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MINOR, HAIGHT & ARUNDELL, P.C.  
P.O. Drawer 6067  
Hilton Head Island, SC 29938

STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )

**SECOND RESTATED AND AMENDED  
DECLARATION OF COVENANTS AND RESTRICTIONS  
FOR LANDS END SUBDIVISION, HILTON HEAD ISLAND,  
SOUTH CAROLINA, AND PROVISIONS FOR LANDS END  
HOMEOWNERS ASSOCIATION OF HILTON HEAD**

**DISPUTES BETWEEN OWNERS CONCERNING PARTY WALLS LOCATED ON THE PROPERTY ARE SUBJECT TO BINDING ARBITRATION PURSUANT TO ARTICLE VIII, SECTION 6 HEREIN. NOTICE OF SUCH REQUIREMENT IS HEREBY GIVEN AS REQUIRED BY THE SOUTH CAROLINA UNIFORM ARBITRATION ACT, S.C. CODE ANN. §105-48-10 (a).**

This Second Restated and Amended Declaration of Covenants and Restrictions for Lands End Subdivision, Hilton Head Island, South Carolina, and Provisions for the Lands End Homeowners Association of Hilton Head (hereinafter sometimes referred to as "Amended Declaration" or "Covenants") is dated and made effective as of the 10<sup>th</sup> day of April, 2021, by Lands End Homeowners Association of Hilton Head (hereinafter referred to as the "Association").

WITNESSETH:

WHEREAS, Low Country Properties, Inc. f/k/a Land's End Corporation (hereinafter the "Company") was the owner of the real property described in Article II of this Amended Declaration and created thereon a planned neighborhood known as Lands End Subdivision with open spaces, certain roadways, pedestrian walkways and Common Properties for the benefit of the said neighborhood; and

WHEREAS, Company in order to provide for the preservation of the values and amenities in said neighborhood and for the maintenance of open spaces, certain roadways, pedestrian walkways, and Common Properties subjected the real property described in Article II, together with such additions as were or may hereafter be made, as provided in Article II to the covenants, restrictions, easements, affirmative obligations, charges and liens provided for in the original Declaration recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Deed Book 264 at Page 313 (hereinafter the "Original Declaration") and as hereinafter restated, each and all of which is and are hereby declared to be for the benefit of said property and each and every Owner of any and all parts thereof; and

WHEREAS, Company deemed it desirable, for the efficient preservation of the values and amenities in said neighborhood, to create the Lands End Homeowners Association of Hilton Head, a South Carolina non-profit corporation (the "Association"), to which it delegated and assigned the power and authority of maintaining and administering and enforcing the covenants and restrictions governing the same and collecting and disbursing all assessments and charges necessary for such maintenance, administration and enforcement, as hereinafter provided; as evidenced by that certain Absolute Assignment recorded in said Office in Deed Book 622 at Page 876; and

WHEREAS, the Association did amend and restate the Original Declaration as provided for in that certain Restated and Amended Declaration of Covenants and Restrictions for Lands End Subdivision, recorded June 7, 1993 in the Office of the Register of Deeds in Book 628, at Page 120; and

WHEREAS, the Association, at a duly called meeting of its Members for which a quorum was present, did adopt this Second Restated and Amended Declaration by an affirmative vote of Thirty-Eight (38) of the Forty (40) Members present in person or by proxy, all as provided for in Article X, Section 1 of the Restated and Amended Declaration then in effect;

NOW, THEREFORE, the Association deems it desirable and does hereby make this Second Restated and Amended Declaration, which has been approved by its Members, in order to consolidate into one document the Declaration and those amendments previously made and recorded, and as may be further amended herein and the Association declares that the real property described in Article II, and such additions thereto as may be hereafter made pursuant to Article II hereof (the "Property" or "Properties"), is and shall be held, transferred, sold, conveyed, leased, occupied, and used subject to the covenants, restrictions, conditions, easements, charges, assessments, affirmative obligations, and liens (sometimes referred to as the "Covenants"), hereinafter set forth which shall touch and concern and run with the real property subjected to these Covenants and which shall be binding on all parties having any right, title or interest in the said real property or any portion thereof and their respective heirs, successors and assigns.

#### ARTICLE I DEFINITIONS

Section 1. The following words and terms, when used in this Amended Declaration, or any supplemental declaration (unless the context clearly shall indicate otherwise) shall have the following meanings:

(a) "Association" shall mean and refer to the Lands End Homeowners Association of Hilton Head, a South Carolina non-profit corporation.

(b) "Board" shall mean and refer to the Board of Directors of the Association.

(c) "Common Properties" shall mean and refer to those areas of land identified in Article IV, Section 2, below, with any improvements thereon deeded to the Association in accordance with Article IV and any other real property designated in said deed as "Common Properties". The term "Common Properties" shall include any personal property acquired by the Association if said property is designated as "Common Property". All Common Properties are to be devoted to and intended for the common use and enjoyment of the Owners of the Properties, (subject to any fee schedules and operating rules adopted by the Association).

(d) "Dwelling Unit" shall mean and refer to any building situated upon the Properties intended for use and occupancy by a single family.

(e) "Governing Documents" shall mean and refer to this Second Restated and Amended Declaration, the By-laws, as amended, and any rules, regulations, or guidelines for construction or renovation, which may be created as provided for herein.

(f) "Lot" shall mean and refer to any improved or unimproved parcel of land intended for the construction of one attached single-family dwelling shown upon any recorded final subdivision map of any part of the Properties, with the exception of Common Properties as heretofore defined.

(g) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Section 1 of Article III hereof.

(h) "SCNCA" shall mean and refer to the South Carolina Nonprofit Corporation Act of 1994, S.C. Code Ann. §33-31-101 et seq., as may be amended from time to time.

(i) "Owner" shall mean and refer to the record Owner, whether one or more persons, firms, associations, corporations or other legal entities, of the fee simple title to any Lot or Dwelling Unit situated upon the Properties but, notwithstanding any applicable theory of a mortgagee, shall not mean or refer to the mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure proceedings or any proceeding in lieu of foreclosure; nor shall the term "Owner" mean or refer to any lessee or tenant of an Owner.

(j) The "Properties" shall mean and refer to the Existing Property described in Article II hereof, and additions thereto, as per the provisions of Article II hereof.

## ARTICLE II

### THE PROPERTY

Section 1. Existing Property. The real property which is and shall be held, transferred, sold, conveyed, leased and occupied, subject to these covenants, is located on Hilton Head Island, Beaufort County, South Carolina, and is more particularly described at Exhibit A hereto attached and by reference incorporated herein. All of the real property hereinabove described shall hereinafter be referred to as "Existing Property".

The Company conveyed the Common Properties shown on the Plat referred to in Exhibit "A" to the Association by virtue of that certain Deed of Conveyance recorded on February 26, 1991 in the Office of the Register of Deeds for Beaufort County, in Book 570, at Page 2421.

Section 2. Additions to Existing Property. Additional lands may become subject to this Amended Declaration in the following manner:

(a) Other Property. Upon approval in writing of the Association pursuant to two-thirds (2/3rds) of the vote at a duly relied meeting, the owner of any property who desires to add it to the plan of these Covenants and to subject it to the jurisdiction of the Association, may file of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the Covenants to such additional property. The Supplementary

Declaration may contain such complementary additions and modifications of the Covenants as may be necessary or convenient, in the judgment of the Association, to reflect the different character, if any, of the added properties and as are not inconsistent with the Plan of this Amended Declaration.

(b) Mergers. Upon a merger or consolidation of the Association with another association as provided for in the Bylaws of the Association, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association, or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the Properties of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Amended Declaration within the Existing Property, as herein provided.

### ARTICLE III MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record Owner of a fee simple or undivided fee simple interest in any Lot which is subject to assessment by the Association shall be a Member of the Association, provided that any such person or entity who holds such title or interest merely as security for the performance of an obligation shall not be a Member of the Association. When such record Owner(s) are comprised of more than one natural person, or by a legal entity, such Owner(s) shall, by written designation delivered to the Secretary of the Association, or the Association's managing agent, identify one (1) natural person to serve as the "Designated Member" for purpose of receiving all notices as may be provided for in the Governing Documents and for voting the Membership interest. If the record Owner(s) fail to make such designation, the Association may recognize any one of the record Owner(s) or, in the case of an entity, any officer(s), manager(s), partner(s) or other agent(s) thereof, as the Designated Member.

Section 2. Voting Rights. Members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Section 1. In the election of directors, there shall be appurtenant to each Lot as many votes for directors as there are directors to be elected provided however, that no Member may cast more than one vote for any person nominated as director, it being the intent that voting shall be non-cumulative.

### ARTICLE IV PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Member's Easements of Enjoyment. Subject to the provisions of Governing Documents of the Association, every Member shall have a right and easement of enjoyment in and to the Common Properties and roadways and such easement shall be appurtenant to and shall pass with title of every Lot.

Section 2. Title to Common Properties.

(a) Identity of Common Properties. The Common Properties are shown and labeled as "Future Common Areas, Numbers 1, 2, 3 and 4", inclusive, on the plat of Lands End Subdivision recorded in the Office of the Register of Deeds for Beaufort County in Plat Book 26 at Page 189, and also include the roads, rights of way and other real property conveyed by deed recorded in said Office in Deed Book 570 at Page 2421 and any other areas of land with any improvements thereon or personal property conveyed to the Association.

(b) Title to Common Properties. The Company has conveyed legal title to the Common Properties to the Association to maintain subject to all restrictive covenants of record.

Section 3. Extent of Member's Easements. The rights and easements of enjoyment created hereby shall be subject to the following:

(a) The right of the Association, in accordance with its Bylaws, to borrow money for the purpose of improving, maintaining, restoring, or repairing the Common Properties and in aid thereof to mortgage said properties or to make an assignment of rights with respect to the collection of Assessments as collateral;

(b) The right of the Association to take such steps as are reasonably necessary to protect the Common Properties against foreclosures;

(c) The right of the Association, to issue fines or suspend the enjoyment of rights of any Member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of the Governing Documents, it being understood that any suspension for either non-payment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the Member's obligation to pay the Assessments;

(d) The right of the Association to dedicate or transfer to any public or private utility, utility easements on any part of the Common Properties; and

(e) The right of the Association to give or sell all or any part of the Common Properties, including leasehold interest to any public agency, authority, or utility or private concern for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedications, transfer and determination as to purpose and conditions shall be authorized by the vote of three-fourths (3/4) of the vote at a duly called meeting and unless written notice of the proposed agreement and action thereunder is sent to every Member at least thirty (30) days in advance of any action taken. A true copy of such resolution, together with a certificate of the result of the vote taken thereon, shall be made and acknowledged by the President or Vice President and Secretary or Assistant Secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the Common Properties, prior to the recording thereon. Such certificate shall be conclusive evidence of authorization by the Membership.

Section 4. Prohibition on Obstruction of View Easement Over Future Common Area 1. No vertical or enclosed structure, including but not limited to buildings, tennis courts, or docking facilities may be constructed on the Common Property identified as "Future Common Area 1" on the plat referenced at Exhibit "A", save and except when the unanimous consent of all Lot and Dwelling Unit Owners whose Lots are contiguous to "Future Common Area 1" is obtained in writing.

ARTICLE V  
COVENANTS, RESTRICTIONS AND AFFIRMATIVE OBLIGATIONS APPLICABLE

Section 1. Association Approval Required. No Dwelling Unit, building, fence or other structure shall be erected, or placed, or altered, on any Lot until the proposed building plans, specifications, exterior color or finish, plot plan (showing the proposed location of each Dwelling Unit, building, fence or structure, drives and parking areas) and construction schedules have been approved in writing by the Association. Refusal of approval of plans, location or specifications may be based by the Association upon any ground, including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Association shall seem sufficient. One copy of all plans and related data shall be furnished to the Association for its records. The Board shall have the right, but not the obligation, to adopt Guidelines for Construction and Renovation in Lands End ("Guidelines") and may impose fines for the violations of same.

Section 2. Set Backs. No building set back lines are established by these Covenants. Dwelling Units to be constructed on contiguous Lots will have common party walls. The Association, however, reserves to itself, its successors or assigns, the right absolutely to control and solely to decide the precise location of any Dwelling Units, provided, however, that such locations shall be determined only if a reasonable opportunity is afforded the Owner to recommend a specific site. Notwithstanding the approval of the location of a Dwelling Unit by the Association, no Dwelling Unit or element of any Dwelling Unit shall project or extend over or beyond the boundary lines of any Lot.

Section 3. Time for Completing Construction. The exterior of all Dwelling Units and other structures must be completed within one year after the construction of the same shall have commenced, except where such completion is impossible or would result in great hardship to the Owner or builder due to strikes, fires, national emergency or natural calamities.

Section 4. Residential Use Only. All Lots shall be used for residential purposes exclusively. No structure except as hereinafter provided shall be erected, altered, placed or permitted to remain on any Lot other than one single-family, attached dwelling. No building constructed on the Lot may be used for any activity normally conducted as a business.

Section 5. Maintenance of Lots. It shall be the responsibility of each Owner to prevent the development of any unclean, unsightly or unkempt conditions of building or grounds on each Owner's respective Lot which shall tend to substantially decrease the beauty of the specific area or the neighborhood as a whole. Maintenance and repair of the Lots and Dwelling Units, including the driveways, lawns, landscaping, patios and decks appurtenant thereto, shall be the responsibility of the respective Owners. The responsibility for such maintenance shall include the care of all exterior surfaces of the Dwelling Units and all fixtures attached thereto, and in the event an Owners fails to perform proper maintenance, the Association shall have the right, but not the obligation, in its sole and absolute discretion, following notice and failure to cure as set forth in Article X, Section 4, to conduct such maintenance on the Owner's behalf and assess the Owner for the costs thereof as an Individual Assessment, as hereinafter defined.

Section 6. Nuisance. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. There shall not be maintained any plants or animals, or device or thing of any sort whose normal activities or existence is in anyway noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property in the neighborhood by the Owners thereof. There

shall not be maintained on the Property any truck, trailer, including a boat trailer, recreation vehicle or commercial vehicle.

Section 7. Right of Entry. In order to implement effective insect, reptile and woods fire control, the Association reserves for itself and its agents the right to enter upon any Lot for the purpose of mowing, removing, clearing, cutting or priming underbrush, weeds or other unsightly growth, which in the opinion of the Association detracts from the overall beauty, setting and safety of Lands End Subdivision. The Association and its agent may likewise enter upon such Lot to remove any trash which has collected thereon. The Association shall have the right to access, during regular business hours and upon reasonable notice to the Owners, the Dwellings for the purpose of implementing insect and pest control and to assess the costs thereof to the Owner or Owners as the case may be. Provisions of this paragraph shall not be construed as an obligation on the part of the Association or its agents to mow, clear, cut or prune any Lot or to provide garbage, trash removal, or insect and pest control services.

Section 8. Service Areas. For each Dwelling Unit the Owner shall provide receptacles for garbage, in a screened service area not generally visible from the road, or similar facility in accordance with reasonable standards established by the Association.

Section 9. PSD. Prior to the occupancy of a residence on any Lot, proper and suitable provision shall be made for the disposal of sewage by connection with the sewer mains of the South Island Public Service District (f.k.a. Sea Pines Public Service District). No sewage shall be emptied or discharged into the ocean, any creek, marsh, river, sound or beach or shoreline thereof. No sewage disposal system shall be permitted on any Lot nor may any sewage disposal system be used unless such system is designed, located, constructed and maintained in accordance with the requirements, standards and recommendations of the appropriate public health authority. Approval of such systems shall be obtained from such authority after the completion of said system and prior to use of such system.

Section 10. Temporary Structures. No structure of a temporary character shall be placed upon any Lot at any time, except shelters used by the contractor during the construction of a Dwelling Unit, it being clearly understood that these latter temporary shelters may not, at any time, be used as a residence or permitted to remain on the Lot after the completion of construction.

Section 11. Miscellaneous Structures/Equipment. No trailer, tent, barn, treehouse or other similar outbuilding or structure may be placed upon any Lot at any time, either temporarily or permanently, except temporary construction vans located on the Lot during construction.

Section 12. Tanks. No fuel tanks or similar storage receptacles may be exposed to view, and unless specifically approved by the Board, must be buried underground.

Section 13. Wells. No private water wells may be drilled or maintained on any residential Lot so long as the South Island Public Service District, its agents, successors or assigns, maintains a water distribution line within fifty (50) feet of such Lot with an average daily water pressure in such line adequate for normal household use in the Dwelling Unit served by such distribution line.

Section 14. Subdivision of Lots. No Lot shall be subdivided or its boundary lines changed except with the written consent of the Association. However, the Association hereby expressly reserves to itself, its successors or assigns the right to replat any two or more Lots shown on the plat referenced at Exhibit "A" in order to create a modified Lot or Lots; and to take other steps as are reasonably necessary to make such replatted Lot suitable and fit as a building site to include but not be limited to the relocation of

easements, walkways and rights of way to conform to the new boundaries of the said replatted Lots. The Association may combine any two or more contiguous Lots or parts thereof to make one Lot. In such event, the combined Lots shall be considered as one Lot for the purpose of the application of these Covenants; provided however in no event shall two (2) Dwelling Units be constructed on any single Lot.

Section 15. Prohibition on Timeshares/Interval Ownership & Usage. The Dwelling Units on the Properties or any interest therein shall not be sold, transferred, conveyed, leased, occupied, rented or used for or in connection with any time-sharing plan, arrangement or program, including without limitation any so-called "vacation license", "travel club or other membership", "time interval ownership" or other arrangement of similar effect. The term "time-sharing" as used herein shall be deemed to include, but shall be limited to any plan, program or arrangement under which the right to use, occupy, own, lease or possess a Dwelling Unit on the Properties rotates among various persons on a periodically recurring basis according to a fixed or floating interval or period of time, whether by way of deed, lease, association or club membership, license, beneficial interest under a rental trust or use agreement, co-tenancy agreement, partnership or otherwise. This provision shall not be interpreted to preclude an Owner from renting a Dwelling Unit in any manner other than as described above and not prohibited in this Amended Declaration.

#### ARTICLE VI PROHIBITIONS AGAINST ALTERATIONS

The Association is expressly and specifically empowered to enforce the following covenants, restrictions and affirmative obligations:

Section 1. No record Owner shall make or permit to be made any alterations or additions to the exterior of his Unit without first obtaining written permission from the Association.

Section 2. No record Owner shall change the exterior color or appearance of his unit without first obtaining written consent from the Association.

Section 3. No record Owner shall alter their Lot by adding objects including but not limited to statues, walkways, or decks without first obtaining written consent from the Association. The record Owner does not have to obtain written consent in order to replace any grass, shrubbery, or trees which were located on or in his Lot at the time he purchased his Lot.

#### ARTICLE VII COVENANT FOR. MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation Assessments. Each Owner of any Lot or Dwelling Unit shall, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of these covenants and to pay to the Association: (1) EQUAL ANNUAL ASSESSMENTS (hereinafter "Annual Assessments") for the purposes set forth in Section 2 of this Article; (2) EQUAL SPECIAL ASSESSMENTS (hereinafter "Special Assessments") for the purposes set forth in Section 4 of this Article, and any INDIVIDUAL ASSESSMENTS (hereinafter "Individual Assessments") levied against an Owner for the purpose of defraying, in whole or part, any expenses of the Association occasioned by the acts or omissions of less than all of the Owners, or by the family, tenants, agents, guests or invitees of any Owner.

The Annual, Special Assessments, and Individual Assessments (hereinafter sometimes collectively referred to as "Assessments"), together with any late fees, interest thereon at the rate of Eighteen (18%) per annum, costs of collection therefor, and reasonable attorneys' fees incurred in the collection thereof, shall collectively be a charge and continuing lien on the land and all the improvements thereon against which each such Assessments are made. Interest may be applied to all Assessments, including without limitation, late fees, fines and other charges.

Each such Assessment, together with such interest thereon, costs of collection thereof, and reasonable attorneys' fees incurred in the collection thereof, as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment fell due. In the case of co-ownership of a Lot, all such co-owners of the Lot shall be jointly and severally liable for the entire amount of the Assessment.

Section 2. Purpose of Assessments. The Annual Assessments levied by the Association shall be used (i) for the improvement, maintenance, and operation of roads, common forest, common parking areas, and other Common Properties, including but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto, (ii) for pest control, grounds maintenance, landscape maintenance, irrigation water, and refuse disposal associated with all Units and Lots, and (iii) for such other services or expenses as the Board may deem necessary or advisable for maintaining, repairing, reconstructing or improving the Common Properties. The Special Assessments shall be used for the purposes set forth in Section 4 of this Article. Unspent Special Assessment funds and unspent Annual Assessment funds shall be held as reserve funds and used at the Board's discretion.

Section 3. Basis and Maximum of Annual Assessments. The Annual Assessments may be increased by the Board each year by up to five percent (5%) of the maximum authorized assessment for the preceding year. The Annual Assessment may be increased by an amount greater than five percent (5%) of the maximum authorized assessment for the preceding year by two-thirds of the vote at the Annual Meeting at which a quorum is present. The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the Annual Assessments for any year at a lesser amount, but such action shall not constitute a waiver by the Association of its right to revert to the full Assessment for the remaining year or years of the then current period fixed as provided in the preceding paragraph.

Section 4. Special Assessments for Improvements and Additions. In addition to the Annual Assessments authorized by Section 3 hereof, the Association may levy Special Assessments for the purpose of defraying, in whole or in part, the cost of (i) any clean-up from a storm or other natural disaster and (ii) any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Common Properties, including, the necessary fixtures and personal property related thereto or in addition to the Common Properties, provided that any such Special Assessment shall have the approval of fifty (50%) percent plus one (1) of the votes cast in person or by proxy at a duly called meeting of Members written notice of which shall be sent to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting.

Section 5. Change in Basis and Maximum of Annual Assessments Upon Merger or Consolidation. The limitations of Section 3 hereof shall not apply to any changes in the maximum and basis of the Assessments undertaken as an incident to a merger or consolidation in which the Association is authorized to participate under Article 2, hereof, and under the Bylaws of the Association.

Section 6. Quorum for any Action Authorized. The requisite quorum shall be as established in the Bylaws.

Section 7. Date of Commencement of Annual Assessments. The Annual Assessments shall become due and payable as determined by the Board. The due date of any Special Assessments under Section 4 hereof shall be fixed in the resolution authorizing such Special Assessments.

Section 8. Duties of the Board of Directors. In addition to those requirements for and duties of the Board set forth in the SCNCA, §33-31-801, as amended, the Board shall fix the date of commencement and the amount of the Annual Assessments against such Lot for each assessment period and shall, at that time prepare a roster of properties and Annual Assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the Assessments shall thereupon be sent to every Owner subject thereto.

The Board may, by written agreement or duly enacted resolution, retain the services of a management agent or form such committee(s) as the Board may deem necessary or expedient to aid it in the performance of its duties and such management agent or committee(s) shall have the authority to act on the Board's behalf to the extent such authority is delegated thereto.

The Association or its management agent shall, upon demand at any time, furnish to any Owner liable for payment of Assessments a statement in writing, setting forth whether the Assessments have been paid. Such statement shall be conclusive evidence of payment of Assessments therein stated to have been paid.

Section 9. Effect of Non-Payment of Assessments. The personal obligation of the Owner; and the Lien Remedies of the Association. If the Assessments are not paid as and when due (being the dates specified in the Association's invoice therefore), then such Assessments shall become delinquent and shall (together with interest thereon from the due date, any late fees imposed pursuant to the Governing Documents, costs of collection, and all reasonable attorneys' fees) become a charge and continuing lien on the land and all improvements thereon, against which each such Assessment is made. The personal obligation of the Owner at the time of the Assessments to pay such Assessments, however, shall remain his personal obligation for the statutory period and shall not pass as a personal obligation to his successors in title unless expressly assumed by them.

If the Assessments are not paid within thirty (30) days after the due date, the Association may bring an action at law against the Owner personally obligated to pay the same and/or to foreclose the lien against the Owner's Lot.

Section 10. Subordination of the Lien to Mortgages. The lien of the Assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the Lots subject to assessment; provided, however, that such subordination shall apply only to the Assessments which have become due and payable prior to a sale or transfer of any such Lot pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such Lot from liability for any Assessments thereafter becoming due, nor from the lien of any such subsequent Assessments.

Section 11. Exempt Property. The following property, individuals, partnerships or corporations, subject to this Amended Declaration, shall be exempted from the Assessments, charges and liens created here:

- (a) The grantee in conveyances made for the purpose of granting utility easements;
- (b) All Properties to the extent of any easement therein other than a utility easement dedicated and accepted by the local public authority and devoted to public use which does not adversely affect the Owner's use of the Property;
- (c) All Common Properties as defined in Article 1, Section 2, hereof;
- (d) All Properties exempted from taxation by the laws of the State of South Carolina, upon the terms and to the extent of such legal exemptions; and
- (e) Properties owned by the Association used for recreation facilities; home maintenance and service facilities; and meeting room and conference facilities. Only land within the existing Property which has been subdivided into Lots, and the plats thereof filed for public record in the Office of the Register of Deeds for Beaufort County and upon which has been constructed a Dwelling Unit shall constitute a Lot for purposes of these Assessments.

#### ARTICLE VIII PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the Dwelling Units upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and of liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall be an obligation running with the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. Any dispute arising concerning a party wall, or under the provisions of this Article, shall be subject to binding arbitration pursuant to the S.C. Uniform Arbitration Act.

Section 7. ROLE OF ASSOCIATION WITH RESPECT TO PARTY WALL. PARTY WALLS ARE THE PRIVATE PROPERTY OF THE OWNERS ADJACENT THERETO. THE ASSOCIATION DOES NOT HAVE ANY OBLIGATION TO MAINTAIN OR REPAIR PARTY WALLS, NOR TO ENFORCE THE RIGHTS AND/OR OBLIGATIONS OF OWNERS WITH RESPECT THERETO. OWNERS, FOR THEMSELVES, AND ON BEHALF OF THEIR FAMILY, SPOUSE, ESTATE, HEIRS, EXECUTORS, ADMINISTRATORS, ASSIGNS, AND PERSONAL REPRESENTATIVES, HEREBY FOREVER RELEASE, WAIVE, DISCHARGE, AND COVENANT NOT TO SUE THE ASSOCIATION, ITS BOARD MEMBERS, OFFICERS, AGENTS, SERVANTS, INDEPENDENT CONTRACTORS, AFFILIATES, EMPLOYEES, SUCCESSORS, AND ASSIGNS FROM ANY AND ALL LIABILITY, CLAIMS, DEMANDS, ACTIONS, AND CAUSES OF ACTION WHATSOEVER, DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATED TO THE PROVISIONS OF THIS ARTICLE VIII OR THE FAILURE TO MAINTAIN, REPAIR, INSURE A PARTY WALL.

#### ARTICLE IX OTHER PROPERTY PROVISIONS

Section 1. Docks. The Association or Owners, with approval of the Association, may erect docks upon the Common Properties fronting the Braddock Cove, upon complying with the following terms and conditions.

(a) Complete plans and specifications including site, color or finish must be submitted to the Association in writing;

(b) Prior written approval of the Association to such plans and specifications must be secured, the Association reserving the right in its uncontrolled discretion to disapprove such plans and specifications on any grounds, including purely aesthetic reasons.

(c) Prior written approval obtained from and all governmental agencies authorized or required to issue permits for the construction of said dock, for example but not limited to the U. S. Army Corps of Engineers and the South Carolina Coastal Council.

Any alterations of the plans and specifications or of the completed structure must also be submitted to the Association in writing and the Association's approval in writing must be similarly secured prior to construction, the Association reserving the same rights to disapprove alterations as it retains for disapproving the original structures. The Association and/or the Owner shall have sole responsibility for obtaining approval of appropriate governmental authorities for construction of said dock and for compliance with applicable regulations thereafter.

Section 2. Maintenance. The Association and/or all Owners who construct or cause to be constructed said docks, must maintain said structures in good repair and keep the same safe, clean and orderly in appearance at all times, and further agree to paint or otherwise treat with preservatives all wood or metal located above the high-water mark, exclusive of pilings, and to maintain such paint or preservatives in an attractive manner. The Association shall be the judge as to whether the docks are safe, clean, orderly in appearance, and properly painted or preserved in accordance with reasonable standards, and where the Association notifies a particular Owner in writing that said dock fails to meet acceptable standard, the Association or the said Owner shall thereupon remedy such conditions within thirty (30) days to the satisfaction of the Association, and that failing to so remedy such conditions, the Owners

hereby covenant and agree that the Association may make the necessary repairs, but is not obligated to make such repairs or take such actions as will bring the said dock and/or boat house up to acceptable standards, all such repairs and actions to be at the expense, solely, of the Owner in question, or all Owners pro-ratably if the docks are constructed by the Association.

Section 3. No Trespass. Whenever the Association is permitted by the Governing Documents to correct, repair, clean, preserve, clear out or do any action on the Lot or within a Dwelling of any Owner, or on the easement areas adjacent thereto, entering the Lot or Dwelling and taking such action shall not be deemed a trespass.

Section 4. Dredging. The Association expressly assumes no responsibility for silt or obstruction removal by dredging or any other means, in any natural or dredged channel providing access to any Lot.

#### ARTICLE X GENERAL PROVISIONS

Section 1. Duration and Amendments. The covenants and restrictions of this Amended Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Amended Declaration, their respective legal representatives, heirs, successors, and assigns, for a term of twenty (20) years from the date this Amended Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless two-thirds (2/3rds) of the vote at the annual meeting approves a change in the covenants and restrictions. The Covenants may be amended at any time if two-thirds (2/3rds) of the vote at a duly called meeting of the Association approves the change. Provided, however, that no such agreement to change shall be effective unless made and recorded sixty (60) days in advance of the effective date of such change and unless written notice of the proposed amendment is sent to every Owner at least thirty (30) days in advance of any action taken.

Section 2. Notices. Any notice required to be sent to any Member or Owner under the provisions of the Governing Documents shall be sent as provided in the Bylaws.

Section 3. Authority and Enforcement. Each Owner, their tenants, guests and invitees, shall comply strictly with the Governing Documents, as may be lawfully amended from time to time. Failure to comply with the Governing Documents shall be grounds for: a) imposing fines; b) for suspending voting rights; and/or c) for instituting an action to recover sums due, damages, and/or for injunctive relief. Any such actions shall be brought by the Board on behalf of the Association. Should the Association employ legal counsel to enforce any of the foregoing, all costs incurred in such enforcement, including court costs and reasonable attorneys' fees, regardless of when incurred, shall be a charge and continuing lien on the Lot of the responsible Owner. In as much as the enforcement of the Governing Documents are essential for the effectuation of the general plan of development contemplated hereby and for the protection of present and future Owners, it is hereby declared that any breach thereof may not adequately be compensated by recovery of damages, and that the Association, in addition, to all other remedies, may require and shall be entitled to the remedy of injunction to restrain any such violation or breach or any threatened violation or breach. No delay, failure, or omission on the part of the Association in exercising any right, power, or remedy herein provided shall be construed as an acquiescence thereto or shall be deemed a waiver of the right to enforce such right, power, or remedy thereafter as to the same violation or breach, or as to a violation or breach occurring prior or subsequent thereto, and shall not bar or affect its enforcement. No right of action shall accrue nor shall any action be brought or maintained by anyone

whatsoever against Board or the Association for or on account of any failure to bring any action on account of any violation or breach, or threatened violation or breach, by any Person of the provisions of Governing Documents, however long continued.

NO LEGAL ACTION TO ENFORCE THE GOVERNING DOCUMENTS, OTHER THAN AN ACTION FOR THE COLLECTION OF PAST DUE ASSESSMENTS, SHALL BE COMMENCED UNLESS AUTHORIZED BY THE UNANIMOUS CONSENT OF THE BOARD OF DIRECTORS, AND FURTHER PROVIDED THAT COUNSEL FOR THE ASSOCIATION CERTIFIES THAT THE DUE PROCESS PROCEDURES SET FORTH IN THE GOVERNING DOCUMENTS HAVE BEEN DULY COMPLIED WITH.

Section 4. Procedure for Imposing Fines. The Board shall not impose a fine, suspend voting rights, or infringe upon or suspend any other rights of an Owner or other occupant of the Properties for violations of Governing Documents, except non-payment of Assessments, unless and until the following procedure is followed:

(a) The Board, by unanimous consent, issues a written demand to cease and desist from an alleged violation shall be served upon the Owner responsible for such violation specifying:

- i. The alleged violation, including a citation to the specific provision(s) of the Governing Documents pertaining thereto;
- ii. The action required to abate the violation; and
- iii. A time period of not less than ten (10) days during which the violation may be abated without further sanction if such violation is a continuing one, or if the violation is not a continuing one, a statement that any further violation of the same provision may result in the imposition of sanctions.

(b) Unless an Owner makes a written request for reconsideration of the imposition of such fine or sanction within ten (10) days of the foregoing notice, the violation shall be deemed admitted. A request for reconsideration shall be emailed to the attention of the Board at such address as may be designated for such purpose, or if no address is specified, to the office of the management agent if any, and must:

- i. set forth the reasons for contesting same;
- ii. identify evidence the Owner seeks to have considered; and
- iii. state the relief requested.

(c) Upon receipt of a timely request for reconsideration by an Owner, a hearing shall be scheduled before the Board to be held in executive session. The Board shall provide the Owner with notice of the hearing, which notice shall contain:

- i. the time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice; and
- ii. an invitation to attend the hearing and produce any statement, evidence and witnesses on his behalf.

(d) Prior to the effectiveness of any fine or sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the

officer, director, or other individual who delivered such notice. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction imposed, if any.

(e) Notwithstanding the foregoing, fines may be imposed up to \$2,000.00, and such cap may be adjusted for inflation annually at the discretion of the Board and any increase thereof shall be reflected in the minutes of the Annual Meeting for the year in which such increase is adopted. Subject to the foregoing cap, the Board may adopt a fine schedule, establishing the fines to be imposed on a per occurrence or per diem basis, as the case may be, for violations of these Covenants, the Bylaws, or any Rules and Regulations adopted pursuant thereto.

Section 5. Severability. Should any Covenant or restriction herein contained, or any Article, Section, Sub-section, sentence, clause, phrase or term of this Amended Declaration be declared to be void, invalid, illegal, or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, then said void, etc., portions hereof are hereby declared to be severable, and the remainder shall remain in full force and effect.

Section 6. Recitals. The hereinabove contained "whereas" clauses are hereby incorporated as if restated and made an integral part hereof.

Section 7. WAIVER OF JURY TRIAL; EXCLUSIVE JURISDICTION. EACH OWNER HEREBY IRREVOCABLY WAIVES THE RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING AGAINST THE ASSOCIATION OR THE BOARD ARISING OUT OF THE GOVERNING DOCUMENTS OR THE TRANSACTIONS RELATING TO THEIR SUBJECT MATTER. ANY ACTION AGAINST THE ASSOCIATION OR ITS BOARD BY ANY OWNER SHALL BE BROUGHT EXCLUSIVELY IN THE COURT OF COMMON PLEAS FOR BEAUFORT COUNTY AND THE OWNER(S) HEREBY SUBMIT TO THE PERSONAL JURISDICTION OF SUCH COURT.

Section 8. Miscellaneous.

(a) Fiscal Year. The fiscal year of the Association shall begin on May 1st and end on April 30<sup>th</sup> of every year, except that the first fiscal year shall begin on the date of incorporation.

(b) No Waiver. The failure of the Association or the Board to enforce any right, provision, covenant or condition which may be granted by the Governing Documents shall not constitute a waiver of the right of the Association or its Board to enforce such, right, provision, covenant, or condition in the future.

(c) Election of Remedies. All rights, remedies and privileges granted to the Association or the Board pursuant to any terms, provisions, covenants or conditions of the Governing Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges s may be granted to such other party by the Governing Documents or at law or in equity.

(d) Parliamentary Rules. "Roberts Rules of Order" (latest edition) shall govern the conduct of the Association's meetings when not in conflict with the Governing Documents. Notwithstanding, a failure by the Board to follow Roberts Rules of Order shall not give rise to any cause of action against the Association, the Board or its Directors.



#### EXHIBIT "A"

ALL that certain piece, parcel or tract of land situate, lying and being at South Beach in Sea Pines Plantation, on Hilton Head Island, in Beaufort County, South Carolina, being 20.898 acres, more or less, as shown and described on a plat dated March 27, 1978, and prepared by Coastal Surveying Company, Inc., of Hilton Head Island, South Carolina, and signed by Jerry L. Richardson, South Carolina Registered Land Surveyor #4784, and recorded in the Office of the Register of Mesne Conveyance for Beaufort County, South Carolina, in Plat Book 26 at Page 189. Reference to the within referred to plat of record is craved for a more detailed description as to metes, bounds, courses, distances and locations.

THE within property is that same property originally conveyed to the Citizens and Southern National Bank and Barnett Bank of Jacksonville, N.A., by Deed dated October 5, 1977, and recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, at Plat Book 254 at Page 1924 and which has subsequently been conveyed to Low Country Properties, Inc. f/k/a/ Land's End Corporation from Citizens and South National Bank and Barnett Bank of Jacksonville, N.A., by Deed dated February 28, 1978, and recorded in the Office of the Register of Mesne Conveyance for Beaufort County, South Carolina in Deed Book 260 at Page 1105.