

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

DECLARATION OF
RESTRICTIONS AND EASEMENTS
LITTLE OAK LOTS

THIS DECLARATION made this 20 day of March, 1993, by LITTLE OAK DEVELOPMENT, L.P. (hereinafter sometimes called "Developer") .

W I T N E S S E T H:

WHEREAS, Developer is the owner of the real property known as "LOTS 22-32 SECTION 1" as shown on a Plat entitled, "SUBDIVISION PLAT OF A TRACT OF LAND KNOWN AS LITTLE OAK ISLAND OWNED BY LITTLE OAK DEVELOPMENT, L.P. LOCATED IN THE TOWN OF FOLLY BEACH CHARLESTON COUNTY, SOUTH CAROLINA JANUARY 22, 1993 SHEET 1 OF 2 REVISED APRIL 13, 1993" prepared by Ashley Surveying Company and recorded in the RMC Office for Charleston County in Plat Book CM, Page 48, and "LOTS 1-21, SECTION III" as shown on a Plat entitled, "SUBDIVISION PLAT OF A TRACT OF LAND KNOWN AS LITTLE OAK ISLAND OWNED BY LITTLE OAK DEVELOPMENT, L.P. LOCATED IN THE TOWN OF FOLLY BEACH, CHARLESTON COUNTY, SOUTH CAROLINA JANUARY 22, 1993 SHEET 2 OF 2 REVISED APRIL 13, 1993" prepared by Ashley Surveying Company and being recorded in the RMC Office for Charleston County on April 21, 1993, in Plat Book CM at Page 18 (hereinafter called the "Property"); and

WHEREAS, Developer desires to provide for the preservation of the values and amenities of the Property and to assure the best use and most appropriate development and improvement of the Property; and

WHEREAS, to this end, Developer desires to subject the Property to the covenants, conditions, restrictions and easements hereinafter set forth (sometimes referred to herein collectively as "covenants and restrictions"), each and all of which is and are for the benefit of the Property and each owner thereof; and

WHEREAS, Developer has deemed it desirable for the efficient preservation of the values and amenities for the above-referenced Lots to create covenants and restrictions for said Lots;

NOW, THEREFORE, in consideration of said benefits to be derived by Developer and subsequent owners of said Lots, the undersigned does hereby establish, publish and declare that the covenants and restrictions hereinafter set forth shall apply to said Lots set forth becoming effective immediately and running with the land, to be binding upon all persons claiming under the undersigned.

NOTE: THIS DECLARATION APPLIES ONLY TO THE LOTS ABOVE DESCRIBED AND DOES NOT APPLY TO ANY ADJOINING PROPERTY OWNED BY THE DEVELOPER UNLESS EXPRESSLY SUBJECTED TO THIS DECLARATION BY DEVELOPER.

ARTICLE I

Definitions

1. "Lot" means any numbered Lot shown on a recorded plat comprising a single dwelling site designated on any plat or survey recorded in the RMC Office, Charleston County now or hereafter made subject to this Declaration.

2. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot as per recorded plat which is a part of the Property, specifically including, but not by way of limitation, contract sellers, and excluding, however, those persons who shall have such interest merely as security for the performance of any obligation.

3. "Person" means an individual, corporation, partnership, trust or any other legal entity.

4. "Developer" means Little Oak Development, L.P., or any successor-in-title to all or some portion of the property then subjected to this Declaration, provided in the instrument of conveyance to any such successor-in-title, such successor-in-title is expressly designated as the "Developer" hereunder by the grantor of such conveyance, which grantor shall be the "Developer" hereunder at the time of such conveyance.

5. "Declaration" means this Declaration of Restrictions and Easements, as the same may be amended, renewed or extended from time to time in the manner herein prescribed.

6. "Mortgage" means chattel mortgage, bill of sale to secure debt, deeds to secure debt, deed of trust and any and all other similar instruments given to secure the payment of an indebtedness.

ARTICLE II

Restrictions and Covenants

The following covenants, conditions, restrictions and easements are herewith imposed on the Property;

1. Residential Use of Property. All Lots shall be used for residential purposes and no business or business activity shall be carried on upon any Lot at any time; provided, however, that nothing herein shall prevent Developer or any builder of homes subject to the Declarations of Restrictions and Easements from using any Lot owned by Developer or such builder of homes for the purpose of carrying on business related to the development, improvement and sale of said property, including but not limited to sales offices, parking areas and model homes.

2. Architectural Review Board. The "Architectural Review Board" shall mean the Architectural Review Board as set forth in the Declaration of Covenants, Conditions and Restrictions of Little Oak Island Community Association, Inc.

3. Building Construction. Not more than one single-family dwelling, not to exceed thirty-five feet (35') above the FEMA base floor level, two and one-half (2½) stories in height, shall be erected on any Lot unless otherwise approved, in writing, by the Architectural Review Board. A small accessory building, not to exceed one (1) story, may be approved so long as its location complies with the setback requirements of the Town of Folly Beach, South Carolina, does not obstruct any views, the exterior design and construction is comparable with that of the main dwelling, and is approved by the Architectural Review Board. During the period of construction, all construction debris must be removed at least twice weekly.

4. Setbacks and Building Lines.

(a) Each dwelling which shall be erected on any Lot shall be situated on such Lot in accordance with the building and setback codes of the Town of Folly Beach, South Carolina. However, in each case individual setbacks and sidelines must be approved by the Architectural Review Board ("ARB") for its aesthetic value and the Architectural Review Board may require a greater setback so long as the required setback does not violate the set back requirements of the Town of Folly Beach, South Carolina. In certain cases, the ARB may require an Owner to seek a variance from the Town of Folly Beach, South Carolina if necessary to protect important trees, vistas or to preserve aesthetic value.

(b) Walls and Fences. No fence or wall shall be erected, placed, or altered on any Lot except as approved by the ARB under the Architectural Controls appearing in Article V of the Declaration of Covenants, Conditions and Restrictions, Little Oak Island Community Association, Inc., dated and recorded simultaneously herewith. Fences and walls are discouraged and will be approved only when required by law such as around a pool. All fences and walls must be in accord with plans and specifications and with landscaping as required by the ARB.

(c) Subdivision of Lots. One or more Lots or parts thereof may be combined to form larger single building Lot(s) when approved, in writing, by the ARB, and, in such event, the building line requirements provided herein shall apply to such Lots as re-subdivided or combined, and any sideline easement as provided herein with regard to sidelines shall be abandoned and shall be

deemed waived unless there is a utility located and installed within said easement. There will be no reduction in the amount of the assessments due pursuant to the Declaration of Covenants, Conditions and Restrictions Little Oak Island Community Association, Inc. (For example, if two (2) Lots are combined to form one (1) Lot, then the Owner still pays two assessments. If three (3) Lots are combined to form two (2) Lots, then the respective Owners pay one and one-half assessments.) Voting rights as provided under Article III of the Declaration of Covenants, Conditions and Restrictions will be in accordance with the assessed ratio. (For example, if two (2) Lots are combined to form one (1) Lot, then the Owner has two (2) votes. If three (3) Lots are combined, then the Owner has three (3) votes.)

(d) Terraces, Eaves and Detached Garages. For the purpose of determining compliance or non-compliance with the foregoing building line requirements, terraces, stoops, eaves, wing-walls, and steps extending beyond the outside wall of a structure, shall not be considered as a part of the structure. No side yard shall be required for any detached garage or accessory outbuilding (unless required by the applicable zoning ordinance) which has been approved, in writing, by the ARB; provided, all such detached structures must be to the rear of the main dwelling and must not encroach upon the property of an adjacent Owner.

5. Building Requirements. The enclosed living areas of the main structure, exclusive of open porches, porte-cocheres, garages, carports and breezeways shall be not less than 1800 square feet.

Houses of less than the stated square footage may be approved by the Developer or the ARB if in the opinion of the Developer or the ARB the design and construction of the house would be in keeping with the adjoining properties and the lowering of the square footage would not depreciate the value of adjoining properties subject to this Declaration.

6. Obstructions to View at Intersections. The lower branches of trees or other vegetation shall not be permitted to obstruct the view at intersections.

7. Delivery Receptacles and Property Identification Markers.

The ARB shall have the right to approve the location, color, size, design, lettering and all other particulars of receptacles for the receipt of mail, newspapers or similarly delivered materials, as well as property identification markers.

8. Use of outbuildings and Similar Structures. No structure of a temporary nature, unless approved in writing by the ARB, shall be erected or allowed to remain on any Lot, and no trailer, camper, shack, tent, garage, barn or other structure of a similar nature shall be used as a residence, either temporarily or permanently; provided, this paragraph shall not be construed to prevent the Developer and those engaged in construction from using sheds or other temporary structures during construction.

9. Completion of Construction. The ARB shall have the right to take appropriate Court action, whether at law or in equity, to compel the immediate completion of any residence not completed

within one (1) year from the date of commencement of construction and six (6) months on the completion of the exterior.

10. Livestock. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept provided that they are not kept, bred or maintained for any commercial purposes. Such household pets must not constitute a nuisance or cause unsanitary conditions. Such household pets shall be maintained upon the Owner's Lot and it shall be considered a nuisance if such pet is allowed to go upon another Owner's Lot or to be upon the streets unless under leash or carried by the Owner.

11. Offensive Activities. No noxious, offensive or illegal activities shall be carried on upon any Lot, nor shall anything be done thereon which is or may become an annoyance or nuisance to the Owners of other Lots subject to this Declaration.

12. Signs. No advertising signs "For Sale" or "For Rent" or billboards shall be erected on any Lot or displayed to the public on any Lot. This restriction shall not apply to signs used to identify and advertise the subdivision as a whole, nor to signs for selling and/or houses during the development and construction period, which period shall not exceed five (5) years from the date hereof, provided such signs are approved by the Architectural Review Board. Also, the provisions of this Section shall not apply to anyone who becomes the Owner of any Lot as purchaser at a judicial or foreclosure sale conducted with respect to a first

mortgage or as transferee pursuant to any proceeding in lieu thereof.

13. Aesthetics, Nature Growth, Screening, Underground Utility Service.

Trees which have a diameter in excess of six (6") inches measured two (2') feet above ground level, and distinctive flora, shall not be intentionally destroyed or removed except with the prior approval, in writing, of the Architectural Review Board. The Owner must provide a tree survey, building plans and plot plans, also showing landscape plans and drainage plans to be submitted to the Developer or the ARB. Clotheslines, garbage cans and equipment shall be screened to conceal them from view of neighboring Lots and streets. All residential utility service and lines to residences shall be underground. All fuel tanks must be buried.

14. Antennae. No radio or television transmission or reception towers or antennae shall be erected on the Property. In no event shall free standing transmission or receiving towers be permitted.

15. Trailers, Trucks, School Buses, Boats. Boat Trailers. No house trailers or mobile homes, campers or other habitable motor vehicles of any kind, school buses, motorcycles, trucks or commercial vehicles over one (1) ton capacity, boats or boat trailers shall be kept, stored or parked overnight either on any street or on any Lot, except within enclosed garages, or screened from the street(s) as approved by the ARB.

16. Garbage and, Refuse Disposal Moving and Maintaining of Lot. No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators, or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. If such litter or other materials is found on any Lot, the same will be removed by the Lot Owner of such Lot, at the Lot Owner's expense, upon written request of the ARB. Garbage cans, trash containers, boxes, bags, and other trash or debris shall not be placed on the street until the morning of pick-up and all empty containers shall be removed by 6:00 p.m. on the date of pick-up.

In order to help maintain the attractiveness of Little Oak Island, the Owner hereby authorizes the Developer, in its discretion, to mow and cut weeds and underbrush on the Property. Such authorization shall be irrevocable prior to construction of a residence on the Property.

17. Changing Elevations. No Lot Owner shall excavate or extract earth for any business or commercial purpose. No elevation changes shall be permitted which materially affect surface grade of surrounding Lots, unless approved in writing by the ARB.

18. Sewage System. Sewage disposal shall be through municipal system or type approved by appropriate state agencies.

19. Water System. Water shall be supplied through municipal system or type approved by appropriate State agencies.

20. Utility Facilities. Developer reserves the right to approve the necessary construction, installation and maintenance of utility facilities, including but not limited to water, telephone, cable television, and sewerage systems, within this proposed area, which may be in variance with these restrictions.

21. Model Homes. Developer, as well as any builder of homes on the Lots subject to this Declaration, shall have the right to construct and maintain model homes on any of the Lots.

22. Easements. Lots subjected to this Declaration shall be subject to those easements, if any, shown as set forth on any recorded plat thereof. Also, easements for installation and maintenance of utilities and drainage facilities are hereby reserved over six (6') feet of each side line of each Lot. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities. The easement area of each Lot and all improvements in it shall be maintained continuously by the Owner of the Lot, except for those improvements for which a public authority or utility company is responsible.

23. Driveways and Entrance to Garage. All driveways and entrances to garages shall be of a substance approved in writing by the ARB and of a uniform quality. The entrance to the garage shall not face the street unless specifically approved by the ARB. An entrance to the garage facing the street may be granted by the ARB in unusual circumstances if because of lack of lot frontage, topography, or the shape of the lot, the house cannot be designed

to have an entrance to the garage other than facing the street. A maximum of three (3) cars shall be parked upon the driveway, driveway permitting. There shall be no overnight parking on the street or on the lawns.

24. Duration. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

25. Amendment. This Declaration may be amended at any time during the first twenty (20) year period by an instrument signed by not less than seventy-five (75%) percent of the Lot Owners; provided, however, Developer reserves the right, at any time, to amend the Covenants and Restrictions specifically required by the U.S. Department of Housing and Urban Development, Federal Housing Administration and/or the Veterans Administration to meet its requirements. The foregoing notwithstanding, as long as the Resolution Trust Corporation, as Receiver for Southwest Federal Savings Association, holds a mortgage on the Properties or any portion thereof, any amendment to this Declaration must be approved by the Resolution Trust Corporation.

26. Enforcement. Each Owner shall comply with the covenants, restrictions and easements set forth herein. In the event of a violation or breach, or threatened violation or breach, of any of the same, the Developer, the Association, the ARB or any Owner, jointly or severally, shall have the right to enforce, by any

proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration and for the recovery of damages, or for injunctive relief, or both. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

IN WITNESS WHEREOF, the Developer, Little Oak Development, L.P., by PMP ASSOCIATES, INC., its GENERAL PARTNER, by LYNN A. PAGLIARO, ITS PRESIDENT, has caused these presents to be executed in its corporate name by its officers thereunto duly authorized and its corporate seal properly attested to be hereto affixed on the day first written above.

WITNESSES:

DEVELOPER:

LITTLE OAK DEVELOPMENT, L.P.

BY: PMP ASSOCIATES, INC.,
ITS: GENERAL PARTNER

BY: Lynn A. Pagliaro
LYNN A. PAGLIARO
ITS: PRESIDENT

James B. Coulter
W. L. Smith

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PROBATE

PERSONALLY APPEARED before me the undersigned witness and made oath that s/he saw the within-named LITTLE OAK DEVELOPMENT, L.P., A SOUTH CAROLINA LIMITED PARTNERSHIP, by PMP ASSOCIATES, INC., its GENERAL PARTNER, by LYNN A. PAGLIARO, its PRESIDENT, sign seal and deliver the within-written Declaration of Restrictions and Easements, and that s/he with the other witness subscribed witnessed the execution thereof.

W A Gyle

SWORN TO BEFORE ME THIS

20TH day of May, 1993.

Ancy M. Tenbrook (L.S.)

Notary Public for South Carolina

My Commission Expires: MY COMMISSION EXPIRES 3-18-2001