

**DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS AND EASEMENTS FOR THE FARMS AT LONGLEAF**

THIS DECLARATION, made this 24th day of July, 2009, by The Farms at Longleaf Corporation, a statutory close corporation organized and existing under the laws of the State of South Carolina (“**Longleaf, Inc.**”).

WITNESSETH:

WHEREAS, James B. Edwards is the President of Longleaf, Inc.; and

WHEREAS, Peeples Partnership, a South Carolina general partnership, conveyed all of its assets to Longleaf, Inc. by deed dated February 9, 2005 and recorded in the RMC Office for Charleston County in Book O-526, Page 694 on February 23, 2005; and

WHEREAS, Longleaf, Inc. is the owner of certain real property lying and being in Charleston County, South Carolina, which real property is more particularly described in **Exhibit “A”** attached hereto and by reference made a part hereof (the “**Longleaf Tract**” or the “**Property**”); and

WHEREAS, Longleaf, Inc. desires to provide for the preservation and enhancement of the property values in the Property and for the maintenance of this property and the improvements thereon, and to this end desires to subject the real property described in **Exhibit “A”** to the covenants, conditions, restrictions, and easements hereinafter set forth, each and all of which is and are for the benefit of the Property and each owner thereof; and

WHEREAS, Longleaf, Inc. deems it to be in the best interest of the community, to be incorporated in the development of the Property as it exists today and as it shall evolve in the future, to establish Covenants, Conditions and Restrictions to promote efficiencies and to provide a flexible mechanism for the administration and maintenance of the community facilities, amenities and services which are for the common use and enjoyment of all property owners; and

WHEREAS, Longleaf, Inc. has deemed it desirable, for the efficient preservation of the values in the Property, to create an agency which should be delegated and assigned the powers of administering and enforcing the covenants and restrictions and collecting and disbursing the assessments and charges hereinafter created; and

WHEREAS, Longleaf, Inc. has caused to be incorporated, under the laws of the State of South Carolina, The Farms at Longleaf Property Owners Association, Inc., a non-profit corporation for the purpose of exercising such functions;

NOW THEREFORE, Longleaf, Inc. hereby declares that all of the real property described in **Exhibit "A"** shall be held, transferred, sold, mortgaged, conveyed, leased, occupied and used subject to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth.

ARTICLE I. DEFINITIONS

1.01 "**Act**" shall mean and refer to the South Carolina Non-Profit Corporation Act of 1994, South Carolina Code Section 33-31-101, et seq.

1.02 "**Architectural Review Board**" or "**ARB**" shall mean and refer to individual(s) as Declarant may appoint, or such entity to which the Architectural Review Board may assign its duties, until all improvements have been constructed thereon and/or such time as all of the Lots in the Development have been fully sold by the Declarant. At such time the Declarant shall notify the Board of the Association to that effect. Notice to the Board of the Association by the Declarant under this provision shall be in writing. After receipt of said notice from the Declarant, the Board shall have the right, power and authority to elect successors to the ARB which shall consist of not less than two (2) Owners of Lots. The rules and regulations pursuant to which Architectural Review Board shall act shall be prescribed by the Board.

1.03 "**Articles of Incorporation**" shall mean and refer to the Articles of Incorporation of The Farms at Longleaf Property Owners Association, Inc., as the same may be amended from time to time.

1.04 "**Association**" shall mean and refer to The Farms at Longleaf Property Owners Association, Inc., a South Carolina non-profit corporation.

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

1.06 "**Buffer Period**" shall mean a period of time of eight (8) years after the recording of this Declaration in the Register's Office. The time restrictions imposed within this Section 1.06 shall not apply to the restrictions contained in Section 13.16 below.

1.07 "**Builder**" shall mean any Person engaged principally in the business of constructing for sale to homeowners single family residential dwellings to whom the Declarant sells or has sold one or more Lots for the purpose of constructing thereon a single family residential dwelling.

1.08 "**By-Laws of the Association**" or the "**By-Laws**" shall mean and refer to those By-Laws of the Association which govern the administration and operation of the Association, as the same may be amended from time to time.

1.10 “**Common Area**” shall mean and refer to all real property now or hereafter owned by the Association for the common use and enjoyment of the Owners. The Common Area include private roads, street lighting, signage, maintenance and drainage areas, easements, Recreational Amenities, lagoons; and shall specifically include water and sewer lines and facilities located within the Property, other than upon property owned by an Owner, providing for the distribution and transmission of such utility services to the Property as a whole and not maintained by a private or public utility company. The Common Area will include acreage set aside for green space, lakes/ponds, riding/walking trails, paddocks, equestrian center, and/or parks, etc. and may never be developed for residential and/or commercial purposes. All Common Areas are to be devoted to and intended for the common use and enjoyment of the Declarant, Owners, and their respective guests, and invitees and subject to assessments and operating rules adopted therefor.

1.11 “**Common Assessment**” shall mean and refer to assessments levied against all Lots in the Property to fund Common Expenses.

1.12 “**Common Expenses**” shall mean and refer to all expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed for the creation or maintenance of reserves, pursuant to the provisions of this Declaration.

1.13 “**Community-Wide Standard**” shall mean the standard of conduct, maintenance, or other activity generally prevailing throughout the Property. Such standard may be more specifically determined by the Architectural Review Board.

1.14 “**Declaration**” shall mean the covenants, restrictions, and easements and all other provisions herein set forth in this entire document, as the same may be amended from time to time.

1.15 “**Declarant**” shall mean and refer to (i) Longleaf, Inc. or (ii) any successor-in-title or any successor in interest to the Longleaf, Inc. to all of the Property then subject to this Declaration and provided in the instrument of conveyance to any such successor-in-title or interest is expressly designated as the “**Declarant**” hereunder by the grantor of such conveyance, which grantor shall be the “**Declarant**” hereunder at the time of such conveyance.

1.16 “**Development**” shall mean and refer to the Lots and all improvements to the Property, and being a part of the plans for the community known as the Longleaf Tract.

1.17 “**Guidelines**” shall mean the design and development guidelines promulgated by the Architectural Review Board which shall consist of the Community-Wide Standards and the Architectural Standards to be used by the Architectural Review

Board in reviewing all applications by Owners of Lots to construct improvements on any Lot.

1.18 “Lot” for “Lots” shall mean and refer to subdivided parcels/lots **other than** real property located within any designated Common Area.

1.19 “Mortgage” shall mean and refer to a security deed, deed of trust, mortgage, installment land sales contract or other similar security instrument granting, creating or conveying a lien upon, a security interest in or a security title to a Lot.

1.20 “Mortgagee” shall mean and refer to the holder of a Mortgage.

1.21 **Intentionally Omitted**

1.22 “Owner” shall mean and refer to the record owner, whether one or more Persons, including Declarant, of the fee simple title to any Lot, but excluding those persons having such an interest under a Mortgage.

1.23 **Intentionally Omitted**

1.24 “Person” shall mean and refer to a natural person, corporation, partnership, association, trust or other legal entity, or any combination thereof.

1.25 “Plats” shall mean and refer (i) that certain plats of the Longleaf Tract Phase 1 and 2, entitled “Boundary Survey of Tax Parcels Town of Hollywood, Charleston County, South Carolina prepared for The Farms at Longleaf, Corp. prepared by E.M. Seabrook, Jr. Inc. dated June 2, 2009, for Phase 1 and a preliminary plat dated April 6, 2007 for Phase 2 and attached hereto as **Exhibit “D”** and incorporated herein by reference. Declarant reserves the right to add additional lots.

1.26 “Property” shall mean and refer to those tracts and parcels of land described in **Exhibit “A”** attached hereto and by reference made a part hereof, together with all improvements thereon.

1.27 “**Recreational Amenities**” shall include such recreational facilities and improvements as are, from time to time, located within and a part of the Common Areas, and are specifically designated in writing by the Declarant and/or the Association as being Recreational Facilities, including such amenities as open spaces, ponds, fishing areas, pavilion, park, ballfield, equestrian center, trails and such other facilities and services as may be designated by the Declarant and/or the Association from time to time for the use and enjoyment of the Owners and their respective invitees and guests. Owners shall have full and complete responsibility for maintaining, repairing and up keep of any and all Amenities.

1.28 “**Register’s Office**” shall mean the RMC Office for Charleston County, South Carolina.

1.29 “**Residential Area**” shall mean that area of the Property exclusive of the Common Area.

1.30 “**Site Plan**” (Intentionally omitted).

1.31 “**Structure**” shall mean and refer to: (i) any thing or object, the placement of which upon any Lot may affect the appearance of such Lot, including by way of illustration and not limitation, any building or part thereof, garage, porch, gazebo, shed, greenhouse or bathhouse, coop or cage, covered or uncovered patio, swimming pool, tennis court, fence, curbing, paving, wall, tree, shrub, sign, signboard, satellite dish, mailbox, driveway, living quarters or any other temporary or permanent improvement to such Lot; (ii) any excavation, grading, fill ditch, diversion dam or other thing, object or device which affects or alters the natural flow of surface waters from, upon or across any Lot, or which affects the natural flow of surface waters from, upon or across any artificial creek, stream, wash or drainage channel from, upon or across any Lot; and (iii) any change in grade at any point on a Lot of more than six (6”) inches, whether or not subsection (ii) of this Section 1.31 applies to such change.

1.32 “**Transfer Fee**” shall mean each time a vacant lot is sold, the seller/Owner of such lot shall contribute to the working capital fund an amount equal to one percent (1%) of the value of the lot sold and each time an improved property (primary residence having a certificate of occupancy) is sold the seller/Owner of such lot shall contribute to the working capital fund an amount equal to two tenths of one percent (.02%) of the value of the property sold. Such funds shall be used to build up a working capital fund to pay for capital improvement and major maintenance as determined by the Association .

ARTICLE II. DEVELOPMENT

2.01 Plan of Development of the Property. No more than one single-family residential dwelling may be constructed on each Lot in the Residential Area with the exception of one accessory dwelling. Outbuilding(s) and barn(s) are not included in the limitation imposed under this section.

2.02 Development of Property. All Lots within the Development and the Common Area shall be and are hereby restricted exclusively to single-family residential use and shall be subject to the standards and restrictions set forth in Articles X and XI hereof. During the period of Developer Control, Declarant shall have the rights, but not the obligation, to make improvements and changes to the Common Area and to all Lots owned by Declarant, including, without limitation, (i) changes in the location of the boundaries of any Lots owned by Declarant, (ii) installation and maintenance of any water or other utility systems and facilities, and (iii) installation of security facilities.

2.03 Interest Subject to Plan of Development. Every purchaser of a Lot shall purchase such Lot and every Mortgagee and lienholder holding an interest therein shall take title, or hold such security interest with respect thereto, with notice of this Article. Any provision of this Declaration to the contrary notwithstanding, the provisions of this Article II may not be abrogated, modified, rescinded, supplemented or amended in whole or part without the prior written consent of Declarant.

2.04 Plat. Declarant reserves the right to modify, amend, revise and add to the Plats, at any time and from time to time, setting forth such information as Declarant may deem necessary with regard to the Development, including, without limitation, the locations and dimensions of the Lots, the private roads, utility systems, drainage systems, utility easements, drainage easements, access easements and building and set-back line restrictions.

2.05 Conveyance of Common Areas. At the end of the Period of Developer Control, the Declarant shall deed all parcels of land referred to herein which are denominated by Declarant as Common Areas, other than roads or utilities or the like which may be conveyed to public entities, to the Association. Upon such conveyance, the Association shall immediately become responsible for all maintenance, operation and such additional construction of improvements as may be authorized by the Association's Board of Directors. Any such conveyance by the Declarant shall be conveyed subject to:

- (a) All restrictive covenants of record at time of the conveyance;
- (b) The right of access of the Declarant, its successors and assigns, over and across such property;
- (c) The right of the Declarant, its successors and assigns to approve all structures, construction, repairs, changes in elevation and topography and the location of any object within the Common Areas prior to the commencement of such activities or location of any objects therein; and
- (d) All utilities and drainage easements.

In consideration of the benefits accruing to the Association and to the Owners under this Declaration and in consideration of the covenants and agreements of the Declarant hereunder, the Association hereby agrees to accept title to any property, or to any interest in property, now or hereafter conveyed to it pursuant to the terms and conditions of the Declaration. Upon the recording of a deed, easement, lease or other instrument or memorandum of conveyance of record in the Registers Office, title or such other interest in property conveyed shall vest in and to the Association without the necessity of any further act, deed or approval of any person, including the grantor, lessor and/or Association.

ARTICLE III. PROPERTY RIGHTS

3.01 General. Each Lot shall for all purposes constitute real property which shall be owned in fee simple and which, subject to the provisions of this Declaration, may be conveyed, transferred and encumbered the same as any other real property. Each Lot in the Development shall be subject to those easements, if any, which are shown on the Plats as affecting such Lot.

3.02 Easements for Declarant. Declarant hereby reserves for itself, its successors and assigns, the following easements and rights-of-way in, on, over, under or through any portion of the Property (Residential Area and the Common Area during the Period of Developer Control:

- (a) For the erection, installation, construction and maintenance of wires, lines and conduits, and necessary or proper attachments in connection with the transmission of electricity, gas, water, telephone, community antenna, television cables and other utilities;
- (b) For the construction of improvements on the Lots or within the Common Area;
- (c) For the installation, construction and maintenance of storm water drains, and for any other public or quasi-public utility facility; and
- (d) For the maintenance and personal use of such other facilities, equipment, and signs as in the sole discretion of Declarant may be reasonably required, convenient or incidental to the completion, improvement and sale of Lots or real property within the Common Area or the development of the Common Area;
- (e) For the purpose of installing, removing, or changing drainage fields, installing as needed detention/retention ponds and for grading of the Property as need for proper drainage and for placing easements as needed in the sole discretion of the Declarant.

3.03 Easements for Association. There is hereby reserved a general right and perpetual easement for the benefit of the Association, its directors, officers, agents and employees, including but not limited to, any manager employed by the Association and any employees of such manager, to enter upon any Lot or any portion thereof (including that portion of each Lot designated for utility easements as shown on the Plats) in the performance of their respective duties and responsibilities. Said easement shall include, but not be limited to, the right to enter upon the Lots (i) to perform the maintenance responsibilities of the Association set forth in Section 5.02 hereof, and (ii) for emergency, security and safety reasons, which right may also be exercised by all policemen, firemen, ambulance personnel and similar emergency personnel in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised

only during reasonable hours and then, whenever practicable, only upon reasonable advance notice to the Owner of the Lot directly affected thereby. This easement shall specifically include the right to enter in, on, under and to cross over those Lots in the Development upon which any entryway treatment, fence or wall, lighting or irrigation facilities or equipment, or entryway landscaping is located for the purpose of inspecting, maintaining and repairing same.

3.04 Easements for Owners. Subject to the provisions herein, every member of the Association shall have a right and easement of use and enjoyment in and to the Common Area (including, without limitation, the right of pedestrian and vehicular access, ingress and egress over those portions of the Common Area from time to time designated for such purposes). Every member of the Association shall have a right of use of all utility easements, which right and easement shall be appurtenant to and shall pass with the title to every Lot. The right of any member of the Association to use the Common Area shall be subject to the right of the Association, acting through the Board, to:

- (a) Adopt and publish rules and regulations governing the use of the Common Area;
- (b) Suspend an Owner's voting rights for any period during which any assessment of the Association against said Owner's Lot remains unpaid;
- (c) Grant easements or rights-of-way on, over, across and through the Common Area to any public agency, authority or utility or to any utility company or cable television system; and
- (d) Dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the Owners. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of the Owners or by the Declarant during the Period of Developer Control, and by Longleaf, Inc. during the Buffer Period.

3.05 Title to Common Area. Declarant may from time to time convey to the Association, at no expense to the Association, real and personal property for the common use and enjoyment of the Owners. The Association hereby covenants and agrees to accept from Declarant all such conveyances of real and personal property. Notwithstanding any legal presumption to the contrary, the fee simple title to such real and personal property designated as Common Area or for public use, together with all rights therein, shall be reserved to Declarant until such time as the real and/or personal property is conveyed to the Association or to any municipality or other governmental body, agency, or authority.

3.06 Sub-division. Declarant and/or Owner(s) of lots 3, 8, 19, 33 and 41 reserve the right to sub-divide the Property into a maximum of two (2) lots with a minimum acreage of two and nine-tenths (2.9) acres.

3.07 Horses. Any changes to the CCRs affecting the horse amenities and the use thereof or any change affecting the use of horses within the neighborhood and /or the use of horses in the common areas requires a vote of two-third (2/3) of all voting members except for changes made by the Declarant during the Buffer Period. Once a two-third (2/3) vote by all voting members is obtained, the Association shall take no action that would prohibit the use of horses in the common areas or elect to remove or not maintain the horse amenities as long as there are at least ten (10) property owners that own horses.

ARTICLE IV. MEMBERSHIP

4.01 Membership of Lot Owners. Every Owner of a Lot shall be deemed a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, and ownership of a Lot shall be the sole qualification for such membership. In the event that fee title to a Lot is transferred or otherwise conveyed, the membership in the Association, which is appurtenant thereto, shall automatically pass to such transferee. The foregoing is not intended to include Mortgagees or any other persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest shall not terminate or otherwise affect an Owner's membership in the Association. Notwithstanding any of the foregoing to the contrary, no Owner, whether one or more persons, shall have more than one membership per Lot. The rights and privileges of membership, including the right to vote and to hold an office in the Association, may be exercised by a member or a member's spouse but in no event shall more than one vote be cast or more than one office held for each Lot owned. When more than one-person holds an interest in any Lot, the vote for such Lot shall be exercised as the Owners of such Lot they determine. The vote appurtenant to such Lot shall be suspended in the event more than one person seeks to exercise it. The voting weight appurtenant to each Lot is equal and each Lot shall have one vote.

ARTICLE V. MAINTENANCE

5.01 Responsibilities of Owners. Unless specifically identified herein as being the responsibility of the Association, all maintenance and repair of Lots, together with all other improvements thereon or therein, shall be the responsibility of the Owner of such Lot. Each Owner shall be responsible for maintaining his or its Lot in a neat, clean and sanitary condition, and such responsibility shall include but not be limited to the maintenance and care of all exterior surfaces of all improvements, buildings and other structures located on the Lot, and all landscaping. As provided in Section 5.02(b) hereof, each Owner shall also be obligated to pay for the costs incurred by the Association for repairing, replacing, maintaining or cleaning any item which is the responsibility of such Owner but which responsibility such Owner fails or refuses to discharge. No Owner

shall change or otherwise alter the appearance of any portion of the Front Exterior (that portion/side elevation of the primary residence and the accessory dwelling facing the community road and the two (2) adjacent sides/side elevations) and/or construct, change or otherwise alter the appearance of any structure of the Front Property (that portion of the Property and primary residence extending and inclusive from the mid-point of the primary residence towards an up to the community road) unless such change, or alteration is first approved, in writing, by the Architectural Review Board as provided in Article IX hereof, or do any work which, in the reasonable opinion of the Architectural Review Board would jeopardize the soundness and safety of the Development, reduce the value thereof or impair any easement or hereditament thereto, without in every such case obtaining the prior written approval of the Architectural Review Board. Festive decorations shall be temporary and must be removed within six (6) weeks of installation. The Owner does not need approval from the ARB for work done from the mid-point of the residence to the back of the property (hereinafter called the Rear Property) except for an accessory dwelling.

5.02 Responsibilities of Association.

(a) Except as may be herein otherwise specifically provided, the Association shall maintain, landscape and keep in good repair, as the case may be, (i) all portions of the Common Area and improvements thereon, if any, (ii) the entryway treatment, entryway signs, entryway landscaping, entrance fence and street signs for the Development, (iii) any privacy fence serving the Development, (iv) the landscaping treatment serving the Development, (v) all lighting and irrigation facilities and equipment, if any, located within the Common Area or located within any utility easement or landscape easement as shown on the Plats and serving only the Development, (vi) all utility lines, facilities and equipment located within the Common Area or located within any utility easement or landscape easement as shown on the Plats and serving the Development, if such utility lines, facilities and equipment are not maintained by a public authority, public service district, public or private utility or other person, (vii) all roads shown on the Plats and serving only the Development, which have not been previously dedicated to the public or conveyed to the Town of Hollywood, the County of Charleston or similar governmental agency. The Association shall not be liable for injury or damage to any person or property caused by the elements or by any Owner or any other person. No diminution or abatement of assessments shall be claimed or allowed by reason for any alleged failure of the Association to take some action or to perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance or with any order or directive of any municipal or other governmental authority, the obligation to pay such assessments being a separate and independent covenant on the part of each Owner.

(b) In the event that Declarant or the Board determines that: (i) any Owner has failed or refused to discharge properly his or its obligations with regard to the maintenance, cleaning repair or replacement of items for which he or it is responsible

hereunder, or (ii) that the need for maintenance, cleaning, repair or replacement which is the responsibility of the Association hereunder is caused through the willful or negligent act of an Owner, his family, tenants, guests or invitees, then in either event, Declarant or the Association, except in the event of an emergency situation, shall give such Owner written notice of Declarant's or the Association's intent to provide such necessary maintenance, cleaning, repair or replacement, at the sole cost and expense of such Owner, and setting forth with reasonable particularity the maintenance, cleaning, repairs or replacement deemed necessary. Except in the event of emergency situations, such Owner shall have ten (10) days within which to complete the same in a good and workmanlike manner, or in the event that such maintenance, cleaning, repair or replacement is not capable of completion within said ten (10) day period, to commence said maintenance, cleaning, repair or replacement and diligently proceed to complete the same in a good and workmanlike manner. In the event of emergency situations or the failure of any Owner to comply with the provisions hereof after such notice, Declarant or the Association may provide (but shall not have the obligation to so provide) any such maintenance, cleaning, repair or replacement at the sole cost and expense of such Owner, and said cost shall be added to and become a part of the assessment to which such Owner and his Lot are subject and shall be collected as provided for herein for the collection of assessments. In the event that Declarant undertakes such maintenance, cleaning, repair or replacement, the Association shall promptly reimburse Declarant for Declarant's costs and expenses.

ARTICLE VI. INSURANCE AND CASUALTY LOSSES

6.01 Insurance.

(a) The Board or its duly authorized agents shall have the authority to and may obtain and continue in effect adequate property insurance upon the Common Area, in such form as the Board deems appropriate, for the benefit of the Association and insuring all insurable improvements against loss or damage by fire or other hazards, including, without limitation, extended coverage, flood, vandalism and malicious mischief, such coverage to be in an amount sufficient to cover the full replacement cost (without depreciation but subject to such deductible levels as are deemed reasonable by the Board) of any such hazard.

(b) The Board or its duly authorized agents shall have the authority to and may obtain and continue in effect a public liability policy covering all damage or injury caused by the negligence of the Association, its members, its directors and officers, or any of its agents, and if available, at reasonable cost (in the sole discretion of the Board), a blanket fidelity bond or employee's dishonesty coverage for all officers, directors, employees and agents of the Association and all other persons handling or responsible for funds of the Association. Such public liability policy and bond shall provide such coverages as are determined to be necessary by the Board.

(c) The Board or its duly authorized agents shall have the authority to and may obtain (i) worker's compensation insurance to the extent necessary to comply with any applicable laws, and (ii) such other types and amounts of insurance as may be determined by the Board to be necessary or desirable.

(d) All such insurance coverage obtained by the Board shall be written in the name of the Association as trustee for each of the Owners and the costs of all such coverage shall be a Common Expense. Exclusive authority to adjust losses under policies obtained by the Association and hereafter in force with respect to the Development shall be vested in the Board.

6.02 Damage or Destruction to Improvements. Immediately after the damage or destruction by fire or other casualty to all or any part of the Association's property, the Board or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance, and, in any such event, the Board shall obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Article VI, means repairing or restoring the damaged property to substantially the same condition in which it existed prior to the fire or other casualty. The Association shall restore or replace such damaged improvements. If the insurance proceeds, if any, for such damage or destruction are not sufficient to defray the cost thereof, and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, the Board may levy a special assessment against all Owners, without the necessity of a vote pursuant to Section 8.04 hereof, to pay for such excess cost of repair or reconstruction. Such a special assessment shall be levied against the Owners equally in the same manner as annual assessments are levied, and additional assessments may be made at any time during or following the completion of any repair or reconstruction. Any and all sums paid to the Association under and by virtue of such assessments shall be held by and for the benefit of the Association together with the insurance proceeds, if any for such damage or destruction. Such insurance proceeds and assessments shall be disbursed by the Association in payment for such repair or reconstruction pursuant to and in accordance with such method of distribution as is established by the Board. Any proceeds remaining after defraying such costs shall be retained by and for the benefit of the Association.

6.03 Mortgagee Rights. The rights of the Board and of the Association to adjust losses under any property insurance policies insuring improvements constructed on any of the Common Area and to apply proceeds therefrom for the restoration and repair of such improvements shall be subject to the rights of any first priority mortgagee of the Common Area to adjust losses, receive insurance proceeds, and, at such mortgagee's option, to apply such proceeds to the secured indebtedness owing to such mortgagee or to the restoration and repair of improvements under such conditions and safeguards as such mortgagee may deem appropriate.

ARTICLE VII. ADMINISTRATION

7.01 Control of Association. Except to the extent otherwise required by the provisions of the Official Code of South Carolina relating to nonprofit corporations, this Declaration, the By-Laws or the Articles of Incorporation, the powers herein or otherwise granted to the Association may be exercised by the Board, acting through the officers of the Association, without any further consent or action on the part of the Owners.

7.02 Period of Developer Control. Notwithstanding any other provision of this Declaration, Declarant shall have the right to appoint and remove all members of the Board, all members of the Architectural Review Board and any officer or officers of the Association during the Period of Developer Control. The Period of Developer Control shall expire upon the last of the following events to occur: (i) the date as of which the last Lot in the Development shall have been conveyed to a Person other than Declarant or a Builder and (ii) the surrender by Declarant of the authority to appoint and remove directors and officers of the Association by an express amendment to this Declaration executed and recorded by Declarant. Each Owner, by acceptance of a deed to or other conveyance of a Lot, vests in Declarant such authority to appoint and remove directors and officers of the Association as provided by this Section 7.02.

7.03 Buffer Period. Notwithstanding any other provision of this Declaration, during the Buffer Period, this Declaration and the By-laws of the Association may not be amended without the written consent of Longleaf, Inc. or its designated successor which may be withheld in the sole discretion of Longleaf, Inc. or its designated successor.

7.04 Duties and Powers. The duties and powers of the Association shall be those set forth in the provisions of the Official Code of South Carolina relating to nonprofit corporations, this Declaration, the By-Laws and the Articles of Incorporation, together with those reasonably implied to effect the purposes of the Association; provided, however, that if there are conflicts or inconsistencies between the Official Code of South Carolina, this Declaration, the Articles of Incorporation and the By-Laws, such conflict or inconsistency shall be resolved in that order. Each Owner of a Lot, by acceptance of a deed or other conveyance therefore, covenants to vote in favor of such amendments as will remove such conflicts or inconsistencies. The Association may exercise any other right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

7.05 Rules and Regulations. The Association, through its Board, may make and enforce reasonable rules and regulations governing the use of the Lots and the Common Area, which rules and regulations shall be consistent with the rights and duties established by this Declaration.

7.06 Rules for Use of Amenities. The Association, through its Board, will from time to time provide rules for use of the amenities by Owners and visitors.

7.07 Rules for Use and Protection of Horses. The Association, through its Board, will from time to time establish rules and regulations for the use and protection of horses within the community.

ARTICLE VIII. ASSESSMENTS

8.01 Purposes of Assessments. The assessments for the Common Expenses provided for herein shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit and enjoyment of the Owners and occupants of the Development, including but not limited to management fees, administration expenses, utility charges, insurance premiums, maintenance, landscaping and repair costs, and establishment of reserve funds, all as may be more specifically authorized from time to time by the Board.

8.02 Creation of Lien and Personal Obligation of Assessments. Each Owner of a Lot, other than Declarant or a Builder, by acceptance of a deed or other conveyance therefore, whether or not it shall be so expressed in such deed or conveyance, is deemed to covenant and agree to pay to the Association: (a) annual assessments, such assessments to be established and collected as provided in Section 8.03 hereof, and (b) special assessments, such assessments to be established and collected as provided in Section 8.05 hereof, and (c) individual or specific assessments against any particular Lot which are established pursuant to the terms of this Declaration, including, but not limited to, fines as may be imposed against such Lot in accordance with Article XI hereof. Any such assessments, together with late charges, simple interest at the rate of twelve percent (12%) per annum, and court costs and attorney's fees incurred to enforce or collect such assessments, shall be an equitable charge and a continuing lien upon the Lot against which each assessment is made. Each such assessment, together with late charges, interest, court costs and attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. Assessments shall be paid in such manner and on such dates as may be fixed by the Board.

8.03 Computation of Annual Assessments. It shall be the duty of the Board at least thirty (30) days prior to the beginning of the Association's fiscal year end to prepare a budget covering the estimated Common Expenses for the coming year, such budget to include a capital contribution or reserve account if necessary for the capital needs of the Association. The Board shall cause the budget and the proposed total of the annual assessments to be levied against Lots for the following year to be delivered to each Owner at least fifteen (15) days prior to the Association's annual meeting. The total annual assessments shall be divided among the Lots equally, so that each Lot shall be subject to equal annual assessments. The budget and the annual assessments shall become effective unless disapproved at the Association's annual meeting by either (i) Declarant during the Period of Developer Control, or (ii) a two-thirds (2/3rd) majority of the votes of all Owners of the Lots in the Development. In the event that proposed budget is disapproved or the Board fails for any reason to determine the budget for the succeeding year, then and until such time as a budget shall have been determined as

provided herein, the budget and annual assessments in effect for the then current year shall continue for the succeeding year. If any budget at any time proves inadequate for any reason, then the Board may call a meeting of the Association for the approval of a special assessment as provided in Section 8.05 hereof.

8.04 Identification of Common Expenses. The Common Expenses to be funded by the annual assessment may include, but shall not necessarily be limited to, the following:

- (a) Management fees and expenses of administration, including legal and accounting fees,
- (b) Utility charges for utilities serving the Common Area and charges for other common services to the Development, including trash collection and security services or charges that are provided for or paid by the Association,
- (c) The costs of policies of insurance purchased for the benefit of all of the Owners and the Association as required or permitted by this Declaration, including fire, flood, and other hazard coverage, public liability coverage, and such other insurance as the Board of Directors determines to be in the interests of the Association and the Owners,
- (d) The expenses of maintenance, operation, and repair of those portions of the Common Areas which are the responsibility of the Association under the provisions of this Declaration,
- (e) The maintenance and repair of utility lines which service the Lots and/or Common Area,
- (f) The maintenance and repair of any Recreational Amenities,
- (g) *Ad Valorem* real and personal property taxes levied against the Common Areas,
- (h) Such other expenses as may be determined from time to time by the Board of Directors of the Association to be Common Expenses, including, without limitation, taxes and governmental charges not separately assessed against the Lots or Common Areas, and.
- (i) The establishment and maintenance of a reasonable reserve fund or funds which shall be held in an account (i) for maintenance, repair, and replacement of those portions of Common Areas which are the responsibility of the Association and which must be maintained, repaired, or replaced on a periodic basis, (ii) to cover emergencies

and repairs required as a result of casualties which are not funded by insurance proceeds and (iii) to cover unforeseen operating contingencies or deficiencies arising from unpaid Assessments or liens, as well as from emergency expenditures and other matters, all as may be authorized from time to time by the Association's Board.

8.05 Special Assessments. In addition to the annual assessments authorized above, the Association, acting through the Board, may levy, in any assessment year, special assessments for Common Expenses or capital improvements, applicable to that year only, provided that any such assessments shall be approved by (i) Declarant during the Period of Developer Control, and (ii) majority of the votes of the Owners who are voting in person or by proxy at a meeting duly called for this purpose in accordance with the provisions of Section 8.07 hereof. The Board may make such special assessments payable in installments over a period which may, in the Board's discretion, extend in excess of the fiscal year in which adopted. Such special assessments are to be prorated among the Lots equally as provided with respect to annual assessments.

8.06 Individual Assessments. Any expenses of the Association occasioned by the conduct of less than all of the Owners shall be specifically assessed against such Owners and their respective Lots. The individual assessments provided for in this Section shall be levied by the Board and the amount and due date of such assessments shall be specified by the Board.

8.07 Notice of Meeting and Quorum. Written notice of the annual meeting of the Association, as well as any other meeting called for the purpose of taking any action authorized under the Declaration or the By-Laws shall be sent to all members not less than fifteen (15) days nor more than forty-five (45) days in presence of members or proxies entitled to cast over fifty percent (50%) of all the votes of the association shall constitute a quorum.

8.08 Liens. All sums assessed against any Lot pursuant to this Declaration, together with court costs, reasonable attorneys' fees, late charges, and interest as provided herein, shall be secured by a lien on such Lot in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Lot except for (i) liens of ad valorem taxes, and (ii) liens for all sums unpaid on a first priority Mortgage or on any Mortgage to Declarant, or its affiliates, successors or assigns, and all amounts advanced pursuant to any such Mortgage and secured thereby in accordance with the terms of such instrument. Sale or transfer of a Lot shall not affect the assessment lien. Any Mortgagee who acquires title to a Lot by foreclosure shall be liable for assessments thereafter becoming due. All other persons acquiring liens or encumbrances on any Lot after this Declaration shall have been recorded shall be deemed to consent that such liens or encumbrances shall be inferior to such future liens for assessments as provided herein, whether or not such prior consent shall be specifically set forth in the instruments creating such liens or encumbrances.

8.09 Effect of Nonpayment: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. Any assessment delinquent for a period of more than ten (10) days after the date when due shall incur a late charge in an amount as may be determined by the Board from time to time and shall also commence to accrue simple interest at the rate of twelve percent (12%) per annum. A lien and equitable charge as herein provided for each assessment shall attach simultaneously as the same shall become due and payable, and if an assessment has not been paid within thirty (30) days, the entire unpaid balance of the assessment may be accelerated at the option of the Board and be declared due and payable in full. The continuing lien and equitable charge of such assessment shall include the late charge established by the Board, interest on the principal amount due at the rate of twelve percent (12%) per annum, all costs of collection (including reasonable attorneys' fees and court costs), and any other amount provided or permitted hereunder by law. In the event that the assessment remains unpaid after sixty (60) days from the original due date, the Association may, as the Board shall determine, institute suit to collect such amounts and to foreclose its lien. The equitable charge and lien provided for in the Article shall be in favor of the Association, and each Owner, by his acceptance of a deed or other conveyance to a Lot, vests in the Association and its agents the right and power to bring all actions against him personally for the collection of such assessments as a debt and/or to foreclose the aforesaid lien in the same manner as other liens for the improvement of real property. The Association shall have the power to bid on the Lot at any foreclosure sale and to acquire, hold, lease, mortgage and convey the same. No Owner may waive or otherwise escape liability for the assessments provided for herein, including by way of illustration but not limitation, abandonment of his Lot or by renunciation of membership in the Association.

8.10 Transfer Fee See Paragraph 1.32 herein above.

8.11 Certificate. The Treasurer, or the manager of the Association shall, within ten (10) days of a written request and upon payment of such fee as is from time to time determined by the Board, furnish to any Owner, purchaser from such Owner, or such Owner's Mortgagee which requests the same, a certificate in writing signed by said Treasurer or manager setting forth whether the assessments for which such Owner is responsible have been paid, and, if not paid, the outstanding amount due and owing, together with all fines, accrued interest and other penalty charges. Such certificate shall be conclusive evidence against all but such Owner of payment of any assessments stated therein to have been paid.

ARTICLE IX. ARCHITECTURAL STANDARDS

9.01 Approval of Plans and Specifications. No construction, which term shall include within its definition staking, clearing, excavation, grading, and other site work and no exterior alteration or modification of existing improvements shall take place within the Residential Area except in strict compliance with this Article, until the requirements of this Article have been fully met, and until the approval of the Architectural Review Board has been obtained pursuant to Section 9.03 below. The ARB may establish reasonable fees to be charged by the committee for review of applications

hereunder and may require such fees to be paid in full prior to review of any application. This Article shall not apply to the activities of the Declarant.

9.02 Enforcement. The Board of Directors shall have the authority and standing, on behalf of the Association, to enforce in courts of competent jurisdiction decisions of the Architectural Review Board. This Article may not be amended without the Declarant's written consent during the Period of Developer Control and the written consent of Longleaf, Inc. during the Buffer Period. During the Buffer Period, Longleaf, Inc. or its designated successor may also enforce the provisions of this Article IX in which event Longleaf, Inc. shall be reimbursed for all attorneys' fees and costs by the Association.

9.03 Architectural Review Board. The ARB shall consist of up to seven (7), but not less than five (5), persons. The Board of the Association shall appoint the members of the ARB. Members of the ARB may include, but are not required to include, architects, professionals, or other persons who are not members of the Association. The ARB shall have exclusive jurisdiction over all original construction including all construction on the Front Property and excluding all construction on the Rear Property with exception of the accessory dwelling. For modification, alterations, additions, of any kind and fencing made on or to existing Lots, the ARB jurisdiction is limited the Front Property and Front Exterior to include accessory dwelling.

9.04 Promulgation of Rules by ARB. The ARB shall promulgate the design and development guidelines consisting of the Community-Wide Standards and the Architectural Standards included in the Guidelines for the Property and application and review. The Guidelines will not be applicable to the Rear Property except to the accessory dwelling once the Primary dwelling has been constructed. The Guidelines shall permit the use of prefabricated trusses and walls and shall permit the use of modular construction on a case by case basis. The Guidelines may provide for different requirements and guidelines for different types of Lots within the Properties and may permit exceptions to be made by ARB for architectural merit. The ARB shall make copies of the Guidelines available to Owners of Lots. The Guidelines may be amended by the ARB; however, (i) during the Period of Developer Control, any amendment shall require the approval of the Declarant or its designated successor which may be withheld in its sole discretion; and (ii) during the Buffer Period, any amendment shall require the approval of Longleaf, Inc. or its designated successor which may be withheld in its sole discretion. The ARB shall make the Guidelines available to Owners and Builders who seek to engage in development of or construction upon any portion of the Residential Area and such Owners and Builders shall conduct their operations strictly in accordance with the Guidelines. The ARB shall approve or disapprove plans submitted to it, or shall request additional information reasonably required by the review procedures within thirty (30) days after submission of the plans to the ARB. Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of a structure on a Lot, or to paint the interior of a structure any color desired; provided, modifications of alterations to the interior of screened porches, patios and similar portions of a structure visible from outside the structure shall require the prior written approval by the ARB.

9.05 Right to Inspect. Any member of the Board of Directors, the ARB or its representatives shall have the right, during reasonable hours and after reasonable notice, to enter upon any property to inspect for the purpose of ascertaining whether the Owner is in compliance with this Declaration and the Guidelines. Such Person or Persons shall not be deemed guilty of trespass by reasons of such entry. In addition to any other remedies available to the Association, in the event of noncompliance with this Section, the Board may record in the Register's Office a notice of violation naming the violating Owner.

9.06 No Waiver of Future Approval. The approval of the ARB of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the ARB, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawing, or matters whatever subsequently or additionally submitted for approval or consent.

9.07 Variance. The ARB may authorize variances from compliance with any of its guidelines and procedures due to circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations. Such variance shall be granted only in accordance with duly adopted rules and regulations which may not be altered without the written consent of Longleaf, Inc. during the Buffer Period. Such variance may only be granted, however, when unique circumstances dictate and no variances shall (a) be effective unless in writing, (b) be contrary to the restrictions set forth in the body of this Declaration, or (c) preclude the ARB from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

9.08 Compliance with Guidelines. Any contractor, subcontractor, agent, employee or other invitee of an Owner who fails to comply with the terms and provisions of the Guidelines or the review of procedure promulgated by the ARB may be excluded by the Board from the Property without liability to any Person.

9.09 No Liability. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and the ARB shall not bear any responsibility of ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. None of the Declarant, the Association, the Board of Directors, the ARB, Longleaf, Inc. nor any member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Lot.

ARTICLE X. CONSTRUCTION RESTRICTIONS

10.01 Siting of Improvements: Setbacks. Since the establishment of standard, inflexible building setback lines for the location of structures tends to force construction of such buildings both directly behind and directly to the side of each other with detrimental effects on privacy, views, preservation of important trees, etc., no specific setback lines are established by this Declaration, except as stated below or otherwise provided in the City of Hollywood ordinances and/or the recorded plat. Anything contained herein to the contrary notwithstanding, in the event any of the foregoing setback lines lies within an easement area shown and noted on the plat, construction setback shall be measured by reference to the greater of the foregoing distances or to the most interior line of such easement encumbering the Lot. Building setbacks for all primary residences shall be a minimum of fifty (50') feet from any adjoining Residential Lot(s) except for lots 22 through 31 and lots 3, 8, 19, 33 and 41 where the minimum setback shall be a minimum of thirty (30') feet.

10.02 Buffered Setbacks, Maintenance in Natural Condition. Except for the Front Property buffers between Residential and Common Areas shall be maintained in a natural condition, and where required, shall be supplemented to create and promote buffers within ten (10') feet of adjoining Residential Lots and common areas. Clearing of underbrush and volunteer trees with the buffer area is permitted. Fencing setbacks may be reduced to five (5') feet of adjoining Residential Lots except for areas designated Association trails.

10.03 Construction of Improvements. All dwellings shall be constructed in compliance with all applicable codes in the International Code Series. No single family residential dwellings constructed on adjoining Lots shall use the same architectural style. Construction on the following lots must begin prior to four (4) years from such time that the Declarant sends notice in writing that all development work has been completed:
Lots – 1, 2, 4, 5, 6, 7, 9, 10, 11, 12, 13, 15, 16, 18, 22, 23, 25, 26, 27, 29, 30, 32, 34, 35, 36, 38, 39, 42, 43, 45, 46 and 48.

Construction of all dwellings on a Lot shall be completed within eighteen (18) months of the commencement date of said construction. If any dwelling on a Lot is not completed within eighteen (18) months of the commencement date of said construction, the Association, its employees and agents, and during the Buffer Period, Longleaf, Inc. or its designated successor shall have the right, but not the obligation, to enter upon said Lot and to take such action as is necessary to complete construction of such dwelling, and the liability for such costs shall constitute an equitable charge and continuing lien upon the Lot enforceable by the Association in the same manner as other liens for the improvement of real property or by any other appropriate proceeding in law or in equity. The Association shall give notice and the provisions thereof shall be applicable with respect to the foregoing.

10.04 Sales and Construction Activities. Notwithstanding any provisions or restrictions contained in this Declaration to the contrary, it shall be expressly permissible for the Declarant, any Builder and their respective agents, employees, successors and assigns to maintain and carry on within the Property such facilities and activities as may be reasonably required, convenient or incidental to the completion, improvement and sale of Lots or the developing installation and operation of sales and construction trailers and offices, signs and model residences. The right to maintain and carry on such facilities and activities shall include specifically the right to use residences as model residences, and to use any residence as an office for the sale of Lots and for related activities.

10.05 Temporary Structures. No structures of a temporary character shall be placed upon any property subject to this Declaration at any time, provided, however, that this prohibition shall not apply to temporary structures used by the contractor during construction of permanent structures, 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 subject property after completion of construction.

10.06 Number of Buildings on Lots. No Structures shall be constructed on a Lot other than one (1) detached single-family, residential dwelling and such other accessory buildings as shall be permitted by zoning. Accessory buildings may include a detached private garage, equipment shed, guest's quarters or pool house, provided the use of such dwelling does not overcrowd the Lot in the sole discretion of the ARB and provided further that such building is not used for any activity normally conducted by a business. A guest suite or like facility may be included as part of the main dwelling or accessory building, but said suite may not be rented or leased.

10.07 Construction Materials for Single-Family Residential Dwellings. Subject to any revisions which may be made by the ARB in the Guidelines, no single-family residential dwelling shall use exterior vinyl siding except for use as exterior soffet, doors and windows and/or approved ARB use in limited siding applications in the form of "shake-siding". All roofing materials will be architectural shingles or metal.

ARTICLE XI. USE RESTRICTIONS WITHIN THE RESIDENTIAL AREA AND THE MULTI-FAMILY AREA

11.01 Use of Lots and Dwellings. Each Lot shall be used for residential purposes only and no trade or business of any kind may be carried on therein except for the breeding, selling and training of horses. The use of a portion of a residence as an office, studio or workshop by an Owner shall not be considered to be a violation of this covenant if such use does not create regular customer, client, or employee traffic. The use of a residence or a portion thereof for business meetings, entertainment or the enjoyment or business of the Owner's employees, trustees, agents, clients or customers shall not be considered to be a violation of this covenant if such does not create regular customer, client or employee traffic or otherwise create a nuisance.

11.02 Antennas. Except with the written permission of the ARB, no television antenna, radio receiver, satellite dish or other similar device shall be attached to or installed on any portion of the Residential Area, unless contained entirely within the interior of a building, other structure or screened in such manner as to not be visible from the community road. Radio or television signals, nor any other form of electromagnetic radiation, shall be permitted to originate from any Lot which may unreasonably interfere with the reception of television or radio signals within the Development; provided, however, that Declarant and the Association shall not be prohibited from installing equipment necessary for master antenna, security, cable television, mobile radio or other similar systems within the Development.

11.03 Water Wells. Private water wells may be drilled or maintained on any Lot without the prior written approval of the Architectural Review Board.

11.04 Pets and Animals. With the exception of horses, poultry and ducks, no animals, livestock, birds or of any kind shall be raised, bred or kept by any Owner upon any portion of the Property, provided that generally recognized house pets may be kept in residences, subject to rules and regulations adopted by the Association, through its Board, and further provided that such pet or pets are kept or maintained solely as domestic pets and not for any commercial purpose. The maximum number of horses being raised, bred or kept by any Owner upon any portion of the Property shall be determined by rounding the total acreage of the Property down to the nearest whole number and subtracting one (1). Example: On a lot of 5.2 acres [5.2 rounds to 5.0 then subtract 1, equals 4 horses maximum]. The combined maximum number of poultry/ducks being raised, bred or kept by any Owner upon any portion of the Property shall be determined by rounding the total acreage of the Property down to the nearest whole number and multiply by 3. Example: On a lot of 5.2 acres [5.2 rounds to 5.0 then multiply by 3, equals 15 poultry maximum]. No more than one (1) rooster per Owner per Property. No pet shall be allowed to make an unreasonable amount of noise or to become a nuisance. The Board may, in its absolute discretion, give permission to an Owner to keep other types of animals on his Lot provided such animal(s) and the building(s) keeping such animal(s) are screened from the view of the adjacent Lot Owners and provided further, such activity can be conducted in such a fashion as to minimize any noxious or offensive odors that may emanate from such Lot. The Board has the right to withdraw such permission in their sole discretion. Pets shall be under leash or voice control at all times when walked or exercised outside of all fenced areas on a Lot.

11.05 Nuisances. No rubbish or debris of any kind shall be dumped, placed or permitted to accumulate upon any portion of the Residential Area or the Common Area, nor shall any nuisance or odors be permitted to exist or operate upon or arise from the Residential Area or the Common Area, so as to render any portion thereof unsanitary, unsightly, offensive or detrimental to persons using or occupying any other portions of the Residential Area or the Common Area. Noxious or offensive activities shall not be carried on in any Lot and each Owner, his/her family, tenants, guests, invitees, servants and agents shall refrain from any act of use of a Lot which could cause disorderly, unsightly or unkempt conditions, or which could cause embarrassment, discomfort,

annoyance or nuisance to the occupants of other portions of the Development or which would be in violation of any law or governmental code or regulation. Noxious odors arising from excessive manure shall not be permitted and shall be the responsibility of the lot owner to dispose off-site in a location other than the community. Without limiting the generality of the foregoing provisions, no exterior speakers, horns, whistles, bells or other sound devices, except security and fire alarm devices used exclusively for such purposes, shall be located, used or placed within the Residential Area or the Common Area.

11.06 Motor Vehicles, Trailers, Boats, Etc. The Board of the Association shall have the authority to promulgate rules and regulations to govern or prohibit the outside storage or parking in front of the primary residential structure and/or parking visible from the community roads upon any Lot of any motor home, tractor, trailer, truck (other than pick-up trucks and sport utility vehicles), commercial vehicles of any type, camper, motorized camper or trailer, boat or other watercraft, boat trailer, horse trailer, motorcycle, motorized bicycle, motorized go-cart or any other related forms or transportation devices. Furthermore, the Board may at any time prohibit dirt motorcycles, motorized bicycles, motorized go-carts and other similar vehicles, or any of them, from being kept, placed, stored, maintained or operated upon any portion of the Property if in the opinion of the Board such prohibition shall be in the best interests of the Development. No Owners or other occupants may conduct repairs to vehicles of any kind upon or within any Lot except (i) within enclosed garages or workshops or (ii) for emergency repairs, and then only to the extent necessary to enable the movement thereof to a proper repair facility.

11.07 Fences. No fence or wall of any kind located within the Front Property shall be erected, maintained or altered on any Lot by any Owner, other than Declarant, without the prior written approval of the Architectural Review Board.

11.08 Signs. (a) No signs whatsoever (including but not limited to commercial and similar signs) shall, without the Board's prior written approval of plans and specifications thereof, be installed, altered or maintained on any Lot, or any portion of a Structure or motor vehicle visible from the exterior thereof, except:

- (1) Such signs as may be required by legal proceedings;
- (2) Not more than one "For Sale" or "For Rent" sign for a Lot; provided, however, that in no event shall any such sign be larger than six square feet in area;
- (3) Directional signs for vehicular or pedestrian safety in accordance with plans and specifications approved by the Architectural Review Board;
- (4) Such signs as are used to identify and advertise the Development; and

(5) A sign indicating the builder of the residence on the Lot.

(b) Following the consummation of the sale or lease of any Lot, the “For Sale” or “For Rent” sign and the builder sign shall be removed immediately.

11.09 Garage Sales. All garage sales shall be conducted in accordance with applicable law and such rules and regulations as the Board may establish from time to time concerning same.

11.10 Clotheslines, Garbage Cans, Tanks, Etc. All clotheslines, garbage cans, above-ground storage tanks, mechanical equipment including, without limitation, electrical meters, gas meters and air conditioning compressors, and other similar items on Lots shall be located or screened so as to be concealed from view of adjacent roads.

11.11 Zoning and Private Restrictions. None of the covenants, restrictions or easements created or imposed by this Declaration shall be construed as permitting any action prohibited by applicable zoning laws, or by the laws, rules or regulations of any governmental body. In the event of any conflict between such laws, rules or regulations and the covenants, restrictions and easements created or imposed by this Declaration, the more restrictive provision shall govern and control.

11.12 Development of Lots. Except for Lots 3, 8,19, 33 and 41 (see section 3.06) no Lot shall be subdivided or its boundaries lines changed except with the prior written approval of the Board of Directors of the Association and Declarant approval until the end of the buffer period. Declarant, however, hereby expressly reserves the right to replat any Lot or Lots owned by Declarant. Any such division, boundary line change, or replatting shall not be in violation of the applicable Development and zoning regulations. In the event the Owner of more than one Lot shall, with the consent of the Board of Directors, abandon one or more boundary lines so as to reduce the number of Lots owned by such Owner, such Owner shall nevertheless be responsible for assessments as if there had not been a resubdivision of boundary lines.

11.13 Tree Removal. Anything contained herein to the contrary notwithstanding, an Owner shall be subject to the ordinances, rules, regulations, and conditions of any political subdivision of the State of South Carolina with jurisdiction of the cutting and removal of trees.

ARTICLE XII. ENFORCEMENT

12.01 Enforcement. Each Owner shall comply strictly with the By-Laws and the published rules and regulations of the Association adopted pursuant to this Declaration, as either of the same may be lawfully amended from time to time, and with the covenants, conditions and restrictions set forth in this Declaration and in the deed or other instrument of conveyance to his Lot, if any. Failure to comply with any of the same shall be grounds for imposing fines, for suspending voting rights or for instituting an action to

recover sums due, for damages and/or for injunctive relief, such actions to be maintainable by Declarant (during the Period of Developer Control), Longleaf, Inc. (during the Buffer Period), the Board on behalf of the Association, or, in a proper case, by an aggrieved Owner. Should Declarant, Longleaf, Inc. or the Association employ legal counsel to enforce any of the foregoing, all costs incurred in such enforcement, including court costs and reasonable attorneys' fees, shall be paid by the violating Owner. Inasmuch as the enforcement of the provisions of this Declaration, the By-Laws and the rules and regulations of the Association 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 Declarant, Longleaf, Inc., the Association or any aggrieved Owner, 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 Declarant, Longleaf, Inc., the Association or any aggrieved Owner 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 Declarant, Longleaf, Inc. 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 this Declaration, the By-Laws or any rules and regulations of the Association, however long continued.

12.02 Self-Help. In addition to any other remedies provided for herein, the Declarant, Longleaf, Inc. and the Association or its duly authorized agents shall have the power to enter upon a Lot to abate or remove, using such force as may be reasonably necessary, any erection, thing or condition which violates this Declaration, the By-Laws, the rules and regulations, the use restrictions or the Guidelines. Unless an emergency situation exists, the Board shall give the violating Owner ten (10) days written notice of its intent to exercise self-help. All costs of self-help, including reasonable attorney's fees, shall be assessed against the violating Owner and shall be collected as provided for herein for the collection of assessments.

ARTICLE XIII. GENERAL PROVISIONS

13.01 Control by Declarant. NOTWITHSTANDING ANY OTHER LANGUAGE OR PROVISION TO THE CONTRARY IN THIS DECLARATION, IN THE ARTICLES OF INCORPORATION OR IN THE BY-LAWS OF THE ASSOCIATION, Declarant shall have the right to appoint and to remove all members of the Board of the Association as provided by and for the term set forth in Section 7.01 hereof during the Period of Developer Control. Every grantee of any interest in the Property, by acceptance of a deed or other conveyance of such interest, agrees that Declarant shall have the authority to appoint and to remove directors and officers of the Association in accordance with the foregoing provisions of this Section 13.01 and the

provisions of Section 7.01. Upon the expiration of Period of Developer Control, such right shall pass to the Owners including Declarant if Declarant then owns one or more Lots, and a special meeting of the Association shall be called within reasonable time thereafter. At such special meeting the Owners shall elect a new Board which shall undertake the responsibilities of the Board, and Declarant shall deliver all books, accounts and records, if any, which Declarant has kept on behalf of the Association and any agreements or contracts executed by or on behalf of the Association during such period and which Declarant has in its possession. In no event may either the Declarant or the Association reduce the size of the Common Area, though the size of the Common Area may be increased at any time.

13.02 Amendments by Declarant. During the Period of Developer Control, Declarant may unilaterally amend this Declaration by an instrument in writing filed and recorded in the records of the Register's Office without the approval of any Owner or mortgagee; provided however, that (i) in the event that such amendment materially alters or changes any Owner's right to the use and enjoyment of his Lot as set forth in this Declaration or adversely affects the title to any Lot, such amendment shall be valid only upon the written consent thereto by a majority in number of the then existing Owner affected thereby, or (ii) in the event that such amendment would materially and adversely affect the security title and interest of any Mortgagee, such amendment shall be valid only upon the written consent thereto of all such Mortgagees so affected. If requested to do by Declarant, each Owner will consent to the amendment of this Declaration or any other instruments relating to the Property (A) if such amendment is necessary to bring any provisions of any applicable governmental statute, rule or regulation or any judicial determination which shall be in conflict therewith, (B) if such amendment is necessary to enable any reputable title insurance company to issue title insurance coverage with respect to any Lots subject to this Declaration, (C) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such improvements subject to this Declaration, or (D) if any such amendment is necessary to enable any governmental agency or reputable private insurance company to insure Mortgages on the Lots or other improvements subject to this Declaration. In no event may either the Declarant or the Association reduce the size of the Common Area, though the size of the Common Area may be increased at any time.

13.03 Amendments by Association. Amendments to this Declaration, other than those authorized by Section 13.02 hereof, shall be proposed and adopted in the following manner:

- (a) Notice of the subject matter of the proposed amendment shall be included in the notice of the meeting of the Association at which such proposed amendment is to be considered and shall be delivered to each member of the Association.

- (b) At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board or by members of the Association. Such amendment must be approved by Owners holding at least two-thirds of the total votes in the Association; provided, however, (i) that any amendment which materially and adversely affects the security title and interest of any Mortgagee must be approved by such Mortgagee; (ii) during the Period of Developer Control, such amendment must be approved by Declarant; and (iii) during the Buffer Period, such amendment must be approved by Longleaf, Inc.
- (c) The agreement of the required percentage of the Owners and, where required, Declarant, Longleaf, Inc. and any Mortgagee, to any amendment of this Declaration shall be evidenced by their execution of such amendment or in the alternative, the sworn statement of the President of the Association attached to or incorporated in the amendment executed by the Association, which sworn statement shall state unequivocally that the agreement of the required parties was lawfully obtained. Any such amendment of this Declaration shall become effective only when recorded or at such later date as may be specified in the amendment itself.

In no event may either the Declarant or the Association reduce the size of the Common Area, though the size of the Common Area may be increased at any time.

13.04 Duration. The provisions of this Declaration shall run with and bind title to the Property, shall be binding upon and inure to the benefit of all Owners and Mortgagees and their respective heirs, executors, legal representatives, successors and assigns, and shall be and remain in effect for a period of twenty (20) years from and after the date of the recording of this Declaration, provided that rights and easements which are stated herein to have a longer duration shall have such longer duration. This Declaration may be renewed for an unlimited number of successive ten (10) year periods.

13.05 Perpetuities. If any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of the current members of the Declarant.

13.06 Interpretation. In all cases, the provisions set forth or provided for in this Declaration shall be construed together and given that interpretation or construction which will best effect the intent of the general plan of development. The effective date of this Declaration shall be the date of its filing for the record in records of the Register's Office. The captions of each Article and Section hereof as to the contents of each Article and Section hereof are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular Article or

Section to which they refer. This Declaration shall be construed under and in accordance with the laws of the State of South Carolina.

13.07 Gender and Grammar. The singular wherever used herein shall be construed to mean the plural when applicable, and the necessary grammatical changes required to make the provisions hereof apply either to corporations or other entities or to individuals, men or women, shall in all cases be assumed as though in each case fully expressed.

13.08 Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provisions of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.

13.09 Rights of Third Parties. This Declaration shall be recorded for the benefit of Longleaf, Inc., the Declarant, the Owners and their Mortgagees as herein provided, and by such recording, no adjoining property owner or third party shall have any right, title or interest whatsoever in the Property or in the operation or continuation thereof or in the enforcement of any of the provisions hereof, and subject to the rights of Longleaf, Inc., the Declarant and Mortgagees as herein provided, the Owners shall have the right to amend this Declaration without the consent, permission or approval of any adjoining owner of third party.

13.10 No Trespass. Whenever the Association, Longleaf, Inc., the Declarant, the Architectural Review Board, and their respective successors, assigns, agents or employees are permitted by this Declaration to enter upon or correct, repair, clean, maintain, preserve or do any other action within any portion of the Property, the entering thereon and the taking of such action shall not be deemed to be a trespass.

13.11 Notices. Notices required hereunder shall be in writing and shall be delivered by hand or sent by United States Mail, postage prepaid. All notices to owners shall be delivered or sent to such address as have been designated in writing to the Association, or if on address has been so designated, at the address of such Owners' respective Lots. Notices sent by United States Mail shall be deemed effective on the third day after mailing. Notices delivered in person shall be effective on the date of delivery. All notices to the Association shall be delivered or sent to such address as the Association may from time to time notify the Owners. All notices to Declarant shall be delivered or hand sent to the Declarant at the above address or to such address as Declarant may from time to time provide to the Association. All notices to Longleaf, Inc. shall be delivered or sent in care of C. Andrew Golden, 206 King Street, Charleston, South Carolina 29401 or such address as Longleaf, Inc. may from time to time provide to the Association. Notices to Mortgagees shall be delivered or sent to such addresses as such Mortgagees specify in writing to the Association.

13.12 No Liability. Declarant has, using best efforts and all due diligence, prepared and recorded this Declaration so that each and every Owner shall have the right and power to enforce the terms and provisions of this Declaration against every other Owner. However, in the event that this Declaration is, for any reason whatsoever, held to be unenforceable in a court of law or otherwise, Declarant shall have no liability of any kind as a result of such unenforceability, and each and every Owner, by acceptance of a deed conveying a Lot, acknowledges that Declarant shall have no such liability.

13.13 Agreements. All agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board shall be binding upon all Owners, their heirs, legal representatives, successors, assigns, and others having an interest in the Property or the privilege of possession and enjoyment of any part of the Property, except that no such agreements shall be binding as to Declarant without the written consent of the Declarant.

13.14 Variances. Notwithstanding anything to the contrary contained herein, the Board and Declarant during the Period of Developer Control (but both with the consent of Longleaf, Inc. during the Buffer Period), shall be authorized to grant individual variances from any of the provisions of this Declaration or the By-Laws, except the provision of Article VII of the Declaration regarding assessments, if the Board determines that waiver of application or enforcement of the provision in a particular case would not be inconsistent with the overall scheme of development for the Property.

13.15 Security. NOTWITHSTANDING ANY PRIVACY WALL AND/OR FENCE SERVING THE DEVELOPMENT, DECLARANT AND LONGLEAF, INC. MAKE NO REPRESENTATIONS OR WARRANTIES WITH REGARD TO THE EFFICACY OF SUCH STRUCTURES FROM A SAFETY OR SECURITY STANDPOINT. EACH OWNER, OCCUPANT, GUEST OR INVITEE, AS APPLICABLE, ACKNOWLEDGES AND UNDERSTANDS THAT NEITHER THE DECLARANT NOR LONGLEAF, INC IS AN INSURER AND THAT EACH OWNER, OCCUPANT, GUEST AND INVITEE ASSUMES ALL RISKS OF PERSONAL INJURY AND PROPERTY DAMAGE.

13.16 Special Additional Rights of Longleaf, Inc. For a period of twenty-five (25) year period following the recording of these covenants, the following additional restrictions shall apply to the Property which may not be amended without the written consent of Longleaf, Inc:

- (a) The density for the Residential Area known as The Farms at Longleaf shall not exceed fifty-eight (58) residential units for the entire two hundred eighty-three acre (283 ac) parcel. The Declarant reserves the right to add additional acreage and lots to the development of similar type lots.
- (b) With respect to improvements constructed within the Residential Area,

- (i) no dwelling shall contain less than two thousand two hundred (2,200sqft) square feet of heated area;
 - (ii) no improvements shall contain any vinyl siding except for soffets, windows and approved plans for limited use of vinyl shake siding;
 - (iii) modular construction shall be limited to framing modules only or as approved by Longleaf, Inc.;
 - (iv) all exterior windows and doors shall have at least three (3") inches of trim around each window and/or door set;
 - (v) no mobile homes shall be located in the Residential Area other than on a temporary basis (not to exceed eighteen (18) months for construction or marketing of lots within the Residential Area); and
 - (vi) all roofs will be constructed with metal and/or architectural shingles only for all improvements.
- (c) During the Buffer Period, Longleaf, Inc. or its designated successor may also enforce the provisions of this Section 13.16 in which event Longleaf, Inc. shall be reimbursed for all attorneys' fees and costs by the Association. During the Buffer Period, Longleaf, Inc. and/or its designated representative will have full use of all amenities and Common Area.

(Remainder of Page Intentionally left Blank)

EXHIBIT "A"

LEGAL DESCRIPTION

ALL those certain pieces, parcels or lots of land, situate, lying and being in the Town of Hollywood, Charleston County, South Carolina, shown and designated on that certain plat entitled "TOWN OF HOLLYWOOD CHARLESTON COUNTY, S.C. PLAT OF THE ABANDONMENT OF LOTS 1-9, LOTS 13-35, LOTS 47-48, H.O.A. PROPERTY, ROAD RIGHTS OF WAY, AND COMBINATION WITH A PORTION OF TMS 191-00-00-082 CONTAINING 283.98 ACRES TOTAL ALL ABOUT TO BE CONVEYED TO THE FARMS AT LONGLEAF CORPORATION" dated March 25, 2008, prepared by EMSeabrook, Jr., Inc. and recorded April 8, 2008 in Plat Book EL, Page 470, in the RMC Office for Charleston County, South Carolina. Said property having such size, shape, dimensions, buttings and boundings as will by reference to said plat more fully and at large appear.

Beginning at a 5/8" iron rebar, corner with Wesley Memorial United Methodist Church, on the Eastern right-of-way of S.C. Hwy. 165, said rebar being located approx. 0.85 mile Northerly from the intersection of S.C. Hwy. 165 and S.C. Hwy. 162; Thence along the right-of-way of S.C. Hwy. 165, N 00°45'03" E, 60.09 feet to a 5/8" iron rebar, corner with Comcast of Georgia; Thence along the line with Comcast of Georgia the following courses and distances: N87°39'54" E, 259.21 feet to a 5/8" iron rebar, N 44°12'45" W, 122.03 feet to a concrete monument, corner with Boineau and Agnes Baldwin Life Estate; Thence along the line with Agnes Baldwin Life Estate, N 53°46'20" E, 2004.85 feet to a concrete monument, corner with Dixon; Thence along the line with Dixon the following courses and distances: N 54°09'57" E, 177.71 feet to a 5/8" iron rebar, N 54°13'11" E, 375.44 feet to a concrete monument, N 54°45'23" E, 97.66 feet to a tee iron, N 55°06'40" E, 97.48 feet to a tee iron, N 54°14'36" E, 110.80 feet to a tee iron, N 54°58'06" E, 314.25 feet to a tee iron, corner with Morris; Thence along the line with Morris, S 41°01'27" E, 5226.81 feet to a point in the center of a 50' Drainage Easement; Thence along the center of said 50' drainage easement, N 89°18'15" W, 570.68 feet to a point; Thence along a curve to the left, said curve having a radius of 667.74 feet, a length of 35.25 feet, a chord bearing of S 30°58'41" E, and a chord distance of 35.25 feet to a 5/8" iron rebar on the Southern side of a 60' Drainage Easement; Thence along a curve to the left, said curve having a radius of 667.74 feet, a length of 101.87 feet, a chord bearing of S 36°51'40" E, and a chord distance of 101.78 feet to a 5/8" iron rebar; Thence S 41°13'55" E, 261.19 feet to a 5/8" iron rebar; Thence S 48°46'05" W, 75.00 feet to a 5/8" iron rebar; Thence N 41°13'55" W, 261.19 feet to a 5/8" iron rebar; Thence along a curve to the right, said curve having a radius of 742.74 feet, a length of 37.89 feet, a chord bearing of N 39°46'13" W, and a chord distance of 37.89 feet to a 5/8" iron rebar; Thence S 59°17'11" W, 34.78 feet to a 5/8" iron rebar; Thence along a curve to the right, said curve having a radius of 95.80 feet, a length of 62.95 feet, a chord bearing of N 73°40'00" W, and a chord distance of 61.82 feet to a 5/8" iron rebar; Thence N 54°50'31" W, 32.19 feet to a 5/8" iron rebar; Thence N 33°46'57" W, 45.38 feet to a 5/8" iron rebar; Thence N 14°00'22" W, 52.40 feet to a 5/8" iron rebar on the Southern side of a 60' Drainage Easement; Thence N 14°00'22" W, 31.82 feet to a point in the center of said 60' Drainage Easement; Thence along the center of said 60' Drainage Easement the following courses and distances: Along a curve to the right, said curve having a radius of 920.08 feet, a length of 80.16 feet, a chord bearing of N 81°41'48" W, and a chord distance of 80.13 feet to a point, N 79°12'03" W, 353.34 feet to a point, Along a curve to the left, said curve having a radius of 457.65 feet, a length of 81.78 feet, a chord bearing of N 84°19'12" W, and a chord distance of 81.67 feet to a point, N 89°26'22" W, 420.78 feet to a point, N 89°26'22" W, 908.51 feet to a point, Along a curve to the left, said curve having a radius of 393.25 feet, a length of 60.12 feet, a chord bearing of S 86°10'51" W, and a chord distance of 60.06 feet to a point, S 81°48'04" W, 256.84 feet to a point, Along a curve to the right, said curve having a radius of 278.25 feet, a length of 61.75 feet, a chord bearing of S 88°09'30" W, and a chord distance of 61.62 feet to a point, N 85°29'04" W, 283.76 feet to a point, Along a curve to the left, said curve having a radius of 301.57 feet, a length of 89.34 feet, a chord bearing of S 86°01'42" W, and a chord distance of 89.01 feet to a point, S 77°32'28" W, 175.53 feet to a point, Along a curve to the left, said curve having a radius of 404.63 feet, a length of 205.47 feet, a chord bearing of S 62°59'38" W, and a chord distance of 203.27 feet to a point, S 48°26'47" W, 258.58 feet to a point, Along a curve to the left, said curve having a radius of 5007.34 feet, a length of 56.45 feet, a chord bearing of S 48°07'25" W, and a chord distance of 56.45 feet to a point, corner with Boineau; Thence leaving said 60' Drainage Easement and along the line with Boineau, N 41°41'17" W, 1635.02 feet to a 1" iron pipe, corner with Elmay, LLC;

Thence along the line with Elmay, LLC, N 41°15'02" W, 541.34 feet to a 5/8" iron rebar and N 03°34'05" W, 281.02 feet to a 1" iron pipe, corner with Wesley Memorial United Methodist Church; Thence along the line with Wesley Memorial United Methodist Church the following courses and distances: N 22°07'15" W, 263.98 feet to a 5/8" iron rebar, N 73°07'53" W, 151.97 feet to a 5/8" iron rebar, S 87°38'22" W, 250.23 feet to a 1" iron pipe, S 87°39'33" W, 316.34 feet to a 5/8" iron rebar on the Eastern side of S.C. Hwy. 165, being the Point and Place of Beginning and containing 283.98 Acres.