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W I T N E S S E T H :

WHEREAS, Developer proposes to create on such property a subdivision known as Charleston Landing (hereinafter "Subdivision") containing detached home site lots, together with Common Areas as more fully described herein; and

(a) To maintain the value and the residential character and integrity of the Subdivision and to maintain the quality and value of any Common Areas portion of the Subdivision;

(c) To minimize or eliminate the possibility of any disruptions of the peace and tranquility of the residential environment of the Subdivision;

(e) To prevent, any property owner or any other persons from building or carrying on any other activity in the Subdivision:

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(f) To keep property values in the Subdivision high, stable and in a state of reasonable appreciation; and

WHEREAS, the Developer is desirous of maintaining design criteria, location, construction specifications, and other controls to assure the integrity of the Subdivision.

NOW THEREFORE, the Developer hereby declares that all of the Property described in Exhibit A shall be held, mortgaged, transferred, sold, conveyed, leased, occupied and used subordinate and subject to the following easements, restrictions, covenants, charges, liens and conditions which are hereby imposed for the purpose of protecting the value and desirability of these lands and which restrictions, easements, charges, liens, conditions, and covenants shall touch and concern and run with the title to the real property subjected to this Declaration and which shall be binding on all parties having any right, title or interest in these described properties or any portion of them. This instrument also binds the respective heirs, devisees, fiduciary representatives, successors, successors in title and/or assigns, and shall inure to the benefit of anyone or any thing who/which purchases or takes any interest in real property within the lands subject to this Declaration.

Article I

DEFINITIONS

When used in this Declaration, unless the context shall prohibit or require otherwise, the following words shall have the following meanings, and all definitions shall be applicable to the singular or plural forms of any such term(s):

Section 1.1 "Additional Property" shall mean and refer to any land adjacent to the property together with all improvements now or hereafter constructed thereon, which land is now owned or which may be acquired by Developer.

Section 1.2 "Assessment" shall mean and refer to an Owner's share of the Common Expenses or other charges from time to time assessed against an Owner by the Association in the manner herein provided.

Section 1.3 "Association" means Ocean Enterprises, LLC, a South Carolina Limited Liability Company, its successors and assigns.

Section 1.4 "Board of Directors" or "Board" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

Section 1.5 "Common Areas" shall mean and refer to all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners or

designated by the Developer as Common Area. Such areas are intended to be devoted to the common use and enjoyment of the members of the Association as herein defined, and are not dedicated for use by the general public and the general public shall thereby have no easement of use and enjoyment therein. Common area may include but are not limited to, all maintenance areas, alleys, parking lots and parking areas, medians, green areas, buffers, walkways, sidewalks, jogging trails, bike paths, signage, lagoons, streams, ponds, docks, wetlands, marshes, and easement areas, designated as Common Areas, pedestrian access easements and other access easements across other real property, parks, and such other lands and/or improvements as, by subsequent amendment of or supplement to this Declaration, may be subjected to this Declaration and designated as Common Areas by the Developer. THE DESIGNATION OF ANY OF THE PROPERTY OR IMPROVEMENTS THEREON AS COMMON AREAS SHALL NOT MEAN OR IMPLY THAT THE PUBLIC AT LARGE ACQUIRES ANY EASEMENT OF USE OR ENJOYMENT THEREIN.

Section 1.6 "Common Expenses" shall mean and refer to all liabilities or expenditures lawfully made or incurred by or on behalf of the Association, together with all funds lawfully assessed and necessary for the creation or maintenance of financial, equipment, or material reserves, consistent with the provisions and intent of this Declaration.

Section 1.7 "Declaration" shall mean this Declaration, together with all supplements and amendments to this Declaration as filed in the Office of Horry County, Register of Deeds.

Section 1.8 "Developer" shall mean Ocean Enterprises, LLC, a South Carolina Limited Liability Company, its successors and assigns. The Developer shall have the right to assign any and all rights which it may possess, as Developer, to any person or entity.

Section 1.9 "Foreclosure" shall mean and refer to, without limitation, the judicial foreclosure of a Mortgage or the conveyance of secured property by a deed in lieu of judicial foreclosure.

Section 1.10 "Living Space" shall mean and refer to enclosed and covered areas within a dwelling on a lot, exclusive of garages, rooms over garages, unenclosed porches, porte-cocheres, garages, carports, breezeways, terraces, balconies, decks, patios, courtyards, greenhouses, atriums, bulk storage areas, attics and basements.

Section 1.11 "Lot" shall mean and refer to any plot of land shown upon any recorded Subdivision Plat of the Property together with the improvements thereon, with the exception of the Common Area.

Section 1.12 "Mortgage" with an initial capital letter shall mean and refer to a mortgage, security deed, deed of trust, installment land sales contract and security agreement or other similar security instrument granting, creating or conveying a lien upon, a security interest in, or a security encumbered title to a Lot or Common Area.

Section 1.13 "Mortgagee" with an initial capital letter, shall mean and refer to the holder of a Mortgage.

- (i) any person named as the mortgagee or beneficiary under any mortgage by which the interest of any owner is encumbered; or
- (ii) any successor to the interest of such person under such mortgage.

Section 1.14 "Occupant" shall mean and refer to any person, including, without limitation, any Owner or any guest, invitee, licensee, lessee, tenant, transient paying guest, or family member of an Owner lawfully occupying or otherwise using a Lot within the Subdivision.

Section 1.15 "Owner" with an initial capital letter, shall mean and refer to one or more persons or entities,, including Developer, who or which own(s) fee simple title to any Lot, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot, but shall not mean or refer to any mortgagee or subsequent holder of a mortgage, unless and until such mortgagee or holder has acquired title pursuant to foreclosure or any proceedings in lieu of foreclosure. Said term "Owner" shall also refer to the heirs, successors and assigns, of any owner.

Section 1.16 "Person" shall mean and refer to a natural person, corporation, partnership, association, proprietorship, trust, or any other legal entity or any combination thereof.

Section 1.17 "Property" shall mean and refer to all property which is subject to this Declaration.

Section 1.18. "Subdivision" with an initial capital letter, shall mean and refer to those tracts or parcels of land described in Exhibit A together with all improvements presently thereon and subsequently constructed thereon.

Section 1.19 "Subdivision Plat" shall mean and refer to those certain plats described in Exhibit A attached hereto together with any future revisions thereof and recorded from time to time in the office of the Register of Deeds for Horry County.

Article II

PROPERTY

Section 2.1 Property. The Property which is and shall be held, transferred, sold, conveyed, leased and occupied, subject to these covenants, is located in Horry County, South Carolina, and is more fully particularly described in Exhibit A attached hereto and by reference incorporated herein.

Section 2.2 Merger or Consolidation. Upon a merger or consolidation of the Association with another association as provided for in the By-Laws of the Association, its properties, rights and obligations may, by operation of law, be transferred to another surviving or consolidated association or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated corporation or association may administer the Covenants and Restrictions established by this Declaration within the Properties as herein provided:

Article III

THE ASSOCIATION; MEMBERSHIP AND VOTING RIGHTS

Section 3.1 The Association. The Developer has established, or will establish, the Association for the purpose of exercising powers of owning, repairing, maintaining and administering the Common Areas and common facilities including the two bulkheads and providing common services, administering and enforcing covenants, conditions and restrictions contained herein, and levying, collecting and disbursing assessments and charges herein created. All Common Areas shall be conveyed by the Developer to the Association and owned by said Association as provided herein. Further, the Developer reserves the right to accept any or all of its rights and obligations set forth herein. The Association shall be authorized but not required to provide the following services:

- (a) Clean-up, maintenance, landscaping of all open spaces, lagoons, marshlands, wetlands, and/or open spaces within the Subdivision, or in a reasonable proximity to the Subdivision such that their deterioration would affect the appearance of the Subdivision as a whole.
- (b) Insect and pest control to the extent that it is necessary or desirable in the judgment of the Board of Directors of the Association to supplement the service provided by the State and local governments.
- (c) To take any and all actions necessary to enforce all covenants and restrictions affecting the Subdivision and to perform any of the functions or services

delegated to the Association in any covenants or restrictions applicable to the Subdivision.

- (d) To provide architectural review services as provided herein.
- (e) To construct improvements on open spaces and Common Areas.
- (f) To provide administrative services including, but not limited to, legal, accounting, financial and communication services informing members of activities, notice of meetings, referendums, etc., incident to the above listed services.
- (g) To provide liability and hazard insurance covering improvements and activities on the open spaces and the Common Areas, independently or in collaboration with the Developer.
- (h) To provide directors and officers liability insurance for the Association and its duly elected Directors and Officers.
- (i) Landscaping of roads and parkways, sidewalks and walking paths within the Subdivision and any common properties or open spaces located therein.
- (j) To take any and all actions necessary to enforce all covenants and restrictions affecting the Subdivision and to perform any of the functions or services delegated to the Association in any covenants or restrictions applicable to the Subdivision.
- (k) To provide any and all services necessary or desirable in the judgment of the Board of Directors of the Association to carry out the Association's obligation and business under the terms of this Declaration.

Section 3.2 Rules and Regulations. The Association may adopt from time to time additional reasonable rules and regulations governing the use of Common Areas and Lots.

Section 3.3 Membership. Every person or entity who is an Owner of any Lot which is subjected to this Declaration shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessments.

Section 3.4 Voting Rights. Each Member shall be entitled to one (1) vote for each Lot owned. When more than one (1) person holds an interest in any Lot, all such persons shall be Members. The one (1) vote for such Lot shall be exercised as they, among themselves, shall determine, but in no event shall more or less

than one (1) vote be cast with respect to any such Lot. The Developer in addition to having one (1) vote for each Lot owned by said Developer, shall be entitled to one (1) vote for each vote held by the other Members of the Association. This additional voting right of the Developer shall cease when the Developer has conveyed to others all of the Lots in the Subdivision, or on December 31, 2005, whichever shall first occur. The Members of the Association shall have the right to vote for the election and removal of Directors and upon such other matters with respect to which a vote of the Members is required under the Declaration or the By-Laws. Members shall cast their votes as set forth in the Declaration and the By-Laws.

Section 3.5 Board of Directors. The Association shall be governed by and the business and affairs of the Association shall be managed by a Board of Directors as more particularly set forth in the By-Laws of the Association.

Section 3.6 Referendum. Any action which may be taken at a duly called meeting of the Association may also be taken by a referendum of the Members of the Association. In the event fifty one percent (51%), or more, of the votes actually returned to the Association within the specified time shall be in favor of such action, the referendum shall be deemed to "pass" and the action voted upon will be deemed to have been authorized by the Members; provided, however, that if a higher percentage vote required to "pass" shall be specifically expressed herein, that higher percentage shall control in that instance.

Article IV

PROPERTY RIGHTS IN THE COMMON AREAS

Section 4.1 Owners' Easements of Enjoyment. Subject to the provisions of these covenants and the rules and regulations of the Association, every Owner, whether of a single-family unit, multi-family unit or commercial lot, shall have a non-exclusive right and easement of enjoyment in and to the dedicated Common Areas, and such easement shall be appurtenant to and shall pass with the title to every Lot.

Section 4.2 Title to Common Areas. The Developer hereby covenants for itself, its successors and assigns, that it will convey to the Association by limited warranty deed or deeds fee simple title to the Common Areas, free and clear of all liens and encumbrances of record except standard utility and drainage easements serving the Common Areas and/or the Subdivision.

Section 4.3 Extent of Owners' Easements. The rights and easements created hereby shall be subject to the following:

- (a) The right of the Developer and of the Association to dedicate, transfer or convey all or any part of the

Common Areas, with or without consideration, to any successor association, governmental body, district, agency or authority, or to any utility company, provided that no such dedication, transfer or conveyance shall adversely affect the use of the Common Areas by the Owners;

- (b) The right of the Developer and of the Association to grant, reserve and Accept easements and rights of way through, under, over and across the Common Areas, for the installation, maintenance and inspection of lines and appurtenances for public or private water, sewer, drainage, fuel oil and other utilities and services, including a cable (CATV) or community antenna television system and irrigation or lawn sprinkler systems;
- (c) The right of visitors, invitees, etc., to ingress and egress in and over those portions of the Common Areas that lie within the parking lots and/or driveways (and over any other necessary portion of the Common Areas in the case of landlocked adjacent Owners) to the nearest public highway;
- (d) The right of the Association, as provided in its By-Laws, to suspend the enjoyment rights of any owner for any period during which any assessment remains unpaid, for a period not to exceed thirty (30) days for any infraction of its published rules and regulations;
- (e) The rights of the Developer and the Association as the case may be, to establish rules and regulations for the Subdivision.

Section 4.4 Delegation of Owner's Rights. Any Owner may delegate, in accordance with the By-Laws of the Association, his right of enjoyment to the Common Areas and facilities to his employees, tenants, invitees or licensees.

Section 4.5 Additional Structures. Neither the Association nor any Owner or any group of Owners shall, without the prior written approval of Developer erect, construct or otherwise locate, or permit the existence of, any structure or other improvement in the Common Areas.

Section 4.6 Access. All Owners, by accepting title to Lots conveyed subject to this Declaration, waive all rights of uncontrolled and unlimited access, ingress and egress to and from such Lot and further, shall be limited to roads, sidewalks, walkways, and trails located within the Subdivision from time to time, provided that pedestrian and vehicular access to and from all Lots shall be provided at all times.

Section 4.7 Easements for Developer. During the period that Developer owns any Common Area, or owns any Lot primarily for the purpose of sale, Developer shall, have an alienable and transferable right and easement on, over, through, under and across the Common Areas for the purpose of constructing or improving Lots, any improvements to the Common Areas, and for installing, maintaining,, repairing and replacing such other improvements to the Subdivision including portions of the Common Areas as are contemplated by this Declaration or as Developer desires, in its sole discretion, including without limitation any improvements or changes permitted and described in this Declaration, and for the purpose of doing all things reasonably necessary and proper in connection therewith, provided that in no event shall Developer have the obligation to do any of the foregoing.

Section 4.8 Changes in Boundaries; Additions to Common Areas. Developer expressly reserves for itself and its successors and assigns, the right to make minor changes and re-alignments in the boundaries of the Common Areas and any Lots owned by Developer, including the minor re-alignment of boundaries between adjacent Lots and Common Areas.

Section 4.9 Easements for Association. There is hereby reserved a general right and easement for the benefit of the Association, its Directors, officers, agents and employees, including, but not limited to any property manager employed by the Association and any employees of such manager, to enter upon any Lot or Common Area or any portion thereof in the performance of their respective duties. Except in the event of emergencies, this easement is to be exercised only during normal business hours and then, whenever practicable, only upon advance notice to and with permission of the Owner, or occupant.

Section 4.10 Maintenance Easement. Subject to the other terms of this Declaration, there is hereby reserved for the benefit of the Developer, the Association and their respective agents employees, successors and assigns, an alienable, transferable and perpetual right and easement to enter upon any unimproved portions of any Lot or Common Area for the purpose of landscaping, mowing, removing, clearing, cutting or pruning underbrush, weeds, stumps, or other unsightly growth and removing trash, so as to maintain reasonable standards of health, fire safety and appearance within the Subdivision; provided that such easements shall not impose any duty or obligation upon the Developer or the Association to perform any such actions.

Section 4.11 Environmental Easement. There is hereby reserved for the benefit of the Developer, the Association and their respective agents, employees, successors and assigns, an alienable, transferable and perpetual right and easement on, over and across all unimproved portions of the Common Areas and Lots for the purposes of taking any action necessary to effect

compliance with environmental rules, regulations and procedures from time to time promulgated or instituted by the Board of Directors or by any governmental entity, such easement to include without limitation the right to implement erosion control procedures and practices, the right to drain standing water and the right to dispense pesticides.

Section 4.12 Wells and Effluent. There is hereby reserved for the benefit of the Developer, the Association and their respective agents, employees, successors and assigns, an alienable, transferable and perpetual right and easement: (i) to pump water from lagoons, ponds and other bodies of water, if any, located within the Subdivision for the purpose of irrigating any portions of the Subdivision and for other purposes; or (ii) to drill, install, locate, maintain and use wells, pumping stations, water towers, siltation basins and tanks within the Common Areas.

Section 4.13 No Partition. There shall be no judicial partition of the Subdivision or any part thereof, nor shall any person acquiring any interest in the Subdivision or any part thereof seek any such judicial partition unless the Subdivision has been removed from the provision of this Declaration.

Section 4.14 Wetlands Jurisdiction. Notice is hereby given of the restriction that as to any portion of any Lot within the Subdivision which may contain submerged land, wetlands, or other critical areas, all activities on or over and all uses of such land or other critical areas are subject to the jurisdiction of the U. S. Army Corps of Engineers and/ or the Office of Coastal Resource Management formerly the South Carolina Coastal Council. Any Owner is liable to the extent of such Owner's ownership for any damages to, any inappropriate or unpermitted uses of, and any duties or responsibilities concerning any submerged land, wetlands, or other critical areas.

Article V

RIGHT OF ASSOCIATION TO ALTER, IMPROVE, MAINTAIN AND REPAIR COMMON AREAS AND PORTIONS OF LOTS

Section 5.1 Responsibilities of owners. Each Owner shall be responsible maintaining such owner's Lot in a neat, clean and sanitary condition, and such responsibility shall include the maintenance and care of all exterior surfaces of all buildings and other structures. All attendant lawns, trees, shrubs, hedges, grass, natural areas, and other landscaping shall be installed and planted as required by the Developer and shall be maintained by each Owner. As provided in Section 5.2(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: (i) decorate, change or otherwise alter the

appearance of any portion of the exterior of a structure on any Lot unless such decoration, change or alteration is first approved, in writing, by the Developer and the Board, as otherwise provided herein; or (ii) do any work which, in the reasonable opinion of the Developer and the Board, would jeopardize the soundness and safety of the Subdivision, reduce the value thereof, or impair any easement or hereditament thereto, without in every such case obtaining the written approval of the Developer, the Board and the Owners and Mortgagees of the Lots directly affected thereby or benefiting from such easement or hereditament.

Section 5.2 Association's Responsibility. The Association shall have the right to make or cause to be made such alterations, modifications, improvements, repairs, maintenances and replacements to the Common Areas and the portions of Lots set forth herein, and the cost thereof shall be assessed as Common Expenses and collected from the Owners on an equal basis.

- (a) Except as may be herein otherwise specifically provided, the Association shall maintain and keep in good repair all portions of the Common Areas, which responsibility shall include the maintenance, repair and replacement of: (i) all Common Areas, driveways, walks, trails, lagoons, ponds, bike trails, jogging paths, landscapes areas/natural areas and other improvements situated within the Common Areas or within easement encumbering Lots; and (ii) such security systems and utility lines, pipes, plumbing, wires, conduits, and related systems which are a part of the Common Areas and which are not maintained by the Developer or a public authority, public service district, public or private utility or other person. The Association shall not be liable for injury or damage to any person or property (i) caused by the elements or by any Owner or any other person, (ii) resulting from any rain or other surface water which may leak or flow from any portion of Common Areas, or (iii) caused by any pipe, plumbing, drain, conduit, appliance, equipment, security system or utility line or facility, the responsibility of the maintenance of which is that of the Association, becoming out of repair. Nor shall the Association be liable to any Owner for loss or damage, by theft or otherwise, of any property of such owner which may be stored or left in or upon any portion of the Common Areas or any other portion of the Subdivision. No diminution or abatement of assessments or any dues or charges shall be claimed or allowed by reason of any alleged failure of the Association to take some action or to perform some function required to be taken or performed by the Association under this Declaration, or for inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of

the Association, or from any action taken by order or directive of any municipal or other governmental separate and independent covenant on the part of each Owner.

- (b) In the event that the Developer or the Board of Directors determines that: (i) any Owner has failed or refused to discharge properly his, her 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, and is not covered or paid for by insurance in whole or in part, then, in either event, the Developer or the Association, except in the event of an emergency situation, may give such Owner written notice of the Developer's or the Association's intent to provide such necessary maintenance, cleaning, repair or replacement, at the sole cost and expense of such owner shall have fifteen (15) days within which 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, the Developer 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 become a lien against such Lot. In the event that the Developer undertakes such maintenance, cleaning, repair or replacement, the Association shall promptly reimburse the Developer for the Developer's costs and expenses.

Article VI

COVENANT FOR ASSESSMENTS

Section 6.1 Creation of the Lien and Personal Obligation of Assessments. The Developer, for each Lot owned within the Subdivision, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments, including such reasonable reserves as the Association may deem necessary, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs of collection, and reasonable attorney's fees for the collection thereof, shall be

a charge on the Lot and shall be a continuing lien upon the Property against which each such assessment is made. Each such assessment, together with interest costs of collection, and reasonable attorney's fees for the collection thereof, shall also be the personal obligation of the person who was the owner of such Property at the time when the assessment fell due. The personal obligation for delinquent assessments shall run with the land and pass to his successors in title.

Section 6.2 Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the owners in the Subdivision (and their respective families, guests, tenants, and invitees) and for the improvement, protection, replacement operation, and maintenance of the Common Areas, landscaping and maintenance of landscaping of individual Lots as provided in this Declaration, and for the provision of various forms of insurance for the Association, its property (including the dedicated Common Areas), members, directors, officers, employees and agents, and for the provision of necessary and reasonable services - for and other expenses of the Association.

Section 6.3 Initial Assessment. At the time of the first sale of each Lot from the Developer to an Owner, there shall be assessed by the Association and collected from each owner/Purchaser an initial assessment of Two Hundred Dollars (\$200.00) for such Lot, to establish and maintain a working capital fund for the use and benefit of the Association. The purpose of such working capital fund is to insure that the Association will have cash available to meet unforeseen expenditures, or to acquire equipment or service deemed necessary by the Association. Such initial assessments shall not be considered as advance payment of regular assessments.

Section 6.4 Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may, levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of the bulkheads or of a capital improvement upon the Common Area, including fixtures and personal property related thereto, or for any other purpose set forth in the By-Laws of the Association, provided that any such assessment shall have the assent of two thirds (2/3) of the votes of members who are voting in person or by proxy at a meeting duly called for this purpose. Notwithstanding the foregoing, the Board shall have the authority to enact a special assessment not to exceed Five Hundred Dollars (\$500.00) per Lot per year without the assent of the Owners when the Board, in its discretion, determines that such special assessment is necessary.

Section 6.5 Notice and Quorum for Any Action Authorized under Section 6.4. Written notice of any meeting called for the

purpose of taking any action authorized under Section 6A above shall be sent to all member not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting,, No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6.6 Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots (whether improved or unimproved) and may be collected on a monthly, quarterly or annual basis, except as to platted Lots without an occupied dwelling thereon owned by the Developer which are subject to this Declaration, which Lots shall not be assessed the assessments chargeable to other Lots.

Section 6.7 Date of Commencement of Annual Assessments: Due Dates. The Annual assessments provided for herein shall commence as to each Lot on the first day of the month following the conveyance of that Lot by the Developer to an Owner; provided, however, that as to each platted Lot subject to this Declaration which is owned by the Developer and upon which there is no occupied dwelling such Developer owned Lots shall not be assessed at the annual assessments provided for herein. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association to the status of assessments on a Lot is binding upon the Association as of the date of its issuance,

Section 6.8 Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at a rate equal to the lesser of (a) eighteen percent (18%) per annum or (b) the maximum rate provided by applicable law. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Lot (as in the foreclosure of a mortgage), or both. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of such Owner's Lot. Penalties, costs, and

reasonable attorney's fees of such action or foreclosure shall be added to the amount of such assessment.

Section 6.9 Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first Mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to Mortgage foreclosure or any deed or other proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 6.10 Exempt Property. The following property, individuals, partnership, or corporations, subject to this Declaration, shall be exempted from the assessment, charge and lien created herein:

- (a) The Grantees in conveyances made for the purposes of granting utility easements;
- (b) Owners of all open space and common properties;
- (c) All lands below the mean high water mark;
- (d) All Lots without an occupied dwelling owned by Developer.

Article VII

ARCHITECTURAL CONTROL

Section 7.1 Prior Approval of All Plans. No building, fence, wall or other structure, and no change in topography, landscaping, grading, filling or any other item shall be commenced, erected or maintained upon any Lot or any portion of the Subdivision, nor shall any exterior addition or change be made until the plans and specifications (including but not necessarily limited to all elevations, a complete landscaping plan for the Lot and a complete tree survey of the Lot) showing the grading, filling, nature, kind, size, shape, height, materials, color, and location of the same shall have been submitted to and approved in writing as to the harmony of the external design and location in relation to the surrounding structures and topography by the Developer and the Board of Directors of the Association established herein. Any change in exterior appearance of any building, wall, fence or other structural improvements, and any change in the appearance of the landscaping, shall be deemed an alteration requiring approval.

In the event the Developer and Board of Directors fail to approve or disapprove any request with thirty (30) days after complete written plans and specifications have been submitted to

it, the same shall be deemed approved, and this article shall be deemed to have been fully complied with, provided, however, that no such failure to act shall be deemed an approval of any matter specifically prohibited by any other provisions of this Declaration. Refusal or approval of plans, specifications, and plot plans or any of them may be based on any grounds, including purely aesthetic grounds, which in the sole and uncontrolled discretion of the Developer and Board of Directors may deem sufficient. Neither Developer nor any member of the Board of Directors shall be responsible or liable in any way for any defects in any plans or specifications approved by the Board of Directors, nor for any structural defects in any work done according to such plans and specifications approved by the Board of Directors. Further, neither the Developer nor any member of the Board of Directors shall be liable for damages to anyone submitting plans or specifications for approval under this Section, or to any owner of property affected by this Declaration by reason of mistake in judgment, negligence, or non-feasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications. Every person who submits plans or approval agrees, by submission of such plans and specifications, and every Owner of any Lot agrees, that he will not bring any action or suit against Developer, or any member of the Board of Directors, to recover for any such damage. No approval of plans, location or specifications shall be construed as representing or implying that such plans, specifications or standard will, if followed, result in a property designed residence. Such approvals and standards shall in no event be construed as representing or guaranteeing that any residence or improvement thereto will be built in a good workmanlike manner. Neither the Developer, the Association, nor the Board of Directors shall be responsible or liable for any defects in any plan or specification submitted, revised or approved under these covenants nor for any defects in construction pursuant to such plans and specifications. The property Owner shall have sole responsibility for compliance with approved plans and does hereby hold the Board of Directors and the Developer harmless for any failure thereof caused by the property Owner's architect or builder.

Section 7.2 Objectives of The Developer and The Board of Directors, Architectural and design review shall be directed towards attaining the following objectives for the Property:

- (a) Preventing excessive or unsightly grading, indiscriminate earth moving or clearing or property, removal of trees and vegetation which could cause disruption of natural water courses or scar natural land forms.
- (b) Ensuring that the location and configuration of structures are visually harmonious with the terrain, with the vegetation of the residential lot and with

surrounding residential lots and structures, and does not unnecessarily block scenic views from existing structures or tend to dominate any general development or natural landscape.

- (c) Ensuring that the architectural design of structures and their materials and colors are visually harmonious with the Property's overall appearance, history and cultural heritage, with surrounding development, with natural land forms and native vegetation, and with development plans, officially approved by the Owner, or any governmental or public authority, if any, for the areas in which the structures are proposed to be located.
- (d) Ensuring that the plans for landscaping provide visually pleasing settings for structures on the same lot and on adjoining or nearby lots and blend harmoniously with the natural landscape.
- (e) Ensuring that any development structure, building or landscaping complies with the provisions of these covenants.
- (f) Promoting building design and construction techniques that respond to energy consumption and environmental quality considerations such as heat loss, air emissions and run-off water quality.

Section 7.3 Developer's Right to Transfer Authority. Developer, in Developer's sole judgment and discretion, shall have the right and option to transfer and relinquish its architectural review authority to the Board of Directors of the Association or to the Ocean Enterprises, LLC Board of Directors or any Architectural Review Board presently or hereinafter established by Ocean Enterprises, LLC even if such architectural review authority is transferred to the Board of Directors of the Association.

Article VIII

USE RESTRICTIONS

Section 8.1 Residential Use of Lots. All Lots shall be used for single-family residential purposes exclusively, unless otherwise noted on the PUD site plan. No structures, except as hereinafter provided, shall be erected, altered, placed or permitted to remain on any Lot other than One (1) detached single-family dwelling. No accessory structures or outbuildings, whether or not attached to the principal residence (including, but not necessarily limited to carports, storage shed, dog houses, awnings, breezeways, covered swimming pools, and the like) shall be constructed or allowed to remain on any Lot.

Section 8.2 Prohibition Against Business Activity and "Time Sharing" Use. No business activity, including but not limited to, a rooming house, boarding house, gift shop, antique shop, professional office or beauty/barber shop or the like or any trade of any kind whatsoever shall be carried on upon or in any Lot. Provided, however, that nothing contained herein shall be construed so as to prohibit home occupations (i.e., any occupation on a Lot and clearly incidental thereto, carried on by a member of the family resident of the premises is employed, so long as no stock in trade is kept or commodities sold, no mechanical equipment is used except such that is normally used for family, domestic, or household purposes, and there is no exterior indicating that the building is being used for any purpose other than a dwelling), or the construction of houses to be sold on said Lots or the showing of said Lot for the purpose of selling Lots in the Subdivision. Nothing herein shall be construed to prevent the Developer from erecting, placing or maintaining signs, structures and offices as it may deem necessary for its operation and sales or lease or management of Lots in the Subdivision. Provided, however, that nothing herein contained shall prevent the Developer from erecting and maintaining sales and, marketing signs in Common Areas or on other property owned by the Developer.

No Lot or structure shall be "Time Shared," nor shall any Lot or structure be owned, used or operated in violation of the statutory provisions regulating Vacation Time Sharing Plans, S. C. Code Ann. Sections 27-32-10 et seq. (1986 Supp.), as the same may be amended from time to time, nor shall any Lot or structure be owned, used or operated so as to constitute such Lot or structure as a "time sharing unit" within the meaning of such statutory provisions.

Section 8.3 Temporary Structures. No structure of a temporary character shall be placed upon any Lot at any time, provided, however, that this prohibition shall not apply to shelters approved by the Developer and used by the contractor during construction of a house, it being clearly understood that the latter temporary shelters may not, at any time, be used for residence or permitted to remain on the Lot after completion of construction. No trailer, mobile home, double-wide, park model trailer, motor home, tent, barn, camper, bus, tree house or other similar vehicle, out-building or structure shall be placed on any Lot or on any portion of the Common Areas at any time either temporarily or permanently.

Section 8.4 Mining and Drilling Prohibition. No oil or natural gas drilling, refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, and no derrick or other structure designed for use in boring for oil or natural gas shall be stored, erected, maintained or permitted in the Subdivision.

Section 8.5 Use and Height of Restrictions. No structure shall be erected, placed or permitted to remain on any Lot other than one detached single-family residential dwelling with two stories, not to exceed forty-five feet (45) in height. For purpose of this Section, the first parking level or deck underneath a building built at or above grade shall not be considered a story.

Section 8.6 Setbacks and Building Lines. Each dwelling which shall be erected on any Lot shall be situated on such Lot in accordance with the Plot Plan pre-approved by Developer. In accordance with P.U.D., approval for these Lots by the Town of North Mytle Beach, County of Horry, South Carolina, the front, rear, and side setbacks are five feet (5) minimum. However, in each case, individual setbacks and sidelines must be approved by the Developer for its aesthetic value and the Developer may require a more stringent setback. The Developer shall have the power and authority to promulgate and publish setback requirements for each Lot.

Section 8.7 Timely Construction Progress. Once construction of improvements on a residence is started on any Lot, the improvements must be substantially completed within twelve (12) months from the date of closing on the Lot by Owner and all landscaping must be completed within ninety (90) days after completion of the improvements or residence. All construction sites must be maintained in an orderly fashion and all construction debris must be placed in a trash container or removed within forty eight (48) hours.

Section 8.8 Material Restriction. All structures constructed or placed on any Lot shall be built of substantially new material and no used structures shall be relocated or placed on any such Lot.

Section 8.9 Re-Building Requirement. Any dwelling or out-building on any Lot which may be destroyed in whole or in part by fire, windstorm or for any other cause or act of God must be rebuilt or all debris removed and the Lot restored to a natural condition with reasonable promptness, provided, however, that in no event shall such debris remain longer than three (3) months.

Section 8.10 Elevation and Drainage Changes. No changes in the elevations, topography or drainage, characteristics of the Subdivision shall be made on the premises without the prior written approval of the Board of Directors nor shall any fill be used to extend any property beyond any boundary line of any waterfront property.

Section 8.11 Landscaping, Plants and Trees. Plants, trees, shrubs and ground cover must be planted and installed as required by Developer. No additional plants, trees, or shrubs

may be planted upon any Lot without written approval of the Developer and the Board of Directors.

Section 8.12 Clothesline and Clothes Drying. No Clothesline or drying yards shall be located upon the premises so as to be visible from any Common Area or other dwellings. No drying or airing of any clothing or bedding including beach towels, shall be permitted outdoors on any Lot or over the decks or deck railings of any dwelling.

Section 8.13 Sewer System. No surface toilets or septic tanks are permitted in the Subdivision (other than those utilized during construction by the Developer). A Purchaser of a Dwelling assumes responsibility for attaching to public sewer system including all fees associated therewith. All plumbing fixtures, dishwashers, toilets or sewage disposal system shall be connected to the central sewer system of the Subdivision.

Section 8.14 Garbage Disposal. Each Owner shall provide garbage receptacles or similar facilities in accordance with reasonable standards established by the Board of Directors, which shall be visible from the streets on garbage pick up days only. No garbage or trash incinerator shall be permitted upon the premises. No burning, burying or other disposal of garbage or trash on any Lot or within the Subdivision shall be permitted. Provided, however, that Owner shall be permitted to modify the requirements of this Section where necessary to comply with orders of governing bodies or their franchisees.

Section 8.15 Sign Controls. No signs of any character shall be erected on any Lot or displayed to the public on any Lot except "For Sale" signs or signs indicating the name of one contractor only (not subcontractors) during the period of sale or construction only, provided said signs, (a) shall not exceed six square feet in size, (b) shall only refer to the premises on which displayed, (c) shall be located within fifteen feet (15) of the main structure, but no less than fifteen feet (15) from the front street right-of-way, and (d) shall not exceed more than one per Lot. This restriction shall not apply to signs used to identify and advertise the Subdivision as a whole, nor to signs for selling and/or houses during the development and construction period, which period shall not exceed ten (10) years from the date hereof, provided such signs are approved by the Ocean Enterprises, LLC Board of Directors.

Section 8.16 Exclusion of Above Ground Utilities. All electrical service, wires, pipes, lines, telephone, cable television (CATV) lines and utility services of any type shall be placed in appropriate conduit underground and no outside electrical lines shall be placed overhead. No exposed or exterior radio or television transmission or receiving antenna shall be erected, placed or maintained on any part of the Subdivision except those master facilities approved by the Developer. Provided, however, that the normal service pedestals,

etc., used in conjunction with such underground utilities shall be permitted within the Subdivision. Overhead utilities shall be permitted during the construction period and until utility companies can place them underground.

Section 8.17 Communication System - There shall not be permitted or maintained any type of radio or communications system antenna (other than normal receive-only radio antennae) or satellite disc on any exterior portion of a dwelling or on any Lot, nor shall any such antenna or satellite disc be maintained inside a dwelling.

Section 8.18 Certain Vehicles Prohibited From Lots. No travel trailers or mobile homes, campers or other habitable motor vehicles of any kind, whether self-propelled or not, school buses, motorcycles, trucks, or commercial vehicles, or boat trailers or boats shall be kept, stored or parked overnight, either on any Common Area, specifically including streets and guest parking areas, or any Lot.

Section 8.19 Junk or Disabled Vehicles. No stripped, partially wrecked, unlicensed or invalidly licensed, disabled or junk motor vehicle, or part hereof, shall be permitted to be parked or kept in the Subdivision.

Section 8.20 Motorcycles. The Association shall have the authority to prohibit the use, maintenance or storage of motorcycles in the Subdivision.

Section 8.21 Pets. No animals, livestock, birds, or fowl shall be kept or maintained on any part of the Subdivision except dogs, cats, pet fish and birds which may be kept thereon in reasonable numbers (not to exceed three) as pets for the pleasure and use of the property Owner but not for any commercial use or purpose. All animals must be kept on a leash when they are outside the Owner's dwellings on a Lot and must not become a nuisance to other residents by barking or other acts. Non-owners (e.g. lessees) may not keep any pets on any part of the Property, without prior written approval of the Owner, said approval to be filed with the Association.

Section 8.22 Perimeter Access. There shall be no access to any Lot on the perimeter of the Subdivision except from designated roads or access easements within the Subdivision; provided, however, that Developer reserves the right to construct and operate temporary construction roads during the construction and development period.

Section 8.23 Prohibition of Open Outdoor Storage. No junk, debris or materials of any kind shall be stored on a Lot other than in an approved enclosed structure, which shall be attached to the principal dwelling or in a manner that is visible from any other Lot, Common Area, street, easement or amenity area. Firewood and bicycles may be stored outside in side or rear

yards only, provided they are not visible from any Common Area, easement, street or amenity area.

Section 8.24 Prohibition of Accessory Structures. No dog houses, carports, or any other accessory structure shall be constructed upon any Lot, except a detached garage, an attached storage compartment, accessory building, porch, swimming pool, swing set and similar recreational structure which has been approved in writing by the Board of Directors prior to installation or construction.

Section 8.25 Nuisances. No noxious or offensive activity shall be carried on upon any Lot or in any Dwelling, nor shall anything be done thereon tending to cause embarrassment to, discomfort, annoyance or a nuisance to the neighborhood, including Common Areas, other homesites, easement areas or residences. No trash, leaves or rubbish may be burned on any Lot or within the Subdivision nor shall there be maintained any plants, poultry, animals (other than household pets) or device or thing of any sort, the normal activities or existence of which is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property in the neighborhood by the owner thereof.

Section 8.26 Fences. No fences whatsoever shall be erected or allowed to remain in the Subdivision except an approved picket fence in street side yards only not exceeding three feet (3) in height, and set back from Lot lines at such distance as the Developer or Board in its sole discretion may require, or except those erected by the Developer in Common Areas. Said fences and patio fences shall be allowed only after obtaining prior written approval of the Board. Said fences shall be treated wood and stained or painted white.

Section 8.27 Special Hazards. Each Owner accepts and assumes all the risks and hazards of ownership or occupancy attendant to the ownership of such Lot, including, but not limited to its proximity to any recreational facility or Common Area or the marsh and other bodies of water. Specifically, the Developer does hereby disclaim any and all liability for any property damage or personal injury resulting from erosion along all ditches, streams, wetlands, lagoons or other bodies of water or watercourses located in the Subdivision.

Section 8.28 Encroachments. No Owner or individual shall alter in any way the Common Areas except with the written permission of the Association provided that such activity is required for the benefit of the Association or the Subdivision as a whole.

Section 8.29 Subdivision of Lot: Easements and Encroachments. No Lot shall be subdivided except as hereinafter provided and no building or residence, including porches or projections of any kind, shall be erected so as to extend over

or across any of the building lines as hereinafter established, Provided, however, if any portion of any Common Area unintentionally encroaches upon a Lot or any part thereof, whether by settlement or otherwise, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion of improvements to a Lot or Lots encroaches upon the Common Area or any portion thereof, whether by settlement or otherwise, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event any improvement or part thereof is partially or totally destroyed and then rebuilt, any encroachment of any Common Area upon a Lot or Lots or encroachment upon an adjoining Lot or Lots resulting because of such rebuilding, shall be permitted, and a valid easement shall exist for the maintenance of such encroachments so long as the same stand. Such encroachments and easements shall not be considered or determined to be encumbrances either on any Common Area or any Lot or Lots, and no owner shall be entitled to damages or injunctive relief because of the construction, re-construction or maintenance thereof.

Section 8.30 Alteration of Building Lines in the Best Interest of Development. Where because of size, natural terrain, or any other reason in the sole opinion of the Association, it should be to the best interest of the Development of this Subdivision that the building lines of any Lot should be altered or changed, then the Association reserves unto itself, its successors and assigns, and no other, the right to change said lines to meet such conditions.

Section 8.31 Re-platting of Lots. No Lot shall be subdivided by an owner, or its boundary lines changed, except as herein provided. However, the Developer hereby expressly reserves to itself, its successors and assigns, the right to re-plat any one or more Lots owned by the Developer shown on the plat of said Subdivision prior to delivery of the deed therefore in order to create a modified building Lot or Lots, provided that such re-platting results in only minor modifications to the building Lot or Lots, or where such re-platting is necessitated by topographic or site planning considerations, and such re-platting is approved by the applicable authority. The restrictions and covenants herein apply to each such building Lot so created or recreated.

Section 8.32 Building Requirements. Developer has approved conceptual design plans and has or will select exterior colors for all homes to be constructed on the Lots. Detailed construction plans may be purchased directly from the Architect. The front and rear elevation drawings for the design plan approved for each Lot was attached to the Agreement of Sale between Owner and Developer. The design plan must be constructed or placed within the footprint shown on the Plot Plan for the Lot which was attached to the Agreement of Sale between Owner and Developer. Upon completion of the construction of the home,

Buyer must install appropriate landscaping as required by the Developer. A landscape plan indicating the minimum landscaping plan approved by the Developer was attached to the Agreement of Sale between Owner and Developer.

Subject to review and approval by the Developer and the Board of Directors, the Owner may construct a single family residence with the following minimum specifications; Minimum one thousand eight hundred (1,800) square feet of heated space; building footprint of twenty-five feet (25') by forty feet (40') with two stories; pitched roof; of wood frame construction with stucco foundations and garage doors; with porches ten feet (10) by twenty feet (20) on the water side for both floors; with access from the street side.

Article IX

GENERAL PROVISIONS

Section 9.1 Enforcement. The Association, or any Owner, (including the Developer) shall have the right to enforce, by any proceedings at law or in equity, all of the Restrictions, conditions, covenants, easements, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure of the Association, or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed as a waiver of right to do so thereafter. The Association shall have the right to establish, assess and collect reasonable fines and penalties for violations of this Declaration, which shall be liens against Dwellings as provided herein. Such fines shall not exceed Fifty Dollars (\$50.00) per violation per day.

Section 9.2 Severability. Invalidation of any covenants or restrictions or any term, phrase or clause of this Declaration by the adjudication of any court or tribunal shall in no way effect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

Section 9.3 Duration. The Covenants and Restrictions of this Declaration shall run with and bind the property constituting the Subdivision, and shall inure to the benefit of and be enforceable by the Developer, the Association or any Owner for a period of twenty (20) years from the date hereof and thereafter shall continue automatically in effect for additional periods of twenty (20) years, unless otherwise agreed to in writing by the then Owners of at least seventy five percent (75%) of the Lots.

Section 9.4 Assignment. The Developer shall have the right to assign to any one or more persons, firms, corporations, partnership, or associations any and all rights, powers, titles, easements and estates reserved or given to the Developer in this Declaration.

Section 9.5 Amendment.

- (a) Amendments by Developer. For a period of ten (10) years from the date of recording of this Declaration, Developer may amend this Declaration in any particular by an instrument in writing filed and recorded in the Office of the Register of Mesne Conveyances for Horry County, South Carolina, all without the approval of any owner or Mortgagee; provided, however, (i) in the event that such amendment materially alters or changes any Owner's right to the use and enjoyment of such Owner's Lot, such amendment shall be valid only upon the written consent thereto by a majority in number of the then existing owners 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. Any amendment made pursuant to this Section shall be certified by Developer as having been duly approved by Developer and by such owners and Mortgagees if required, and shall be effective only upon recordation or at such later date as shall be specified in the amendment itself. Each Owner, by acceptance of a deed or other conveyance to a Lot, agrees to be bound by such amendments as are permitted by this Section and further agrees that, if requested to do so by Developer, such Owner will consent to the amendment of this Declaration or any other instruments relating to the Subdivision. (A) if such amendment is necessary to bring any provision thereof or thereof into 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; or (C) if such amendment is required by an institutional or governmental lender, insurer or purchaser of mortgage loans, to enable such lender or purchaser to make or purchase mortgage loans on any Lot, or other 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.
- (b) Amendments by Association. Amendments to this Declaration, other than those authorized by Section 9.5(a) above, shall be proposed and adopted in the following manner:

- (1) 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.

- (2) At such meeting, a resolution adopting a proposed amendment may be proposed by either the Board of Directors or by members of the Association. Such amendment must be approved by Owners holding at least three quarters (3/4) 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; and (ii) during any period in which Developer owns a Lot primarily for the purpose of sale or has the option under this Declaration to add the Additional Property or any portion thereof to the Subdivision, such amendment must be approved by Developer.
- (3) The agreement of the required percentage of the Owners and, where required, Developer 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 at such later date as may be specified in the amendment itself.

Section 9.6 Multiple Associations... So long as Developer, its successors or assigns, owns an unsold Lot in the Subdivision, it shall have the right to merge the Association with other associations governing the use and control of other property in the Subdivision, provided, however, that such merger is approved by a vote of two thirds (2/3) of the members who are voting in person or by proxy at a meeting duly called for such purpose.

Section 9.7 No Dedication of Common Areas, Etc - Every open space, wetlands, stream, body of water, and Common Area, recreational facility, and other amenity within the Subdivision is a private park, facility or amenity and neither the Developer's recording of any such plat nor any other act of the Developer with respect to the Property is, or is intended to be, or shall be construed, as a dedication to the public of any said areas other than as reflected therein. An easement for the use and enjoyment of each of said areas designated as parks is

reserved to the Developer, its successors and assigns; to the persons who are, from time to time, members of the Association; to the members and owners of any recreational facility; and to the residents, tenants and occupants of residential buildings, and all other kinds of boundaries of the Property and to the invitees of all the aforementioned person; the use of which shall be subject to such rules and regulations as may be prescribed by the Association, if the Association is the owner of the facility or Property involved.

Section 9.8 Time is of the Essence. It is agreed that time is of the essence with regard to these restrictions, covenants, limitations and conditions.

Section 9.9 Remedies for Violations of Restrictions. In the event of a violation or breach of any of these restrictions by any Owner, or agent of such Owner, the Owners of Lots in the Subdivision, or any of the, jointly or severally, shall have the right to proceed at law or in equity to compel a compliance with the terms hereof or to prevent the violation or breach in any event. In addition to the foregoing, the Association, its successors and assigns, shall have the right, whenever there shall have been built on any Lot in the Subdivision any structure which is in violation of these restrictions, to enter upon the Property where such violation exists, and summarily abate or remove the same at the expense of the Owner, if after thirty (30) days written notice of such violation, it shall not have been corrected by the Owner. The Association is hereby granted a perpetual easement across each Lot for the purposes of carrying out its responsibilities under this Section, and any such entry and abatement or removal shall not be deemed a trespass. The failure to enforce any rights, reservation, restriction or condition contained in this Declaration, however long continued, shall not be deemed a waiver of the right to do so hereafter as to the same breach or as to a breach occurring prior or subsequent thereto and shall not bar or affect its enforcement. Should the Association employ counsel to enforce any of the foregoing covenants, conditions, reservations or restrictions, because of a breach of the same, all costs incurred in such enforcement, including a reasonable fee for the Associations' counsel, shall be paid by the Owner of such Lot or Lots in breach thereof.

Section 9.10 Rule Against Perpetuities, Etc, The Developer herein shall not in any way or manner be liable or responsible for any violation of these restrictions by any person other than itself, In the event that any of the provisions hereof are declared void by a court of competent jurisdiction by reason of the period of time herein stated for which the same shall be effective, then in that event such term shall be reduced to a period of time which shall not violate the rule against perpetuities or any other law of the State of South Carolina, and such provision shall be fully effective for said reduced period of time.

28

EXHIBIT "A"
LEGAL DESCRIPTION

HORRY COUNTY ASSESSOR

131-00-04-001

Map

RLS

Parcel 6-5-01

ps

ALL AND SINGULAR, all that certain piece, parcel or tract of land lying, and being and situate in Little River Township, County and State aforesaid and shown upon that certain map by S.D. Cox, Jr. and recorded in the Office of the Clerk of Court for Horry County in Plat Book 12, at page 42, and containing 61.06 acres, more or less, designated on map above referred to as Tract No. 1, bounded and described as follows:

Beginning at Pipe O being Elizabeth Scott, et al. corner at the South edge of the Little River Neck Road and runs with lands of the said Elizabeth Scott, et al. South 32 degrees 00 minutes East 620 feet and South 82 degrees 25 minutes East 144 feet to Pipe O, corner common to Elizabeth Scott, et al., and Ollie Morse; thence with lands of the said Ollie Morse, South 82 degrees 25 minutes East 164 feet to Pipe O, corner in Hattie Vaught's line, said corner common to the said Ollie Morse, lands of Harriet Williams and tract herein described with lands of the said Hattie Vaught, South 61 degrees 10 minutes West 226 feet, South 28 degrees 20 minutes East 429 feet and North 61 degrees 10 minutes East 429 feet to stake N in Oderic Vaught's line; thence with lands of the said Oderic Vaught and possibly others, South 28 degrees 20 minutes East 1,153 feet to Pipe O; and South 28 degrees 07 minutes East 1,885 feet to Maple O, corner common to the said Oderic Vaught and East Cherry Grove Beach Realty Co.; thence with lands of the said East Cherry Grove Beach Realty Co. South 57 degrees 05 minutes East 19 feet (only) to stake N at the Northwest edge of salt marsh; thence with said Northwest edge of said marsh, Southwestwardly (a traverse of which is as follows: South 36 degrees 10 minutes West 138 feet, South 59 degrees 35 feet West 362 feet South 67 degrees 10 minutes West 170 feet and North 60 degrees 55 minutes West 144 feet) to stake N; thence with other lands of the Amanda Nixon Estate North 28 degrees 20 minutes West 697 feet to stake N, corner to tract earlier conveyed to L.M. Nixon; thence continuing in the same direction and with lands of the said L.M. Nixon 3,678 feet to stake N at the South edge of the said Little River Neck Road and runs with said road South 82 degrees 25 minutes East 288.5 feet to the place of beginning.

ALSO, any area lying between the above described lands and proposed canal as shown on map above referred to.

This parcel is also shown on map by C.B. Berry, RLS, dated November 19, 1982, reference to which is craved as forming a part and parcel of this description.

SAID PARCEL IS CONVEYED SUBJECT TO THE FOLLOWING:

- a. Rights or possible rights of the public to the Little River Neck Road;

- b. Rights or possible rights of the public to the unnamed road which crosses the property from West to East near the salt marsh;
- c. Rights of the public in and to any area of the property which might lie below the mean high water mark of the marsh;
- d. Rights or possible rights of the public to the Con. Canal as shown on the Berry map;
- e. Any and all utility easements which may cross the property;
- f. Possible roll back taxes-Buyer to be responsible for and pay;
- g. Wetlands as determined by Jimmy Hadden from Wetland Survey by Atlantic Land Surveying Co., Inc. [See letter from Clarence A. Ham dated February 14, 1994, and attached. Also, see referenced survey.];
- h. Any possible environmental contamination or pollution.

This being the identical property conveyed by N.F. Nixon, Jr. a/k/a Nicholas F. Nixon, Jr. to Ocean Enterprises, LLC by deed dated February 23, 2001, recorded February 26, 2001 in Deed Book 2345 at page 604 in the office of the ROD for Horry County.

HORRY COUNTY ASSESSOR

131-13-25-049 thru 088
Map Blk Parcel 9-22-04 pa

504853

FILED
HORRY COUNTY, S.C.
STATE OF SOUTH CAROLINA)
2004 SEP 28 AM 9:58)
COUNTY OF HORRY)
BALLERY V. SNIPPER
REGISTRAR OF DEEDS
SECOND AMENDMENT TO MASTER
DECLARATION FOR
CHARLESTON LANDING

WHEREAS, Declaration of Covenants and Restrictions for Charleston Landing dated April 2, 2001 and filed of record June 4, 2001 in the Office of the Registrar of Deeds for Horry County, South Carolina in Real Estate Deed Book 2376 at Page 1352;

WHEREAS, said Master Declaration for Charleston Landing was amended and restated by instrument dated January 7, 2002 and filed of record January 22, 2002 in the Office of the RMC for Horry County, South Carolina in Real Estate Deed Book 2445 at page 0601;

WHEREAS, Declarant, pursuant to the Covenants and Restrictions of record, which it has previously filed, has reserved unto itself, its successors and assigns the right to amend in part or in whole said Covenants and Restrictions; and

WHEREAS, Ocean Enterprises, LLC as Declarant/Developer wishes to modify in small part the Master Declaration for Charleston Landing filed January 22, 2002 and recorded in the Office of the RMC for Horry County, South Carolina in Real Estate Deed Book 2445 at page 0601;

NOW, THEREFORE, in consideration the recitation set forth above, the receipt and sufficiency of which consideration is hereby expressly acknowledged, Declarant, as undersigned, hereby amends the January 22, 2002 Master Declaration for Charleston Landing in the following particular:

1. Article 7, Subparagraph J contained on Page 45 of the Master Declaration for Charleston Landing entitled Requirement Purchaser Build Within Twelve (12) Months is hereby deleted in its entirety.

Except as modified above, the said Master Declaration for Charleston Landing is hereby reaffirmed and ratified in each and every particular.

This Second Amendment is binding upon the parties, their heirs, successors, personal representatives and assigns.

DEED
2798 0930

930

IN WITNESS WHEREOF, the duly authorized officers of the undersigned Declarant have executed this Second Amendment under seal this 24th day of September, 2004.

Signed, Sealed and Delivered
in the Presence of:

Susan P. Shelley
Susan P. Shelley
As to Declarant

DECLARANT:
OCEAN ENTERPRISES, LLC

By: Robert L. Jones
Its: Managing Member

South
STATE OF ~~NORTH~~ CAROLINA)
COUNTY OF Horry)

PROBATE

PERSONALLY appeared before me the undersigned witness and made oath that (s)he was present and saw the within OCEAN ENTERPRISES, LLC, by Robert L. Jones, its Managing Member, as DECLARANT, sign, seal and as the corporate act and deed, deliver the within Second Amendment to Declaration of Covenants, Conditions and Restrictions for Ocean Enterprises, LLC; deponent with the other witness whose name is subscribed above witnessed the execution thereof.

SWORN to before me this
27 day of September, 2004.

Susan P. Shelley (L.S.)
Notary Public for ~~North~~ South Carolina
My Commission Expires: 12/9/11.