

**STONE CREEK COVE
AREA EASEMENTS & COVENANTS
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STATE OF SOUTH CAROLINA) **AMENDED AND RESTATED**
) **DECLARATION OF RESIDENTIAL**
) **AREA EASEMENTS AND COVENANTS**
COUNTY OF ANDERSON) **FOR STONE CREEK COVE**

WHEREAS, Stone Creek Cove Homeowners Association [“Association”], a non-profit corporation organized and existing under the laws of the State of South Carolina having as members and shareholders the owners of real property in the subdivision of Anderson County, South Carolina, known as Stone Creek Cove (more specifically described on that certain plat of Alvin Freeman, Registered Land Surveyor, dated August 23, 1972, recorded in the Office of the Clerk of Court for Anderson County, South Carolina, in Plat Book 77 at page 441 and as revised in Plat 2, dated November 10, 1974 recorded in the Office of the Clerk of Court for Anderson County, South Carolina in Plat Book 79 at page 870), has or will acquire certain properties within the aforesaid subdivision which are generally known as the Common Areas; and

WHEREAS, these Common Areas were formerly held (subject to various encumbrances) by Stone Creek Cove, Limited Partnership (hereinafter referred to as the “Former Developer”) which Former Developer had encumbered the Common Areas by filing of the Declaration of Residential Area Easements and Protective Covenants, dated May 10, 1973 and recorded May 14, 1973 in the Office of the Clerk of Court for Anderson County, South Carolina in Deed Book 17N at page 334 (hereinafter referred to as the “Declaration”); and

WHEREAS, the Former Developer and the then Homeowners (together constituting all of the then owners), entered into and executed an Amendment to the Declaration, designated as Amendment #1, Declaration of Residential Area Easements and Protective Covenants and Notice of Change of Plat (“Amendment #1”), said Amendment being dated February 7, 1975 and recorded that same date in the Office of the Clerk of Court for Anderson County, South Carolina in Deed Book 17X at page 189); and

WHEREAS, the aforesaid Amendment #1 required any Amendment to the Declaration to be executed in writing by at least two-thirds (2/3) of the Homeowners of record; and

WHEREAS, the Former Developer and more than two-thirds (2/3) of the Homeowners of record consented to Amendment #2, Declaration of Residential Area Easements and Protective Covenants (“Amendment #2”), said Amendment being dated January 15, 1976 and recorded that same date in the Office of the Clerk of Court for Anderson County, South Carolina in Deed Book 18C at page 889; and

WHEREAS, more than two-thirds (2/3) of the Homeowners of record, as evidenced by a Power of Attorney and by the consent and approval of the Attorneys so empowered, consented to Amendment #3, Declaration of Residential Area Easements and Protective Covenants which replaced in its entirety the previously existing by-laws and Declaration, as amended, said Amendment #3 being dated June 18, 1977 and duly recorded in the

Office of the Clerk of Court for Anderson County, South Carolina on December 16, 1977, in Deed Book 18Q at page 930; and

WHEREAS, Amendment #3 empowered the Board of Directors of Stone Creek Cove Homeowners Association to amend the Declaration; and

WHEREAS, all members of the Board of Directors of the Homeowners Association at a regular meeting of that Board on August 15, 1978 did unanimously approve Amendment #4, Declaration of Residential Area Easements and Protective Covenants, to be effective on and after that date, said Amendment #4 being dated August 15, 1978 and duly recorded in the Office of the Clerk of Court for Anderson County, South Carolina on December 29, 1978 in Deed Book 18-Y at page 754; and

WHEREAS, all members of the Board of Directors of the Homeowners Association at a regular meeting of that Board on April 20, 1981 did unanimously approve Amendment #5, Declaration of Residential Area Easements and Protective Covenants, to be effective on and after June 1, 1981 said Amendment #5 being dated May 14, 1981 and duly recorded in the Office of the Clerk of Court for Anderson County, South Carolina on May 15, 1981 in Deed Book 190 at page 648; and

WHEREAS, all members of the Board of Directors of the Homeowners Association at a special meeting of that Board on February 17, 1986 did unanimously approve Amendment #6, Declaration of Residential Area Easements and Protective Covenants, to be effective February 1986, said Amendment #6 being dated February 17, 1986 and duly recorded in the office of the Clerk of Court for Anderson County, South Carolina on March 14, 1986 in Deed Book 20-S at page 749; and

WHEREAS, said Amendment #6 provided that the Declaration could be amended from time to time by an instrument in writing executed by all of the members of the Board of Directors until such time as Marassett no longer had mandatory representation on the Board at which time the Declaration could be amended from time to time by an instrument in writing executed by two-thirds or more of the regular members of record; and

WHEREAS, Marassett no longer owns any lot or interest in Stone Creek Cove and no longer has any right to mandatory representation on the Board; and

WHEREAS, Stone Creek Cove Country Club, a South Carolina non-profit corporation merged with and into Stone Creek Cove Homeowners Association effective December 28, 2000 as evidenced by merger document of record in the Office of Secretary of State for South Carolina and copy of record in the Office of Register of Deeds for Anderson County in Book 6759 at Page 11; and

WHEREAS, an instrument entitled Declaration of Residential Area Easements and Protective Covenants dated on or about April 18, 2002 was recorded on April 23, 2002 in the Office of Register of Deeds for Anderson County in Book 4722 at Page 108, which instrument purported to constitute a 7th amendment to the Declaration revoking and replacing all prior versions of the Declaration of Restrictive Covenants and amendments

thereto, however, questions have been raised as to the proper adoption and execution of that instrument; and

WHEREAS, the Association now desires to amend and restate the Declaration of Residential Area Easements and Protective Covenants for Stone Creek Cove and by separate, unrecorded instrument amend and restate the By-Laws of the Association which Amended and Restated Declaration, once executed and recorded, will replace and supersede all prior versions of the Declaration of Residential Area Easements and Protective Covenants for Stone Creek Cove and any and all prior amendments thereto.

NOW, THEREFORE, in consideration of the foregoing and the benefits accruing to the present and future members of the Association, this Amended and Restated Declaration of Residential Area Easements and Protective Covenants for Stone Creek Cove shall be applicable to all the lands as shown on the aforementioned revised Plat #2 in furtherance of a plan for the Subdivision improvement and development of lots, condominium units and Common Areas and is established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness of the property. This Amended and Restated Declaration is designed to keep said Subdivision desirable, uniform and in suitable esthetic, practical and architectural design and use as hereinafter specified.

NOW, THEREFORE, the Association does hereby revoke and replace all prior Declarations of Restrictive Covenants with this Amended and Restated Declaration of Residential Area Easements and Protective Covenants.

ARTICLE I

NAME AND LOCATION

Section 1 NAME. The name of the Association is Stone Creek Cove Homeowners Association, hereinafter referred to as the “Association”.

Section 2 LOCATION. The Association’s mailing address shall be at Stone Creek Cove, 1500 Providence Church Road, Anderson County, South Carolina 29626. The Association may change said mailing address at the discretion of the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. Amended Declaration means the most current Declaration of Residential Area Easements and Protective Covenants.

Section 2. Amenities means Stone Creek Cove golf course, tennis courts, swimming pool, clubhouse, and any other recreational facilities located within the subdivision subject, however, to any limitations upon use or access by third party Lessees of such facilities or rules and regulations promulgated by the Association as to how such facilities must be operated.

Section 3. Annual Assessments means a Member's share of the common expenses which from time to time may be assessed against a Member by the Association in the manner provided for in this Amended Declaration.

Section 4. Annual Assessment Period means the year commencing the first of the month following the Annual Meeting.

Section 5. Assessable Unit means a developed house lot or residential unit in multi-family development within the Subdivision which is subject to assessment.

Section 6. Attorneys means those Directors appointed by the Homeowners to act for them as evidenced by a Power-of-Attorney.

Section 7. Common Areas means that portion of the Stone Creek Cove Subdivision as designated in this Amended and Restated Declaration for the common use and enjoyment of the Members, subject to any restrictions on use determined and declared by a Lessee of any leased recreational facilities or by the Association in the case of recreational facilities operated by the Association. No portion of the property within the subdivision on which residences have been constructed or shall be constructed is considered part of the Common Area. The Common Areas shall include all roads, walkways, open space, sewer plant and system, recreational facilities and any additional land acquired in the name of the Association.

Section 8. Condominium Regimes means that portion of the Stone Creek Cove Subdivision as designated in the Subdivision or subsequently organized.

Section 9. Default means in arrears with respect to financial obligations to the Association by permitting those obligations to go unpaid for sixty (60) days after the first of the month to which a monthly assessment applies or sixty (60) days after a billing is made for goods or services.

Section 10. Delinquent means in arrears with respect to financial obligations to the Association by permitting those obligations to go unpaid for fifteen (15) days from the date of billing.

Section 11. Development means the entire undertaking pursuant to the Amended Declaration and that property which may be added from time to time.

Section 12. In Good Standing means not in arrears for sixty (60) days or more with respect to financial obligations to the Association.

Section 13. Resident Member means a person who is a record owner of a fee or undivided fee interest in any residence or lot which is located in the subdivision.

Section 14. Owner means a record owner whether one or more persons, of a fee simple title to any real estate lot or condominium unit, excluding, however, those persons having such interest merely as security for the performance of an obligation.

Section 15. Person means an individual, corporation, partnership, association, trustee or other legal entity.

Section 16. Plat#2 means that certain Plat of Stone Creek Cove Subdivision prepared by Alvin Freeman, RLS as revised by the last revision dated November 10, 1974.

Section 17. Property, unless the context should otherwise require, means that land described in the Amended Declaration and which may be added from time to time as the Association sees fit.

Section 18. Residence means a single family residential unit constructed on a lot or as part of a residential building which contains two or more single family residential units.

Section 19. Subdivision means Stone Creek Cove Subdivision as shown on Plat #2.

Section 20. Undeveloped Lots means lots which do not have water, sewer, and electrical service.

Section 21. Reserve Fund means the difference between cash, collectable receivables, investments and prepaid items, less all accounts payable, debts and accrued expenses of the association.

ARTICLE III

RESTRICTIONS OF THE SUBDIVISION

Section 1. Land Use and Building Type. No lot shall be used except for residential purposes. No building shall be erected, altered, placed or permitted to remain on any lot other than one detached single-family dwelling not to exceed two and one-half (2 ½) stories in height and shall include an enclosed garage to accommodate a minimum of two vehicles. This provision shall be applicable to properties in the Subdivision and subject to the following modifications:

- (A) Supplemental or amended plat of the Subdivision may from time to time be filed by the Association, by which certain portions of the property previously referred to which are not designated as single-family lots may be converted to multi-family properties and properties which have not been developed, however identified on the plat, may be developed for either single family or multi-family purposes. The Association shall also have the right to relocate roadways in undeveloped areas, subject to the provision that no relocation shall be made which would adversely affect access to any lot or condominium unit now owned by any Homeowners, or access to any of the common properties.
- (B) The use restrictions contained in this Article shall not be applicable to land or undeveloped lots, which are converted to multi-family, except as otherwise specifically provided in this Article III.

The following shall be applicable to all lots in the Subdivision:

No fence or wall shall be erected, placed or altered on any lot, and no grading or filling which would change the elevation of any lot, or significant portion thereof shall be done unless approved exclusively by the Architectural Control Committee (ACC) of the Association.

The owner of any lot shall be expressly prohibited from removing or destroying any tree over three (3) inches in diameter at four and one-half (4 ½) feet above ground level without written consent of the Architectural Control Committee (ACC), unless such tree is located within ten (10) feet of the dwelling or within ten (10) feet of the approved site for such building. Any violation is subject to a One Hundred (\$100) Dollar fine for each tree so removed or destroyed, payable to the Association. Notwithstanding the foregoing it is further provided that all trees and bushes abutting or near roadways shall be maintained and trimmed in such a way that there is ten (10') feet clearance height from the edge of the roadway to the opposite edge of the roadway. The owner of such trees and bushes shall be responsible for maintaining such clearance as to trees and bushes on the owner's property and the Association shall be responsible for maintaining such clearance as to all other trees and bushes within the subdivision. In the event an owner fails to maintain the required clearance the Association may undertake to do so and assess the owner in question for such cost of clearing and trimming.

Section 2. Square Footage & General Construction Details.

- Section 2-1. The heated area of one story single family dwellings exclusive of garages, carports, or open porches, shall be not less than one thousand eight hundred (1800) square feet.
- Section 2-2. The heated main floor of a two-story single family dwelling, exclusive of garages, carports or open porches, shall be not less than one thousand four hundred (1400) square feet on the first floor with an aggregate of not less than two thousand (2000) square feet of heated area on both floors.
- Section 2-3. All homes built in Stone Creek Cove must have an enclosed garage that will accommodate a minimum of two vehicles.
- Section 2-4. Existing homes built prior to 2002 under the previous one thousand five hundred (1500) square footage and other guidelines are exempt from the above requirements.
- Section 2-5. Existing homes that are razed must be rebuilt according to current specifications.
- Section 2-6. Multi-family or high density units, including patio homes, must be approved on a case by case basis by the Board of Directors and the Architectural Control Committee (ACC) with a minimum of fifteen hundred (1500) square feet.
- Section 2-7. All foundations shall be constructed so that they shall be underpinned with masonry construction around the entire perimeter and finished with brick, stone or similar skirting, including porches and steps, but allowing windows and ventilators.
- Section 2-8. No manufactured homes, no mobile homes, and no modular homes may be put on any lots under any circumstances. All homes built in Stone Creek Cove shall be stick built homes which shall be constructed completely on site.

- Section 2-9. Outside detached, stick built structures will be considered by the ACC. However, all requirements of the ACC Guidelines must be met including but not limited to the structure being consistent with the overall design of the dwelling and other structures which might be located on the subject lot.

See Article IV for additional Architectural Control information.

Section 3. Building Location and Setbacks. No part of any building on a real estate lot shall be located on such lot nearer than forty (40) feet to the front lot line, front lot line being that portion of the lot fronting upon the road or access way, and no part of any building on a real estate lot shall be located nearer than ten (10%) percent of the effective front line width, but not to exceed fifteen (15) feet, to an interior lot line; interior lot line being that portion of the lot that is common dividing line with adjacent lots. No dwelling shall be located on any interior lot nearer than thirty (30) feet to the rear lot line except those lots fronting on the lakeshore. Other than street setbacks, these building setback lines shall not be applicable to high-density units (e.g. patio homes).

Section 4. Subdivision of Lots. No lot shall be subdivided, or its boundary lines changed except with the written consent of the Board of Directors of the Association and the Architectural Control Committee.

Section 5. Architectural Control. No construction of any nature whatsoever shall be commenced or maintained upon any particular lot, nor shall any exterior addition to or change or alteration therein be made unless and until the plans, specifications and elevations showing the nature, kind, shape, height, materials and location (including extent of topographical alteration) of the same shall have been submitted by the Owner or his representative to and approved in writing as to harmony of external design and location in relation to surroundings, structure and topography by the Architectural Control Committee (ACC) as outlined in Article IV.

Section 6. Construction Damage. Any damage caused by builders, contractors, subcontractors or utility companies to Common Area property or to privately owned property in the Subdivision shall be the responsibility of the owner who has employed or contracted with the builder or contractor involved. This shall include, without limitation, damage to roads (other than normal wear and tear) and parkways, to water lines, sewer lines, electric lines, damage resulting from diversion of water flow, or from falling trees, damage to nearby construction from blasting or excessive vibration and damage to adjacent lawns or gardens by failure to observe lot lines.

Owners shall have a reasonable time, not to exceed forty-five (45) days, within which to make satisfactory arrangement for repair of damage which shall be performed in a workmanlike manner. The Association or injured individual Members shall be entitled to look to the owner for restitution for such damage. As a result, owners should protect themselves by obtaining performance bonds from their contractors in favor of the Association.

Section 7. Nuisances. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or

nuisance to the neighborhood. Boat trailers, boats, jet skis, abandoned cars and motor homes, etc. may be temporarily parked on the Owner's property for a period not to exceed seven (7) days.

Section 8. Temporary Structures. No structure of a temporary character, trailer, tents, shack, garage, barn or other buildings shall be used or left on any lot any time as a residence either temporarily or permanently, nor will it be permissible to stockpile any form of construction materials or the parking of equipment on any lot which would be unsightly to the community, except during the actual time of construction of said house or condominium unit. At no time shall any vehicle or temporary structure be used as a dwelling.

Section 9. Construction. Any structure must be completed within one (1) year after the initial construction has been commenced unless written waiver is obtained from the Association extending such period.

Section 10. Signs. No sign of any kind shall be displayed to the public view on any lot except a professional sign of not more than one (1) square foot, or a sign of not more than five (5) square feet advertising the property for sale or rent, or the normal signs used by a builder to advertise the property during the construction and sales period only. Uniformity in signs must be consistent with the nature of the development.

Section 11. Clothes Lines, Garbage Cans, etc. Clothes lines shall not be permitted. All equipment, garbage cans, service yards, wood piles and storage piles shall be kept screened by adequate planting or other screening methods so as to conceal them from view of neighboring residents and streets. All rubbish, trash and garbage shall be regularly removed from the premises and shall not be allowed to accumulate thereon.

Section 12. Satellite TV Dishes. No satellite TV dishes larger than twenty (20) inches (digital TV dishes) will be permitted.

Section 13. Oil and Mining Operations. No oil, quarrying or mining operations of any kind shall be permitted upon or in any lot, unless written permission is obtained from the Association.

Section 14. Livestock, Poultry and Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept on any residential lot, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purpose, Pets shall at all times whenever they are outside a Lot, be confined on a leash held by a responsible person. Dogs being walked will be the responsibility of the owner and any excrement shall be cleaned up by the owner when outside the owner's lot. Pets shall not be allowed to run at large nor shall they endanger the health of other residents, make objectionable noise or constitute a nuisance or inconvenience to other property owners. The Anderson County leash law is applicable to Stone Creek Cove.

Section 15. Sewage Disposal. No individual sewage disposal system shall be permitted on any lot unless approval of such system shall be obtained, in writing, from the Board and

the Architectural Control Committee of the Association. Tap on fees shall be charged by the Association.

Section 16. Sight Distance at Intersections. No fence, wall, hedge or other shrub planting which obstructs sight lines at elevation between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points twenty-five (25) feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the street property lines extended.

The same sight-line limitations shall apply on any lot within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No trees shall be permitted to remain within such distances of such intersection unless the foliage line is maintained at sufficient height to prevent obstruction of sight lines. If the owner fails to comply with the line of sight requirements within thirty (30) days after notice by the Association, the Association shall take corrective action and expense will be billed to the homeowner.

Section 17. Covenants Running with the Land. All provisions of this Amended Declaration shall be construed to be covenants running with the land, and with every part thereof and interest therein, including, but not limited to, every real estate lot or condominium unit and the appurtenances thereto, and shall be binding on all parties and persons claiming under them for a period of thirty (30) years from the date these covenants shall be automatically extended for successive periods of ten (10) years each unless an instrument signed by a majority of then owners of the lots and condominiums has been recorded agreeing to change said covenants in whole or in part.

Section 18. Parking. Each lot owner shall provide space for parking of automobiles off the street prior to occupancy of any dwelling structures constructed on said lot or subdivision of lots in accordance with reasonable standards established by the Association.

Section 19. Enforcement. Each owner shall comply with the covenants, conditions and restrictions set forth in the deed to his residence or in the Amended Declaration and the Administrative Rules and regulations adopted pursuant thereto, as either of the same may be lawfully amended from time to time. Failure to comply with any of the same shall be grounds for an action to recover sums due, for damages or injunctive relief or both, maintainable by the Association or, in a proper case, by an aggrieved owner. Failure by the Association or any owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter.

Section 20. Maintenance. It is expected that each real estate lot or condominium unit owner shall maintain his lot equivalent to the standards of the community. In the event such real estate lot or condominium unit is not so maintained, the Board of Directors, after due notice to the owner, shall have permission to authorize its agents to enter upon and maintain the premises. The Board of Directors shall then have the authority to charge and bill the owner reasonable amounts for services rendered.

Section 21. Firearms and Weapons. The use of firearms or weapons of any kind within Stone Creek Cove is prohibited. This includes “B-B” guns, pellet guns, bows and arrows and any other firearms or weapons of all types, regardless of size.

ARTICLE IV

ARCHITECTURAL CONTROL

Section 1. Membership. The Architectural Control Committee (ACC) shall consist of three (3) or more Association Members. At least one Member, but not necessarily its Chairman, shall be a member of the Board. To the extent feasible, members of the ACC shall have had prior experience in architecture or landscaping. At any time the Board feels it necessary, they may become the ACC. The Board appoints the ACC and its Chairperson and the term of office for all members shall be one year. A member can serve on the ACC for more than one term if so appointed by the Board. If the Board is not serving as the ACC, the Board may decide to be the final approving authority for all new construction and major additions or they may delegate this responsibility to the ACC if the Board is not serving in the ACC role.

Section 2. Purpose. The ACC shall review, study and either approve or reject proposed improvements on the property, all in compliance with this Declaration and as further set out in the rules and regular of the ACC and the ACC Guidelines adopted and established from time to time by the ACC.

- Section 2-1. The ACC shall exercise its best judgment to see that all improvements conform and harmonize with any existing structures as to external design, quality and type of construction, materials, color, tree removal, location on the building site, height, grade and finished ground elevation, and all aesthetic considerations set forth in this Declaration or in the ACC Guidelines.
- Section 2-2. No improvements on the Property shall be erected, placed or altered on any Lot or building site, nor shall any construction be commenced until plans for such improvements shall have been approved by the ACC, provided, however, that improvements and alternations which are completely within a building may be undertaken without such approval.
- Section 2-3. The actions of the ACC and the Board in the exercise of its discretion by its approval or disapproval of plans or other information submitted to it, or with respect to any other matter before it, shall be conclusive and binding on all interested parties subject to appeal as provided in Section 2-4.
- Section 2-4. Any disagreement between an owner and the Architectural Control Committee and the Board which cannot be resolved shall be carried forth to Arbitration. A three person arbitration board consisting of one (1) member selected by the Association’s board, one (1) member selected by the owner and a third selected by the arbitrator for the Association and the arbitrator for the owner shall consider arguments of both parties and render a decision which shall be binding on both parties. Costs of arbitration for the member selected by the Association’s Board will be the Association’s responsibility, the owner will be responsible for the arbitration cost of his member and the cost of the third member will borne equally by the Association and the owner.

Section 3: Organization & Operation of the ACC:

- Section 3-1 Term. The term of office for each member of the ACC, subject to Section 1, shall be one (1) year commencing on March 1 of each year and continuing until his successor shall be have been appointed. Should an ACC member, die retire or become incapacitated or in the event of a temporary absence of a member, a successor may be appointed as provided in Section 1.
- Section 3-2 Chairman. The Board will appoint the Chairman of the ACC.
- Section 3-3 Operations. The Chairman shall preside over and conduct all meetings and shall provide for reasonable notice to each member of the ACC prior to any meeting. The notice shall set forth the time and place of the meeting and notice may be waived by any member. In the absence of the Chairman, the Board may appoint a successor, or if the absence is temporary, a temporary successor.
- Section 3-4 Voting. The affirmative vote of a majority of the members of the ACC shall govern its actions and be the act of the ACC. A quorum shall consist of a majority of the members.
- Section 3-5 Expert Consultation. The ACC shall avail itself of technical and professional advice as it deems appropriate which first must be approved by the Board.

Section 4. Expenses. Except as provided below, all expenses of the ACC shall be paid by the Association.

Section 5. Architectural Guidelines and Rules. The ACC shall adopt, establish and publish from time to time ACC Guidelines which shall be a Stone Creek Cove Document. The ACC Guidelines shall not be inconsistent with the Declaration, but shall more specifically define and describe the design standards for the Stone Creek Cove Subdivision and various uses within Stone Creek Cove. The ACC Guidelines may be modified or amended from time to time by the ACC. Further, the ACC, in its sole discretion, may excuse compliance in specific situations and may permit compliance with different or alternative requirements. Compliance with the Stone Creek Cove design review process is not a substitute for compliance with the Anderson County building, zoning and subdivision regulations, and each Owner is responsible for obtaining all approvals, licenses and permits as may be required prior to commencing construction.

Section 6. Procedures. As part of the ACC Guidelines and Rules, the ACC shall make and publish such rules and regulations as it may deem appropriate to govern its proceedings.

Section 7. Limitation of Liability. The ACC shall use responsible judgment in accepting or disapproving all plans and specifications submitted to it. Neither the ACC nor any individual ACC member shall be liable to any person for any act of the ACC in connection with submitted plans and specifications except to the extent the ACC or any individual ACC member acted with malice or wrongful intent. Approval by the ACC does not necessarily assure approval by the appropriate governmental board of commission for Anderson County, South Carolina. Notwithstanding that the ACC has approved plans and specifications, neither the ACC nor any of its members shall be responsible or liable to any owner, developer or contractor with respect to any loss, liability, claim or expense which may arise by reason of such approval of the construction of the improvements. Neither the Board, the ACC nor any agent thereof, shall be responsible in any way for any defects in

any plans or specifications submitted, revised or approved in accordance with the provision of the Stone Creek Cove Documents, nor for any structural or other defects in any work done according to such plans and specifications. In all events, the ACC shall be defended and indemnified by the Association in any such suit or proceeding which shall arise by reason of the ACC's decision. The Association, however, shall not be obligated to indemnify each member of the ACC to the extent that any such member of the ACC shall be judged to be liable for negligence or misconduct in the performance of this duty as a member of the ACC, unless and then only to the extent that the Court in such action or suit may be brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, each person is fairly and reasonably entitled to indemnification for such expenses as such Court shall deem proper.

Section 8. Penalties for Violations or Non-compliance. The ACC may seek any and all legal or equitable remedies available to it in the event of a violation of ACC guidelines or non-compliance with such guidelines by an Owner. The ACC may assess \$50.00 per day against an owner for each event of non-compliance or violation, and collection of such shall be subject to enforcement under all provisions contained herein, including those that provide for such sums owed to become a lien on the lot.

Section 9. Construction and Alteration of Improvements.

- Section 9-1. General. The ACC Guidelines and the general instructions set forth in the Covenants shall govern the right of an Owner, developer to other entity to construct, reconstruct, refinish, alter or maintain any improvement upon, under or above any of the property (except as provided in Section 2 above) and to make or create any excavation or fill on the property or make any change to the natural or existing surface contour or drainage, or install any utility line or conduit on or over the property.
- Section 9-2. Approval Required. Except to the extent permitted in Section 2-2 above, any construction, reconstruction, refinishing or alternation of any part of the exterior of any building or other improvements on the property is absolutely prohibited until and unless the Owner first obtains approval from the ACC and otherwise complies with the provisions of these Covenants. All improvements shall be constructed only in accordance with approved plans.
- Section 9-3. Removal of Nonconforming Improvements. The Association, upon request of the ACC and after reasonable notice to the offender and to the Owner, may remove any improvement constructed, reconstructed, refinished, altered or maintained in violation of these Covenants, and the owner of the improvement shall immediately reimburse the Association for all expenses incurred in connection with such removal.
- Section 9-4. Construction Methods. Specific rules regarding construction methods, including but not limited to excavation, drainage, utility lines, loading areas, waste storage, trash removal, materials storage and transformers and meter shall be set forth in the ACC Guidelines and all owners shall comply with these rules.

ARTICLE V

EASEMENTS

Section 1. Easements. There is hereby granted a blanket easement upon, across, over and under all the property for ingress and egress, installation, replacing, repairing and maintaining all utilities including, but not limited to water, sewers, telephones and electricity. By virtue of this easement, it shall be expressly permissible for the providing utility company to maintain the necessary equipment on said property and to affix and maintain utility wires, circuits and conduits on, across and under the roofs and exterior walls of the real estate lots and condominium units. It is required that all utilities be placed underground and the utility company shall have all of the aforementioned easements and may place the aforementioned utilities in the most advantageous manner pursuant to a common scheme of the entire development.

There is hereby granted a blanket easement to the Association, its Directors, Officers, Agents and employees, to any manager employed by or on behalf of the Association and to all policemen, firemen, ambulance personnel, security guards and all similar persons to enter upon the property or any part thereof in the proper performance of their respective duties. Except in the event of emergencies, the rights accompanying these easements shall be exercised only during reasonable daylight hours and then whenever practical, only after advance notice to and with the permission of the owner or owners directly affected thereby.

Section 2. Golf Course Maintenance Easement. There is reserved to the Association, a "Golf Course Maintenance Easement Area" on each lot adjacent to the fairways or greens of the Stone Creek Cove golf course. This reserved easement shall permit the Board of Directors, its agents and assigns, at its election, to go onto any fairway lot at any reasonable hour and maintain or landscape the Golf Course Maintenance Easement Area. Such maintenance and landscaping shall include regular removal of underbrush, trees less than three (3) inches in diameter at four and one-half (4 ½) feet above ground level, stumps, trash or debris, planting of grass, watering, application of fertilizer, and mowing the Easement Area. This Golf Course Maintenance Easement Area shall be limited to the portion of such lots within thirty (30) feet of the lot line bordering the fairway, or such lesser area as may be shown as a Golf Course Maintenance Easement Area on the recorded plat of such lot, provided, however, that the above described maintenance and landscaping rights shall apply to the entire lot until there has been filed with the Association a landscaping plan for such lot by the owner thereof, or alternatively, a residence constructed on the lot.

Until such time as a real estate lot or condominium unit constructed on a lot, the Association, its agents or assigns, reserve an easement to permit and authorize registered golf course players and their caddies to enter onto a lot to recover a ball or play a ball, subject to the official rules of the course, without such entering and playing being deemed a trespass. After a residence is constructed, such easement shall be limited to that portion of the lot included in the Golf Course Maintenance Easement Area, and recovery of the balls only, not play, shall be permitted in such easement area. Registered players or their caddies shall not be entitled to enter on any such lot with a golf cart or other vehicle, nor

spend unreasonable time on such lot or in any way commit a nuisance while on such lot. After construction of a residence on a lot adjacent and contiguous to a Golf Course Maintenance Easement Area, "Out of Bounds" markers shall be placed on the said lot at the expense of the Association.

Owners in the Subdivision shall be obligated to refrain from any actions which would detract from the playing qualities of the Stone Creek Cove Golf Course or the development of an attractive over-all landscaping plan for the entire golf course area. Such prohibited actions shall include, but are not limited to, such activities as burning of trash on a lot when the smoke could cross onto the fairway, and the maintenance of uncontrolled dogs or other pets under conditions interfering with play due to their loud barking, running on the fairways, picking up balls, disturbing sand traps or other like interference with play.

ARTICLE VI

ASSESSMENTS AND FEES

Section 1. General. Each owner of any assessable unit, by acceptance of a deed thereof, whether or not it shall be so expressed in any such deed is deemed to covenant and agree to pay to the Association:

- A. Annual assessments or charges paid on a monthly or annual basis.
- B. Special assessments for capital improvements and maintenance of the common grounds or an individual owner's lots, such assessments to be fixed, established and collected from time to time as hereinafter provided.
- C. Ad valorem taxes paid for owner.
- D. Reserve Fund(s) as defined in the By-Laws.

The annual, special, individual assessments and reserve funds together with such interest thereon and cost of collection thereof as hereinafter provided, shall be a charge on and a continuing lien upon the property against which each assessment is made in favor of the Association. Each owner shall be liable for such portion thereof as may be due and payable at the time of a conveyance but without prejudice to the rights of the grantee to recover from the grantor the amounts paid by the grantee thereof, provided, however, that any such grantee shall be entitled to a statement from the Association's Board of Directors or its Designated Appointee, setting forth the amount of the unpaid assessments against the grantor and such grantee shall not be liable for, nor shall the residence conveyed be subject to a lien for any unpaid assessments against the grantor in excess of the amount herein set forth. The purchaser of a real estate lot or condominium unit at a judicial or foreclosure sale shall be liable only for assessments subsequent to the time the purchaser comes into possession and shall not be liable for assessments prior to such time.

The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents of the Subdivision and in particular for the improvement and maintenance of the property and services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area and of the real estate lots and condominium units situated upon the Subdivision. Such assessments shall include, but not be limited to, funds for the actual costs to the

Association for all administration, insurance, repairs, replacements and maintenance of the Common Areas and buildings. Other facilities and activities to be paid for by means of such assessments may include management fees, security force furnished to residents by the Association, and other charges as may be required or that the Association or its Board of Directors shall determine to be necessary to meet the primary purpose of the Association including the establishment of a reserve for repairs, replacements and maintenance and other charges as specified herein. It is anticipated that ad valorem taxes and governmental assessments, if any, upon the property will be assessed by the taxing authorities upon the resident owners, and that each such assessment will include the assessed value of the residence. Any such taxes and governmental assessments upon the property which are not so assessed shall be included in the budget of the Association as recurring expenses and shall be paid by the Association as a common expense.

If any property is converted to commercial use, an appropriate assessment rate shall be determined, based upon the services provided by the Association for the benefit to that property. Property which is developed into lots shall become lots at such time as development (including water, sewer, electrical service and paved road) is completed, each such lot to be an assessable unit. Property including present undeveloped lots, which is developed multi-family shall become developed property at such time as all improvements are completed and ready for occupancy, each residential unit to be an assessable unit.

Section 2. Annual Assessments. Annual assessments (dues) will be levied by the Board of Directors. In addition, the Board of Directors may levy special assessments for the purpose of defraying, in all or in part, the cost of any construction or reconstruction, unexpected repair or replacement of capital improvements upon the Common Area, including the necessary fixtures and personal property related thereto. Special Assessments shall have the approval of two-thirds (2/3) of the membership in attendance. Approval may be obtained by voting in person or by proxy at a meeting duly called for this purpose. Written notice of which shall be delivered to all lot or condominium owners of record on the date said notice is sent out.

Section 3. Maintenance Assessments. Representatives of the Association may enter upon the premises of a lot owner, or upon the common ground of a condominium regime for the purpose of maintaining said grounds when the grounds of said owner are in such a condition of neglect as to detract from the overall beauty and scheme of the development. The Association may then assess the property owner for the reasonable charges of such service, such assessment to be not less than Fifty (\$50) Dollars per occurrence.

Section 4. Collections and Liens. Assessments are due on the fifteenth (15th) day of the month to which they apply. In addition, billing to members for goods and services are payable fifteen (15) days after the billing date. Any assessments or billings for goods or services which are not paid when due, shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date, the assessment shall bear interest from the date of delinquency at the highest rate of interest permitted by law, and the Association may bring an action by law against the owner personally obligated to pay the same or foreclose its lien against such owner's property. In this event, the owner shall be liable for interest, costs, and reasonable attorney's fees. Each owner, by his acceptance of a deed to a real estate lot or condominium unit, vests in the Association or its agents the right and power to

bring all actions against him personally for the collection of such charges as a debt or foreclose the aforesaid lien in the same manner as other liens for the improvements of real property. The lien provided for in this agreement shall be in favor of the Association and shall be for the benefit of all other owners. The Association, acting on behalf of the owners, shall have the power to bid on the property at any foreclosure and to acquire, hold, lease, mortgage, and convey the same. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his real estate lot or condominium unit. If the assessment is not paid within thirty (30) days from statement date a \$5.00 late charge will be assessed. Since the Association bills its Resident Members for dues, goods and services, any delinquent charges owed by a Resident member are subject to the same lien rights as Association charges as shown above.

The lien of the assessments provided for in this agreement shall be prior and superior to all other liens except only:

- A. Ad valorem taxes
- B. A first mortgage or deed to secure debt of record

The sale or transfer of any real estate lot or condominium unit shall not affect the assessments lien, provided, however, that the sale or transfer of any real estate lot or condominium unit pursuant to the foreclosure of a first mortgage thereon, shall extinguish the lien of such assessments as to the payments thereof which become due prior to such sale or transfer. Sale or transfer shall not relieve such real estate lots, or condominium unit from liability for any assessments thereafter becoming due or from the lien thereon.

Section 5. Increase in Assessment. The annual assessment charge may be increased by three (3%) percent above the previous year's annual assessment and may be further increased up to an added five (5%) percent by a vote of two-thirds (2/3) of the Directors. Further increases in annual assessments may be made by approval of fifty-one (51%) of the total Members in attendance. Approval may be obtained by voting in person or by proxy at a meeting duly called for this purpose, written notice of which shall be delivered to all lot or condominium unit owners of record on the date said notice is sent, but not less than thirty (30) days nor more than sixty (60) days in advance of the meeting, setting forth the purpose of the meeting. Delivery shall be made by mailing to each of the said Owners at the Owner's last known address by first class mail or by hand delivery.

Nothing herein contained shall be construed as indicating that the assessments provided for in this Amended Declaration are modified or that Members are in any way released from the obligation to pay their monthly assessments to the Association. The Association will continue to have the authority to assert and foreclose on liens arising from default on payment of dues assessments. Furthermore, the restrictions existing in the aforementioned Amended Declaration with respect to increases in assessments will continue to apply.

Section 6. Assessment for Other Classes of Membership. Assessment of fees for all classes of membership other than Resident, shall be determined by the Board of Directors.

Section 7. Sewer Tap on Fees. A sewer tap on fee of Seven Hundred Fifty (\$750) Dollars will be assessed at not less than the current rates charged by Anderson County and the Board will determine annual increases.

ARTICLE VII

RIGHT OF FIRST REFUSAL

In order to assure a community of congenial owners and thus protect the value of the real estate lots or condominium units, the sale of such real estate lots or condominium units by any owner shall be subject to the following provisions:

This shall not be used to discriminate against any proposed purchaser of a residential lot or condominium unit by reason of race, religion, color, sex, socio-economic status, age or national origin.

A resident lot or condominium owner intending to make a bona-fide sale or a bona-fide lease of his residence or lot shall give notice in writing to the Association's Board of Directors of such intention, when a definite purchaser or lessee is obtained, together with the name and address of such purchaser or lessee, the terms of the proposed transaction and such other information as the Board may reasonably require. The Board may within thirty (30) days after receipt of such notice exercise its rights of first refusal and purchase from the resident owner its property at the value stated in such notice, unless a waiver is obtained from the Board of Directors in writing.

The foregoing restrictions against selling and leasing shall not apply to the holder of any promissory note secured in whole or in part by a duly executed and recorded deed to secure debt, security deed or mortgage which creates a lien on such portion of the property as may be owned by the Association at any particular time, or to any purchaser of one or more real estate lots or condominium units at a foreclosure of any such instrument or at a sale of one or more real estate lots or condominium units at a foreclosure of any such instrument or at a sale of one or more real estate lots or condominium units under power contained in any such instrument, or any other person who purchases such real estate lot or condominium unit from the purchaser at foreclosure or at sale under power.

ARTICLE VIII

AMENDMENTS

The provisions of this Declaration may be amended from time to time by an instrument executed by two-thirds (2/3) or more of the Resident Members of record in good standing provided, however, that any proposed amendment shall be submitted to the Board of Directors of the Association at least thirty (30) days prior to solicitation of written consents to such amendment.

IN WITNESS WHEREOF, the undersigned constituting at least two-thirds (2/3) of the Resident Members of record in good standing of Stone Creek Cove hereby adopt and approve the foregoing Amended and Restated Declaration of Residential Area Easements and Protective Covenants of Stone Creek Cove to be effective upon execution by the required two-thirds (2/3) of Resident Members in good standing and recordation in the Office of Register of Deeds for Anderson County.

Dated this 27th day of May, 2010.