

**THIS AGREEMENT IS SUBJECT TO BINDING ARBITRATION PURSUANT TO THE
SOUTH CAROLINA UNIFORM ARBITRATION ACT
(S.C. CODE ANN. § 15-48-10 ET SEQ., AS AMENDED)**

***NOTICE TO CLOSING ATTORNEYS: THIS DECLARATION IMPOSES ASSESSMENTS
CONSTITUTING A LIEN ON EACH LOT IN THE SUBDIVISION. PLEASE CONTACT THE
ASSOCIATION TO DETERMINE THE STATUS OF A PARTICULAR LOT WITH REGARD TO
PAYMENT OF ASSESSMENTS***

STATE OF SOUTH CAROLINA

COUNTY OF LEXINGTON)

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) **DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS, CHARGES
AND LIENS FOR PINTAIL POINT HOMEOWNERS ASSOCIATION**

THIS RESTATED Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for PINTAIL POINT HOMEOWNERS ASSOCIATION is made this __19th__ day of __January_____, 2011, by **LAB INVESTORS, LLC**, a South Carolina limited liability company organized and existing under the laws of the State of South Carolina (the “Developer,” as further defined in Article I herein). Any defined terms used herein shall have the meaning set out in Article I hereafter:

**ARTICLE I
DEFINITIONS**

Section 1. DEFINITIONS. The following capitalized words when used in this Declaration, any Supplement, or any Supplemental Declaration (unless the context shall prohibit) shall have the following meaning:

A “ARCHITECTURAL CONTROL BOARD” shall mean and refer to any appointees of the Board of Directors of the Association for architectural control in the Community.

B. “ARCHITECTURAL GUIDELINES” shall mean and refer to the set of policies, rules and procedures which may be promulgated and/or amended by the Architectural Control Board, from time to time, which shall act as a guide for the architectural control and review process and for the maintenance, construction for renovation of Structures in each Neighborhood, if and when designated, and within the Community. Failure to publish any Architectural Guidelines shall not diminish the architectural control and review authority of the Architectural Control Board, as set forth in this Declaration.

(C) “AREA OF COMMON RESPONSIBILITY” shall have the meaning and refer to any Common Area, together with those areas, if any, the Association, has established pursuant to the terms of this Declaration, any Supplemental Declaration, any Cost Sharing Agreement, or other applicable covenant, contract, or agreement.

(D) “AREA OF EXTENDED LOT OWNER RESPONSIBILITY” shall mean and refer to that portion of the road right-of-way, whether owned by the Association, or any applicable governmental entity, extending from the end of the road’s curbing (or the end of the pavement itself, if no curbing exists) to any property line of a Lot that is contiguous to the road. Unless designated as Common Area or unless the Association has assumed maintenance responsibility for this area as part of its Area of Common Responsibility, each Owner shall be responsible for the maintenance and proper use of their corresponding Area of Extended Lot Owner Responsibility pursuant to the provisions of this Declaration, including without limitation obtaining appropriate Architectural Control Board approvals, in addition to any other applicable governmental approvals, that may be

required for any and all Structures and landscaping built upon or located in the Area of Extended Lot Owner Responsibility. All remedies available to the Association, for the failure of an Owner to properly maintain, use, or construct or locate Structures upon a Lot shall also be available to the Association for the failure of an Owner to properly maintain, use, or construct or locate Structures upon the Area of Extended Lot Owner Responsibility, as provided for in this Declaration. Said authority of the Association to control the Areas of Extended Lot Owner Responsibility is subordinate to the authority and approval of any property owner or applicable governmental entity possessing rights over or ownership of the Areas of Extended Lot Owner Responsibility.

(E) "ASSESSMENTS" shall have the meaning specified in Article VI.

(F) "ASSOCIATION" shall mean and refer to the Pintail Point Homeowners Association, Inc., its successors and assigns.

(G) "BOARD OF DIRECTORS" shall mean and refer to the members of the board of directors of the Association whether elected or appointed.

(H) "BY-LAWS" shall mean and refer to the by-laws of the Association.

(I) "COMMON AREA" shall mean and refer to those areas of land within the Property, the location and dimensions of which may be established, modified, or adjusted and shown as "Common Area" on any recorded plat of the Property or so designated in any conveyance to the Association by the Developer including, but not limited to, any and all Structures thereon or the furniture, fixtures or equipment thereon, entrance signs, lights, sprinklers, shrubs, landscaping, parking places, recreational facilities, walking paths, tennis courts, installed sidewalks, courtesy dock, drainage or other easements used, owned or maintained by the Association or the Developer for the benefit of the Community, whether or not located within the street right-of-ways which have been dedicated to a governmental agency or a Lot. Such areas are intended to be devoted to the common use and enjoyment of Members of the Association, subject to the Regulations established and amended from time to time by the Board of Directors of the Association and is not dedicated for use by the general public.

(J) "COMMUNITY" shall mean and refer to the subdivision of the Property.

(K) "DECLARATION" shall mean and refer to this Declaration of Covenants, Conditions, Restrictions, Easements, Charges, and Liens, any amendment or modification thereof, and any supplements thereto that annex additional land.

(L) "DIRECTOR" shall mean and refer to an appointed or elected member of the Board of Directors.

(M) "DEVELOPER" shall mean and refer to **LAB INVESTORS, LLC** a limited liability company organized and existing under and pursuant to the laws of the State of South Carolina, its successors and assigns; provided such successors or assigns are designated as such by the Developer. The Developer may make partial or multiple assignments of its rights under this Declaration. All such assignees shall be deemed to be the Developer only as to those rights which may have been assigned to them.

(N) "DWELLING" shall mean and refer to a single family home, patio home, garden home, townhouse, condominium unit, or apartment, if constructed in the Community.

(O) "LOT" shall mean and refer to any parcel of land with such improvements, Structures, or Dwellings as may be erected thereon, shown and described as a "Lot" on any recorded subdivision plat of the Property and any parcel of land located within Lakeside Reserve, but shall not include the Common Area or the streets or road right-of-ways in the Community.

(P) "MASTER PLAN" shall mean and refer to the drawing, sketch, map, or Planned Unit Development plan that represents the conceptual land plan for the future development of the Community. Since the concept of the future development of the undeveloped portions of the Community, including without limitation the Lots, streets or road right-of-ways and any Common Area. In addition, no implied reciprocal covenants or obligation to develop shall arise with respect to lands that have been retained by the Developer for future development.

(Q) "MEMBER" shall mean and refer to any Owner, as provided in Article III hereof.

(R) "LAKESIDE RESERVE" shall mean and refer to the 8.2 acres referred to as Lakeside Reserve on the Plat recorded with the Lexington County Register of Deeds at Book 12246 at Page 98. The members of Lakeside Reserve are Members of the Association, and Lakeside Reserve exists under authority granted by the Association.

(S) "OWNER" shall mean and refer to the record owner or owners, whether one (1) or more persons or entities, of the fee simple title to any of the Lots within the Association or Lakeside Reserve, but shall not mean or refer to any mortgagee or subsequent holder of a mortgage unless and until such mortgagee or holder has acquired title to the Lot pursuant to foreclosure or any proceedings in lieu of the foreclosure. Said term "Owner" shall also refer to the heirs, successors, and assigns of any Owner.

(T) "PLANS" shall mean and refer to and encompass the plans, specifications, elevations and exterior designs of any Structure built or to be built on any Lot, or Common Area, or of any other item so designated in the Architectural Guidelines, as well as a site plan showing building set backs and locations of all Structures or other items so designated in the Architectural Guidelines within the Lot or Common Area.

(U) "PLAT" shall mean and refer to those certain plats of the Community filed in the Office of the Register of Deeds for Lexington County from time to time.

(V) "PROPERTY" shall mean and refer to all property, including but not limited to, the Lots, streets or road right-of-ways and Common Area, subjected to this Declaration, which are described on the Plat filed with the Lexington County Register of Deeds at Book 9715 at Page 250, together with any additional land that may be developed pursuant hereto and annexed or incorporated in the Property by amendments or supplemental Declarations, including Lakeside Reserve.

(W) "REGULATIONS" shall mean and refer to the guidelines, rules, policies, regulations, and procedures, including, but not limited to, the Architectural Guidelines, adopted by the Board of Directors or the Architectural Control Board for the Community, for each Neighborhood or Specific Purpose Area, if and when designated, and for any portion of the Property.

(X) "STRUCTURE" shall mean and refer to any thing or object upon any portion of the Property including by way of illustration and not limitation, any Dwelling or building or part thereof, garage, porch, shed, mailbox, greenhouse, or bathhouse, coop or cage, covered or uncovered patio, siding, doors, fixtures, equipment, and appliances (including without limitation the heating and air-conditioning system for the Dwelling), glass, lights and light fixtures (exterior), awnings, window boxes, window treatments, window screens, screens or glass-enclosed porches, balconies, decks, chutes, flues, ducts, conduits, wires, pipes, plumbing, and other like apparatus, playgrounds, playground equipment, tree houses and yard art, statuary, basketball goals (permanent or temporary), or other temporary or permanent sports equipment, swimming pool, fence, curbing, paving, driveways, walkways, wall or hedge, well, waterfall, hardscape, radio, television, wireless cable, or video antenna, satellite dishes, yard, lawn, landscaping, trees, shrubs, bushes, grass, well, septic system, storage tank, propane tank, sign, appurtenance, or signboard, whether temporary or permanent; any excavation, fill, ditch,

diversion dam or other thing or device which affects or alters the natural flow of waters from, through, under or across any portion of the Property, or which affects or alters the flow of any waters in any natural or artificial stream, wash or drainage channel from, upon or across any portion of the Property; and any change in the grade of any portion of the Property of more than six (6) inches.

ARTICLE II USES OF PROPERTY AND EASEMENTS

Section 1. RESIDENTIAL USE OF PROPERTY. All Lots shall be used for single-family residential purposes only, and no commercial, business or business activity shall be carried on or upon any Lot at any time, except with the written approval of Association; provided, however, that nothing herein shall prevent the Developer, its agents, representatives, employees, or any builder of homes in the Community, approved by the Developer, from using any Lot owned by the Developer or such builder of homes for the purpose of carrying on business related to the Community or related to the improvement and sale of Lots or Dwellings in the Community; operating a construction office, business office, or model home, and displaying signs, and from using any Lot for such other facilities as in the sole opinion of the Developer may be required, convenient, or incidental to the completion, improvement, and sale of the Lots, Dwellings, or the Community; and provided, further that, to the extent allowed by applicable zoning laws, “home occupation”, as defined in the Architectural Guidelines or in the zoning ordinances of the governmental authority having jurisdiction over the Lot, may be maintained in a Dwelling located on any of the Lots as approved in writing by the Architectural Control Board, and the governmental authority having jurisdiction over the Lot, so long as the “home occupation” complies with any and all conditions of such approvals.

Section 2. CONSTRUCTION IN ACCORDANCE WITH PLANS. EXCEPT AS PROHIBITED BY LAW, INCLUDING WITHOUT LIMITATION 47 U.S.C. § 303 NT, AND RELATED FCC RULES, 47 CFR § 1.4000 (WHICH LIMITS, BUT DOES NOT ENTIRELY PROHIBIT, CONTROL BY THE ASSOCIATION OF THE SIZE AND LOCATION OF ANTENNAS AND SATELLITE DISHES), NO STRUCTURE SHALL BE CONSTRUCTED, ERECTED, MAINTAINED, STORED, PLACED, REPLACED, CHANGED, MODIFIED, ALTERED OR IMPROVED ON ANY LOT OR AREA OF EXTENDED LOT OWNER RESPONSIBILITY UNLESS APPROVED BY THE ARCHITECTURAL CONTROL BOARD AND ANY OTHER APPROPRIATE OWNER OR APPLICABLE GOVERNMENTAL ENTITY AND THE USE OF APPROVED STRUCTURES SHALL COMPLY WITH THE REGULATIONS ISSUED BY THE ARCHITECTURAL CONTROL BOARD, FROM TIME TO TIME. NO CONSTRUCTION, RECONSTRUCTION, ERECTION, REPAIR, CHANGE, MODIFICATION SHALL VARY FROM THE APPROVED PLANS. The Architectural Control Board, shall have complete discretion to approve or disapprove any Structure. The Architectural Control Board, shall have the complete discretion to withhold review of any and all plans submitted to it from an Owner who is not in good standing as a Member of the Association, including without limitation Members who owe past due Assessments on any Lot in the Community. The Architectural Control Board, may issue from time to time Architectural Guidelines and Regulations to assist it in the approving of Structures and may change such Architectural Guidelines and Regulations at any time and from time to time only with a majority vote of the members. (For definition of Structure, see Article I, Section 1.)

Section 3. COMBINATION OF LOTS AND ROAD USAGE. No Lot or Common Area may be used as a road unless approved in writing by the Architectural Control Board.

Section 4. LIVESTOCK AND PETS. Unless the following is amended by the Regulations established and amended by the Board of Directors of the Association, from time to time, no animals, livestock or poultry of

any kind shall be raised, bred or kept on any Lot or Area of Extended Lot Owner Responsibility, except that dogs, cats or other small household pets may be kept subject to applicable leash laws, provided that they are not kept, bred or maintained for any commercial purpose. Such household pets must not constitute a nuisance as determined by the Board of Directors in its sole discretion within the Community or cause unsanitary conditions within the Community, and no animal kept outside the Dwelling shall be kept in a manner which disturbs the quiet enjoyment of the Community or any other Owner. While not in a fully confined area, all pets shall be restrained by leashes and no pet shall enter upon any Lot or Area of Extended Lot Owner Responsibility without the express permission of that Owner or on the Common Area (except walking trails, driveways and parking lots) without express permission of the Association. The pet owner will be responsible for clean up and removal of fecal matter deposited by such pet and shall be liable for, indemnify and hold harmless any other Owner and the Association from any loss, cost, damage or expense incurred by such Owner or the Association as a result of any violation of this provision. (See Article IX for the Association's Remedies for Violation.) Owners may construct fencing, dog runs or doghouses with proper approval from the ARC.

Section 5. OFFENSIVE ACTIVITIES. Unless the following is amended by the Regulations established and amended by the Board of Directors of the Association, from time to time, no noxious, offensive or illegal activities as determined by the Board of Directors shall be carried on upon any Lot, Area of Extended Lot Owner Responsibility, Common Area, or street and road right-of-way, nor shall anything be done thereon which is or may become an annoyance or nuisance to any Owner in the Community, including without limitation nuisances of a permanent or temporary nature, occurring on an intermittent or continual basis, and those that are a nuisance to one or more Owners in the Community . (See Article IX for the Association's Remedies for Violation.)

Section 6. TRAILERS, TRUCKS, BUSES, BOATS, PARKING, ETC. Unless the following is amended by the Regulations established and amended by the Board of Directors of the Association from time to time, no passenger vehicles, commercial vehicles, buses, trailers or mobile homes, motorcycles, boats, boat trailers, all terrain vehicles, go-carts, campers, vans or vehicles on blocks, unlicensed vehicles, or like vehicles shall be kept, stored, used, or parked overnight either on any street within the Community, in the Common Area, or on any Lot or Area of Extended Lot Owner Responsibility, without the approval of the Association; provided, however, that licensed passenger vehicles may be parked in approved areas on a Lot, to include garages, paved driveways, and any other area approved by the Board of Directors or as specified in the Regulations. Boats may be temporarily parked in driveways for no more than five(5) days for routine maintenance and cleaning. No unsafe parking shall be allowed on any streets in the Community. Boats and boat trailers or similar trailers may be stored with approval of location from the Board of Directors provided they are substantially screened from view. The Association may in its sole discretion determine what is unsafe and issue regulations to control on and off street parking. (See Article X for the Association's Remedies for Violation.) No more than three vehicles may be parked outside of the garage overnight without prior approval from the Board of Directors.

Section 7. USE OF GARAGES. Garages are to be used for parking vehicles and storage of personal property. Unless the Association, gives written authorization to the contrary, no Owner shall: (i) use their garage in a manner that would prevent the immediate conversion of the garage space to accommodate parking or storage as determined by the Association (2) use their garage in such a way that creates a nuisance as determined by the Association or (3) use their garage for any other purpose that would permanently prevent parking or storage in the garage as determined by the Association.

Section 8. EXCAVATIONS OR CHANGING ELEVATIONS. No Owner shall excavate or extract earth for any business or commercial purpose within the Property.

Section 9. SEWAGE SYSTEM. Sewage disposal shall be through the public systems approved by appropriate State and local agencies. If there is a public or private system serving the Community, the Owner shall be obligated to use the system..

Section 10. WATER SYSTEM. Water shall be supplied through a public or private system or any other system or well approved by appropriate State and local agencies. If there is a public or private system serving the Community, the Owner shall be obligated to use the system. Water systems, via private well, used for the sole purpose of irrigation may be installed with approval from the board of directors.

Section 11. UTILITY FACILITIES. The Board of Directors of the Association reserves the right to approve the necessary construction, installation and maintenance of utility facilities and service lines for, on, over or under the Property or any portion thereof, including but not limited to telephone, cable T.V., electricity, gas, water and sewage systems, which may be in variance with these restrictions.

Section 12. WAIVER OF SETBACKS, BUILDING LINES AND BUILDING REQUIREMENTS. The Architectural Control Board may waive violations of the setbacks and building lines shown on any plat of the Community or set out in this Declaration. Such waiver shall be in writing and recorded by the Owner in the County Register of Deeds. A document executed by the Architectural Control Board shall be, when recorded, conclusive evidence that the requirements hereof have been complied with. The Architectural Control Board may also, from time to time as they see fit, eliminate violations of setbacks and boundary lines by amending said plats. Nothing contained herein shall be deemed to allow the Architectural Control Board, to waive violations which must be waived by an appropriate governmental authority without the Owner obtaining a waiver from such authority.

Section 13. EASEMENT FOR UTILITIES AND COMMON FACILITIES. The Board of Directors of the Association reserves unto itself and its permittees a perpetual, alienable, easement and right of ingress and egress, over, upon, across and under each Lot and Area of Extended Lot Owner Responsibility, and all Common Areas and Areas of Common Responsibility, if any, as are necessary or convenient for the erection, maintenance, installation, and use of sidewalks as installed or as directed for installation by architectural plans, electrical systems, cable television systems, irrigation systems, landscaping, telephone wires, cables, conduits, sewers, water mains, and other suitable equipment, other Structures and buildings necessary or convenient for the conveyance and use of electricity, telephone equipment, gas, sewer, water or other public convenience or utilities including but not limited to privately owned television systems and other communications cable and equipment, and the Board of Directors of the Association may further cut drainways for surface water when such action may appear to the Board of Directors of the Association to be necessary in order to maintain reasonable standards of health, safety, and appearance, or to correct deviations from approved development drainage Plans, provided such easement shall not encroach on or cross under existing buildings or Dwellings on the Lot or Common Area. These easements and rights expressly include the right to cut any trees, bushes, or shrubbery, make any grading of soil, or to take any other similar action reasonably necessary to provide economical and safe utility or other installation and to maintain reasonable standards of health, safety and appearance. It further reserves the right to locate signs, entrances, landscaping, sprinklers and other improvements related to the Common Area or Area of Common Responsibility or common facilities of the Community including, but not limited to, entrances, wells, pumping stations, and tanks, within residential areas on any walkway or any residential Lot or Area of Extended Lot Owner Responsibility in the area designated for such use on any applicable plat of the residential subdivision, or locate same on the adjacent Lot or Area of Extended Lot Owner Responsibility with the permission of the Owner of such adjacent Lot. No Structures, including, but not limited to, walls, fences, paving or planting shall be erected upon any part of the Property which will interfere with the rights of ingress and egress provided for in this paragraph and no Owner shall take any action to prevent the Association, or any public or private utility, or any of their agents, contractors or employees from utilizing the easements reserved herein. **THE ASSOCIATION, THE ARCHITECTURAL CONTROL BOARD, THEIR AGENTS, EMPLOYEES AND OFFICERS SHALL NOT BEAR RESPONSIBILITY FOR THE REPAIR OR REPLACEMENT OF ANY LANDSCAPING PLANTED, SPECIAL GRADING ESTABLISHED, OR STRUCTURE CONSTRUCTED WITHIN AN EASEMENT, WHETHER PLANTED, ESTABLISHED OR CONSTRUCTED INTENTIONALLY OR**

INADVERTENTLY AND WHETHER APPROVED OR NOT BY THE ARCHITECTURAL

CONTROL BOARD. The Board of Directors of the Association expressly reserves the right to alter, expand or overburden any easement described in this paragraph. Such rights to alter, expand or overburden shall be limited to such extent as will allow the Owner of the affected Lot and Structure to convey marketable title. .

Section 14. YARD AND LANDSCAPING MAINTENANCE.

(a) In the event that the Owner of any residential Lot, improved or unimproved, fails to maintain their yard and overall landscaping of their Lot or Area of Extended Lot Owner Responsibility in a manner in keeping with the Declaration, as determined by the Architectural Control Board from time to time as they see fit, the Architectural Control Board may issue a compliance demand requiring the Owner of the residential Lot to bring the Lot or Area of Extended Lot Owner Responsibility into compliance in keeping with common scheme provided by the Declaration, as determined by the Architectural Control Board. If the Owner of the residential Lot fails to comply within the time required by the notice, the Association may enter upon the Lot or Area of Extended Lot Owner Responsibility, bring the Lot or Area of Extended Lot Owner Responsibility into keeping with the Community, as provided above, and levy against the Owner of the Lot an Assessment for Non-Compliance and such Assessment shall be a lien upon the Lot.

(b) The responsibility of an Owner of a residential Lot to properly maintain their yard and overall landscaping of their Lot and Area of Extended Lot Owner Responsibility includes, but is not limited to, the following:

- (i) prevent any underbrush, weeds, or other unsightly plants to grow upon the Lot and Area of Extended Lot Owner Responsibility;
- (ii) provide permanent vegetation, including but not limited to grass, fully and uniformly distributed over the Lot and Area of Extended Lot Owner Responsibility;
- (iii) unless approved otherwise by the Architectural Control Board maintain and (if they are determined to be unhealthy by the Architectural Control Board) replace, any tree(s) or portions thereof and/or other vegetation upon the Lot or Area of Extended Lot Owner Responsibility or located within the road right-of-way, that (1) are specifically required to be removed or replaced by the Architectural Control Board (2) were required by the Architectural Control Board to have been protected during construction, or (3) were placed in this area in accordance with an approved landscape plan;
- (iv) provide proper grading and drainage on the Lot and Area of Extended Lot Owner Responsibility, in accordance with Article IX of this Declaration;
- (v) prevent and repair any erosion on the Owner's Lot, Area of Extended Lot Owner Responsibility, any other Lot, or any street in the Community caused by surface run-off from the Owner's Lot, in accordance with Article IX of this Declaration;
- (vi) providing at their own expense general maintenance, including but not limited to proper watering, insect and weed control, fertilization, pruning, regular replacement of straws and mulch, proper drainage control, etc. and other types of normal maintenance not provided by the Association, of the overall landscaping and grass for their Lot and Area of Extended Lot Owner Responsibility in compliance with the Regulations and Architectural Guidelines established by the Board of Directors or the Architectural Control Board;
- (vii) comply with the Architectural Review Guidelines; and
- (viii) comply with all Rules and Regulations promulgated by the Board of Directors or Architectural Review Board.

(c) Any entry by the Association or the Architectural Control Board or their agents, employees, officers or contractors under the terms of this Section shall not be deemed a trespass, and an easement in gross of a commercial nature is reserved to the Association for the purpose of entry onto any residential Lot or Area of Extended Lot Owner Responsibility for the purpose of enforcing this paragraph. This provision shall not be construed as an obligation on the part of the Association to provide garbage or trash removal services. The Owner shall hold harmless the Board of Directors or the Architectural Control Board its agents and employees,

officers and contractors and from any liability incurred arising out of correcting the Owner's breach of this Section.

Section 15. ACCESS BY ASSOCIATION. For the purpose of performing its function under this or any other Article of this Declaration, the Association and their duly authorized agents and employees, shall have the right to enter upon any Lot or Area of Extended Lot Owner Responsibility to (a) correct any violation of this Declaration, the Architectural Guidelines or the Regulations, (b) make necessary examinations in connection therewith, (c) respond to the request or demand of a governmental body, district, agency, or authority exercising jurisdiction over a portion of the Property, or (d) in the sole discretion of the Association, prevent an anticipated request or demand of a governmental body, district, agency, or authority exercising jurisdiction over a portion of the Property. With regard to the aforementioned Association's right of access in the context of responding to, or preventing a request from, a governmental body, district, agency, or authority, the Association's right of access shall remain in effect for as long as said governmental body, district, agency, or authority has enforcement power over the Association. Except in the event of emergencies, the rights under this Section and the next one shall be exercised only during reasonable daylight hours, and then, whenever practicable, only after advance notice to the Owner affected thereby.

Section 16. EMERGENCY ACCESS. There is hereby reserved and granted to the Association, their directors, officers, agents, employees, and managers and to all policemen, firemen, ambulance personnel and all similar emergency personnel an easement to enter upon the Property, any part thereof or Lot in the proper performance of their respective duties. The rights granted herein to the Association includes reasonable right of entry upon any Lot, Area of Extended Lot Owner Responsibility or Dwelling to make emergency repairs and to do other work reasonably necessary for the proper maintenance and operation of the Community.

Section 17. LEASES OF LOTS. Any lease agreement between an Owner and a tenant for the lease of such Owner's Lot or portion thereof, including any portion of the Dwelling or other Structure on the Lot, shall be subject to and shall provide that the terms of the lease shall be subject in all respects to the provisions of the Declaration, the Articles of Incorporation and By-Laws of the Association, and any Regulations promulgated by the Association. The Owner shall incorporate in any lease of any Lot, Dwelling, or Structure a provision stating that failure to comply with the terms of such documents shall be default under the terms of the lease. All leases of Lots, Dwellings, or Structures shall be in writing and a copy of the executed lease, upon written demand, must be provided the Board of Directors. No residence may be leased for a term less than ninety (90) days.

Section 18. MINIMUM SQUARE FOOTAGE REQUIREMENT. Unless otherwise stated in a document recorded in the County Register of Deeds Office, the minimum square footage requirements for Pintail Point are 2200 heated square feet excluding garages and enclosed porches.

Section 19. REGULATIONS. The use of the Property shall be subject to the Regulations promulgated from time to time by the Association. The Association, may from time to time adopt, amend, change, modify or eliminate any Regulation with a 51% vote of the members. The Board of Directors may waive any violation of the Regulations, in their sole discretion. The Regulations may apply to the entire Property, to portions of the Property, or exclusively Specific Purpose Areas, if and when designated the use of any lot.

Section 20. HAZARDOUS TREES. A "hazardous tree" is any tree designated as such by the Board of Directors of the Association which presents a hazard to person or property due to conditions, including but not limited to, deterioration, death, or physical damage to the root system, trunk, stem or limbs, and the direction and lean of the tree(s). The Association shall be responsible for cutting and removing hazardous trees within the Common Areas which may cause injury to person or property, if such hazardous tree were to fall upon the Owner's Lot. Lot owners are responsible for timely removal of hazardous trees on their property or area of extended lot owner responsibility. The determination of whether any tree may be cut, whether the tree or any portion of the tree must be removed from the site after cutting, and the location which any debris related to the

cutting of the tree may be left or placed within the Common Area shall at all times be that of the Association. Notwithstanding the foregoing, prior to taking any steps to cut or remove a tree, an Owner must obtain the written approval of the Association. Unless some portion of the cost of the cutting or removal of a tree is assumed by the Association, the affected Lot Owner shall bear all costs associated with the cutting and removal of hazard trees, and such cutting and removal shall at all times be subject to the Regulations of the Association, or Architectural Guidelines adopted or amended by the Association from time to time.

Section 21. Surface Drainage Systems The Surface Drainage Systems, lakes, wetlands, detention ponds, or other water retention structures (the “Surface Drainage Systems”) are those portions of the Property designated on the Plat, if any, as Surface Drainage Systems, drainage, ditches, or swells, and shall always be kept and maintained as ponds for water retention, drainage, irrigation, and water management purposes in compliance with all governmental requirements. The Surface Drainage Systems are Common Area, and shall be maintained, administered, and ultimately owned by the Association. In furtherance of the foregoing, the Board of Directors of the Association hereby reserves and grants an easement in favor of itself and the Association, throughout all portions of the Property as may be necessary for the purpose of accessing, maintaining and administering the Surface Drainage Systems.

EACH OWNER, BY THE ACCEPTANCE OF TITLE TO HIS LOT, ACKNOWLEDGES THAT THE SURFACE DRAINAGE SYSTEMS MAY BE DEEP AND DANGEROUS. NEITHER, THE ASSOCIATION, NOR ANY OF THEIR RESPECTIVE OFFICERS, DIRECTORS, COMMITTEE MEMBERS, EMPLOYEES, MANAGEMENT AGENTS, CONTRACTORS OR SUBCONTRACTORS (HEREINAFTER “RELEASED PARTIES”) SHALL BE RESPONSIBLE FOR MAINTAINING OR ASSURING THE SAFETY, WATER QUALITY, OR WATER LEVEL OF/IN ANY SURFACE DRAINAGE SYSTEM, CREEK, OR STREAM WITHIN THE PROPERTY EXCEPT AS SUCH RESPONSIBILITY MAY BE SPECIFICALLY IMPOSED BY, OR CONTRACTED FOR WITH, ANY APPLICABLE GOVERNMENTAL AGENCY OR AUTHORITY. FURTHER, NONE OF THE RELEASED PARTIES SHALL BE LIABLE FOR ANY PROPERTY DAMAGE, PERSONAL INJURY OR DEATH OCCURING ON OR OTHERWISE RELATED TO, THE SURFACE DRAINAGE SYSTEMS, ALL PERSONS USING THE SAME DOING SO AT THEIR OWN RISK. ALL OWNERS AND USERS OF ANY PORTION OF THE PROPERTY SHALL BE DEEMED, BY VIRTUE OF THEIR ACCEPTANCE OF THE DEED TO OR USE OF, THE SURFACE DRAINAGE SYSTEM, TO HAVE AGREED TO RELEASE THE RELEASED PARTIES FROM ALL CLAIMS FOR ANY AND ALL CHANGES IN THE QUALITY AND LEVEL OF THE WATER IN THE SURFACE DRAINAGE SYSTEM(S).

ARTICLE III MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. MEMBERSHIP. It is mandatory that every person or entity who is an Owner of any Lot or the Owner of any Lot in Lakeside Reserve shall be a Member of the Association.

Section 2. VOTING RIGHTS. The Association shall have one class of voting Membership.

(a) CLASS “A”. Class “A” Members shall be all Owners. Class “A” Members shall be entitled to one (1) vote for each Lot they own. When more than one (1) person holds such interest or interests in any Lot, the entire vote attributable to such Lot shall be exercised by one (1) individual who is duly authorized in writing by all of the Owners of that Lot. In no event shall more than one (1) vote or a partial vote be cast with respect to any such Lot. When more than one person holds such an interest or interests in a Lot, it shall be the responsibility of those Owners to provide the Association with written notification, with the signatures of all of those persons owning an interest in the Lot affixed, of the name and mailing address of that person authorized to receive

notification from the Association and to cast said vote. Class "A" Membership shall be mandatory for all Owners and may not be separated from ownership of any Lot.

ARTICLE IV PROPERTY RIGHTS IN THE COMMON AREA

Section 1. MEMBER'S EASEMENTS OF ENJOYMENT. The right of the Association to suspend the use of the Common Area as set out in Article X, and the Regulations established and amended from time to time, every Member shall have a right and easement of enjoyment in and to the Common Area, and such easement shall be appurtenant to and shall pass with the title to every Lot. (See Article X for the Association's Remedies for Violations.)

Section 2. TITLE TO COMMON AREA. At the time of transition and concurrent with the recording of this document, the Developer will convey to the Association, by limited warranty deed, fee simple title to the Common Area, free and clear of all encumbrances and liens, except those created by or pursuant to this Declaration, and further except for easements and restrictions existing of record prior to the purchase of the Property by the Developer, none of which will make the title unmarketable. The Association and all Owners, by virtue of their acceptance of the deed to their Lot, hereby consent to acceptance of any and all Common Area deeds executed by Developer without the need for any further notice or consent from Developer. Further, at the Developer's request, the Association shall execute and deliver all necessary documents to effectuate proper execution and recording of said Common Area deeds or conservation easements.

Section 3. EXTENT OF MEMBER'S EASEMENTS. The rights and easements created hereby shall be subject to the following rights which are hereby reserved to the Association's Board of Directors:

- (a) The right of the Association to dedicate, transfer, or convey all or any part of the Common Area, with or without consideration, to any governmental body, district, agency, or authority, or to any utility company, and the right of the Association to convey with consideration all or any part of the Common Area upon affirmative vote of more than seventy-five (75%) percent of the total votes of the Members, cast at a duly called meeting of the Members or a recorded resolution signed by the Members holding more than seventy-five (75%) percent of the vote of the Members.
- (b) The right of the Association to grant and reserve easements and rights of way through, under, over, and across Common Area, for the installation, maintenance, and inspection of lines and appurtenances for public and private water, sewer, drainage, and other utility services, including a cable or community antenna television system and irrigation or lawn sprinkler systems, and the right of the Association to grant and reserve easements and rights of way through, over and upon and across the Common Area for the operation and maintenance of the Common Area.
- (c) The right of the Association, to grant conservation easements through, under, over, and across any portion of the Common Area. The Association shall grant such conservation easements over Common Areas.
- (d) The right of visitors, invitees, and guests to ingress and egress in and over those portions of Common Area that lie within any private roadways, parking lots and/or driveways (and over any other necessary portion of the Common Area in the case of landlocked adjacent Owners) to the nearest public highway.
- (e) The right of the Association, in accordance with the law, its Articles of Incorporation and By-Laws, to borrow money for the purpose of improving the Common Area and, in pursuance thereof, to mortgage or encumber the Common Area only with a majority vote of all members.

(f) The right of the Association to restrict Common Area located within a Specific Purpose Area for the exclusive use and enjoyment of only those Owners who own Lots in the Specific Purpose Area.

Section 4 EXTENSION OF USE OF COMMON AREAS. Any Owner may extend his rights of enjoyment to the Common Areas to the immediate/extended members of his family, his Tenants of Lot and contract purchasers. Any Owner may also extend his rights of enjoyment to the Common Areas to a guest so long as the guest is accompanied by Owner or his immediate family. The Board of Directors and the Association may promulgate rules to further limit the extension of use of the Common Areas. Owner shall at all times be responsible for and liable for the actions of that Owner's family, tenants, invitees, guests or licensees, employees, pets, and animals, or anyone else on the Common Area with the permission of said Owner or otherwise on the Common Area due to the actions or lack of action taken by said Owner, and shall further be responsible for the paying of any Assessments for Non-Compliance levied for their non-compliance with this Declaration, the By-Laws of the Association or the Regulations established and amended from time to time, which Assessment shall become a continuing lien on the Lot of such Owner. The Board of Directors, from time to time, shall promulgate Rules and Regulations that govern the use of the Common Areas by Owners and tenants.

ANY INDIVIDUAL USING THE COMMON AREAS OR LIMITED COMMON AREA SHALL DO SO AT HIS OWN RISK AND HEREBY HOLDS DEVELOPER AND THE ASSOCIATION HARMLESS FROM AND AGAINST ANY CLAIM OR LOSS ARISING FROM SUCH USE.

ARTICLE V COMPLETION, MAINTENANCE, AND OPERATION OF COMMON AREA AND FACILITIES

Section 1. COMPLETION OF COMMON AREA BY THE DEVELOPER. The Developer will complete the construction of the Common Area, as adjusted, and the streets and roadways for the Community as shown on the recorded plats of the Community.

Section 2. MAINTENANCE AND OPERATION OF COMMON AREA. The Association at its sole cost and expense, shall operate and maintain the Common Area and Area of Common Responsibility and provide the requisite services in connection therewith; provided, however, the Association is under no obligation to maintain those portions of the Area of Common Responsibility that are not Common Area and therefore the Association, at its sole discretion, may require the owners of such areas to provide their own maintenance rather than the Association. It shall further be the responsibility of the Association to maintain all entrances including entrance signs, roads and parking areas within the community that are not maintained by some other entity or that are defined on an attached exhibit to this Declaration, or shown on a recorded plat, lights, sprinklers, shrubs, and to pay the cost of utility bills and other such requisite services in connection with the maintenance of the above. Unless located on a Lot or accepted by another responsible party (including without limitation public bodies, governmental bodies, districts, agencies or authorities), all parking areas within the Community, whether located on Common Area or not, shall be maintained by the Association. The maintenance, operation, and repair of the Common Area shall include, but not be limited to, repair of damage to pavements, walkways, outdoor lighting, buildings, if any, recreational equipment, including but not limited to tennis courts, fences, storm drains, and sewer and water lines, connections, and appurtenances, except when such responsibilities are accepted by responsible parties, including public bodies, governmental bodies, districts, agencies or authorities and only for so long as they properly perform.

Section 3. DEDICATION OF STREETS AND ROADWAYS. If and when any streets or roadways located within the Community are dedicated to, or otherwise accepted by, responsible parties including without limitation public bodies, governmental bodies, districts, agencies or authorities, the dedication or acceptance

shall be subject to the covenants, conditions, restrictions, easements, charges and liens contained in this Declaration, as amended, whether or not it shall be so expressed in any such deed, other conveyance, or plat.

ARTICLE VI ASSESSMENTS

Section 1. ASSESSMENTS

(a) Each and every Owner of any Lot or Lots, by acceptance of a deed to a Lot, whether or not it shall be so expressed in any such deed or other conveyance, shall be personally obligated to pay to the Association, the Assessments, and the Association's collection fees, attorney's fees and court cost incurred in collecting the Assessments, or in enforcing or attempting to enforce the Declaration, By-Laws and the Architectural Guidelines and Regulations established or amended from time to time by the Board of Directors.

(b) Assessments, together with such interest thereon, and other costs of collection; including the Association collection fees, attorney fees and court costs shall be a charge on the land and shall be a continuing lien upon the Lot or Lots against which such Assessments are levied. Owners of any Lot shall share in the obligation of any other Owner of that Lot and shall be jointly and severally liable for any Assessments, the cost of collection, attorney fees and court costs that are attributable to that Lot. In the event an Owner holds title to multiple Lots in the Community, including without limitation, builders, and the Association's continuing lien shall be treated as one all-encompassing lien over all the Lots of that Owner for purposes of the remedies set forth in Article X of this Declaration.

(c) There shall be three types of Assessments: (1) Regular Assessments; (2) Assessments for non-compliance with this Declaration, the By-Laws of the Association, and the Regulations established and amended from time to time; (3) Special Assessments, Such Assessments to be fixed, established, and collected from time to time as herein after provided. (See Section X for Remedies of the Association for Violation.)

Section 2. REGULAR ASSESSMENTS.

(a) The Regular Assessments levied by the Association shall be used exclusively for the purposes of the general operation of the Association, reserves and the promotion of the health, safety, and welfare of the residents of the Community, and in particular for the improvement and maintenance of the Common Areas and Areas of Common Responsibility, including but not limited to, the payment of mortgages, taxes and insurance thereon, and repair, replacement, and additions thereof, the cost of labor, equipment, materials, management, Treasurer fees, and supervision thereof, and the cost of lawn and landscaping maintenance, and refuse collection; reserves for the replacement of the Association property and improvements to the Common Area; and all other obligations or debts incurred by the Association.

(b) The Board of Directors of the Association, shall at all times fix the Regular Assessment based on the Association's budget for the period of the Regular Assessment. The period of regular assessment shall begin on January 1 and end on December 31 of each calendar year. The amount of the Regular Assessment shall be uniform for each Lot and shall be assessed against all Lots at the time of the Assessment. The Board of Directors, shall create a budget by December 15 of the previous calendar year, set and fix the size and the method of determining the amount of all Regular Assessments against each Owner of a Lot, and shall, at that time, prepare a roster of the Owners and the Assessments applicable thereto. The roster shall be opened to inspection by any Owner. The Regular Assessment shall be set as an annual assessment due in full on January 1 of the calendar year. If the Board of Directors fails to set a Regular Assessment, then the previous Assessment or the previous installment schedule shall continue until the Regular Assessment is set. The Board

of Directors may increase the regular assessment by a maximum of 10% over the previous year. Any additional increase will require a majority vote of the membership.

(c) The Board of Directors may, at its sole discretion, set estimated Regular Assessments until the Regular Assessment is set and the budget completed, or may delay the billing of Regular Assessments until the budget is complete and then bill the Owners for the Regular Assessment for the entire budget period. Estimated assessments may not exceed a 10% increase from the previous year.

(d) All lots owned by Developer will be assessed at a fixed rate of five hundred dollars (\$500.00) per annum for the five years following the date of this Declaration. At the expiration of the five year period, Developer, will be required to pay assessments in the same amount as all Owners. This provision does not apply to any Special Assessment levied in accordance with this Declaration and Developer shall pay any Special Assessments levied in accordance with this Declaration.

(e) All Lots owned by LAB Developers, LLC., shall pay Regular assessments at the rate of two hundred fifty dollars (\$250.00) per annum, for a period of three (3) years from Jan. 2010 to Jan 2013, or until sold, whichever occurs first, and shall pay the same assessments as all other Owners after such time.

(f) All Lots contained in Lakeside Reserve will continue to accrue assessments at their current rates based upon the agreement between LAB Investors, LLC and TECC Properties dated October 27, 2004. The Board of Directors may set the assessment rate of Lakeside Reserve, so long as the assessment does not exceed the Regular Assessment set for the Association.

Section 3. ASSESSMENTS FOR NON-COMPLIANCE. In the event that any Owner, their guests or invitees fail to comply with any of the provisions of the Declaration, the By-Laws of the Association, the Architectural Guidelines and Regulations established and amended by the Board of Directors, from time to time, relating to any portion of the Community, including without limitation violations occurring on Lots, parking on public streets or any Lots, Areas of Extended Lot Owner Responsibility, Common Areas, and streets, the Board of Directors may issue Assessments against the responsible Lot Owner(s) in amounts as it determines in its sole discretion, which shall be an Assessment for Non-Compliance and which are a lien on the Lot or Lots of that Owner(s). These fees will not exceed the costs to correct the violation and to cover any legal fees and fines imposed by the Association as specified in the Rules and Regulations.

Section 4. SPECIAL ASSESSMENTS. In addition to the Regular Assessments, the Association may levy, in any period, an Assessment (which must be fixed at a uniform rate for all Lots) for the purpose of defraying, in whole or in part, the cost of any construction or any reconstruction, unexpected repair or replacement of a capital improvement upon the Common Area or Area of Common Responsibility, including the necessary fixtures, equipment and personal property relating thereto. Subject to the provisions of Section 2, the due date or due dates of any installment of any such Assessment shall be fixed in the resolution authorizing such Assessment. In addition to the Regular Assessment, the Board of Directors may, at its option, draw from the appropriate reserve funding or working capital funds or may levy, in any period, an Assessment (which must be fixed at a uniform rate for all Lots), subject to the provisions of Section 2, applicable to that period only, to cover any unexpected shortfall in the cashflow of the Association. Special assessments will require a majority approval of the membership.

Section 5. SUBORDINATION OF THE LIEN TO MORTGAGES. The liens provided for herein shall be subordinate to the lien of any first lien, mortgage or deed of trust recorded prior to the recording of the Notice of Delinquency by the Association in the Office of the Register of Deeds for the County in which the Lot is located. Sale or transfer of any Lot shall not affect the liens provided for in the preceding section. However, the sale or transfer of any Lot which is subject to any such first lien, mortgage or deed of trust, pursuant to a

foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of Assessments under the Notice of Delinquency when recorded prior to such mortgage as to the payment thereof which becomes due prior to such sale or transfer but shall not relieve any Owner in possession of a Lot prior to such foreclosure sale or deed of trust from any personal obligation defined herein for the payment of Assessments. No such sale or transfer shall relieve such Owner from liability for any Assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any subsequent first lien, mortgage or deed of trust, except for liens for Assessment due from subsequent Owners of the Lot if the Notice of Delinquency is recorded prior to the subsequent first lien mortgage.

Section 6. LIENS ARE EXEMPT FROM THE SOUTH CAROLINA HOMESTEAD EXEMPTION Any lien provided for herein shall be exempt from the South Carolina Homestead Exemption, if such lien is foreclosed upon.

Section 7. Waiver of Appraisals Rights. Any owner herein taking title to a lot in Pintail Point, hereby waive and relinquish the statutory appraisal rights which means the high bid at the Judicial sale will be applied to the debt regardless of any appraised value of the mortgaged property.

ARTICLE VII ARCHITECTURAL CONTROL

Section 1. ARCHITECTURAL CONTROL BOARD. The Architectural Control Board when established by the Board of Directors of the Association shall be composed of at least five (5) representatives, at least one of which shall be a member of the Board of Directors. The representatives of the Architectural Control Board must own Lots and be a member in good standing with the Association. Only one owner per lot may serve on the Board at one time.

Section 2. PROCEDURES.

(a) Any person desiring to construct, maintain, place, replace, reconstruct any Structure on any Lot, Area of Extended Lot Owner Responsibility or Common Area or to make any improvements, alteration or changes to any Structure, in addition to obtaining any and all applicable property owner or governmental approvals, shall submit Plans and any other documentation required by the Architectural Guidelines to the Architectural Control Board, which shall evaluate, approve, disapprove or refuse to approve in writing such Plans in light of the purpose of the Declaration. The Architectural Control Board, shall have the complete discretion to withhold review of any and all plans submitted to it from an Owner who is not in good standing as a Member of the Association, including without limitation Members who owe past due Assessments on any Lot in the Community. Any person using any Structure shall comply with the Regulations established and amended from time to time.

An aggrieved Owner may appeal the final decision of the Architectural Control Board to the Board of Directors through the processes required by the Architectural Control Board or as set forth in the Architectural Guidelines or the Regulations. The failure to publish Architectural Guidelines shall not in any manner adversely affect the architectural review authority of the Board of Directors, or the Architectural Control Board, as set forth in this Declaration, including without limitation the authority to approve any and all Structures on any and all Lots, Areas of Extended Lot Owner Responsibility or Common Areas.

The Architectural Review Manual, attached as Exhibit A, shall serve as the initial Architectural Guidelines for the purpose of this Declaration. During the five (5) year period following this date of declaration these may only be modified by the Board with the written approval of LAB Investors, LLC provided Developer still owns more than ten (10) lots.

(b) The Architectural Control Board may not charge a review fee for its initial review. The Architectural Control Board, may at its option, employ outside professional services for initial review and may pay them accordingly for this service. The fees for these services must be paid by the lot owner seeking review. The charging of fees and the hiring of professionals for this purpose by the Architectural Control Board must be approved by the Board of Directors of the Association.

(c) APPROVAL BY THE BOARD OF DIRECTORS OR THE ARCHITECTURAL CONTROL BOARD, OF ANY PLANS AND SPECIFICATIONS OR THE GRANTING OF A VARIANCE WITH RESPECT TO ANY OF THE ARCHITECTURAL GUIDELINES AND REGULATIONS, WHEN ESTABLISHED, SHALL NOT IN ANY WAY BE CONSTRUED TO SET A PRECEDENT FOR APPROVAL, ALTER IN ANY WAY THE PUBLISHED ARCHITECTURAL GUIDELINES, OR BE DEEMED A WAIVER OF THE ARCHITECTURAL CONTROL BOARD'S RIGHT IN ITS DISCRETION, TO DISAPPROVE SIMILAR PLANS AND SPECIFICATIONS, USE OF ANY STRUCTURE OR ANY OF THE FEATURES OR ELEMENTS WHICH ARE SUBSEQUENTLY SUBMITTED FOR USE IN CONNECTION WITH ANY OTHER LOT. Except for the right of the Board Of Directors to approve or disapprove the Plans on appeal, approval of the Plans relating to any Lot or Area of Extended Lot Owner Responsibility shall be final as to that Lot or Area of Extended Lot Owner Responsibility and such approval may not be reviewed or rescinded thereafter by the Architectural Control Board, provided that there has been adherence to, and compliance with the Plans as approved in writing, and any conditions attached to any such approval and the Regulations.

(d) The Architectural Control Board, may, at its option, require the Owner to make a deposit to insure compliance with the approval or the Regulations in an amount and upon conditions to be determined by the Architectural Control Board. The setting of an amount as a compliance deposit or of conditions for compliance for any one Lot, shall not in any way act to set a precedent or effect in any way the setting of an amount or conditions of compliance for any other Lot or for any other set of Plans which are to be or have been approved within the Architectural Control Board. If collected, the compliance deposit may be retained or utilized by the Architectural Control Board, in any manner that they may so determine to be reasonable, including the payment of attorney fees, to insure that any violation of the Declaration by that Lot Owner is remedied, including the failure of the Lot Owner to pay Assessments levied by the Association against their Lot.

(e) NO MEMBER OF AN ARCHITECTURAL CONTROL BOARD, SHALL BE RESPONSIBLE OR LIABLE IN ANY WAY FOR THE DEFECTS, STRUCTURAL OR OTHERWISE, IN ANY PLANS OR SPECIFICATIONS APPROVED BY THE ARCHITECTURAL CONTROL BOARD NOR FOR ANY DEFECTS IN ANY WORK DONE ACCORDING TO THE PLANS AND SPECIFICATIONS APPROVED BY THE BOARD OF DIRECTORS OR ARCHITECTURAL CONTROL BOARD. FURTHER, NEITHER THE ASSOCIATION, ARCHITECTURAL CONTROL BOARD, OR THEIR RESPECTIVE SHAREHOLDERS, DIRECTORS, OFFICERS, EMPLOYEES, AGENTS, OR ATTORNEYS SHALL BE LIABLE TO ANYONE BY REASON OF MISTAKE IN JUDGMENT, NEGLIGENCE, MISFEASANCE, MALFEASANCE OR NONFEASANCE ARISING OUT OF OR IN CONNECTION WITH THE APPROVAL OR DISAPPROVAL OR FAILURE TO APPROVE OR DISAPPROVE ANY SUCH PLANS OR SPECIFICATIONS OR THE EXERCISE OF ANY OTHER POWER OR RIGHT OF THE ARCHITECTURAL CONTROL BOARD PROVIDED FOR IN THIS DECLARATION. EVERY PERSON WHO SUBMITS PLANS AND SPECIFICATIONS TO THE ARCHITECTURAL CONTROL BOARD FOR APPROVAL AGREES, BY SUBMISSION OF SUCH PLAN AND SPECIFICATIONS, AND EVERY OWNER OF ANY LOT AGREES, THAT HE WILL NOT BRING ANY ACTION OR SUIT AGAINST THE ASSOCIATION, THE MEMBERS OF ITS BOARD OF DIRECTORS OR THEIR AGENTS, EMPLOYEES AND OFFICERS, OR ANY MEMBER OR AGENTS OF THE ARCHITECTURAL CONTROL BOARD, TO RECOVER ANY DAMAGES ARISING OUT OF SUCH APPROVAL OR DISAPPROVAL, AND, EACH OWNER BY ACCEPTANCE OF THE DEED TO THE LOT, RELEASES, REMISES, QUIT CLAIMS, AND

COVENANTS NOT TO SUE FOR, ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION ARISING OUT OF OR IN CONNECTION WITH SUCH APPROVAL OR DISAPPROVAL, NOTWITHSTANDING, ANY LAW WHICH PROVIDES THAT A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS, DEMANDS AND CAUSES OF ACTION NOT KNOWN AT THE TIME THE RELEASE IS GIVEN.

(f) The Architectural Review Manual attached as Exhibit A shall serve as the initial Architectural Guidelines for the purposes of this Declaration. The terms and conditions of the Architectural Review Manual may only be amended or modified during the five year period following the date of this Declaration by the written approval of the Developer and the Board of Directors.

ARTICLE VIII OWNER'S MAINTENANCE RESPONSIBILITIES

Section 1. OWNER'S MAINTENANCE RESPONSIBILITIES. Unless specifically identified herein or specifically designated by the Board of Directors, as being the responsibility of the Association, all maintenance and repair of a Lot or Area of Extended Lot Owner Responsibility, together with all portions of the Dwelling, and other Structures on the Lot, including without limitation landscaping maintenance, shall be the responsibility of the Owner of such Lot. The responsibility of each Owner shall include, but not limited to, the painting, maintenance, repair, and replacement of walls or fences, and all siding, exterior doors, fixtures, mailboxes, equipment, and appliances (including, without limitation, the heating and air-conditioning system for the Dwelling) and all chutes, flues, ducts, conduits, wires, pipes, plumbing or other apparatus which are deemed to be a part of the Dwelling or Lot or Area of Extended Lot Owner Responsibility, and the lawns, trees, shrubs, fences, grass, driveways, walkways or sidewalks and any other landscaping component on the Lot or Area of Extended Lot Owner Responsibility. The responsibility of the Owner shall also include, but not be limited to, the maintenance, repair, and replacement of all glass, lights and light fixtures (exterior), awnings, window boxes, window treatments, window screens, and all screens or glass-enclosed porches, balconies, or decks which are a part of the Dwelling. Each Owner shall also maintain roof, gutters and downspouts in a good state of repair. In addition, each Owner shall maintain their trash receptacles in such a manner as to prevent any foul or unpleasant odors from disturbing others, or odors that may attract animals. Each Owner shall ensure that trash receptacles containing building or construction waste and debris are maintained in a manner in keeping with the requirements of this Section, including without limitation the responsibility of keeping said receptacles from becoming overloaded with waste and debris or becoming an aesthetic eyesore or potential danger for others in the Community. The Association shall have the authority to enforce an Owner's maintenance responsibilities under this Article, pursuant to remedies set forth in this Declaration.

Section 2. OWNER MUST PROVIDE INSURANCE OF DWELLING. Each Owner shall, at its own expense, insure the Dwelling and all other insurable improvements on the Lot in an amount not less than the then current maximum insurable replacement value thereof. Such coverage shall afford protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsements and such other risks as from time to time customarily shall be covered with respect to buildings similar in construction, location and use, including, but not limited to, vandalism, malicious mischief, windstorm and water damage.

Section 3. RECONSTRUCTION OR REPAIR OF DAMAGED DWELLING. If any Dwelling shall be damaged by casualty, the Owner of such Dwelling shall promptly reconstruct or repair it so as to restore such Dwelling nearly as possible to its condition prior to suffering the damage. All such reconstruction and repair work shall be done in accordance with plans and specifications therefore, approved by the Board of Directors. Encroachments upon or in favor of Dwelling or Lots, which may be necessary for or created as a result of such reconstruction or repair, shall not constitute a claim or basis of a proceeding or action by the Owner on whose Dwelling or Lot such encroachment exists, provided that such reconstruction or repair is done substantially in

accordance with the plans and specifications approved by the Architectural Control Board or as the building was originally constructed.

ARTICLE IX REMEDIES

Section 1. REMEDIES FOR NONPAYMENT OF ASSESSMENTS. Any Assessments not paid by the due date shall bear interest from the due date at the rate of sixteen percent (16%) per annum or, if sixteen percent (16%) is higher than allowed by law, then the highest rate allowed by law. Said interest shall be charged at the discretion of the Association's Board of Directors. In addition, the Board of Directors of the Association shall have the right to charge an Association collection fee or late charge on any Assessment or installment thereof which shall not have been paid by its due date. In the event that the Board of Directors of the Association chooses an installment schedule for the method of payment for an Assessment or as a method of allowing an Owner to pay past due Assessments, and in the event that any installment is delinquent, the Board of Directors of the Association shall have the right to accelerate and immediately make due all or part of the Assessment due from that Owner of that Lot for that budgeted period. **The Board of Directors of the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien created herein against the Lot(s) in the same manner as prescribed by the laws of the State of South Carolina for the foreclosure of mortgages on Time Shares or for the foreclosure of mortgages by judicial proceedings, and may seek a deficiency judgment, and interest, court costs, all costs of collection, including reasonable attorney's fees.** 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 nor shall damage to or destruction of any improvements on any Lot by fire or other casualty result in any abatement or diminution of the Assessments provided for herein. No disagreement on the part of any Owner with respect to the budget; the amount or installment schedule for any Assessment; any change to the amount or installment schedule for the Assessment; the Regulations established or amended by the Board of Directors of the Association; the actions or lack of action on the part of the Association; the purpose for any Assessment for Capital Repair or Improvements; or the amount or purpose of any Assessment for Budgetary Shortfall shall be reason for any Owner to fail to pay any Assessment at the time that it is due. Also, Board of Directors of the Association may at any time notify the holders of mortgages of the Lot of the failure of the Owner to pay Assessments or any other violation of the Declaration.

Section 2. REMEDIES FOR NONPAYMENT OF AD VALOREM TAXES OR LEVIES FOR PUBLIC IMPROVEMENTS BY THE ASSOCIATION. Upon default by the Association in the payment to the governmental authority entitled thereto of any ad valorem taxes levied against the Common Area or Assessments levied for public improvements to the Common Area, which default shall continue for a period of six (6) months, each Owner of a Lot shall become personally obligated to pay to the taxing or assessing governmental authority a portion of such unpaid taxes or Assessments in an amount determined by dividing the total taxes and/or Assessments due the governmental authority by the total number of Lots in the Community. If such sum is not paid by the Owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien, subordinate to all mortgages on the Lot of the then Owner, his or their heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law or may elect to foreclose the lien against the Lot of the Owner.

Section 3. REMEDIES FOR FAILURE TO MAINTAIN EXTERIOR OF DWELLING AND LOT. In the event that the Owner neglects or fails to maintain his Lot, Area of Extended Lot Owner Responsibility, and/or the exterior of his or her Dwelling in the Community, the Association, may in addition to any other remedy, provide such exterior maintenance. The Association, shall first give written notice to the Owner of the specific items of the exterior maintenance or repair that the Association intends to perform and the Owner shall have the time set forth in said notice within which to perform such exterior maintenance himself or to satisfy the Association that the required maintenance or repair will be completed in a timely manner. The determination as

to whether an Owner has neglected or failed to maintain his Lot, Area of Extended Lot Owner Responsibility, and/or Dwelling in a manner consistent with other Lots, Areas of Extended Lot Owner Responsibility and Dwellings in the Community shall be made by the Board of Directors of the Association, in its sole discretion, or an entity authorized to do so by the Board of Directors of the Association. In the event that an Owner fails to perform such maintenance, the Association may levy an Assessment for Non-Compliance against said Owner(s), in an amount determined by the Board of Directors.

In the event the Association performs such exterior maintenance, repair or replacements repair, the costs of such maintenance, repairs or replacement together with all costs of collecting from the Owner the cost of such maintenance, repairs or replacement established herein shall be added to and become a part of the Assessment to which that Lot is subject.

In the event that the Association determines that the need for maintenance, repair or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of an Owner, or the family, guests, employees, lessees, or invitee(s) of any Owner, then the Association may perform such maintenance, repair or replacement at such Owner's sole cost and expense, and all costs thereof, together with any Assessments for Non-Compliance levied by the Association for non-compliance and all costs of the collection shall be added to and become a part of the Assessment to which such Owner is subject and shall become a lien against the Lot of such Owner. Each Owner is responsible for the actions of and the compliance with these documents and the Regulations by the family, guests, lessees, employees or invitee(s) of that Owner and shall further be responsible for the payment of any Assessments levied for that non-compliance.

Section 4. ADDITIONAL REMEDIES.

(a) Enforcement of the Declaration, By-Laws of the Association, and the Regulations in addition to any other remedy set out herein, may be carried out by the Association, or the Owner through any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction in the Declaration, By-Laws, or Regulations established by or the Association, either to prevent or restrain violations, to recover damages or to compel a compliance to the terms thereof. Any failure by the Association or any Owner to enforce any covenant or restriction herein contained or contained in the Declaration or By-Laws or to enforce any of the Regulations shall in no event be deemed a waiver of a right to do so thereafter. In addition to the foregoing, the Board of Directors of the Association shall have the right wherever there shall have been built on any Lot or Area of Extended Lot Owner Responsibility any Structure which is in violation of the Declaration, Architectural Guidelines or Regulations to enter upon the Lot or Area of Extended Lot Owner Responsibility where such violation exists and summarily abate or remove the same at the expense of the Owner, including without limitation the right to cease current construction and enjoin further construction, if after written notice of such violation, it shall not have been corrected by the Owner within the time required by the notice of violation. Any such entry and abatement or removal shall not be deemed a trespass.

(b) The Association may, in addition to any other remedy, suspend the Common Area enjoyment rights of any Owner, their family members, lessees, invitees, licensees, employees or guests, or any of their pets or animals, for an appropriate period of time to be determined on a case by case basis by the Board of Directors, for any non-compliance with the provisions of this Declaration, the By-Laws or of the Regulations. The right, however, of a Member to ingress and egress over the roads and/or parking areas shall not be suspended if they provide necessary access to their Lot.

(c) The Association, may in addition to any other remedy, may levy Assessments for Non-Compliance for the violation of the Declaration, By-laws, Rules and Regulations or Architectural Review Guidelines. Assessments for Non-compliance may be issued for violations involving any Lot, Common Area, or Property within Pintail Point.

(d) The Owner grants to the Association the right and permission to enter the Lot to remove or correct any violation of the Declaration, By-Laws or Regulations, including but not limited to, the maintenance of Lots, Areas of Extended Lot Owner Responsibility or any Structure (as defined in Article I, Section 1) thereon, and the removal of abandoned vehicles, boats, trailers, recreational vehicles, alternative terrain vehicles, camper or any similar vehicle or automobile from any portion of the Property considered by the Board of Directors to be in violation with the Regulations, Declaration, By-Laws or to be a nuisance.

(e) In addition to the remedies outlined in this Article, the Association, may, but shall not be required to, enter upon any Lot(s), Area of Extended Lot Owner Responsibility or Common Area, seize and either deliver to the animal control authority at the Owner's cost, any pet or other animal that is not in compliance with the Declaration, By-Laws, or the Regulations or deemed to be a nuisance. Notice of non-compliance shall be given to any Owner whose pets or animals are not in compliance, except when said non-compliance creates an emergency as determined by the Board of Directors of the Association. The departure, while not under the restraint of a leash, of any pet or other animal from the Lot of its Owner, shall immediately constitute an emergency and there shall be no requirement for notice to be given.

(f) In addition to the remedies outlined above in this Article, the Association shall have the right to arrange for the removal, at the Owners expense, of any vehicle that is parked in violation of the Declaration or the Regulations after notice to the Owner of the Lot on or beside which the vehicle is parked. Notice of non-compliance shall be given to any Owner where the parking of a vehicle or vehicles, except when said non-compliance creates an emergency as determined by the Board of Directors of the Association. The parking of a vehicle which impedes the passage of any emergency vehicle or school bus shall immediately constitute an emergency and there shall be no requirement for notice to be given.

(g) In addition to the remedies outlined above in this Article, the Association, shall have the right to deny any and all services provided by the Association to its Members, including without limitation review and/or approval of architectural plans by the Architectural Control Board, to those Members who are not in compliance with the terms of the Declaration, the By-Laws, the Architectural Guidelines, or the Regulations, including without limitation those Members who owe past due Assessments, until such time as the Member comes back into compliance in the sole discretion of the Board of Directors. Assessments for non-compliance shall be a continuing lien upon the affected property and may be foreclosed upon in the same manner as other assessments under this Declaration.

(h) With regard to Owners of multiple Lots in the Community, including without limitation builders, and in addition to the remedies outlined above in this Article, the Association shall have the right to apply delinquent Assessment amounts owed on one or more of the Owner's Lots to the Association's all-encompassing lien over all the Lots in the Community owned by that Owner, and the Association shall possess all the rights and powers of remedying delinquent Assessments and enforcing its continuing lien on the Lots as set forth in the provisions of this Declaration. The Association's all-encompassing lien over said Lots shall not be released on the individual Lots it covers until any and all Assessment delinquencies for all the Owner's Lots have been remedied by the Owner, unless otherwise authorized by the Association. If such a Lot is sold without payment of its delinquent assessments, the Association may apply that delinquent amount to its all-encompassing lien over that Owner's remaining Lots in the Community.

(i) All costs incurred by the Association as a result of any violation(s) of any provision of this Declaration, the Architectural Guidelines, or the Regulations, including without limitation all costs of collection and attorney's fees, shall be a lien upon the affected property and a personal obligation of the applicable Owner.

(j) If legal assistance is obtained to enforce the provisions of the Declaration, By-Laws of the Association and the Regulations the Association shall be entitled to recover all costs, including reasonable attorney's fees, from the Owner. Such costs and fees shall be a continuing lien on the Owners' property.

ARTICLE X
ENFORCEMENT OF THE COVENANTS AND RESTRICTIONS OF
PINTAIL POINT MARINA HORIZONTAL PROPERTY REGIME
AND LAKESIDE RESERVE

Section 1. Right to Enforce the Restrictions of Pintail Point Marina. In the event that the provisions of the Master Deed, Bylaws, or any Rules or Regulations promulgated by the Pintail Point Marina Horizontal Property Regime are not enforced by the Pintail Point Horizontal Property Regime, the Board of Directors of Pintail Point Homeowners Association shall have the right to enforce the provisions of the Master Deed, Bylaws, or any Rule or Regulation promulgated by the Pintail Point Marina Horizontal Property Regime by imposing a monetary fine, suspension of use of the Common Elements of Pintail Point Homeowners Association, or to bring an action to recover damages or for injunctive relief. All costs, including without limitation reasonable attorneys fees and court costs, incurred by the Pintail Point Homeowners Association as a result the enforcement of the Master Deed, Bylaws, or any Rules or Regulations promulgated by the Pintail Point Marina Horizontal Property Regime, shall be the responsibility of the property of the affected Owner and shall be a lien upon the property of the Owner.

Section 2. Right to Enforce the Restrictions of Lakeside Reserve. In the event that the provisions of the Covenants and Restrictions, Bylaws, or any Rules or Regulations promulgated by the Lakeside Reserve Homeowners Association are not enforced by the Lakeside Reserve Homeowners Association, the Board of Directors of Pintail Point Homeowners Association shall have the right to enforce the provisions of the Covenants and Restrictions, Bylaws, or any rule of regulation promulgated by the Lakeside Reserve Homeowners Association by imposing a monetary fine, suspension of use of the Common Elements of Pintail Point Homeowners Association, or to bring an action to recover damages or for injunctive relief. All costs, including without limitation reasonable attorneys fees and court costs, incurred by the Pintail Point Homeowners Association as a result the enforcement of the Covenants and Restrictions, Bylaws, or any Rules or Regulations promulgated by the Lakeside Reserve Homeowners Association, shall be the responsibility of the property of the affected Owner and shall be a lien upon the property of the Owner.

Section 3. Review and Approval of Amendments to the Governing Documents of Lakeside Reserve. In the event that the provisions of the Covenants and Restrictions, Bylaws, or any Rules or Regulations promulgated by the Lakeside Reserve Homeowners Association, including without limitation any Architectural Review Guidelines or Rules, are to be amended, changed, added to, derogated or deleted at any time, such amendment, change, addition, derogation or deletion must first be approved by a majority of the Board of Directors of the Pintail Point Homeowners Association. If the proposed amendment, change, addition, derogation or deletion is not approved by a majority of the Board of Directors of the Pintail Point Homeowners Association the amendment, change, addition, derogation or deletion shall not take effect.

ARTICLE XI
GENERAL PROVISIONS

Section 1. DURATION. The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the sole benefit of and be enforceable by the Association. All covenants, conditions, limitations, restrictions, and affirmative obligations set forth in this Declaration, and amended as provided in Sections 5 and 6 of this Article from time to time, shall be binding and run with the land and continue until twenty one (21) years from the date of execution hereof, after which time said covenants shall be automatically

extended for successive periods of ten (10) years unless an instrument signed by two-thirds (2/3) of the then Owners affected by the same has been recorded, agreeing to change the same in whole or in part.

Section 2. NOTICE. Any notice required to be sent to any Member or Owner under the provision of this Declaration and service of any legal proceedings shall be deemed to have been properly sent and received when personally delivered or mailed, postage paid, to the last known address of the person who appears as that person authorized to receive notice or to vote as shown on the records of the Association at the time of such mailing. Notice may be communicated in person; by telephone; facsimile; or other wireless communication if reasonable under the circumstances. Any such notice shall be deemed validly given if provided in English, unless otherwise approved by the Board of Directors of the Association. It shall be the responsibility of an Owner to have notices or other correspondence translated to the language of their origin or language of common usage. The Association shall in no event bear any responsibility or cost for providing translators or translated notices.

It shall at all times be the responsibility of any Owner to file written notice with the Association of the name and address of the person authorized to receive notification from the Association as to Assessments, or infractions of the Regulations. Proof of the authority to receive notice and to vote shall be presented to the Association in the form of a certificate signed by the Owner of a Lot or HUD Settlement. Such certificate shall be deemed valid until revoked by a subsequent certificate. The Association does not have to send notice or service to any other address. If the Owner does not file such certificate, the notice or service shall be sufficient if delivered, posted or mail post paid to the Lot

Section 3. SETTLEMENT STATEMENT AUTHORIZATION. The Owner by acceptance of the deed authorizes and directs the closing attorney to provide the Association with a copy of the Settlement Statement from the closing transferring the Lot and/or Dwelling to the Owner.

Section 4. SEVERABILITY. In the event that any one or more of the foregoing conditions, covenants, restrictions, or reservations shall be declared for any reason by a court of competent jurisdiction to be null and void, such judgment or decree shall not in any manner whatsoever effect, modify, change, aberrant, or nullify any of these covenants, conditions, and restrictions not so declared to be void but all remaining covenants, conditions, reservations and restrictions not so expressly held to be void shall continue unimpaired and in full force and effect.

Section 5. AMENDMENT. The amendment of this Declaration, the covenants, restrictions, easements, charges, and liens for this Agreement may be amended, changed, added to, derogated or deleted at any time and from time to time upon the execution and recordation of any instrument executed by Owners holding not less than a majority of votes of the Owners of the Membership of the Association.

Section 6. EFFECTIVE DATE. This Declaration shall become effective upon its recordation in the office of The Register of Deeds for the county in which the Property is located.

Section 7. PAID PROFESSIONAL MANAGER. The Board of Directors may employ a manager or managerial firm to supervise all work, labor, services, and material required in the operation and maintenance of the Common Area and in the discharge of the Association's duties throughout the Community.

Section 8. BINDING EFFECT. This Declaration shall inure to the sole benefit of the Association. This Declaration shall be binding upon the parties hereto, including without limitation all Owners, and the purchasers of Lots, their heirs, personal representatives, successors and assigns.

Section 9. WAIVER. The failure to enforce any rights, reservations, restrictions, or conditions contained in this Declaration, however long continued, shall not be construed to constitute a precedent or be deemed a

waiver of the right to do so hereafter as to the same breach or as to a breach occurring prior or subsequent thereto and shall not bar or affect its enforcement.

Section 10. ATTORNEY'S FEES AND COST. Should the Association employ counsel to enforce the Declaration, or the reasonable rules, regulations and policies established or amended by the Board of Directors from time to time because of a breach of the same, all costs incurred in such enforcement, including a reasonable fee for the Association's counsel and other reasonable costs of collection, shall be paid by the Owner of such Lot or Lots in breach thereof.

Section 12. SAFETY AND SECURITY. **Each Owner and their respective visitors, invitees, and guests, shall be responsible for their own personal safety and the security of their property in the Community. The Association shall have no duty to enhance the level of safety or security which each person provides for himself or herself and his or her property, nor shall the Association have any duty to respond to a safety or security problem if provided notice of such, although nothing herein shall prevent the Association from voluntarily (1) passing on such notification to the proper law enforcement or governmental authorities, (2) responding in some other manner to protect safety or security, or (3) taking action to enhance the level of safety or security in the Community. The Association shall not in any way be considered insurers or guarantors of safety or security with the Community, nor shall either be held liable for any loss or damage by reason of failure to provide adequate security or failure to respond adequately to a security problem or the dangerous or hazardous condition of the Property. Each Owner acknowledges, understands, and shall be responsible for informing its occupants, visitors, invitees, and guests that the Association and its Board of Directors and Committees are not insurers or guarantors of security or safety and that each person with the Community assumes all risks of personal injury and loss or damage to property, including Dwellings and the contents therein, resulting from acts of third parties or from any dangerous or hazardous condition. Each Owner also acknowledges, understands, and shall inform its occupants, visitors, invitees, and guests that they are responsible for contacting the appropriate public authorities directly when safety or security problems arise.**

Section 14. TIME REDUCTION. In the event that any of the provisions hereunder are declared void by a court of competent jurisdiction by reason of the period of time herein stated for which same shall be effective, then and in that event such terms shall be reduced to a period of time which shall not violate the rule against perpetuities or any other law of the State of South Carolina and such provisions shall be fully effective for such period of time.

Section 15. BINDING ARBITRATION. The Owner and the Association by acceptance of a deed agree that any dispute arising out of use, occupancy, ownership of a Lot or on the Common Area or the enforcement of any covenant, condition, rule or restriction or regulation and any complaint to the Association shall be settled by binding arbitration pursuant to the South Carolina Arbitration Act.

Section 16. EMINENT DOMAIN. The term "Taking" as used in this section means condemnation pursuant to the South Carolina Eminent Domain Procedures Act or sale under threat of condemnation. In the event of a threatened Taking of all or any portion of the Common Area, the Owners appoint the Board of Directors to act as attorney-in-fact for all Owners in the proceedings incident to the Taking unless otherwise prohibited by law. No Owner, by virtue of his Lot ownership or membership in the Association, shall be entitled to independently participate as a party in any condemnation proceedings or directly participate in any condemnation award. The Board of Directors shall have the right to make a voluntary sale to the condemner in lieu of engaging in the condemnation action. Any awards received as a result of the Taking shall be paid to the Association. The Board of Directors without the necessity of a vote of the membership of the Association, may (1) retain any award in the general funds of the Association, (2) use such award for the restoration or replacement of any Common Area improvements affected by the Taking, or (3) distribute the proceeds in any such manner as the Board of Directors of the Association deems appropriate.

IN WITNESS WHEREOF, the Developer has caused this instrument to be executed by its proper officers and its corporate seal to be affixed thereto on the day and year first above written.

SIGNED SEALED AND DELIVERED

in the presence of:

[Signature] (BEVERLY C. WRIGHT)

DEVELOPER:
LAB INVESTORS, LLC

[Signature]

[Signature] SEAL
By: JIM EWART
Its: SOLE OWNER

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

ACKNOWLEDGMENT

I, BEVERLY DOMILA, Notary Public for the State of South Carolina, do hereby certify that the above-signed authorized signatory for LAB Investors, LLC personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Sworn and subscribed before me this
19 day of JANUARY, 2011.

[Signature] SEAL
Notary Public for South Carolina
My Commission Expires: 11-26-18