

**AMENDED DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS**

CHARLESTON NATIONAL COMMUNITY ASSOCIATION, INC.

MOUNT PLEASANT, SOUTH CAROLINA

**THIS AMENDED DECLARATION EXECUTED IN 2005
REPLACES AND SUPERCEDES ALL PREVIOUS
COVENANTS, CONDITIONS, AND RESTRICTIONS**

Declaration of Covenants, Conditions, Restrictions, and Easements for Charleston National

Dated: _____

Book _____, **pages** _____

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Appendix A – Original Documents

Declaration of Conditions, Conditions, and Restrictions for Charleston National
Dated November 13, 1992 and Signatures of ninety (90) Percent of Homeowners
Declarations of Restrictions and Easements

Appendix B

Subdivision Plats for Charleston National Country Club

**AMENDED DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS
CHARLESTON NATIONAL COMMUNITY ASSOCIATION, INC.
MOUNT PLEASANT, SOUTH CAROLINA**

**THIS AMENDED DECLARATION, EXECUTED ON THE
_____ DAY OF _____, 2005
REPLACES AND SUPERCEDES
ALL COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS
OF CHARLESTON NATIONAL SUBDIVISION
PREVIOUSLY RECORDED IN THE RMC OFFICE
OF CHARLESTON COUNTY**

**CERTAIN PROVISIONS OF THIS DECLARATION ARE
SUBJECT TO ARBITRATION, PURSUANT TO THE
SOUTH CAROLINA UNIFORM ARBITRATION ACT,
§15-48-10 CODE OF SC SUPPLEMENT**

This DECLARATION, executed this ____ day of _____, 2005, by the CHARLESTON NATIONAL COMMUNITY ASSOCIATION, INC., a South Carolina non-profit corporation (Association) provides:

WHEREAS, East Cooper Golf Co., Inc., as Owner, filed a Declaration of Covenants, Conditions and Restrictions (the original Declaration) for Charleston National Subdivision (CNS), dated November 13, 1992, and recorded November 23, 1992, in Book R220, Pages 629-657 in the RMC Office for Charleston County; and

WHEREAS, East Cooper Golf Co., Inc., Centex Real Estate Corporation, Charleston National Properties, and Delta Homes, Inc. subsequently recorded various sets of Restrictions and Easements, as listed on Exhibit A attached;

WHEREAS, the Original Declaration which is still effective provides that it may be amended during the first twenty (20) years by an instrument signed by not less than ninety percent (90%) of the Owners; and

WHEREAS, the Association, after proper notice, acquired the signatures of ninety percent (90%) of the Owners who voted to amend and restate the Original Declaration in order to supersede or amend all previous Covenants, Conditions, Restrictions, and Easements, as set forth in Exhibit A, so they would be embodied in one Declaration;

NOW, THEREFORE, the original Declaration and all the previous Covenants, Restrictions, and Easements as listed in Exhibit A are hereby amended and superseded and this Declaration shall become effective on the date and time recorded in the RMC Office for Charleston County.

PREAMBLE

The Association, in order to develop and maintain Charleston National Subdivision (CNS) as a planned residential community and as Owner of the Common Area, as directed by its Articles of Incorporation, Bylaws, and the laws of the State of South Carolina, is charged with the responsibility of administering this Declaration, hereby declares that it shall seek to achieve the following objectives in discharge of that responsibility:

1. To establish and maintain a tranquil existence and a high quality of life for Residents of Charleston National Subdivision;
2. To prevent the abuse or unwarranted alteration of trees, vegetation, ponds, lagoons, waterways, and the natural character of the land in Charleston National Subdivision;

3. To establish standards for the construction, upkeep, and occupation of Residences, Lots, and Units in Charleston National Subdivision to assure quality housing that is both aesthetically pleasing and compatible with the high quality of life required; and
4. To help establish and maintain property values in Charleston National Subdivision comparable to values in other quality residential communities of like nature in the tri-county region.

The Association declares that the real property described in Article II is subject to and shall be used in accordance with this Declaration.

ARTICLE I

DEFINITIONS

A. Assessment - Annual or Special - means the charges levied by the Association against a Lot or Unit, to be used for promoting the health, safety, and welfare of Owners in accordance with the responsibilities and objectives of the Association; for the payment of taxes, levies, debts, or obligations lawfully owed by the Association; for the improvement, maintenance, repair, and replacement of Common Areas, services, and facilities in CNS that are the responsibilities of the Association; and for the maintenance of a capital reserve fund.

B. Association means Charleston National Community Association, Inc. (Association), a non-profit corporation organized and existing under the laws of the State of South Carolina, its successors and assigns, as evidenced by its Articles of Incorporation, issued on the 11th day of September, 1991, by the Secretary of State, State of South Carolina.

C. Bank Account means any account in a financial institution that carries insurance from the Federal Deposit Insurance Corporation (FDIC).

D. Board means the Board of Directors of the Association that is elected by Owners to govern and administer the Association.

E. Bylaws means the set of standing rules governing the regulation of the internal affairs of CNS, including, but not limited to, regulations regarding membership in the Association, members' voting rights, management of the Association by the Board of Directors, meetings of the Board and the Association, and assessments, fines, penalties, or transfer fees levied against Lots, Units, or members. The Bylaws may be found in Book H492, Pages 478-497, in the RMC Office for Charleston County and are incorporated by reference.

F. Capital Reserve Fund means funds set aside in a separate account for future major improvement, maintenance, repair, and replacement, expected or unexpected, of Common Areas, services, and facilities in CNS that are the responsibilities of the Association as set forth in Section D of Article IV below.

G. Charleston National Subdivision (CNS), as used herein, means only that portion of a certain residential community known as Charleston National Country Club, which is described herein as "Property"(see Exhibit B), together with such additions thereto as may from time to time be designated by Declarant.

H. Club or Country Club or Club Property or Charleston National Country Club (CNCC) means the real and personal property comprising the golf course, tennis courts, pools, and related recreational facilities constructed adjacent to, or in close proximity to the Property, and owned and operated as further set forth in Article IX. The

property of the Club is not subject to this Declaration. The purchase of a Lot or Unit in CNS does not obtain any membership or rights of any kind in CNCC. Membership in CNCC requires a separate application and payment of all fees and dues of CNCC.

I. Common Area means all real and personal property, lagoons, lakes, ponds, fresh water wetlands, salt water marsh, waterways, protected natural areas, which are or may be subject to the Corps of Engineers or the Ocean and Coastal Resource Management Council (OCRMC), and easements together with any amenities and improvements thereon or thereto, which is now or hereafter owned, deeded, leased to, occupied by, or which is the subject of a use agreement with the Association, wherein the property therein described is specifically denominated to be a part of the Common Area for the common use and enjoyment of Owners. The Common Area may include among other things maintenance and drainage areas, easements, roads, streets, parking lots, walkways, sidewalks, leisure trails, bike paths, street lighting, signage, flowers, bushes, trees, and other vegetation, and the area between any property line of an Owner and the mean high water mark of any adjoining river, tidal creek, lagoon, lake, pond, marsh, or other waterway. The designation of any land and/or improvements as Common Area shall not mean or imply that the public at large acquires any easement of use or enjoyment therein. Subject to the rights, if any, of the CNCC and the reservations to the Declarant set forth herein, all Common Area is intended for and shall be devoted to the common use and enjoyment of the Declarant, Owners, and the Guests and Tenants of Owners.

J. Condominium means a multiple unit Residence, the Units of which are individually owned by a person or persons in fee simple, and the part of the Property

other than such independently owned spaces is owned by such Owners in undivided interest.

K. Declarant means Association, its successors and assigns.

L. Declaration means this document.

M. Documents and Association Documents mean this Declaration, Articles of Incorporation, and Bylaws of the Association; any rules and regulations promulgated by the Association; all documents and instruments referred to therein; and any amendments to any such documents.

N. Eligible Member means a member who has paid all current assessments and is not indebted to the Association in any amount.

O. Golf Course Lot means any Lot or Unit sharing a boundary with the golf course.

P. Lagoon, Lake, or Pond Lot means any Lot or Unit sharing a boundary with a Lagoon, Lake, or Pond.

Q. Lease means a lease by an Owner to a Lessee pursuant to the requirements of Article X, Section D-3.

R. Lot means any plot of land shown as a numbered parcel or Lot of land upon any recorded subdivision map or plat of the Properties listed in the attached Exhibit B, with the exception of Common Area, streets dedicated to a public body, and areas for public utilities. See also Unit.

S. Member means a person entitled to membership as provided in the Declaration and means the same thing as Owner.

T. Mortgage means a real estate mortgage.

U. Occupant or Resident means a person or persons or entity occupying a Residence on a Lot or in a Unit in CNS.

V. Owner means the recorded owner, whether one or more persons or entities, of a fee simple title to any Lot or Unit which is a part of the Properties, but excluding any person or entity having an interest merely as security for a debt or for the performance of an obligation.

W. Property means and refers to the Lots or Units shown on the recorded plats in Exhibit B and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

X. Quorum means ten percent (10%) of eligible Members present in person, by written absentee ballot, or by written revocable proxy, as defined in the Bylaws.

Y. Residence means a single family house on a Lot, or a Unit in CNS.

Z. Screening means the use of natural growth such as live evergreen or other plants, bushes, or trees, or man-made materials such as wooden lattices, wood fencing, or brick or masonry walls and which has been approved by the Architectural Review Committee. The purpose of this screening is to conceal from view by neighbors and from the street, garbage cans, yard equipment, fuel tanks, and, if possible, heating and air conditioning equipment.

AA. Unit means a single family attached dwelling, including a condominium or townhouse. The terms Lot and Unit are interchangeable except as set forth in Section F of Article X.

ARTICLE II

PROPERTY RIGHTS AND USE

A. Residential Purposes. All Lots and Units in CNS shall be used for residential purposes only, except as set forth in Section B of Article II.

B. Limited Business Use. No business use of any kind shall be permitted on any Lot or Unit in CNS except as set forth immediately below:

1. The occupation, profession, or trade must be a secondary use of the dwelling, the primary use of such dwelling serving for residential purposes.

2. The occupation, profession, or trade must be carried on wholly within the dwelling.

3. No merchandise or article shall be displayed for advertising purposes, or displayed in such a way as to be visible from outside the dwelling.

4. No merchandise or article shall be stored other than inside the dwelling.

5. There shall be no alteration of the residential character of the dwelling.

6. No person, not resident of the premises, shall be employed unless such employees, or consultants, etc. work elsewhere than at the dwelling and the requirements of Section B-7 of this Article are met.

7. No traffic shall be generated by such home occupation, profession, or trade in greater volume than would normally be expected in a residential neighborhood, and any need for parking generated by the conduct of such home

occupation, profession, or trade shall be met off the street and other than in a front, side, or back yard.

8. The occupation, profession, or trade shall generate no noise, vibration, glare, heat, smoke, odor, or dust perceptible to adjacent Lots or Units.

9. The occupation, profession, or trade shall be licensed, if required by the Town of Mount Pleasant, and shall meet any and all requirements of the Customary Home Occupation zoning code of the Town.

C. Temporary Structures. No mobile home, trailer, pod, or temporary structure shall be permitted on any Lot or Unit other than a pod or a temporary structure necessary and authorized for permitted construction of a Residence.

D. Owners' Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which is appurtenant to and shall pass with the title to every Lot and Unit, subject to the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of eligible Members has been recorded.

E. Permission to Use. Family members or lessees of an Owner or members of the entity Owner who reside on the Owner's property or use the owned property may utilize the right and easement of enjoyment of the Common Area

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

A. Membership. Membership shall be appurtenant to and may not be separated from ownership of any Lot or Unit. An owner and spouse automatically shall be Members of the Association; provided, however, any person or entity holding such interest merely as security for a debt or obligation shall not be a Member. Where more than one person or entity holds the requisite ownership in a Lot or Unit, all such persons shall be Members of the Association. No other person or entity shall be a Member of the Association.

B. Voting Rights. Members shall be entitled to one vote for each Lot or Unit owned; provided, however, if more than one person or entity holds the requisite ownership interest in a Lot or Unit, there shall be just one vote for each Lot or Unit so owned.

ARTICLE IV

COVENANT FOR ASSESSMENTS, FINES, PENALTIES, TRANSFER FEES, OR CHARGES

A. Personal Obligation of Owner and Filing and Foreclosure of Lien. The Lot or Unit Owner who fails to pay, when due, any annual or special assessments, fines, penalties, transfer fees, or charges of any kind imposed by the Association shall be individually liable therefor and shall subject the Lot(s) or Unit(s) owned to a lien, which may be recorded in the RMC Office for Charleston County for the amount unpaid. An action against the Owner for the amount unpaid or for the foreclosure of the lien shall

also cover pre-judgment and post-judgment interest at the rate of eighteen percent (18%) per annum, costs, and reasonable attorney's fees, in the event an attorney is retained.

B. Transfer of Ownership. Except as to first mortgagees as hereinafter provided, a sale or transfer of a Lot or Unit shall not affect the Association lien. It shall be the responsibility of the purchaser of a Lot or Unit to request from the Treasurer, Managing Agent of the Association, or other designated representative a statement of past due assessments, fines, penalties, transfer fees, or charges, which shall be paid at closing. Such statement must be in writing to bind the Association. The purchaser shall furnish to the Association within a week following closing the purchaser's name, address, and telephone number at which to receive notices and billings for assessments and other charges. A purchaser failing to collect any past due assessment, fines, penalties, transfer fees, or charges from a former Owner shall be liable for any such past due amounts, which shall be subject to collection or lien, filing, and foreclosure, as herein set forth.

C. Transfer Fee Levied Upon Transfer of Ownership. There shall be a Transfer Fee of \$250.00 levied upon the purchaser of a Lot or Unit to be paid to the Association, which fee shall become due upon transfer and shall be collected at closing and paid to the Association; provided, however, no such Transfer Fee shall be charged (1) on the first sale of any Lot or Unit from the developer as Owner and (2) on the first sale by a contractor who has purchased the Lot or Unit on which to build a Residence which is sold to an Owner. Failure to pay such fee to the Association may result in the imposition of a lien to be recorded in the RMC Office for Charleston County subject to foreclosure and personal liability therefor. If the sum is not paid, there shall be added pre-judgment and post-judgment interest at the rate of eighteen percent (18%) per annum,

costs, and reasonable attorney's fees, if an attorney is retained. All such fees may be used by the Association for its regular operations and reserves.

D. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety, and welfare of Owners in accordance with the responsibilities and objectives of the Association; for payment of taxes, levies, debts, and obligations lawfully owed by the Association; for the improvement, maintenance, repair, and replacement of Common Areas, services, and facilities in CNS that are the responsibilities of the Association, including, among other things, buffer areas, fences and structures and equipment located within the Common Area, planter islands located within the rights-of-way of dedicated streets, lawns and plantings within the Common Area, and any detention ponds or lakes or lagoons not maintained by a public body; and for the maintenance of a capital reserve fund.

E. Annual Assessment. An annual assessment (Annual Assessment) shall be levied by the Board each calendar year against each Lot and Unit subject to this Declaration. Annual Assessments shall be equal, and only one Annual Assessment may be made against a Lot or Unit in one calendar year, irrespective of any change in ownership of a Lot or Unit during that calendar year.

F. Change in Annual Assessment, Including Maximum Annual Assessment. The Board shall have authority to increase the Annual Assessment each year but not more than five percent (5%) above that of the preceding year without a vote of the membership. The Annual Assessment may be increased above five percent (5%) only by a vote at an Annual Meeting of two-thirds (2/3) of a quorum of eligible Members present or voting by written proxy or written absentee ballot.

G. Notice for Any Action Authorized Under Section F. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, together with a proxy, postage prepaid, at least fifteen (15) calendar days before such meeting to each Member eligible to vote, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting, and, in the case of a Special Meeting, the purpose of the meeting.

H. Quorum for Any Action Authorized Under Section F. Ten percent (10%) of eligible Members present in person, by written proxy, or by written absentee ballot shall constitute a Quorum. If the required Quorum is not present, another meeting may be called subject to the same notice 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. The failure of a Member not in attendance to execute and return the proxy form sent to the Member shall constitute a proxy to and for the majority present and voting.

I. Special Assessments. In addition to the Annual Assessment authorized above, the Association, acting through its Board, may levy, in any assessment year, Special Assessments applicable to that year only for the purpose of (1) defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement upon the Common Area, including, but not limited to, fixtures and personal property related thereto; (2) budget shortfall to pay costs and expenses of

operation and management; and (3) emergencies. The Board of Directors may make such Special Assessments payable in installments over a period which may, in the Board's discretion, extend in excess of the fiscal year in which adopted. Such Special Assessments are to be prorated among the Lots and Units equally as provided with respect to Annual Assessments. Written notice of a meeting of Members as to Special Assessments shall be given in like manner as set forth in Section G of Article IV above. A Special Assessment may be levied only by a vote at a Special Meeting of two-thirds (2/3) of eligible Members present or voting by written proxy or written absentee ballot except as set forth immediately following. In the event of (1) the need for immediate construction, reconstruction, repair, or replacement of a capital improvement upon the Common Area, including, but not limited to, fixtures and personal property related thereto; (2) emergencies; and (3) legal judgment awarded against the Association, the Board may levy a Special Assessment to cover required costs in whole or in part without holding a meeting of Members prior to imposition of such Special Assessment but the Board is required to notify homeowners immediately thereafter and to present cause for such Special Assessment.

J. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and Units and may be collected on a monthly, quarterly, or annual basis as set by the Board.

K. Date of Commencement of Annual Assessments Subsequent to Conveyance. A new townhouse style condominium regime, The Retreat, is under construction in CNS. All condominiums (Units) shall be subject to this Declaration. The regime will record its own restrictive covenants and bylaws, which shall be subordinate

to this Declaration. Any conflict between the two shall be decided in favor of the Declaration. Assessments, both annual and special, for all Units shall be collected by the regime and paid to the Association. The Association may, by written agreement, collect assessments from the Owners of the Units. Assessments shall become due upon conveyance of a Unit by the developer to a purchaser, subject to proration, if any.

L. Due Dates. The Board shall fix the amount of the Annual Assessment 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 within thirty (30) days of the Annual Assessment period. The due dates shall be established by the Board.

M. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessment, fine, penalty, transfer fee, or other charge not paid by an Owner to the Association within thirty (30) days after the due date shall be delinquent and shall bear interest at the rate of eighteen percent (18%) per annum. The Association may bring an action for collection against the delinquent Owner in the same manner in which a mortgage on real property may be foreclosed in the State of South Carolina. In the event of an action for collection or foreclosure, the delinquent Owner shall be responsible for all pre-judgment and post-judgment interest at the rate of eighteen percent (18%) per annum, costs, and reasonable attorney's fees.

N. Subordination of the Lien to Mortgages and Taxes. The Association lien, as provided herein, shall be subordinate to the lien of any unpaid ad valorem taxes and any recorded first mortgage. The sale or transfer of any Lot or Unit which is subject to any recorded mortgage, pursuant to a decree of foreclosure or any conveyance in lieu of foreclosure, shall extinguish the lien on the Lot or Unit. The Owner of such Lot or Unit

shall remain liable for all assessments, fines, penalties, transfer fees, and charges regardless of the foregoing. No sale or transfer shall relieve the Lot or Unit from liability for any assessment thereafter becoming due or from the lien thereof.

ARTICLE V

ARCHITECTURAL CONTROL

A. Architectural Review Committee. The Board shall appoint an Architectural Review Committee (ARC), as provided in the Bylaws, of not less than three (3) Owners, including a member of the Board, whose duties and responsibilities are as set forth:

1. Effect and maintain a tranquil existence and a high quality of life for Residents of CNS.
2. Prevent excessive or unsightly grading, indiscriminate earth moving or clearing of Lots and Common Areas, and the abuse or unwarranted removal or alteration of trees or vegetation, which could cause disruption of established lagoons, lakes, ponds, waterways, and the natural character of the land in CNS.
3. Assure that the location, architectural design, building materials and colors of Residences, both existing and proposed, are visually and aesthetically harmonious with the overall appearance, history, and cultural heritage of the Lot; with surrounding Lots, Residences, and Common Area; with native vegetation; and with development plans approved by any governmental or public authority for the area in which the Residence is proposed to be located.

4. Assure that landscaping is aesthetically pleasing and is harmonious with its Lot and with proximate Lots.

5. Assure that any new Residence, structure, landscaping, and any improvement on a Lot complies with the provisions of this Declaration.

6. Assure compliance by Owners, occupants, tenants, and guests with the provisions of this Declaration in order to effect and maintain the above-related high quality of life.

B. Use of Lots and Seeking Approval of Architectural Review Committee (ARC). To preserve the architectural and aesthetic appearance of the Development, no construction of improvements of any nature whatsoever shall be commenced, erected, or maintained upon any Lot, nor shall any exterior changes, additions, or alterations be made to a Residence or other improvements to a Lot unless approved by the ARC. Such improvements, changes, additions, or alterations include, without limitation, the construction or installation of sidewalks, driveways, mail boxes, decks, patios, awnings, walls, fences, exterior lights, garages, installation or relocation of satellite tv dishes or other antennas, and any exterior addition to or change or alteration therein, including, without limitation, painting or staining of any exterior surface. Any Owner desiring to build, rebuild, replace, paint, or make other improvements to the exterior of a Residence or other improvements upon a Lot must obtain prior written approval from the ARC. Failure by an Owner to seek and secure approval prior to commencement of any construction, improvements, changes, additions, or alterations whatsoever will result in a fine of \$50, which figure the Board shall have the right to increase or decrease from time to time, and the requirement that the Owner submit an application and plans after the fact,

and the Board shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with requirements and specifications as herein cited in this Declaration. Failure of the Owner to remove or correct work pursuant to the order of the ARC may result in additional and continuing fines or penalties. Such fines or penalties may result in a lien against the Lot of the Owner, recordation and foreclosure thereof, and an action for collection as defined in this Declaration.

C. Architectural Approval. An Owner who desires to make improvements upon a Lot or Residence, including construction, changes, additions, or alterations as cited in Section B of Article V above must submit in writing to the Architectural Review Committee two (2) copies of the plans and specifications and related data showing the nature, color, type, shape, height, materials, and location of the same and including, if required by the ARC, a survey showing the location of trees of six (6) inches or greater in diameter at a height of four and one half (4-1/2) feet and other significant vegetation on such property. Location of the same shall have been submitted to and approved in writing as to the harmony of external design, location, and appearance in relation to surrounding structures and topography by the ARC. Plans and specifications shall be in such detail that the ARC may confidently be able to discern all work to be done and its end result. If the ARC is of the opinion that the submitted material is inadequate, it promptly shall request additional written information from the Owner. The original copy of such plans, specifications, and related data so submitted shall be retained in the records of the Association, a copy of the ARC application form shall be returned to the Owner marked "approved" or "disapproved," and a second copy of the ARC application form

shall be retained in the files of the ARC. The Board shall establish a fee sufficient to cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, urban designers, inspectors, or attorneys retained in accordance with the terms hereof. The nonrefundable fee for such review of a proposed single family Residence shall be \$400.00 for each submission for new construction on an unimproved lot and \$75 for review of each and any proposed improvements, changes, additions, or alterations to the original footprint of an existing Residence and the Board shall have the right to increase or decrease this amount from time to time. Further, a refundable fee of \$500, such fee to be placed in escrow by the Association, is to be submitted for a proposed single family Residence. There is no charge for any ARC request for house or yard change or improvement that does not change the footprint of the house. Plans will not be deemed submitted until payment of the applicable fees is received. Notwithstanding the foregoing, an Owner of any enclosed dwelling, or other building or structure may make interior improvements and alterations therein without the necessity of approval or review by the ARC; provided, however, such approval shall be required if such interior improvements are made within any window, garage, underneath parking area, or similar area plainly within view of any roadway or adjacent properties, regardless of whether said adjacent property is subject to this Declaration. The ARC shall have the discretion to determine whether plans and specifications submitted for approval are acceptable to the Association. Any consultant engaged by the Association will serve as a professional advisor whose views and opinions will be considered but are not binding on the ARC. Further, the consultant will not perform follow-up on-site inspections, which will be conducted by the town home inspector. In connection with

approval rights and to prevent excessive drainage or surface water run-off, the ARC shall have the right to establish a maximum percentage of a property which may be covered by dwellings, buildings, structures, or other improvements, which standards shall be promulgated on the basis of topography, percolation rate of the soil, soil types and conditions, vegetation cover, and other environmental factors. In the event the ARC shall not approve the plans and specifications or the Owner is not in compliance, the Board shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with approved plans and specifications. In the event the ARC fails to approve or disapprove in writing any proposed plans and specifications within forty-five (45) days after such plans and specifications shall have been submitted, such plans and specifications will be deemed to have been expressly approved. Upon approval of plans and specifications, no further approval under this Article V shall be required with respect thereto, unless such construction has not substantially commenced within six (6) months of the approval of such plans and specifications (clearing and grading of Lot, pouring of footings, etc.) or unless the plans and specifications are altered or changed. Refusal of approval of the plans and specifications may be based by the ARC upon any ground which is consistent with the objects and purposes of this Declaration, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious. After approval of stake-out and issuance of a building permit, the exterior construction and landscaping are to be completed and a certificate of occupancy issued by the required governmental agency within one (1) year. The steps in the process for new construction are set forth immediately below.

1. The builder/developer will give the house plans, site plan, landscape plan, and a Request for ARC Approval for New Construction (Form A) to the CNCA management company with applicable fees.
2. The management company will give the builder's/developer's packet of materials and a New Construction Form (Form B) to the CNCA professional building review consultant. The management company will retain the Request for ARC Approval for New Construction (Form A).
3. The consultant will review the plans to determine that they are in compliance with the covenants and conditions as well as the restrictions and easements for CNS in general and for the individual neighborhood in which the house will be built. The consultant will check the plans in light of setbacks, style, square footage, exterior color, and trees and complete the CNCA ARC New Construction Form (Form B).
4. The consultant will return the plans, completed New Construction Form, and any additional written comments within thirty (30) days to the management company and will then be paid by the management company.
5. The management company will give the (1) plans, (2) New Construction Form with the consultant's review and comments, and (3) Request for ARC Approval of New Construction form to the ARC.
6. The ARC will review the consultant's comments and review the building and landscape plans for aesthetics, including color and style, then date and sign the Request for ARC Approval of New Construction form "Approve" or

“Disapprove,” and return all materials to the management company. The management company will retain the original Request form for its files.

7. The ARC will inform the builder/developer of the results of the review and provide the builder/developer with a copy of the Request for ARC Approval of New Construction form noting that the plans have been approved or disapproved or deemed pending upon additional information. The ARC will retain a copy of the Request form for its files.

8. If or once the plans have been approved, the ARC will provide the builder/developer with a copy of the Work Schedule Requirements and Construction Site Guidelines.

D. Landscaping Approval. To preserve the aesthetic appearance of the Development, no landscaping, grading, excavation, or filling of any nature whatsoever shall be implemented and installed by any Owner unless and until the plans therefor have been submitted to and approved in writing by the ARC. The provisions of Section C of Article V above regarding time for approval of plans, right to inspect (see also Section C of Article X below), right to enjoin and/or require removal, etc. shall be applicable to any proposed landscaping, clearing, grading, excavation, or filling. Such plans shall include a calculation of the ratio of the area to be covered by grass lawns versus the area to be left in a natural state, and the ARC shall be entitled to promulgate standards with respect to such ratios. In addition to the provisions of this Section D, the landscaping plan for any property adjacent to the golf course within the Development shall, for that portion of the property which is within thirty (30) feet of the boundary of the golf course, be in general conformity with the overall landscaping plan of the golf course. Furthermore, without

the consent of the ARC, no hedge or shrubbery planting shall be permitted which obstructs sightlines at elevations between two (2) and six (6) feet above streets and to remain on any property within the triangular area formed by the street property lines and a line connecting such lines at points fifteen (15) feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the extended street property lines. The same sight-line limitations shall apply to any property subject to this Declaration within ten (10) feet from the intersection of a street property line with the edge of a driveway. No trees shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight-lines or unless otherwise consented to by the ARC. No Owner, other than the Association, shall be entitled to cut, remove, or mutilate any trees, shrubs, bushes, or other vegetation having a trunk diameter of six (6) inches or more at a point of four and one half (4-1/2) feet above ground level, or other significant vegetation as designated from time to time by the ARC without obtaining the prior approval of the ARC; provided that dead or diseased trees which are inspected and certified as dead or diseased by the ARC or its representatives, as well as other dead or diseased shrubs, bushes, or other vegetation, shall be cut and removed promptly from any property by the Owner. All of the landscaping within a Lot must be completed within ninety (90) days of occupancy or substantial completion of the dwelling, whichever date shall first occur.

E. Applicable Tree Ordinance. Anything contained herein to the contrary notwithstanding, the limitations herein provided are in addition to, and not substitutions for, the ordinances, rules, regulations, and conditions of the Town of Mount Pleasant, South Carolina, with respect to the cutting and removal of trees.

F. Approval Not a Guarantee. No approval of plans and specifications and no publication of architectural standards shall be construed as representing or implying that such plans, specifications, or standards will, if followed, result in properly designed construction or improvements. Such approvals and standards shall in no event be construed as a representation or guaranty that any construction or improvements built in accordance therewith will be built in a good and workmanlike manner. Neither the Association, the ARC, the CNCA management company, nor the professional building review consultant shall be responsible or liable for any defects in any plans or specifications submitted, revised, or approved pursuant to the terms of this Article V, nor any defects in construction or improvements undertaken pursuant to such plans and specifications.

G. Scope and Limitation of the ARC. The ARC, in performing its duties and responsibilities as cited in Section A of Article V above, shall review and approve or disapprove all plans and submissions solely on the basis of aesthetic standards and the requirements and specifications herein. If an Owner is displeased with a decision of the ARC, a written appeal may be taken within fifteen (15) days of the decision to the Board which shall sit as a review board. The appeal shall be heard at the next regular Board meeting and the Board shall render its written decision on the appeal within ten (10) days. Failure of the Board to render its decision within the specified time shall be considered a decision favorable to the Owner.

ARTICLE VI

STREETS

A. Dedication of Streets. It is the intention that all streets within CNS, excepting those streets or parts of streets thereof in ownership of Victory Pointe, shall be dedicated to the Town of Mount Pleasant, South Carolina, for public maintenance.

ARTICLE VII

COMMON AREA

A. Non-Dedication of Common Area. The Common Area, as described herein, and any further Common Areas are not hereby dedicated for the use of the general public but are dedicated to the common use and enjoyment of the homeowners in CNS.

ARTICLE VIII

RESTRICTIONS AND EASEMENTS

A. Special Requirements for Lots Bounded By or Subject To Any Buffer Area, Lagoon, Lake, Pond, Drainage Easement, or Waterway. The portions of the Property designated on any Final Plat as a buffer area, lagoon, pond, or a storm water retention area shall always be kept and maintained as an area for water retention, drainage, and water management purposes in compliance with applicable governmental and water management district requirements. Such buffer area, lagoon, lake, pond, or retention areas shall be a part of the Association Property and shall be maintained, administered, and owned by the Association. The Association hereby reserves and grants an easement in favor of the Association throughout all portions of the Property for the purpose of maintaining and administering such buffer areas, lagoons, lakes, ponds, or retention areas and no Owner shall do any act which may interfere with the performance

of the Association in its obligations hereunder. If any Owner blocks access to an easement, the Owner will be expected to maintain the easement. All Lots bounded by or subject to any buffer area, lagoon, lake, pond, drainage easement, or waterway shall be subject to the following additional restrictions:

1. The Owner shall maintain the area between the edge of any lagoon, lake, pond, and all areas not covered by water according to any and all rules and regulations that may be established by the Board for the purpose of preserving, maintaining, and enhancing the pond ecosystem, even though the same may be reserved as a part of the lagoon, lake, pond, drainage easement, or waterway. The embankment area between a lagoon Lot and the edge of the water line of the adjacent lagoon shall be maintained by such Owner so that grass, planting, or other lateral support to prevent erosion of the embankment shall not be changed without the prior written consent of the Association or the ARC.
2. No boats of any kind, including power boats, inflatable boats, rafts, personal watercrafts, or other flotation devices, shall be permitted on any lagoon, lake, pond, canal, drainage easement, or waterway.
3. No swimming or wading shall be permitted in any lagoon, lake, pond, canal, drainage easement, or waterway.
4. No filling of any lagoon, lake, pond, drainage easement, or waterway shall be permitted, and no waste, garbage, wastewater, or other foreign matter shall be discharged, dumped, or otherwise placed in any lagoon,

lake, pond, drainage easement, or waterway from any Lot or Unit, nor shall any Owner be permitted access to any lagoon, lake, pond, drainage easement, or waterway for personal use.

5. No boathouse, dock, pier, piling, raft, wharf, or bulkhead shall be constructed or maintained on or in any lagoon, lake, pond, or waterway, excepting those Lots in Victory Pointe as provided in the separate Declaration for Victory Pointe, and excepting those Common Areas in The Retreat Condominium development as provided in the separate Declaration for The Retreat.

6. No water's edge or bed of any lagoon, lake, pond, or waterway shall be altered in any way without prior written approval of the ARC, excepting the shoreline as provided in the separate Declaration for Victory Pointe, and excepting the water's edge as provided in the separate Declaration for The Retreat Condominium development.

7. The Owner of any Lot or Unit bounded by a lagoon, lake, pond, or waterway will take title subject to the rights of the Town of Mount Pleasant and other governmental bodies to work within and maintain for drainage purposes only any areas within drainage easements shown on recorded plats. Any Owner of a Lot or Unit adjoining any lagoon, lake, pond, drainage easement, or other waterway shall save and hold harmless the Association, its directors and officers, the Town of Mount Pleasant or other governmental body from all claims arising out of discoloration of any lagoon, lake, pond, or other waterway or damages to the same caused by normal maintenance and repairs to the drainage easement.

B. Special Requirements for Buffer With Regard To Wetland Located Within or Adjacent To Any Lot. Parts of the Property are designated as “Wetland Buffers” and all activities within wetland sites are subject to Ocean and Coastal Resource Management Council (OCRMC) jurisdiction. Upland buffers around freshwater wetlands will generally be approximately 25 feet in width. Any buffer that lies within a Lot will be selectively managed by the Lot Owner removing understory up to, but no more than, three (3) inches in diameter.

C. Special Covenants With Regard To Marshfront Lots. In order to preserve the natural appearance and scenic beauty of the marshfront property and to provide “cover” for birds and animals which habitually move along the edges of saltwater marshlands, certain areas shall be called Designated Habitat Preservation Areas (“Habitat Areas”), defined as the areas located within fifteen (15) feet of the OCRMC Critical Line in all saltwater marshfront areas designated for residential use within the Property, excluding all farm and drainage ditches within the OCRMC Critical Area. Habitat Areas shall be subject to the following restrictions:

1. All Habitat Areas shall be preserved substantially in their present natural state and there shall be no removal, destruction, cutting, trimming, mowing, or other disturbance or change in the natural habitat in any manner, other than as specifically allowed herein. The fifteen (15) foot Habitat Area measured from the OCRMC Critical Line must be preserved substantially in its present natural state except for approved clearing for views and breezes. At no time shall more than twenty-five (25) percent of the understory be cleared or twenty-five

(25) percent of the tree canopy be pruned within this Habitat Area. In addition, the Association, its successors and assigns, shall have the reasonable discretion to grant variances to said restrictions; provided, however, that any such variance shall not materially lessen the wildlife habitat, natural appearance, and scenic beauty of the property.

2. Other than footpaths and trails, no other construction will be allowed, and there will be no operation of any motorized vehicle within a Habitat Area. In addition, there shall be no hunting by any means or discharge of firearms or fireworks at any time within a Habitat Area. All activities within the OCRMC Critical Line are subject to OCRMC jurisdiction.

The Association, its successors and assigns, shall have the right, but not the obligation, to designate in the future other areas as Habitat Areas.

D. Special Covenants for Lots Bounded By or Adjacent To the Golf Course.

All lots bounded by or adjacent to a golf course fairway, tee, or green shall be subject to the following additional covenants and conditions:

1. Entry by Golfers. Each Lot or Unit adjacent to a golf course fairway, tee, or green shall be subject to the right and easement on the part of registered golf course players to enter upon the unimproved portions of such Lot or Unit to remove a ball or to play a ball, subject to the official rules of the golf course, with such entering and playing not being deemed to be a trespass; provided that after a dwelling is constructed thereon, the easement shall be limited to the recovering of balls only, and not play. Notwithstanding the

foregoing, golf course players shall not be entitled to enter on any Lot or Unit with a golf cart or other vehicle, nor to spend an unreasonable amount of time or commit a nuisance thereon.

2. Golf Course Maintenance. There is hereby reserved for the benefit and use of the owner of the Club, and its agents, employees, successors, and assigns, a perpetual, non-exclusive right and easement over and across all unimproved portions of properties subject to this Declaration which are adjacent to the fairways, tees, and greens of the golf course located within the Property. This reserved right and easement shall permit, but shall not obligate, the owner of the Club and its agents, employees, successors, and assigns to go upon any such property to maintain or landscape the area encumbered by such easement. Such maintenance and landscaping shall include planting of grass, watering, application of fertilizer, mowing, and the removal of underbrush, stumps, trash or debris, and trees of less than six (6) inches in diameter at a level of four and one half (4-1/2) feet above ground level. The area encumbered by this easement shall be limited to the portion of such properties within thirty (30) feet of those boundary lines of such properties which are adjacent to such fairways, tees, or greens; provided, however, the entire unimproved portions of each such property shall be subject to the easement until the landscaping plan for such Lot has been approved and implemented pursuant to Section D in Article V.

ARTICLE IX

THE CHARLESTON NATIONAL COUNTRY CLUB

A. Plan and Development of the Club. All Owners hereby acknowledge that the Club Property is not owned by the Association and that the Club Property does not constitute Common Areas hereunder. Owners have been advised that no representations or warranties have been or are made by the owner of the Club with regard to the continuing ownership or operation of the golf course and related facilities, including, but not limited to, swimming pools, tennis courts, the clubhouse, and parking facilities, as depicted upon any master land use plan, or marketing display, or plat of the Club. No purported representation or warranty, written or oral, in such regard shall ever be effective without an amendment hereto executed or joined into by the Association and the then current owner of the Club. Further, the ownership or operational duties of and as to the Club may change at any time and from time to time by virtue of, but without limitation, the sale or assumption of operations of the Club to/by any person or entity, or the operation thereof on a private, semi-private, or public basis. As to any of the foregoing or any other alternative, no consent of the Association or any Owner shall be required to effectuate any transfer, for or without consideration and subject or not subject to any mortgage, covenant, lien, or other encumbrance on the applicable land and other property. No Owner shall have any ownership interest in the Club Property solely by virtue of the Owner's membership in the Association.

B. Rights of Club Access and Parking. The owner of the Club and, in the event it is operated as a private or semi-private club or equity club, its members, regardless of whether such members are Owners hereunder, members of the public using

Club facilities with the permission of its owner, employees, agents, contractors, invitees, and designees shall at all times have a right and nonexclusive easement of access and use over all roadways located within the Property reasonably necessary to travel to or from the entrance within the Property to or from the Club and, further, over those portions of the Property, including Common Areas as reasonably necessary to the use, operation, maintenance, repair, and replacement of the Club. Without limiting the generality of the foregoing, and anything contained herein to the contrary notwithstanding, members of the Club, if any, and permitted members of the public shall have the right to park their vehicles on the roadways located within the Property at reasonable times before, during, and after golf and/or tennis tournaments and other special functions held at the Club.

C. Jurisdiction and Cooperation. The Association and the owner of the Club shall cooperate to the maximum extent possible in the operation of the Property, including land and lagoons, and the Club. Each shall reasonably assist the other in upholding the Club and community-wide standards herein provided as it pertains to the above-cited maintenance and architectural standards under Article V of this Declaration. Nothing shall prohibit the Association from entering into a contractual arrangement or covenant to share costs with the owner of the Club whereby the owner of the Club or the Association will contribute funds for, among other things, a higher level of Common Area and/or lagoon maintenance or general aesthetics, but neither the Association nor the owner of the Club shall be required or obligated to do so.

ARTICLE X

ENFORCEMENT AND REMEDIES

A. Association Responsibility and Obligation for Maintenance and Repair.

Except as otherwise specifically set forth herein, the responsibility of the Association is to repair, maintain, and replace any and all improvements located in the Common Area owned by the Association or for which the Association has responsibility. The improvements shall be maintained in the approximate condition as originally constructed. In the event of any damage or destruction to the Association Property or to the improvements and facilities located thereon, the Association shall be required to repair or rebuild such improvements and facilities as quickly as practicable.

B. Enforcement. Each Owner shall comply with the covenants, conditions, restrictions, and easements set forth herein. In the event of a violation, breach, or threatened violation or breach, of any of the same, the Association or any Owner, jointly or severally, shall have the right to enforce, by any proceeding at law or in equity, all covenants, conditions, restrictions, easements, and reservations, and for the recovery of damages, or for injunctive relief, or both. The Association shall have the right to establish and publish, from time to time, rules and regulations concerning a hearing process and upon compliance with the hearing process to assess and collect reasonable fines, penalties, transfer fees, and charges for violations of this Declaration. The Owner shall be personally responsible for the fines, penalties, transfer fees, and charges which shall also be a lien subject to foreclosure as herein set forth. Fines, etc., imposed may include a specific amount imposed for non-compliance with any of the provisions of this Declaration and a per diem amount imposed until such time as the Owner shows evidence

of compliance. Such fines shall be no less than twenty-five (25) dollars per day per violation. Should the Association employ counsel to enforce any of the provisions of this Declaration against an offending Owner, such Owner shall pay reasonable counsel's fee. Should the Association bring an action for collection or foreclosure of the lien, any amount due the Association shall also include pre-judgment and post-judgment interest at eighteen percent (18%) per annum and all other costs incurred by the Association. Failure by the Association to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

C. Association Right of Entry and Easement. Upon submittal of the application or plans to the ARC, the Owner grants the ARC or its representatives a right of entry easement across the Lot to carry out its duties. The ARC and its representative shall have the right during reasonable hours to enter upon and inspect any property or improvements to which construction is planned, underway, or completed to determine whether or not the plans and specifications should be or have been approved and the work is in compliance therewith. No entry by the ARC or its representatives shall be deemed a trespass.

D. Owner Responsibility and Obligation for Maintenance and Repair. Every Owner shall be conclusively deemed to have consented to and agreed to every covenant, condition, restriction, easement, reservation, and limitation contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in such property. An Owner is responsible for the upkeep, repair, and maintenance of the Lot owned and all improvements thereon, including Residence, other structures, improvements, and landscaping. Should the Board determine that an

Owner has failed or refused to discharge the obligations to maintain, clean, repair, or replace any item or feature on the Lot, it shall give the Owner reasonable written notice to correct such failure. If the Owner has not taken corrective action within fifteen (15) days after such notice, the Board may initiate the enforcement process as cited herein in Section E of Article X.

1. Maintenance and Repair of Residences. Each Owner of a Lot shall maintain in good condition at all times the Residence thereon and all improvements and personal property upon the Lot. The exterior of all Residences, including but not limited to roofs, walls, siding, trim, doors, windows, exterior lights, decks, patio areas, pools, screenings, awnings, and shutters, shall be maintained in good condition and repair and in a neat and attractive manner. All exterior painted areas shall be painted as reasonably necessary, with colors which are harmonious with other Residences, and no excessive rust deposits on the exterior of any Residence, peeling of paint, or discoloration of same shall be permitted. No Owner shall change the exterior color of the Residence, or any part thereof, without the consent of the ARC. All sidewalks, driveways, and parking areas within the Owner's Lot or serving the Owner's Residence shall be kept clean and free of debris. Cracks and damaged and eroding areas shall be repaired, replaced, and resurfaced as necessary.

2. Maintenance and Repair of Landscaping. The Owner of each Lot containing a Residence shall maintain the landscaping thereon, and on any contiguous property between the Lot and the pavement edge of any abutting road,

in accordance with the provisions of this Declaration and the requirements of any controlling governmental authority. All such landscaping shall be maintained by the Owner in keeping with the landscaping in the community and as accepted by the ARC and, as reasonably required, mowing, watering, trimming, fertilizing, and weed, insect, and disease control shall be performed by the Owner.

Underground sprinkler systems may be installed, maintained, and used to irrigate all landscaping on the Lot, or any other landscaping which the Owner of the Lot is required to maintain pursuant to this Section. Irrigation systems that rely upon well water must be maintained so as not to leave iron oxide stains on the house, mail box, driveway, sidewalks, curbs, streets, or street signs. Removal of any such staining will be the sole obligation of the Owner. Failure to do so will result in fines levied by the Association. All landscaped areas shall be primarily grass, and shall not be paved or covered with gravel or any artificial surface without the prior written consent of the ARC. All dead or diseased sod, plants, shrubs, trees, or flowers shall be promptly replaced, and excessive weeds, underbrush, or unsightly growth shall be promptly removed, including excessive weeds, underbrush, or unsightly growth around trees and shrubs, and mulch replaced annually on bare areas including landscaping beds. No artificial grass, plants, or other artificial vegetation shall be placed or maintained on the exterior of any Lot. The street curb edge shall be trimmed and neither grass nor weeds shall be allowed to grow in the seam between the driveway and the gutter, within the seams of the street guttering, or in the seam between the street guttering and the street in front of the Residence. Storm drains located within the property

boundaries of a Residence shall be kept free of leaves, weeds, grass clippings, and any other debris. All fences, mailboxes, and any other landscaping elements are to be painted, stained, and maintained in keeping with the landscaping in the community and as accepted by the ARC, and no excessive rust deposits on the exterior of any such structure, peeling of paint, or discoloration of same or excessive rust on driveways or curbs shall be permitted in accordance with the provisions of this Declaration.

3. Non-Resident Owner and Lease. A non-resident Owner is responsible for the same appearance, maintenance, and repair of such Residence and Lot as cited in this Article and is bound by all other covenants and restrictions of this Declaration. An Owner who leases the Residence shall be responsible for the tenants' understanding of and compliance with all covenants and restrictions of this Declaration and any and all other governing documents of the Association. The Owner shall be liable for any damage caused to Association Property which may become a lien or be subject to collection against the Owner. No Owner shall enter into a lease of the Residence for less than six (6) months. All leases for six (6) months or more shall be in writing, and an executed copy thereof provided to the Association.

4. Unimproved Lot. The Owner of an unimproved Lot is subject to the pertinent maintenance conditions as cited in this Article.

E. Procedure. Except with respect to the failure to pay assessments, which remedies thereof are cited in Sections M and N of Article IV, the Board shall not impose a fine, penalty, or sanction, suspend voting rights, impair, or suspend any other rights of

an Owner in CNS for violations of the Declaration, Bylaws, or any rules and regulations of the Association, unless and until the following procedure is followed:

1. Written demand to cease and desist from an alleged violation shall be served upon the Owner responsible for such violation, specifying:

- a. the alleged violation;
- b. the action required to abate the violation;
- c. a time period of fifteen days during which the violation shall be abated without sanction and a statement that any continued violation may result in the imposition of sanctions upon notice, as hereafter set forth.
- d. imposition by the Board of a fine, penalty, or other sanction as the Board deems appropriate if the violation continues and the Owner fails to request a hearing in writing during the time period.

2. If the Owner requests a hearing in writing before the Board within the time period, a hearing shall be held subject to the following:

- a. the time and place of the hearing shall be confirmed in writing by the Board, which time shall be the next regularly scheduled Board meeting after the date of the Owner's request;
- b. the hearing shall be held in executive session of the Board;
- c. the purpose of the hearing shall serve to provide the Owner with the opportunity to produce any statements, evidence, or witnesses;
- d. the minutes of the meeting shall contain the written request by the Owner, the written confirmation by the Board, a written

statement of the results of the hearing, and the sanction(s) imposed, if any;
and

e. the identity of the Owner shall be omitted if the minutes of the hearing are posted on the Association website or any other public exposure.

3. In the event a fine, penalty, or other sanction is imposed, the Board shall notify the Owner in writing. The Owner may file for arbitration within thirty (30) days of receipt of notice. If the Owner fails to do so, the Board may take action at law for collection of such fines, penalty, or other sanction against the Owner personally obligated to pay the same or record a lien for such fines against the property of the delinquent Owner and foreclose the lien. Such Owner shall be responsible for all costs of collection, including reasonable attorney's fees, pre-judgment and post-judgment interest at eighteen percent (18%) per annum, and expenses incurred whether before or after a suit for collection or foreclosure is brought.

4. At any time, the Board may decide to encourage voluntary compliance with the Declaration, Bylaws, or any rules and regulations of the Association through telephone calls or visits to an Owner.

F. Enforcement and Remedies for Owners of Units. The Owners of Condominium Units are subject to the responsibility and obligations for maintenance and repair as set forth in Section D of Article X. Enforcement and remedies for Owners of Condominium Units shall be as set forth in the covenants and bylaws of the condominium regime. The Association and the regime shall cooperate to the maximum

extent possible and each shall reasonably assist the other in upholding the regime and the community-wide standards herein provided as it pertains to the above-cited maintenance and architectural standards under Article V of this Declaration.

G. Declaration Controls. In the event of any conflict between the provisions hereof and the provisions of the Bylaws and any other documents, including any previous covenants, conditions, restrictions, and easements, and rules and regulations promulgated by the Association, the provisions of this Declaration shall supercede and control.

ARTICLE XI

SEVERABILITY

A. Force and Effect of Declaration. Anything contained herein to the contrary notwithstanding, the limitations herein provided in this Declaration are in addition to, and not substitutions for, the ordinances, rules, regulations, and conditions of the Town of Mount Pleasant, South Carolina. Invalidation of any one of these covenants, conditions, or restrictions or any term, phrase, clause, paragraph, or article of this Declaration by any court order shall in no way affect any other provisions hereof which shall remain in full force and effect.

ARTICLE XII

DURATION

A. Period of Duration. This Declaration shall run with and bind the land and shall be binding on all Owners claiming under it for a term of twenty-five (25) years from the date this Declaration is recorded. Unless subsequently amended, as hereafter set forth, this Declaration shall be automatically extended for successive periods of twenty-five (25) years.

ARTICLE XIII

AMENDMENT

A. Requirements and Terms for Amendment. This Declaration may be amended at any time by an instrument signed by the President and the Secretary of the Association, certifying that the Association, after proper notice, acquired the signatures of two-thirds (2/3) of eligible Members who voted in the affirmative to amend and restate this Declaration in order to supersede or amend all previous Covenants, Conditions, Restrictions, and Easements. The failure of an Owner to execute and return the proxy form sent to that Owner in the mailing referred to in Article III of the Bylaws shall constitute a proxy to and for the majority voting. This amended Declaration shall be recorded in the RMC Office for Charleston County together with an affidavit signed by the President and Secretary of the Association certifying the result of such vote. Such affidavit shall negate the necessity of also recording the signatures of members voting affirmatively.

ARTICLE XIV

ARBITRATION

A. Disputes Subject To Arbitration. Other than disputes concerning collection of annual assessments, special assessments, fines, penalties, transfer fees, and other charges and the filing and foreclosure of liens, as set forth in this Declaration, any other disputes having to do with the Declaration shall be subject to the South Carolina Uniform Arbitration Act, Section 15-48-10 et seq Code of Laws SC Supplement. Expenses and fees, together with other expenses of arbitration, shall be divided between the parties. Attorneys' fees shall be awarded to the prevailing party.

IN WITNESS WHEREOF, the parties have set their Hands and Seals this _____
day of _____, 2005.

WITNESSES:

CHARLESTON NATIONAL
COMMUNITY ASSOCIATION, INC.

Witness

President

Witness

Secretary

Witness

Witness

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

I, _____, Notary Public for the State of South
Carolina, do hereby certify that CHARLESTON NATIONAL COMMUNITY
ASSOCIATION, INC., by _____, its President, personally
appeared before me this day and acknowledged the due execution of the foregoing
instrument.

Subscribed to and sworn before me this _____ day of _____, 2005.

Name

Notary Public, State of South Carolina

My commission expires: _____

The Retreat at Charleston National Country Club Horizontal Property Regime agrees that all Condominium Units and Common Area in The Retreat shall be subject to the Declaration herein and any and all restrictive covenants and bylaws for the regime shall be subordinate to this Declaration.

Witness

The Retreat at Charleston National

By: _____
John Parker, Its President

Witness

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

I, _____, Notary Public for the State of South Carolina, do hereby certify that CHARLESTON NATIONAL COMMUNITY ASSOCIATION, INC., by _____, its President, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Subscribed to and sworn before me this ____ day of _____, 2005.

Name
Notary Public, State of South Carolina
My commission expires: _____

