unless approved in advance by Developer or Developer's nominee in writing and recorded with the Lexington County Register of Deeds. Any additional lot owners as a result of subdivision of the lot would not inure any benefits provided by Developer in association with Pintail Point.

(c) No obnoxious or offensive activities shall be carried on upon any lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhoods surrounding it.

(d) No structure of a temporary character shall be utilized upon any lot, which includes but is not limited to, above ground pools, tents, school buses, campers, motor homes, any satellite dishes larger than Directv, freestanding antennas, nor shall a mobile home or modular home be allowed on said lots.

(e) No sign of any kind shall be displayed to the public view on any lot except for a "For Sale" sign of not more than five (5) square feet advertising the property for sale, or signs used by a contractor to advertise the property during the construction or sale period.

(f) No lot shall be used or maintained as a dumping ground for rubbish, trash, garbage, or other waste. All trash, garbage or other waste must be kept in trash receptacles and covered and secured in the back yard area.

(g) No animals are allowed on subject property except dogs and cats.

(h) No firearms may be fired or used on any lot or in any street in Pintail Point.

(i) All front yards and any area facing Pintail Point shall be kept free of personal items and shall be landscaped and maintained. If construction of home is not started within 18 months after closing, a \$1,000 fee will be assessed for any lot under one acre and a \$2,000.00 fee will be assessed for any lots over one acre as a maintenance fee.

(j) Mailbox shall be bought from Developer or Homeowners Association.

(k) Property shall not be leased out and there shall not be multiple owners of a property.

(l) These Covenants may be revised, revoked, substituted, amended, modified or otherwise altered by Developer or Developer's nominee.

(m) Enforcement of these Covenants shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any Covenant either to restrain violation or recover damage.

(n) Invalidation of any one of these Covenants by judgment or Court Order shall in no way affect any of the other provisions, which shall remain in full force and effect.

Section 2. Term. These Covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty (20) years from the date these Covenants are recorded, after which time said Covenants shall be automatically extended for

successive periods of ten (10) years unless an instrument is signed by Developer or Developer's nominee, their heirs and assigns, agreeing to change said Covenants in whole or in part.

Article III

Property Rights

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of use and enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable dues assessments and other fees for the use of the Common Areas.

(b) the right of the Association to suspend the voting rights and right to use of any recreational facilities by an Owner for any period during which any assessment against such Owner's Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) subject to the rights of Declarant under Article VI hereof, the right of the Association to dedicate or transfer all or any part of any such Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members; No such dedication or transfer shall be effective unless an instrument signed by at least two-thirds (2/3) of the members, agreeing to such dedication to transfer, has been recorded. The Association may, with the approval of a majority of its Board of Directors, or with an instrument signed by at least a majority of the members, grant easements for utilities or other facilities (including, but not limited to, drainage facilities) that are needed;

(d) the right of Declarant, so long as Declarant owns Lots, to place advertising signs and literature in any Common Area;

(e) the right of the Declarant to mortgage, pledge, or hypothecate any common area, except streets, as security for debts incurred in connection with the improvements to be placed on the Common Area, provided, however, Declarant shall be responsible for such debt, and shall pay all principal, interest and other payments as they come due in connection with such debts and shall, **when 75 of the 110 Lots are sold**, pay any such debts in full and cause any related mortgage, pledge or hypothecation to be satisfied in full; and

(f) the right of the Association, with the assent of two-thirds (2/3) of the class A members and the approval of any Class B members, to mortgage, pledge, or hypothecate any common area, except streets, as security for money borrowed or debts incurred.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, the Owner's rights of enjoyment of any Common Area and facilities to the members of such Owner's immediate family, tenants, or contract purchasers who actually reside on a Lot. Subject to the provisions of Article IV, Section 3(e) hereof, the Owner of an unoccupied Lot may delegate such rights to the members of such Owner's immediate family upon obtaining the prior written consent of the Board of Directors of the Association.

Section 3. Resale of Lots. Within a period of three (3) years from the initial acquisition of title of a Lot or until 75 of the 110 lots in *Pintail Point* are initially sold, whichever occurs first, if an Owner offers an unimproved Lot for sale, Declarant shall have to option to repurchase the same for the original purchase price paid, plus property taxes paid by the Owner and plus ten (10%) percent of the original purchase price.

Article IV

Membership and Voting Rights

Section 1. Every Owner of a Lot shall be a member of the Association. Member shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. Consistent with the Definitions of Class A Members and Class B Members cited previously in Article I Definitions, section 7 and section 8, the Association shall have two classes of voting membership.

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 such Lot. In the event the Owner is an entity and not a person(s), that entity shall, by written resolution, designate the individual who shall be a member of the Association.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to two (2) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the occurrence of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) upon conveying rights to Pintail Point Homeowners association

Article V

Covenant for Maintenance Assessments

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments, such assessments to be established and collected as hereinafter provided.

The annual and special assessments, together with the interest, late charges, costs of collection, and reasonable attorney's fees, shall be a charge on each Lot and shall be a continuing lien upon the Lot against which each such assessment is made. Each assessment, together with interest, costs of collection, and reasonable attorney's fees, shall also be the personal obligation

of the person who was the Owner of such property at the time when the assessment fell due and upon such Owner's successor in title if unpaid on the date of the conveyance of such Lot.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the administration, operation, improvement, maintenance, use and enjoyment of the Common Area, including the streets, and including, but not limited to, the cost of repairs, replacements, additions, insurance, labor, equipment, materials, management and supervision, other personnel or contract services deemed appropriate, establishing a maintenance and replacement reserve, repaying loans incurred by the Association, including interest, the payment of taxes assessed against such Common Area, and the employment of attorneys, accountants and other professionals to represent the Association, when necessary, and to provide other services which the Association is authorized to provide. (Note: Also, see section 4. Special Assessments, further herein.)

Section 3. Commencement of Assessment and Maximum Annual Assessment.

(a) As to the 8.8 acres to be purchased by TECC Properties, LLC, the annual assessments shall be one-half (1/2) of Pintail Point's customary dues of \$500.00 per year, or not to exceed \$250.00, whichever is less, per sold lot, and the annual assessments shall begin on **January 1, 2005**. Also, all owners of the 8.82 acres being purchased by TECC Properties, LLC shall be entitled to use any and all amenities available to the owners in Pintail Point.

(b) As to all other properties within Pintail Point, the annual assessments shall be \$500.00 per year for dues and the annual assessments shall begin on **January 1, 2006**.

(c) The maximum annual assessment of the year beginning **January 1, 2006** and for each year thereafter shall be established by the Board of Directors of the Association and may be increased by the Board of Directors without approval by the membership by an amount not to exceed ten (10%) percent of the maximum assessment of the previous year.

(d) The maximum annual assessment for the year beginning **January 1, 2006** and for each year thereafter may be increased without limit by a vote of two-thirds (2/3) of the members who are voting in person or by proxy, at a meeting duly called for this purpose.

(e) The Board of Directors may determine that an annual assessment is not required, provided, however, the Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

(f) Pro-rata Annual Assessments. The annual Assessment for any Purchased Lot after **January 1, 2006** shall be pro-rated, based upon the period of the year such Lot was occupied.

Section 4. Special Assessments

(a) Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any calendar year, a special assessment for the purpose of reconstruction, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon any Common Area, including the streets, including fixtures and personal property related thereto, provided that any

such assessment shall have the assent of two-thirds (2/3) of the votes of Class A members and approval of the Class B member(s) who are voting in person assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly or quarterly basis as determined by the Association's Board of Directors.

(b) Special Assessments for Exterior Maintenance, Yard and Fence. In addition to the annual assessments authorized above, in the event that any Owner fails to properly maintain the exterior of such Owner's residence, including the yard and any fence or fences on such Owner's Lot, the Board of Directors of the Association may levy a special assessment against the Owner of such Lot, which assessment shall be in an amount equivalent to that required to properly maintain the exterior of such residence, fence, fences or yard.

Section 5. Notice and Quorum for any Action Authorized Under Sections 3 and 4.

Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 of this Article IV shall be delivered personally or mailed to the Directors or to all members or Directors, as the case may be, at the member's or Director's address last appearing on the books of the Association, or supplied by such member or Director to the Association for the purpose of notice, not less than 10 days nor more than 50 days in advance of presence of members or of proxies entitled to cast sixty (60%) percent of all the votes of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement. At the second such meeting of members called, the presence of members or of proxies entitled to cast thirty-three and one-third (33 1/3%) percent of all the votes of membership shall constitute a quorum. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform Rate of Assessment All annual and special assessments for capital improvements shall be fixed at a uniform rate for all lots and may be collected on a quarterly or monthly basis as determined by the Board of Directors; provided. However, the Board may set a lower annual assessment for unoccupied Lots pursuant to the provisions of Article IV, Section 3(e) hereof.

Section 7. Date of Commencement of Annual Assessments: Due Dates:

The annual assessments provided for herein shall commence as to all Lots on January 1, 2005. At least thirty (30) days in advance of each annual assessment period, the Board of Directors shall fix the amount of the annual assessment. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association:

Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the legal rate provided by law for judgments of Court enrolled or entered. In addition, the Board of Directors of the Association may set such late charges as it deems appropriate. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs of collection and reasonable attorney's

fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of such Owner's Lot.

Section 9. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien or lien provided for in the preceding section. However, the sale or transfer of any Lot which is subject to any first mortgage, pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments as to the payment thereof which became due prior to such sale or to the payment thereof which become due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or form the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage.

Section 10. Assessments Pertaining to Declarant. The Declarant shall not be subject to any assessment, at any time.

Article VI

Schedule of Common Area Amenities Construction

The following is an estimated schedule of dates for the construction of amenities of the common areas. Further permitting and design may delay construction of amenities, which schedule may vary 90 to 120 days:

	<u>Start Date</u>	<u>Completion Date</u>
Front Entrance	September 2004	December 2004
Rear Entrance	December 2004	February 2005
Pool Area (Pool and Clubhouse)		March 2006
Walking Trails	September 2004	December 2005
Boat Ramp	May 2005	June 2005
Dredging (if permitted)	October 2005	February 2006
Phase II infrastructure	March 2005	October 2005
Tennis Courts	November 2005	May 2006

