

DUPLICATE HEADER

Recording Date: 05/30/2007

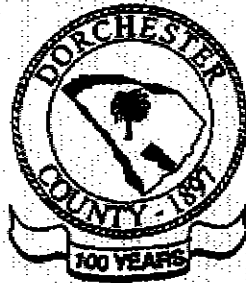
Instrument: 64

Book: 6046 Page: 265

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2007 May 30 AM 11:59:23

DORCHESTER COUNTY
SC Deed Rec Fee: .00
Dor Co Deed Rec Fee: .00
Filing Fee: 54.00
Exemption #:
MARGARET L. BAILEY
Register of Deeds



THIS PAGE IS HEREBY ATTACHED AND MADE PART OF
THE PERMANENT RECORD OF THIS DOCUMENT. IT IS
NOT TO BE DETACHED OR REMOVED AND MUST BE
CITED AS THE FIRST PAGE OF THE RECORDED
DOCUMENT. THE TOP OF THE PAGE IS TO BE USED FOR
RECORDING PURPOSES AND IS NOT TO BE USED FOR
ANY OTHER PURPOSE.

REGISTER OF DEEDS
DORCHESTER COUNTY SOUTH CAROLINA
MARGARET L. BAILEY, REGISTER
POST OFFICE BOX 38
ST. GEORGE, SC 29477
843-563-0181 or 843-832-0181

**DECLARATION OF
COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS
FOR SANDPINES AT WESCOTT**

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS (the "Declaration") made on the date hereinafter set forth by The Ryland Group, Inc., a Maryland corporation, having a mailing address of 225 Seven Farms Drive, Suite 200, Charleston, SC 29492 ("Ryland Group"), and Bakbar II, LLC, a South Carolina limited liability company, having a mailing address of 1321 Chuck Dawley Boulevard, Suite 105, Mt. Pleasant, SC 29464 ("Bakbar II;" together with Ryland Group and each of their successors and assigns, the "Declarant").

WITNESSETH:

WHEREAS, the Declarant is the owner of certain real property located in the City of North Charleston, County of Dorchester, State of South Carolina, which is more particularly described on Exhibit "A" (the "Property"); and

WHEREAS, the Property consists of Sandpines at Wescott subdivision initially containing 94 single family lots, which Declarant desires to submit to the plan and operation of this Declaration; and

WHEREAS, the Declarant wishes to accomplish the following objectives for its benefit and the benefit of owners of property in Sandpines at Wescott by the imposition of the covenants, conditions, restrictions and easements set forth herein:

(a) to maintain the value and the residential character and integrity of the Sandpines at Wescott subdivision;

(b) to preserve the quality of the natural amenities of the Sandpines at Wescott subdivision;

(c) to prevent any owner or any other persons from building or carrying on any other activity in the Sandpines at Wescott subdivision to the detriment of any other owner in Sandpines at Wescott;

(d) to keep property values in Sandpines at Wescott high, stable and in a state of reasonable appreciation; and

WHEREAS, as hereinafter provided in this Declaration, the Declarant has retained and reserved the right, privilege and option to submit to the provisions of this Declaration at a later time and from time to time, as a part of Sandpines at Wescott subdivision, additional property.

NOW, THEREFORE, the Declarant hereby declares that all of the Property described on Exhibit A, and any additional property that Declarant, in its sole discretion, sees fit to develop or dedicate, as, by subsequent amendment hereto, may be subjected to this Declaration, shall be held, mortgaged, transferred, sold, conveyed, leased, occupied and used subordinate and subject to the following easements, restrictions, covenants, charges, liens and conditions which are hereby imposed for the purpose of protecting the value and desirability of the Property and which restrictions, easements, charges, liens conditions and covenants shall touch and concern and run with the title to the Property, and which shall be binding on all parties having any right, title or interest in the Property or any portion thereof. This Declaration also binds the respective heirs, devisees, fiduciary representatives, successors, successors in title and/or assigns, and shall inure to the benefit of anyone or anything who/which purchases, takes or holds any interest in the Property.

ARTICLE I

DEFINITIONS

SECTION 1. "Additional Property" shall mean and refer to the real property located adjacent to, or in the vicinity of, the Property and currently owned or later acquired by Declarant that Declarant reserves the right, privilege and option to submit to the provisions of this Declaration at a later time and from time to time.

SECTION 2. "Articles" shall mean the Articles of Incorporation of the Association, as hereinafter defined. A copy of the Articles is attached hereto as Exhibit "B" and by reference made a part hereof.

SECTION 3. "Association" shall mean and refer to the Sandpines at Wescott Property Owners Association, Inc., its successors and assigns.

SECTION 4. "Bylaws" shall mean the Bylaws of the Association which establish the method and procedure of its operation. A copy of the Bylaws is attached hereto as Exhibit "C," and by reference made a part hereof.

SECTION 5. "Common Area" shall mean all real property (including the improvements thereon) owned by the Association for the common use and enjoyment of the owners of lots in Sandpines at Wescott. The Common Area to be owned by the Association is described as follows:

All areas shown and designated as "common area" or "HOA" on the Plat referenced on Exhibit "A," if any, and as may be designated as "common area" or "HOA" on any other plats of any property that may in the future become subject to this Declaration.

Common Area shall also mean such property which from time to time is deeded to the Association by Declarant. Common Area may be conveyed subject to all applicable

restrictive covenants of record, and when tendered, title thereto shall be accepted by the Association. Common Area shall also include areas such as signs, entryways and planters that may not be deeded to the Association but will be maintained by the Association.

SECTION 6. "Declarant" shall mean and refer to The Ryland Group, Inc. and Bakbar II, LLC, as well as their successors and assigns, if either shall make an express conveyance of its rights as developer hereunder to such successor or assign.

SECTION 7. "Declaration" shall mean this Declaration of Covenants, Conditions, Restriction and Easements for Sandpines at Wescott, as the same may be amended, renewed or extended from time to time in the manner herein provided.

SECTION 8. "Lot" shall mean and refer to any separately numbered plot of land shown upon any recorded subdivision map of Sandpines at Wescott subdivision, including any similar plots of the Additional Property that may be so designated from time to time by the Declarant, with the exception of Common Area.

SECTION 9. "Member" shall mean and refer to every person or entity who holds membership with voting rights in the Association.

SECTION 10. "Owner" shall mean and refer to the record Owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property, as hereinafter defined, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

SECTION 11. "Plat" shall mean that certain plat entitled as follows:

"PLAT SHOWING CORRECTIONS TO EXISTING SANDPINES S/D AT WESCOTT PLANTATION, PROPERTY OF BAKBAR II, LLC AND RYLAND HOMES, INC., AS SHOWN HEREON, LOCATED IN THE CITY OF NORTH CHARLESTON, DORCHESTER COUNTY, SOUTH CAROLINA" prepared by Richard A. Aldridge of Trico Engineering Consultants, Inc., dated April 12, 2007, and recorded in the Register of Deeds Office for Dorchester County on May 11, 2007, in Plat Cabinet L, at Page 62.

SECTION 12. "Property" shall mean and refer to the 94 single family lots described on Exhibit "A," and such other property as may hereafter be made subject to this Declaration.

ARTICLE II

PROPERTY RIGHTS

SECTION 1. OWNERS' EASEMENTS OF ENJOYMENT Every Owner shall have a nonexclusive right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) the right of the Association to permit the use of and to charge reasonable admission and other fees for the use of any common facility and to impose reasonable limits upon the number of guests who may use these facilities;
- (b) the right of the Association to suspend the voting rights and right to use of the Common Areas or common facilities by an Owner for any period during which any assessment against his Lot remains unpaid; and, for a period not to exceed sixty (60) days, for any infraction of its published rules and regulations;
- (c) 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 is signed by 2/3rds of each class of members and has been recorded;
- (d) the right of the Association to impose regulations for the use and enjoyment of the Common Area and improvements thereon, which regulations may further restrict the use of the Common Area;
- (e) the right of the Association, in accordance with its Articles and By-Laws, to borrow money for the purpose of improving the Common Area and facilities thereon. No such mortgage of the Common Area shall be effective unless an instrument agreeing to such mortgage of Common Area is signed by 3/5ths of each class of members. Also, so long as there is Class B Membership the mortgaging of any Common Area must also be approved by the U.S. Department of Veterans Affairs, if applicable; and
- (f) the right of the Association to exchange portions of Common Area with the Declarant for substantially equal areas of the Property for the purpose of eliminating unintentional encroachments of improvements onto portions of the Common Areas or any other purpose or reason. As long as there is Class B Membership, no such exchange of portions of Common Area with the Declarant shall be effective unless an instrument agreeing to such exchange has been approved by the U.S. Department of Veterans Affairs, if applicable.

SECTION 2. DELEGATION OF USE. Any Owner may delegate, in accordance with the By-Laws, his rights of enjoyment of the Common Area to the members of his family, his tenants or contract purchasers who reside on the Lot of such Owner.

SECTION 3. LEASES OF LOTS. Any Lease Agreement between an Owner and a lessee for the lease of such Owner's Lot and/or any residence located thereon shall provide that the terms of the Lease shall be subject in all respects to the provisions of this Declaration of Covenants, Conditions and Restrictions, the Articles of Incorporation and By-Laws of the Association and that any failure by the lessee to comply with the terms of such document shall be a default under the terms of the Lease. All Leases of Lots shall be in writing. Other than the foregoing there is no restriction on the right of any Owner to lease his Lot.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS; ASSOCIATION

SECTION 1. Every Owner of a Lot which is subject to a lien for assessments shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

SECTION 2. The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners other than the Declarant. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant and shall be entitled to four (4) votes for each Lot it owns that is subject to this Declaration. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

- (a) the date on which the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on June 30, 2015; or
- (c) when Declarant elects by notice to Association in writing to terminate its Class B membership.

SECTION 3. At such time as the Class B membership ceases to exist on the happening of any of the events listed in Section 2 above, the Class B Member shall have no further liability for the action or inaction of the Association, and the existing Class A Members shall, in accordance with the Association's Declaration and Bylaws, promptly (1) notify all members entitled to notice of a meeting of the members, (2) hold a meeting to elect new directors, if necessary, and (3) make sure that the directors appoint corporate officers.

SECTION 4. The Declarant has established the Association for the purpose of exercising powers of (i) owning, maintaining and administering the Common Areas and common facilities; (ii) providing common services; (iii) administering and enforcing covenants, conditions and restrictions contained herein; and (iv) levying, collecting and disbursing Assessments and charges herein created. Further, the Declarant reserves the right to convey to the Association and the Association agrees to accept any or all of its rights and obligations set forth herein. The Association shall be authorized (but not required) to provide the following services:

- (a) clean-up, maintenance, and landscaping of all open spaces, ponds and wetlands to the extent allowed by law owned by Association within the subdivision;
- (b) insect and pest control to the extent that it is necessary or desirable in the judgment of the Board of Directors of the Association to supplement the service provided by the State and local governments;
- (c) construction, maintenance, landscaping and reconstruction of common facilities and other improvements within the Common Areas;
- (d) to set up and operate the Architectural Control Committee as provided herein;
- (e) to construction improvements on open spaces and Common Areas;
- (f) to provide administrative services including, but not limited to, legal accounting, financial and communication services informing members of activities, notice of meetings, referendums, etc., incident to the above listed services;
- (g) to provide liability and hazard insurance covering improvements and activities on the open spaces and the common properties, independently or in collaboration with the Declarant;
- (h) to provide directors and officers liability insurance for the Association and its duly elected Directors and Officers;
- (i) Maintenance of all ponds located within the Properties, if any;
- (j) landscaping of common roads and parkways, sidewalks and walking paths within the subdivision and any common properties or spaces located therein;
- (k) to take any and all actions necessary to enforce all covenants and restrictions affecting the subdivision and to perform any of the functions or services delegated to the Association in any covenants or restrictions applicable to the subdivision; and
- (l) to provide any and all services necessary or desirable (in the judgment of the

Board of Directors of the Association) to carry out the Association's obligation and business under the terms of this Declaration.

ARTICLE IV

COVENANT FOR MAINTENANCE AND ASSESSMENTS

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner for any Lot, by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay (a) to the Association: (i) annual assessments or charges; (ii) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided; and (b) to the appropriate governmental taxing authority: (i) a pro rata share of ad valorem taxes levied against the Common Area; and (ii) a pro rata share of user fees and assessments for public improvements to or for the benefit of the Common Area if the Association shall default in the payment of either or both for a period of six (6) months as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the joint and several obligation of each Owner of such property at the time when the assessment fell due and upon such Owner's successor in title if unpaid on the date of the conveyance of such property. Provided, however, that, with respect to the Additional Property, Declarant is exempt from the assessment, charge and lien created herein until all or any portion of such Additional Property is added to the subdivision and then only with respect to the portion or portions added to the subdivision.

SECTION 2. PURPOSE OF ASSESSMENTS.

(a) The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Property and in particular for the acquisition, improvement and maintenance of property, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, including but not limited to, the costs of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Area; the maintenance of water and sewer mains and storm drains in and upon the Common Area; the maintenance of open spaces, roads and streets which have not been accepted for dedication by a public authority, signage, roadway medians and islands (including signage, medians and islands located in dedicated rights-of way), drives and parking areas within the Common Area, the procurement and maintenance of insurance in accordance with the By-Laws; the maintenance of any "sign easement" areas located on any lot, as shown on a recorded plat; the maintenance of entranceways, landscaping and lighting of Common Area, road medians and islands and entranceways, the lighting of streets (whether public or private); the payment of

charges for garbage collection and municipal water and sewer services furnished to the Common Area, if any; the costs associated with duties of the Architectural Control Committee; the employment of attorneys and other agents to represent the Association when necessary; the provision of adequate reserves for the replacement of capital improvements including, without limiting the generality of the foregoing, paving, and any other major expense for which the Association is responsible; and such other needs as may arise. The obligation of each Owner of a Lot to pay assessments may not be amended to relieve any Lot Owners or the Association of their obligation to maintain any roads or rights-of-way so long as such roads and rights-of-way remain privately owned.

(b) If deemed necessary, the Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Area and those other portions of the Property which the Association may be obligated to maintain. Such reserve fund is to be established out of regular assessments for common expense.

(c) All monies collected by the Association shall be treated as the separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the Properties, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles of Incorporation and the By-Laws of the Association. As monies for any assessment are paid to the Association by any Lot Owner, the same may be commingled with monies paid to the Association by the other Owners. Although all funds and common surplus, including other Assets of the Association, and any increments thereto or profits derived therefrom shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Lot. When a Lot Owner shall cease to be a member of the Association by reason of his divestment of ownership of his Lot, by whatever means, the Association shall not be required to account to such Owner for any share of the fund or assets of the Association, or which may have been paid to the Association by such Owner, as all monies which any Owner has paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Property.

SECTION 3. ANNUAL ASSESSMENT. Until December 31, 2007, the maximum annual assessment shall be Three Hundred and No/100 Dollars (\$300.00) per Lot, and at the Board's option, may be collected monthly, quarterly, semi-annually or annually.

(a) The annual assessment for the calendar year beginning January 1, 2008, and for each calendar year thereafter shall be established by the Board of Directors by preparation of a budget and assessment of the charges based upon each Lot's pro rata portion of this budget. For each calendar year thereafter, this may be increased by the Board of Directors without approval by the membership.

(b) In the absence of Board action, the annual assessment for the calendar year beginning January 1, 2008, and for each calendar year thereafter may be established without

limit by a vote of two-thirds (2/3) of aggregate of Class A and Class B Members who are voting in person or by proxy, at a meeting duly called for this purpose.

SECTION 4. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS.

In addition to the annual assessments authorized above, the Association may levy, in any calendar year, a special assessment for the purpose of defraying in whole or in part the costs of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of the aggregate of Class A and Class B Members who are voting in person or by proxy at a meeting duly called for this purpose or to make up any shortfall on the current year's budget. All special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly, quarterly, semiannual, or annual basis.

SECTION 5. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 3 AND 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 of this Article IV shall be sent to all Members not less than ten (10) days nor more than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership 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.

SECTION 6. RATE OF ANNUAL ASSESSMENT. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly, quarterly, semiannual or annual basis at the Board's option.

SECTION 7. DATE AND COMMENCEMENT OF ANNUAL ASSESSMENTS. DUE DATES. The annual assessments provided for herein shall commence as to a Lot at such time as it is conveyed to an Owner pro-rated from January 1 in the year of the date of the sale. Provided however, notwithstanding anything herein to the contrary, Declarant shall have the option each year of either (1) paying one hundred (100%) percent of the aggregate sum of the Annual Assessment and Special Assessment levied against all Lots owned by Declarant during each calendar year (which annual assessment shall be prorated for the period of time during which calendar year the Declarant is Owner of said Lot) or (2) paying the greater amount of (a) twenty-five (25%) percent of the aggregate sum of the Annual Assessment and Special Assessment levied against all Lots owned by Declarant during each calendar year (which annual assessment shall be prorated for the period of time during which calendar year the Declarant is Owner of said Lot or (b) such amount necessary to fund any difference between the Association's operating expenses and the Annual Assessments collected from Owners other than Declarant. The Declarant's obligation to pay assessments as stated herein shall create a lien against the Declarant's Lots in Sandpines at Wescott. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days in

advance of each annual assessment period, the Board of Directors shall fix the amount of the annual assessment and promptly thereafter the Board of Directors shall cause written notice thereof to be sent to every Owner subject thereto. In the event the Board of Directors shall fail to fix the amount of annual assessments as described above, the assessment fixed for the immediately preceding year shall continue in effect until a new assessment amount is fixed. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

SECTION 8. EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION. Any assessment not paid within thirty (30) days after the due date shall become delinquent and shall be subject to a late payment penalty of Ten (\$10.00) Dollars, and in addition thereto bear interest from the due date at the rate of twelve percent (12%) per annum or the highest rate allowed by law whichever is lower. The Association may bring an action at law against the Owner personally obligated to pay the same and/or foreclose the lien created herein against the property in the same manner as prescribed by the laws of the State of South Carolina for the foreclosures of Mortgage, and interest, costs and reasonable attorney's fees for representation of the Association in such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or abandonment of his Lot nor shall damage to or destruction of any improvements on any Lot by fire or other casualty result in any abatement or diminution of the assessments provided for herein. The remedies herein provided shall not be exclusive, and the Association may enforce any other remedies to collect delinquent assessments as may be provided by law.

SECTION 9. EFFECT OF DEFAULT IN PAYMENT OF AD VALOREM TAXES OR ASSESSMENTS FOR PUBLIC IMPROVEMENTS BY ASSOCIATION. Upon default by the Association in the payment to the governmental authority entitled thereto of any *ad valorem* taxes levied against the Common Area, user fees, or assessments for public improvements to the Common Area, which default shall continue for a period of six (6) months, each Owner of a Lot in the development shall become personally obligated to pay to the taxing or assessing governmental authority a portion of such unpaid taxes, user fees, or assessments in an amount determined by dividing the total taxes and/or assessments due the governmental authority by the total number of Lots in the development. If such sum is not paid by the Owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien on the Lot of the then Owner, his heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law or may elect to foreclose the lien against the Lot of the Owner. This section shall not become applicable until Class B Membership ceases to exist.

SECTION 10. SUBORDINATION OF THE LIEN TO MORTGAGES. The liens provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien or liens provided for in the preceding section. However,

the sale or transfer of any Lot which is subject to any such first mortgage pursuant to a foreclosure thereof or any proceeding in lieu of foreclosure thereof, shall extinguish the lien of such assessments which became due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage.

SECTION 11. NOTICE OF LIEN. Recordation of this Declaration constitutes record notice and perfection of any claim of lien for assessment(s) and such lien relates back to the date of filing of this Declaration. No further recordation of any claim of lien is required.

SECTION 12. EXEMPT PROPERTY. All property dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization exempt from taxation by the laws of the State of South Carolina shall be exempt from the assessments created herein. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

SECTION 13. CAPITAL CONTRIBUTION. Notwithstanding any other provisions of this Declaration, during the time in which the Declarant is a member (Class A or Class B) of the Association pursuant to this Declaration and the By-Laws, the Declarant (a) may collect a non-refundable contribution to the capital fund of the Association from the initial purchaser of each Lot in the amount of One Hundred and No/100 Dollars (\$100.00) and (b) shall not be required to prepare a capital budget, set any other capital contribution, or otherwise collect or contribute any amounts for capital reserves. Any capital contribution collected by the Declarant shall not be collected against a mortgagee which takes title to a Lot pursuant to foreclosure.

ARTICLE V

ARCHITECTURAL CONTROL

SECTION 1. IMPROVEMENTS. No building, fence, wall or other structure or planting or landscaping shall be commenced, erected or maintained upon any Lot, nor shall any exterior addition to or change or alteration therein including without limitation any plantings or landscaping be made until the plans and specifications showing the nature, kind, shape, height, materials, colors, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural control committee composed of three (3) or more members to be initially appointed by the Declarant for a term not to exceed 3 years (hereinafter referred to as the "Architectural Control Committee"). Refusal of approval of plans, location or specification may be based upon any ground, including purely aesthetic conditions, which in the sole and uncontrolled discretion of the Architectural Control Committee shall seem sufficient. The above notwithstanding, the Declarant, its successors or assigns, shall have the right to appoint one (1) member of the Architectural Control Committee until it divests itself of all Lots in Sandpines at Wescott (including Lots located on

any Additional Property or annexed property). Upon the divestiture of all Lots, unless the Declarant shall elect to do so sooner, the Board of Directors or Architectural Control Committee of the Association shall assume sole responsibility of the rights of approval.

SECTION 2. PROCEDURES.

(a) Any person desiring to make any improvement, alteration or change described in Section 1 above shall submit two (2) copies of the plans and specifications therefore, showing the nature, kind, shape, height, materials and location of the same, to the Architectural Control Committee which shall evaluate such plans and specifications in light of the purpose of this Article.

(b) Upon approval, one (1) copy of all plans and related documents bearing such approval, in writing, shall be returned to the applicant submitting the same. Approval for use in connection with any Lot of any plans and specifications shall not be deemed a waiver of the Architectural Control Committee's right, in its discretion, to disapprove similar plans and specifications or any of the features or elements included therein if such plans, specifications, features or elements are subsequently submitted for use in connection with any other Lot. Approval of such plans and specifications relating to any Lot, however, shall be final as to that Lot and such approval may not be reviewed or rescinded thereafter, provided that there has been adherence to, and compliance with, such plans and specifications, as approved, and any conditions attached to any such approval.

(c) Neither Declarant, nor any other member of the Architectural Control Committee, shall be responsible or liable in any way for any defects in any plans or specifications approved by the Architectural Control Committee, nor for any structural defects in any work done according to such plans and specifications approved by the Architectural Control Committee. **FURTHER, NEITHER DECLARANT, NOR ANY MEMBER OF THE ARCHITECTURAL CONTROL COMMITTEE SHALL BE LIABLE IN DAMAGES TO ANYONE BY REASON OF MISTAKE IN JUDGMENT, NEGLIGENCE, MISFEASANCE, MALFEASANCE OR NONFEASANCE ARISING OUT OF OR IN CONNECTION WITH THE APPROVAL OR DISAPPROVAL OR FAILURE TO APPROVE OR DISAPPROVE ANY SUCH PLANS OF SPECIFICATIONS OR THE EXERCISE OF ANY OTHER POWER OR RIGHT OF THE ARCHITECTURAL CONTROL COMMITTEE PROVIDED FOR IN THIS DECLARATION. EVERY PERSON WHO SUBMITS PLANS AND SPECIFICATIONS TO THE ARCHITECTURAL CONTROL COMMITTEE FOR APPROVAL AGREES, BY SUBMISSIONS OF SUCH PLAN AND SPECIFICATIONS, AND EVERY OWNER OF ANY LOT AGREES, THAT HE WILL NOT BRING ANY ACTION OR SUIT AGAINST DECLARANT, ASSOCIATION, ITS BOARD MEMBERS OR OFFICERS, OR ANY MEMBER OF THE ARCHITECTURAL CONTROL COMMITTEE, TO RECOVER ANY SUCH DAMAGES AND HEREBY RELEASES, REMISES, QUITCLAIMS, AND COVENANTS NOT TO SUE FOR ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION ARISING OUT OF OR IN CONNECTION WITH ANY LAW WHICH PROVIDES THAT A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS, DEMANDS, AND CAUSES OF ACTION NOT KNOWN AT THE TIME THE RELEASE IS GIVEN.**

ARTICLE VI

EXTERIOR MAINTENANCE

The Association shall maintain the Common Area. Each Owner shall be responsible for the exterior maintenance of his or her dwelling and Lot, as follows: painting, replacement and care of roofs, gutters, downspouts, exterior building surfaces, lawn, trees, shrubs, driveways, walks and other exterior improvements. In the Event that the Owner neglects or fails to maintain his or her Lot and/or the exterior of his or her dwelling in a manner consistent with other Lots and dwellings Sandpines at Wescott, the Association shall provide such exterior maintenance as provided above. Provided, however, that the Association shall first give written notice to the Owner of the specific items of exterior maintenance or repair the Association intends to perform and the Owner shall have twenty (20) days from the date of mailing of said notice within which to perform such exterior maintenance himself or herself. The determination as to whether an Owner has neglected or failed to maintain his or her Lot and/or dwelling in a manner consistent with other Lots and dwellings in Sandpines at Wescott shall be made by the Board of Directors of the Association, in its sole discretion. In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association the right to unobstructed access over and upon each Lot at all reasonable times to perform maintenance as provided in this Article.

In the event the Association performs such exterior maintenance, repair or replacement, the cost of such maintenance, replacement or repairs shall be added to and become a part of the assessment to which such Lot is subject.

In the event that the Association determines that the need for maintenance, repair, or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act of an Owner or the family, guests, lessees, or invitees of any Owner, and is not covered and paid for by insurance, in whole or in part, then the Association may perform such maintenance, repair or replacement at such Owner's sole cost and expense, and all costs thereof shall be added to and become a part of the assessment to which such Owner is subject and shall become a lien against the Lot of such Owner.

The Association, its successors and assigns, agents, members, officers, directors, and employees of any of the foregoing, shall not be liable in any manner to the Owners or any other party for any type of injury to person or property, including death, arising from action taken or failure to act within the scope of this Declaration or by law, including its own negligence, unless caused by the wanton and willful misconduct or gross negligence of Association.

ARTICLE VII

USE RESTRICTIONS

SECTION 1. RESIDENTIAL USE OF PROPERTY. All Lots shall be used for single-family, residential purposes only, and in accordance with all applicable zoning regulations.

SECTION 2. SETBACKS AND BUILDING LINES. Each dwelling which shall be erected on any Lot shall be situated on such Lot in accordance with the building and setback lines required by Dorchester County and shown in more detail on the Plat. The specific placement of each dwelling on a Lot must be approved in writing by the Architectural Control Committee before commencement of lot clearing preparatory to construction unless either a variance shall have been granted by Declarant or Declarant shall have amended the Plat. In no event shall any dwelling be erected and located upon any such Lot in a manner which violates the requirements and provisions of any applicable Dorchester County zoning ordinances and subdivision regulations. Unless written approval is granted by the Architectural Control Committee and any applicable governmental agencies, no building shall be located on any Lot within any setback area.

SECTION 3. WALLS AND FENCES. No fence or wall shall be erected, placed, or altered on any Lot nearer to any street than said minimum building setback line unless the same be a retaining wall of masonry construction which does not in any event rise above the finished grade elevation of the earth embankment so retained, reinforced, or stabilized, except that this restriction shall not apply to fences or walls which have been approved by the Architectural Control Committee pursuant to Article V above. The exposed part of retaining walls shall be made of clay, brick, natural stone, stucco, railroad ties, or veneered with brick or natural stone. Chain link and barb wire fences are prohibited except when the Architectural Control Committee gives written approval.

SECTION 4. SUBDIVISION OF LOT. One or more Lots or parts thereof may be combined with adjacent Lots to form a single building Lot when approved, in writing, by the Architectural Control Committee, and, in such event, the building line requirements provided herein shall apply to such Lots as re-subdivided or combined and side line easements as shown on the plat shall be moved to follow the new side line so that the easement would run along the newly established side line.

SECTION 5. TERRACES, EAVES AND DETACHED GARAGES. For the purpose of determining compliance or noncompliance with the foregoing building line requirements, terraces, stoops, eaves, wing-walls, and steps extending beyond the outside 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 which has been approved, in writing, by the Architectural Control Committee; provided, all such detached structures must be to the rear of the main dwelling and must not encroach upon the Lot of an adjacent Owner.

SECTION 6. BUILDING REQUIREMENTS. The heated living areas of the main

structure, exclusive of open porches, porte cocheres, garages, carports and breezeways, shall be not less than One Thousand One Hundred Fifty (1,150) square feet. The exterior of all structures shall be vinyl, brick, stucco, hardy plank, wood or any other natural material. No aluminum siding will be allowed.

SECTION 7. OBSTRUCTIONS TO VIEW AT INTERSECTIONS. No part of any structure nor the lower branches of trees or other vegetation shall be permitted to obstruct the view at street intersections .

SECTION 8. DELIVERY RECEPTACLES AND PROPERTY IDENTIFICATION MARKERS. The Architectural Control Committee 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, and of name signs for such receptacles, as well as property identification markers.

SECTION 9. USE OF OUTBUILDINGS AND SIMILAR STRUCTURES. No structure of temporary nature (unless approved in writing by the Architectural Control Committee) 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 however, this Section shall not be construed to prevent the Declarant and those engaged in construction activities on the Lots from using sheds or other temporary structures during construction.

SECTION 10. COMPLETION OF CONSTRUCTION. The Association shall have the right to take appropriate legal action, whether at law or in equity, to compel the immediate completion of any residence not completed within six (6) months from the date of commencement of construction at any time, except with the written approval of the Architectural Control Committee; provided, however, that nothing herein shall prevent Declarant or any builder of homes in Sandpines at Wescott approved by Declarant from using any Lot owned by Declarant or such builder of homes for the purpose of carrying on business related to the development, improvement and sale of property in Sandpines at Wescott; and provided further that, to the extent allowed by applicable zoning laws, private offices may be maintained in dwellings located on any of the Lots so long as such use is incidental to the primary residential use of the dwellings.

SECTION 11 LIVESTOCK No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot, except that dogs, cats or other small 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.

SECTION 12. OFFENSIVE ACTIVITIES; DISCLOSURES; ONGOING CONSTRUCTION.

(a) Subject to the terms of subsections (b) and (c) below, 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 in Sandpines at Wescott.

(b) Each Owner, by acceptance of a deed to a Lot, hereby acknowledges the following:

(i) The Property is located adjacent to a street thoroughfare that may result in traffic and noise from time to time by vehicular traffic thereon and the same may be a nuisance. Neither the Declarant, nor the Association, nor any of their respective directors, officers, employees, contractors, consultants, shareholders, members, affiliates, assignees, successors, nominees, attorneys or agents, shall be liable to any Owner for any inconvenience or damage sustained by such Owner as a result of any such noise emanating from or in proximity to such street thoroughfares, including, but not limited to, such noise as may emanate from persons using any roadways or walkways adjacent thereto.

(ii) The views from a Lot may change over time due to, among other things, additional development and the removal or addition of landscaping. No view easement, express or implied, will be granted to any Owner in connection with the conveyance of a Lot to such Owner.

(iii) No representations are made regarding the zoning of adjacent property, or that the category to which adjacent property is zoned may not change in the future.

(iv) No representations are made regarding the schools that currently, or which may in the future, serve the Property.

(v) Since, in every neighborhood, there are conditions which different people may find objectionable, it is acknowledged that there may be conditions outside of the Property which an Owner may find objectionable and that it shall be the sole responsibility of the Owners to become acquainted with neighborhood conditions which could affect the Lots and the Property.

(c) In addition, each Owner acknowledges, understands, and covenants to inform its lessees that the Property, including the Lots, and the areas adjacent to the Property are subject to further development and expansion, and therefore, there may be certain inconveniences during any period of construction, and Owner waives all claims with respect thereto. Owner agrees that if Owner or Owner's employees, lessees, invitees, guests, contractors, or agents enter onto any area of construction, they do so at their own risk, and neither the Declarant, a Declarant-related entity, the Association, nor their respective contractors, agents or employees shall be liable for any damage, loss or injury to such persons.

SECTION 13. SIGNS. No advertising, signs or billboard shall be erected on any Lot. The Association shall be entitled to enter upon the Lot and remove any such advertising, signs or billboard in violation of this Declaration. This restriction shall not apply to signs used to identify

and advertise the subdivision as a whole, nor to signs for selling Lots and/or houses, provided such signs are approved by the Architectural Control Committee. Also, the provisions of this Article shall not apply to notices posted in connection with judicial or foreclosure sales conducted with respect to a first mortgages.

SECTION 14. AESTHETICS. NATURAL 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 Control Committee. 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.

SECTION 15. ANTENNAE. No radio or television transmission or reception towers or antennae shall be erected on any structure or within the property without the prior written approval of the Architectural Control Committee. In no event shall free standing transmission or receiving towers be permitted. Satellite dishes having a diameter of 18" or under will be allowed with proper screening. Notwithstanding the foregoing, no radio or television transmission or reception towers or antennae or satellite dishes shall be visible from the street.

SECTION 16. TRAILERS. TRUCKS. SCHOOL BUSES. BOATS. BOAT TRAILERS. No house trailers or mobile homes, school buses, trucks or commercial vehicles over one (1) ton capacity, boats or boat trailers, motor homes, motorcycles, campers, and vans or vehicles on blocks shall be kept, stored or parked overnight either on any street or on any Lot, except within enclosed garages or screened from the streets and adjoining lots. In addition, vehicles without current registration may not be kept, stored or parked on any Lot, but may be kept in garages. Notwithstanding the foregoing, passenger automobiles may be parked in driveways. The foregoing will not be interpreted or construed or applied to prevent the temporary nonrecurrent parking of any vehicle, boat or trailer for a period not to exceed 48 hours upon any Lot.

SECTION 17 GARBAGE AND REFUSE DISPOSAL. 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 designed for that purpose. All incinerators or other equipment for the storage or disposal of such waste 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 Association.

SECTION 18. 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 Architectural Control Committee.

SECTION 19. SEWAGE SYSTEM. Sewage disposal shall be through municipal system or type approved by appropriate State and local agencies.

SECTION 20. WATER SYSTEM. Water shall be supplied through municipal system or type approved by appropriate State and local agencies.

SECTION 21. UTILITY FACILITIES. Declarant reserves the right to approve the necessary construction, installation and maintenance of utility facilities, including but not limited to water, telephone and sewage systems, which may be in variance with these restrictions.

SECTION 22. MODEL HOMES. Declarant, as well as any builder of homes in Sandpines at Wescott, shall have the right to construct and maintain model homes on any of the Lots. "Model Homes" shall be defined as those homes used for the purpose of inducing the sale of other homes within Sandpines at Wescott subdivision.

SECTION 23. DRIVEWAYS AND ENTRANCE TO GARAGE. There shall be permitted on each Lot a private enclosed garage for up to two cars, provided the use of such garage does not overcrowd the site, and provided further, that such garage is not used for any activity normally conducted as a business. All driveways and entrances to garages shall be of a material approved by the Architectural Control Committee and in compliance with any applicable governmental regulations.

SECTION 24. WAIVER OF SETBACKS, BUILDING LINES AND BUILDING REQUIREMENTS. The Architectural Control Committee may, for good cause and subject to appropriate waiver from Dorchester County, waive violations of the setbacks and building lines provided for in Section 2 of this Article VII and the building requirements provided for in Section 6 of this Article VII. Such waiver shall be in writing and recorded in the Dorchester County ROD Office. A document executed by the Architectural Control Committee shall be, when recorded, conclusive evidence that the requirements of Sections 2 and 5 of this Article VII have been complied with. The Architectural Control Committee may also handle violations of set back and boundary line by amending the Plat. Nothing contained herein shall be deemed to allow the Architectural Control Committee to waive violations which must be waived by an appropriate governmental authority.

ARTICLE VIII

EASEMENTS

SECTION 1. UTILITIES, ROADS. Easements for installation and maintenance of utilities (including cable television service) and drainage facilities are reserved as indicated on recorded plats. Within these easements no structures, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the drainage easements, or which may obstruct or retard the flow of water through drainage channels in the easements. An easement is hereby established for the benefit of Dorchester County (and any other person or firm providing services to Sandpines at Wescott under agreement with or at the direction of the Association) over all Common Area as may be reasonably necessary for the setting, removal and

reading of water meters, and the maintenance and replacement of water, sewer and drainage facilities and for the fighting of fires and collection of garbage. The Association shall have the power and authority to grant and establish upon, over and across the Common Area such additional easements as are necessary or desirable for the providing of service or utilities to the Common Area. The Declarant shall have the power and authority to grant and establish upon, over and across the Lots such additional easements, and to expand, contract and/or reconfigure any existing easements, as are necessary or desirable for the providing of access, ingress, egress, service or utilities to the Lots. Easements for utilities and drainage are hereby reserved on, over and under a ten (10) foot strip of land along each front and back lot line and a five (5) foot strip of land along each side lot line. Until such time as the Declarant dedicates the roads to the public and Dorchester County or another appropriate governmental body formally accepts the maintenance of such roads in writing, all of the Owners shall have a non-exclusive appurtenant easement over and across the roads shown on the Plat, including without limitation, West Liberty Meadows Drive, South Liberty Meadows Drive, East Liberty Meadows Drive, North Liberty Meadows Drive, Bowles Drive, Brownhare Court, Farm Crest Court and Fox Valley Court, for access, ingress and egress to the Lots. Until said roads are dedicated to the public for public use and Dorchester County or another appropriate governmental body formally accepts the maintenance of such roads in writing, the Declarant (or the Association if and when Declarant transfers title to such roads to the Association) shall maintain said roads and the associated drainage facilities.

SECTION 2. SIGN AND LANDSCAPE EASEMENTS. Easements for the maintenance of subdivision signs and landscaping and lighting surrounding same are reserved as indicated on recorded plats. Declarant hereby grants, gives and conveys to the Association a perpetual, non-exclusive easement over any portions of Lots designated as "sign easements" or "landscape easements" on the plats, to maintain, repair and replace the subdivision signs which may be located thereon, as well as the lighting fixtures and any landscaping thereon. The costs of all such maintenance, repair and replacement shall be part of the common expenses of the Association, payable by the Owners as set out in Article IV hereof. In addition to the easement granted above as to the portion of Lots designated "sign easements", or "landscaping easements", Declarant hereby gives, grants and conveys to the Association the right of ingress, egress and regress over other portions of such Lots as shall be reasonably necessary to effectuate the purposes stated above. The easements hereby granted shall run with the land in perpetuity and be binding upon and inure to the benefit of all persons and entities now owning or subsequently acquiring all or part of the Properties.

SECTION 3. EASEMENTS FOR ADDITIONAL PROPERTY. There is hereby reserved in the Declarant, its successors, assigns and successors in title to the Additional Property, for the benefit of and as an appurtenance to the Additional Property and as a burden upon the subdivision, perpetual, non-exclusive rights and easements for: (i) pedestrian and vehicular access, ingress, egress and parking over, across, within and on all sidewalks, streets, trails, parking facilities and lagoons from time to time located on or within the Common Areas or within easements serving the Common Areas; (ii) the installation, maintenance, repair, replacement and use of security systems and utility facilities and distribution lines, including without limitation drainage systems, storm sewers and electrical, gas, telephone, water, sewer

and cable system lines; and (iii) drainage and discharge of surface water onto and across the subdivision, provided that such drainage and discharge shall not materially damage or affect the subdivision or any improvements from time to time located thereon.

ARTICLE IX

GENERAL PROVISIONS

SECTION 1. ENFORCEMENT. The Declarant, the Association, or any Owner, 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 the Declaration, the Articles of Incorporation or By-Laws of the Association. Failure by the Declarant, 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. The Declarant or the Association shall have the right to request that law enforcement, public safety and animal control officers come on the Properties to facilitate the enforcement of the laws, codes and ordinances of any governmental authority.

In addition to the rights and remedies hereinabove enumerated, and not as any limitation thereof, if the Association or the Declarant determines that any provision of these Covenants has been violated, the Association or the Declarant may, in its discretion, seek appropriate relief at law or equity to assure that the purposes of these Covenants are fulfilled. After having given thirty (30) days written notice to the Owner of any Lot involved, setting forth the specific violation or breach of these Covenants and the action required to be taken by the Owner to remedy such violation or breach and if, at the end of such time, reasonable steps to accomplish such action have not been taken by the Owner, the Association or the Declarant can enforce these Covenants by entering upon a Lot to abate or remove any violation, and any such entry shall not be deemed a trespass. Failure to enforce any of these Covenants shall not be deemed a waiver of the right to do so.

The Declarant and the Association, as the case may be, shall have the right to establish, assess and collect reasonable fines and penalties for violations of the Declaration, which may be enforced by the filing of liens against Lots as provided herein. Such fines shall not exceed \$50.00 per violation per day for first time violators, and up to \$100.00 per violation per day for repeated violations. All fines shall be the personal obligation of the Lot Owner.

SECTION 2. SEVERABILITY. Invalidation of any one of the covenants or restrictions by judgment or court order shall in no wise affect any other provision which shall remain in full force and effect.

SECTION 3. AMENDMENT.

(a) So long as Declarant owns property subject to this Declaration, or has the right to annex property pursuant to this Declaration, and for a period of twenty (20) years thereafter,

Declarant hereby reserves and shall have the sole right to:

i) amend this Declaration or any Supplemental Declaration for the purpose of curing any ambiguity or any inconsistency among the provisions contained herein;

ii) include in any contract or Deed or other instrument hereafter made any additional covenants and restrictions, including restrictions on use, applicable to any Lot which do not lower the standards of the covenants and restrictions herein contained;

iii) release any Lot from any part of the covenants and restrictions contained herein which have been violated if the Declarant, in its sole judgment, determines such violation to be a minor or insubstantial violation;

iv) amend this Declaration or any Supplemental Declaration in any manner if such amendment is necessary (a) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (b) to enable any reputable title insurance company to issue title insurance coverage on the Lots; (c) enable any institutional or governmental lender, purchaser, insurer or guarantor of mortgage loans, to make, purchase, insure or guarantee mortgage loans on the Lots; (d) to enable any reputable private insurance company to insure mortgage loans on the Lots; (e) to satisfy the requirements of any local, state or federal governmental agency; and

v) amend this Declaration or any Supplemental Declaration for the purpose of annexing all or any portion of the Additional Property to the terms and conditions of this Declaration; and

vi) amend this Declaration or any Supplemental Declaration without vote or consent of the Owners for any other purpose.

The foregoing amendments may be made without the joinder or approval of any Owner, mortgagee, or the Association.

(b) Except as otherwise specifically provided above and elsewhere in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners, representing at least 67% of the total Class "A" votes in the Association, and the consent of the Declarant, so long as the Declarant has an option to subject additional property to this Declaration pursuant to Article IX, Section 5.

SECTION 4. FEDERAL LENDING REQUIREMENTS. Notwithstanding Article IX, Section 3 above, Declarant may (at Declarant's option) amend and modify this Declaration without obtaining the consent or approval of the Owners if such amendment or modification is necessary to cause this Declaration to comply with the requirements of the Federal Housing Administration, the Veterans Administration, the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association or other similar agency.

Any such amendment must be with the consent and approval of such agency and must be properly recorded.

SECTION 5. ANNEXATION OF ADDITIONAL PROPERTY AND WITHDRAWAL OF PROPERTY.

(a) Declarant hereby reserves the option, to be exercised in its sole discretion, to unilaterally annex, subject and submit, at any time, or from time to time, the Additional Property, or a portion or portions thereof, to the provisions of this Declaration and thereby to cause the Additional Property or a portion or portions thereof to become part of the Property and part of the plan and operation of this Declaration, regardless of whether or not such Property is owned by Declarant, its successors and assigns. Declarant reserves the right to plan, design, develop, construct, maintain and manage the Common Areas, the Additional Property, and any unsold Lot as Declarant deems necessary or convenient for its purposes, except as otherwise expressly stated in this Declaration, including without limitation, the right to expand the number, size and density of the unsold Lots, the Common Areas, and the Additional Property. This option may be exercised by Declarant in accordance with the following rights, conditions and limitations, which are the only conditions and limitations on such option to add all or any portion of the Additional Property to the subdivision.

This option to add Additional Property/phase(s) may be exercised from time to time from the date of recordation of this Declaration until June 30, 2020 ("Option Expiration Date"); provided, however, that Declarant reserves the right to terminate such option at any time prior to the Option Expiration Date by executing and filing an agreement evidencing such termination in the Office of the Register of Deeds for Dorchester County, South Carolina, and, except for such termination by Declarant, no other circumstances will terminate such option prior to the Option Expiration Date.

The additions authorized under this Section 5 shall be made by filing of record a Supplementary Declaration or Amendment to this Declaration with respect to the Additional Properties which shall expressly extend the operation and effect of the covenants and restrictions of this Declaration to such Additional Properties. The Supplementary Declaration or Amendment may contain such additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the sole judgment of the Declarant, to reflect the different character, if any, of the Additional Properties.

The Additional Property is located adjacent to the Property described on Exhibit "A"; portions of the Additional Property may be added to the subdivision at different times, and there are no limitations fixing the boundaries of those portions or regulating the order, sequence or location in which any of such portions may be added to the subdivision. The exercise of the option to submit a portion of the Additional Property to the Declaration shall not bar the further exercise of this option as to other portions or the balance of the Additional Property.

If the Additional Property or any portion thereof is added to the subdivision, any improvements developed therein and any dwellings constructed thereon will be subject to the

standards and restrictions set forth herein, including all assessments set forth herein.

If the Additional Property or any portion thereof is added to the subdivision, Declarant reserves the right to designate and restrict the boundaries of the Lots to be added to the subdivision in connection therewith.

Should the option to add the Additional Property or any portion of it not be exercised within the term specified herein or be terminated by Declarant, such option shall in all respects expire and be of no further force and effect. DECLARANT SHALL NOT BE OBLIGATED TO IMPOSE ON THE ADDITIONAL PROPERTY OR ANY PORTION OF IT ANY COVENANTS, CONDITIONS, OR RESTRICTIONS SIMILAR TO THOSE CONTAINED HEREIN, AND THAT PROPERTY NOT SUBMITTED TO THIS DECLARATION WILL BE FREE OF ANY COVENANT OR CONDITIONS WHATSOEVER UNLESS OTHERWISE AFFIRMATIVELY IMPOSED.

The option reserved by Declarant to cause all or any portion of the Additional Property to become part of the subdivision shall in no way be construed to impose upon Declarant any obligation to add all or any portion of the Additional Property to the subdivision or to construct thereon any improvements of any nature whatsoever or to restrict or limit its use in any manner.

The option reserved under this Section 5 may be exercised by Declarant only by the execution of an amendment to this Declaration which shall be filed in the Office of the Register of Deeds for Dorchester County, South Carolina, together with a revision of or an addition to the subdivision Plat showing the Additional Property or such portion or portions thereof as are being added to the subdivision by such amendment, as well as the Lots, Common Areas, or other types of Property located within the subdivision.

SUBSEQUENT TO INCLUSION AND/OR RESTRICTION AND IN ITS SOLE DISCRETION, DECLARANT MAY CONVEY TO THE ASSOCIATION THE COMMON AREAS DESIGNATED BY DECLARANT OR ANY OTHER PROPERTY OWNED BY THE DECLARANT CONTAINED WITHIN THE PROPERTY OR THE ADDITIONAL PROPERTY OR SUCH PORTION OR PORTIONS OF ANY, EITHER, OR ALL OF THEM, ANY SUCH CONVEYANCE TO BE SUBJECT TO THE LIEN OF TAXES NOT YET DUE AND PAYABLE, ALL EASEMENTS AND RESTRICTIONS OF RECORD, UTILITY EASEMENTS SERVING OR OTHERWISE ENCUMBERING THE PROPERTY, AND/OR THE ADDITIONAL PROPERTY, AND ANY EXCEPTIONS WHICH WOULD BE DISCLOSED BY AN ACCURATE SURVEY OR PHYSICAL INSPECTION OF SUCH PARCEL(S).

Any such amendment shall expressly submit the Additional Property or such portion of it to all the provisions of this Declaration, and upon the exercise, if any, of such option or options, the provisions of this Declaration shall then be construed as embracing the real property described in Exhibit "A" and the Additional Property or such portion or portions thereof so submitted to the terms hereof, together with all improvements thereon. If the Additional Property or any portion or portions of it is added to the subdivision, then from and after the

addition to the subdivision of the Additional Property or such portion or portions by such amendment to this Declaration, the number of votes in the Association shall be modified to include the Lots to be located on the Additional Property or such portion or portions of it as are added, so that there shall continue to be one vote in the Association per Lot owned by a Class A Member in the subdivision and four votes in the Association per Lot owned by a Class B Member in the subdivision, and the total number of votes in the Association shall be increased by the number of Lots added as determined by the formula provided in this document for the voting rights for any Lot or Declarant-owned property located on the Additional Property or such portion or portions thereof as are added.

(b) With the exception of the Additional Property, which may be annexed in the Declarant's sole discretion, the Association may annex any other real property to the provisions of this Declaration with the consent of the owner of such property, the affirmative vote of Members representing a majority of the Class "A" votes of the Association represented at a meeting duly called for such purpose, and the consent of the Declarant so long as Declarant owns property subject to this Declaration or which may become subject to this Declaration in accordance with Article VIII, Section 3.

Such annexation shall be accomplished by filing a Supplemental Declaration describing the property being annexed in the ROD Office for Dorchester County. Any such Supplemental Declaration shall be signed by the President and Secretary of the Association, and by the owner of the annexed property, and by the Declarant, if the Declarant's consent is required. Any such annexation shall be effective upon filing unless otherwise provided therein.

(c) The Declarant reserves the right to amend this Declaration for the purpose of removing any portion of the Properties from the coverage of this Declaration. Such amendment shall not require the consent of any Person other than the Owner of the property to be withdrawn, if not the Declarant. If the property is Common Area, the Association shall consent to such withdrawal. Removal or withdrawal of all or any portion of the Properties shall be accomplished by recording a Supplemental Declaration in the ROD Office for Dorchester County. Any such removal or withdrawal shall be effective upon the recording of the Supplemental Declaration unless otherwise provided therein.

(d) This Article shall not be amended without the prior written consent of Declarant so long as the Declarant owns any property described in Exhibit "A" or has the right to annex property pursuant to Article VIII, Section 3.

SECTION 6. AMPLIFICATION. The provisions of this Declaration are amplified by the Articles and Bylaws; but no amplification shall alter or amend any of the rights or obligations of the Owners set forth in this Declaration. Declarant intends that the provisions of this Declaration on one hand, and the Articles and Bylaws on the other be interpreted, construed, and applied to avoid inconsistencies and conflicting results. If such conflict necessarily results, however, Declarant intends that the provisions of this Declaration control anything in the Articles or Bylaws to the contrary.

SECTION 7. TOTAL OR PARTIAL DESTRUCTION OF IMPROVEMENTS. In the event of a total or partial destruction of any improvements on the Common Area, and if available proceeds of insurance carried pursuant to this Declaration are sufficient to cover 85% of the repair or reconstruction, the Common Area shall be promptly repaired and rebuilt unless within 120 days from the date of such destruction, 75% or more of the owners entitled to vote at a duly called meeting, determine that such reconstruction shall not take place. If the insurance proceeds are less than 85% of the cost of reconstruction, reconstruction may nevertheless take place if, within 120 days from the date of destruction, the Owners of 75% of the Lots elect to rebuild.

SECTION 8. FHA/VA APPROVAL. If applicable, so long as there is Class B Membership, the following actions require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, dedication of Common Area, and amendment of this Declaration.

SECTION 9. DOCUMENTS. All papers and instruments required to be filed with or submitted to the Declarant, the Association, or the Architectural Control Committee shall initially be delivered personally or be sent by Certified or Registered Mail Return Receipt Requested to the Declarant, The Ryland Group, Inc., c/o Land Manager, 225 Seven Farms Drive, Suite 200, Charleston, SC 29492, or at such other address as the Declarant or the Association may specify.

SECTION 10. REGISTRATION OF MAILING ADDRESS. Each member shall register his mailing address with the Secretary of the Association from time to time, and notices or demands intended to be served upon or given to a Member shall be personally delivered to or sent by mail, postage prepaid, addressed in the name of the Member at such registered mailing address. If a Member does not reside within the subdivision, such Member shall register his or her address of residence or the address where such Member receives mail on a regular basis.

SECTION 11. NOTICE. All notices or requests required shall be in writing. Notice to any Member shall be considered delivered and effective upon personal delivery, or three days after posting, when sent by Certified Mail, return receipt requested, to the address of such Member on file in the records of the Association at the time of such mailing. Notice to the Boards, the Association, the Architectural Control Committee, or the Manager shall be considered delivered and effective upon personal delivery, or three days after posting, when sent by Certified Mail, return receipt requested, to the Association, the Board, the Committee, or the Manager, at such address as shall be established by the Association from time to time by notice to the Members. General notices to all Members or any classification thereof need not be Certified, but may be sent regular first class mail.

SECTION 12. LIMITATION OF LIABILITY. Neither the Association, the Architectural Control committee, nor any officer or member of the Board shall be liable to any party for any action or for any failure to act with respect to any matter arising by, through, or under this Declaration if the action or failure to act was made in good faith. The Association shall indemnify all of the Committee members and officers and Board members with respect to any act taken in their official capacity to the extent provided in this Declaration and by law and

in the Articles and Bylaws of the Association.

SECTION 13. ASSIGNMENT. Declarant may assign all or any part of its rights and reservations hereunder to any successor. Such successor shall be identified and the particular rights being assigned shall be specified in a written instrument duly recorded in the records of the ROD Office for Dorchester County.

*****Remainder of Page Intentionally Left Blank***
[Signatures on Following Page]**

IN WITNESS WHEREOF, the undersigned has caused these presents to be executed in its company name by its member thereunto duly authorized on this the 30th day April, 2007.

IN WITNESS WHEREOF:

John S. Popelka
Marian C. Munn

BAKBAR II, LLC,
a South Carolina limited liability company

By: William A. Barnwell III

Its: MEMBER

STATE OF SOUTH CAROLINA)
COUNTY OF Charleston)

ACKNOWLEDGMENT

The foregoing was acknowledged before me this 30th day of April, 2007, by Bakbar II, LLC, a South Carolina limited liability company, by William A. Barnwell III, its Member.

My Commission Expires
October 26th, 2016
South Carolina
Notary Public
Marian C. Munn

Marian C. Munn
Notary Public for SC
My Commission Expires: 10/26/2016

South Carolina
Notary Public
Marian C. Munn
My Commission Expires
October 26th, 2016

EXHIBIT A
TO DECLARATION FOR SANDPINES AT WESTCOTT PLANTATION
(Description of Property)

ALL those certain pieces, parcels or lots of land situate, lying and being in the City of North Charleston, County of Dorchester, State of South Carolina, known and designated as Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, "Buffer Area 2,788.74 Sq. Ft. 0.064 Ac. (H.O.A.)", "Buffer Areas 12,794.87 Sq. Ft. 0.294 Ac. (H.O.A.)", "Common Area 20,977.15 Sq. Ft. 0.482 Ac. (H.O.A.)", "Common Area 24,944.90 sq. ft. 0.574 Ac. (Pond/Drainage Esmt.) (H.O.A.)", "Common Area 20,417.15 Sq. Ft. 0.469 Ac. (H.O.A.)", "Common Area 65,287.55 Sq. Ft. 1.499 Ac. (Pond/Drainage Esmt.) (H.O.A.)", "Wetland Buffer 41,086.48 Sq. Ft. 0.943 Ac. (H.O.A.)", "Common Area 9,191.66 Sq. Ft. 0.211 Ac. (H.O.A.)", "Wetland 84,504.20 Sq. Ft. 1.940 Ac. (H.O.A.)", "Common Area 2,270.65 Sq. Ft. 0.052 Ac. (H.O.A.)", "Wetland Buffer 12,794.87 Sq. Ft. 0.294 Ac. (H.O.A.)", "Wetland 18,399.49 Sq. Ft. 0.422 Ac. (H.O.A.)", "Common Area 3,935.09 Sq. Ft. 0.090 Ac. (H.O.A.)", "Common Area 2,286.23 Sq. Ft. 0.052 Ac. (H.O.A.)" and "Water Tunnel Area 78,275.17 Sq. Ft. 1.797 Ac. (H.O.A.)" all as more particularly shown on a plat entitled "PLAT SHOWING CORRECTIONS TO EXISTING SANDPINES S/D AT WESCOTT PLANTATION, PROPERTY OF BAKBAR II, LLC AND RYLAND HOMES, INC., AS SHOWN HEREON, LOCATED IN THE CITY OF NORTH CHARLESTON, DORCHESTER COUNTY, SOUTH CAROLINA" prepared by Richard A. Aldridge of Trico Engineering Consultants, Inc., dated April 12, 2007, and recorded in the Register of Deeds Office for Dorchester County on May 11, 2007, in Plat Cabinet L, at Page 62. Said lots of land having such size, shape, buttings and boundings as will by reference to said plat more fully appear.

See TMS Numbers on the attached list.

L-62 SANDPINES AT WESCOTT PLANTATION SUBDIVISION
94 Lots of 30.548 acres

TMS	Lot
162-07-03-049	Common Area
162-07-03-050	1
162-07-03-051	2
162-07-03-052	3
162-07-03-053	4
162-07-03-054	5
162-07-03-055	6
162-07-03-056	7
162-07-03-057	8
162-07-03-058	9
162-07-03-059	10
162-07-03-060	11
162-07-03-061	12
162-07-03-062	13
162-07-03-063	14
162-07-03-064	15
162-07-03-065	16
162-07-03-066	17
162-07-03-067	18
162-07-03-068	19
162-07-03-069	20
162-07-03-070	21
162-07-03-071	22
162-07-03-072	23
162-07-03-073	24
162-07-03-074	25
162-07-03-075	26
162-07-03-076	27
162-07-03-077	28
162-07-03-078	29
162-07-03-079	30
162-07-03-080	31
162-07-03-081	32
162-07-03-082	33
162-07-03-083	34
162-07-03-084	35
162-07-03-085	36
162-07-03-086	37
162-07-03-087	38
162-07-03-088	39
162-07-03-089	40

162-07-03-090	41
162-07-03-091	42
162-07-03-092	43
162-07-03-093	44
162-07-03-094	45
162-07-03-095	46
162-07-03-096	47
162-07-03-097	48
162-07-03-098	49
162-07-03-099	50
162-07-03-100	51
162-07-03-101	52
162-07-03-102	53
162-07-03-103	54
162-07-03-104	55
162-07-03-105	56
162-07-03-106	57
162-07-03-107	58
162-07-03-108	59
162-07-03-109	60
162-07-03-110	61
162-07-03-111	62
162-07-03-112	Common Area
162-07-03-113	63
162-07-03-114	64
162-07-03-115	65
162-07-03-116	66
162-07-03-117	67
162-07-03-118	68
162-07-03-119	69
162-07-03-120	70
162-07-03-121	71
162-07-03-122	Common Area
162-07-03-123	72
162-07-03-124	73
162-07-03-125	74
162-07-03-126	75
162-07-03-127	76
162-07-03-128	77
162-07-03-129	78
162-07-03-130	79
162-07-03-131	80
162-07-03-132	81
162-07-03-133	82
162-07-03-134	83

162-07-03-135	87
162-07-03-136	85
162-07-03-137	86
162-07-03-138	87
162-07-03-139	88
162-07-03-140	89
162-07-03-141	90
162-07-03-142	91
162-07-03-143	92
162-07-03-144	93
162-07-03-145	94

EXHIBIT "B"
TO DECLARATION FOR SANDPINES AT WESCOTT

(Articles of Incorporation – Sandpines at Wescott Property Owners Association, Inc.)

SEE ATTACHED

DEC 21 2006

STATE OF SOUTH CAROLINA
SECRETARY OF STATE

NONPROFIT CORPORATION
ARTICLES OF INCORPORATION


SECRETARY OF STATE OF SOUTH CAROLINA

TYPE OR PRINT CLEARLY IN BLACK INK

1. The name of the proposed corporation is Sandpines at Wescott Property Owners Association, Inc.
2. The initial registered office of the nonprofit corporation is 75 Beattie Place, Two Liberty Square, Greenville, South Carolina 29601.

The name of the registered agent of the nonprofit corporation at that office is: CT Corporation System

I hereby consent to the appointment as registered agent of the corporation.

CT Corporation Systems

By: Shirley W. Hullenhaw - Special Assistant Secretary
CT Corporation System - SC
Name and Title (Print)

3. Check "a", "b" or "c", whichever is applicable. Check only one box:

- [] The nonprofit corporation is a public benefit corporation.
- [] The nonprofit corporation is a religious corporation.
- [x] The nonprofit corporation is a mutual benefit corporation.

4. Check "a" or "b", whichever is applicable:

- [x] This corporation will have members.
- [] This corporation will not have members.

5. The address of the principal office of the nonprofit corporation is 225 Seven Farms Drive, Suite 200, Charleston, SC 29492.

6. If this nonprofit corporation is either a public benefit or religious corporation (when box "a" or "b" of paragraph #3 is checked), complete either "a" or "b", whichever is applicable to describe how the remaining assets of the corporation will be distributed upon dissolution of the corporation.

Charleston 10/21/06

061221-003# FILED: 12/21/2006
SANDPINES AT WESCOTT PROPERTY OWNERS ASSOCIATION
Filing Fee: \$25.00 ORIG



Mark Hammond

South Carolina Secretary of State

a)

- [] Upon dissolution of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code or the corresponding section of any future federal tax code, or shall be distributed to the Federal government, or to a state or local government, for a public purpose. Any such asset not so disposed of shall be disposed of by the Court of Common Pleas of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said court shall determine, which are organized and operated exclusively for such purposes.

b)

- [] Upon dissolution of the corporation, consistent with the law, the remaining assets of the corporation shall be distributed to:

7. If the corporation is a mutual benefit corporation (when box "c" of paragraph 3 is checked), complete either "a" or "b", whichever is applicable, to describe how the (remaining) assets of the corporation will be distributed upon dissolution of the corporation.

a)

- [] Upon dissolution of the mutual benefit corporation, the (remaining) assets shall be distributed to its members, or if it has no members, to those persons to whom the corporation holds itself out as benefiting or serving.

b)

- [x] Upon dissolution of the mutual benefit corporation, the (remaining) assets, consistent with the law, shall be distributed to:
- (1) a prorate individual interest to each lot owner in Sandpines at Wescott subdivision,
or
- (2) in the Board of Director's discretion, to a successor corporation or other organization with a similar or related purpose.

8. The optional provisions which the nonprofit corporation elects to include in the articles of incorporation are as follows (See Section 33-31-202(b) through 33-31-201(c) of the 1976 South Carolina Code of Laws, as amended, the applicable comments thereto, and the instruction to this form).

The purpose for which this corporation is organized are to serve as a property owners association for Sandpines at Wescott subdivision in Dorchester County, South Carolina and to conduct any lawful activities related to the subdivision.

9. The name and address of the incorporator is as follows:

The Ryland Group, Inc.
c/o John Daniels, Land Development Project Manager
225 Seven Farms Drive, Suite 200
Charleston, SC 29492

10. Each original director of the nonprofit corporation must sign the articles but only if the directors are named in these articles:

NOT APPLICABLE

11. The following is the name and signature of the incorporator:

November 21, 2006

The Ryland Group, Inc.

By: 

Its: Division President

EXHIBIT "C"
TO DECLARATION FOR SANDPINES AT WESCOTT
(By-Laws of Sandpines at Wescott Property Owners Association, Inc.)

SEE ATTACHED

**BYLAWS
OF
SANDPINES AT WESCOTT
PROPERTY OWNERS ASSOCIATION, INC.**

May 23, 2007

BYLAWS

ARTICLE I

Covenants and Definitions

Section 1. Covenants. In the event of any conflict between the terms and provisions of these Bylaws and the Sandpines at Wescott Property Owners Association, Inc.'s Declaration of Covenants, Conditions, Restrictions and Easements for Sandpines at Wescott, recorded in the Dorchester County ROD Office, as amended, (the "*Covenants*") the terms and provisions of the Covenants shall control.

Section 2. Definitions. All terms not otherwise defined herein shall have the meaning ascribed to them in the Covenants.

Section 3. Name. The name of the corporation is **Sandpines at Wescott Property Owners Association, Inc.**

Section 4. Nonprofit Status. The corporation is organized as a nonprofit corporation under the South Carolina Nonprofit Corporation Act. The corporation is a mutual benefit corporation and shall have perpetual duration and succession.

Section 5. Purposes. The purposes for which the corporation is organized, as stated in its Articles of Incorporation, are to serve as a property owners association for Sandpines at Wescott subdivision, Dorchester County, South Carolina and to conduct any lawful activities related to such association.

ARTICLE II

Offices and Powers

Section 1. Registered Agent and Office. The initial registered agent of the Corporation shall be CT Corporation System and the initial registered office of the Corporation is 75 Beattie Place, Two Liberty Square, Greenville, South Carolina 29601.

Section 2. Additional Offices. The Corporation may also have offices at such other places, both within and without the State of South Carolina, as the Board of Directors may from time to time determine or as the business of the Corporation may require.

Section 3. Corporate Powers. In furtherance of the purposes of the Corporation, it shall possess all powers and authority granted to corporations under Title 33 of the Code of Laws of South Carolina, 1976, as amended.

ARTICLE III

Members

Section 1. Membership.

(1) Every Owner of a Lot which is subject to a lien for assessments shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

(2) The Association shall have two classes of voting membership:

Class A. Class A Members shall be all Owners other than the Declarant. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Lot.

Class B. The Class B Member shall be the Declarant and shall be entitled to four (4) votes for each Lot it owns that is subject to this Declaration. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

- (a) the date on which the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership; or
- (b) on June 30, 2015; or
- (c) when Declarant elects by notice to Association in writing to terminate its Class B membership.

(3) At such time as the Class B membership ceases to exist on the happening of any of the events listed in subpart (2) above, the Class B Member shall have no further liability for the action or inaction of the Association, and the existing Class A Members shall, in accordance with the Association's Declaration and Bylaws, promptly (1) notify all members entitled to notice of a meeting of the members, (2) hold a meeting to elect new directors, if necessary, and (3) make sure that the directors appoint corporate officers.

Section 2. Meetings of Members. An annual meeting for the election of Directors and for the transaction of such other business as may properly come before such meeting shall be held in the month of March in each year at such date and hour as may be fixed from time to time by the Board of Directors and stated in the notice of such meeting, unless such notice is waived as provided by law, the Articles of Incorporation or these ByLaws. If such annual meeting is not held

as herein provided for, it may be held as soon thereafter as may be convenient. Such subsequent meeting shall be called in the same manner as hereinafter provided for special meetings of Members. Meetings of the Members may be called by the President or a majority of the directors and shall be called by the President or Secretary at the request in writing of Members holding at least 25% of the voting power. Such request shall state the purpose or purposes of the proposed meeting. The initial annual meeting of the Members may be called by the incorporator.

Section 3. Notice of Meetings. Written notice of the place, date, and hour of the annual and any special meetings shall be given personally or by mail to each member entitled to vote thereat not less than ten (10) nor more than fifty (50) days prior to the meeting. The notice shall state the purpose or purposes for which the meeting is called and by or at whose direction it is being issued. Members may waive notice of meetings.

Section 4. Quorum. Unless otherwise provided in the Covenants, Members who hold in aggregate fifty percent (50%) of the voting power of both Class A and Class B Members, present in person or represented by *proxy* shall be necessary to and shall constitute a quorum for the transaction of business at all meetings of the Members. If, however, such quorum shall not be present or represented at any meeting of Members, the Members entitled to vote thereat present in person or represented by proxy shall have power to adjourn the meeting from time to time until a quorum shall be present or represented. At such adjourned meeting at which a quorum shall be present or represented, any business may transacted which might have been transacted at the seating as originally noticed.

Section 5. Voting. Unless otherwise provided in the Covenants, all elections shall be determined by a plurality vote of aggregate of Class A and Class B Members, and except as otherwise provided by law, the Articles of Incorporation, these Bylaws or the Covenants, all other matters shall be determined by vote of a majority of the votes cast. Cumulative voting for directors shall not be allowed. The Board of Directors shall have the authority to decide all matters related to the number of votes that Members are entitled to cast.

Section 6. Proxies. Every proxy must be executed in writing and dated by the member or by the member's attorney-in-fact. A proxy shall be valid for eleven (11) months from the date thereof, unless otherwise expressly stated in the proxy. Every proxy shall be revocable at the pleasure of the member executing it.

Section 7. Action by Written Consent. Whenever by any provision of law the vote of the Members at a meeting thereof is required or permitted to be taken in connection with any corporate action, the meeting and vote of Members may be dispensed with if Members holding eighty (80%) percent of the voting power consent to the action in writing and written notice of such member approval is delivered to the Members (if any) who did not consent to such action. If written notice is required, member approval is effective ten (10) days after such written notice is given.

Section 8. Meetings by Telephone or Similar. The Members may participate in a

meeting by means of conference telephone or similar communications equipment by means of which all Members participating in the meeting can hear each other, and participation in such meeting shall constitute presence in person by such member at such meeting.

Section 9. Transition Meeting. Notwithstanding anything contained in these Bylaws to the contrary, when Declarant elects to terminate its Class B Membership and relinquish control over the Association, Declarant may, in accordance with the terms of this Section 9, call a meeting of the Members to facilitate such transition of control ("*Transition Meeting*").

Written notice of the place, date, and hour of the Transition Meeting shall be given personally or by mail to each member entitled to vote thereat not less than ten (10) nor more than fifty (50) days prior to the Transition Meeting. The notice shall state the purpose or purposes for which the meeting is called and by or at whose direction it is being issued. Members may waive notice of the Transition Meeting.

The Class A and Class B Members present at the Transition Meeting, in person or represented by *proxy*, shall be sufficient to and shall constitute a quorum for the transaction of business at the Transition Meeting.

The provisions of this Section 9 shall be superior to any other provisions of the Bylaws. To the extent not addressed in this Section 9, the other provisions of the Bylaws shall control.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. General Powers. Except as otherwise provided by law or in the Articles of Incorporation, the property, affairs and business of the Corporation shall be managed by or under the direction of the Board of Directors.

Section 2. Number. Term of Office and Qualifications. The number of Directors of the Corporation shall be not less than three (3) nor more than five (5), as the Members shall determine from time to time. Except as provided in Sections 4 and 5 of this Article IV and herein, the initial Directors, which shall be appointed by the incorporator, and the Directors elected at the Transition Meeting, as set forth in Section 9 of Article III, the Directors shall be elected at the annual meeting of Members. Except as provided by law, each Director shall continue in office until the annual meeting of Members held next after his election and until his successor shall have been elected and shall qualify, or until his earlier death, resignation or removal in the manner provided in Sections 3 and 4 of this Article IV. With the exception of the initial Directors, which shall be appointed by the incorporator, Directors shall be Members.

Section 3. Resignation. Any Director may resign at any time by giving written notice of such resignation to the President or the Secretary. Unless otherwise specified therein such resignation shall take effect on receipt thereof by any such officer.

Section 4. Removal of Directors by Members. Any Director may be removed at any time, either with or without cause, by the affirmative vote of a majority of the Members then entitled to vote. Any vacancy on the Board of Directors resulting from any such removal may be filled in the manner provided in Section 5 of this Article IV.

Section 5. Vacancies. Subject to the provisions of Section 9 of Article III, if any vacancy shall occur in the Board of Directors by reason of death, resignation, removal or otherwise, such vacancy may be filled by the affirmative vote of a majority of the Members present in person or represented by proxy and entitled to vote at a meeting of Members, at which a quorum is present. Any Director so elected to fill such a vacancy shall serve the remaining term of the Director whom he replaces.

Section 6. Annual and Regular Meetings. As soon as practicable after the annual meeting of Members in each year, an annual meeting of the Board of Directors shall be held for the appointment of officers and for the transaction of such other business as may properly come before the meeting. No notice shall be required for any such meeting if held immediately after the adjournment and at the site of the meeting of Members. If not so held, notice shall be given in the same manner as required for special meetings of the Board of Directors. Additional regular meetings of the Board of Directors may be held without notice at such times and places (within or without the State of South Carolina) as the Board may from time to time determine by resolution duly adopted at any meeting of the Board.

Section 7. Special Meetings. A special meeting of the Board of Directors may be called at any time by the President and shall be called by the President or the Secretary on the written request of at least one-half of the Directors then in office, and shall be held at such time and place (within or without the State of South Carolina) as may be fixed by the President or such Directors in such request, as the case may be, provided that the time so fixed shall permit the giving of notice as provided in Section 8 of this Article IV.

Section 8. Notice of Special Meetings. Notice of the time and place of each special meeting of the Board of Directors shall be sent to each Director by mail, telex or cable, addressed to him at his address as it appears on the records of the Corporation, or telephoned or delivered to him personally, at least two days before the day on which the meeting is to be held, and the method used for notice of such special meeting need not be the same for each Director being notified. Unless otherwise provided by law, the Articles of Incorporation or these Bylaws, such notice need not state the purposes of the meeting.

Section 9. Chairman and Secretary. Each meeting of the Board of Directors shall be presided over by the President or, in his absence or disability, by such person as may be designated from time to time by the Board of Directors. The Secretary, or in his absence or disability, an Assistant Secretary, or in his absence or disability, such other person selected by the Board of Directors, shall act as secretary of each meeting of the Board of Directors.

Section 10. Quorum. At all meetings of the Board of Directors, the presence in person or by conference telephone of a majority of the total number of Directors constituting the entire Board, whether then in office or not, shall be necessary and sufficient to constitute a quorum for the transaction of any business by the Board of Directors at such meeting, except as otherwise provided by law, by the Articles of Incorporation or by these Bylaws. At any meeting of the Board of Directors, no action shall be taken (except adjournment, in the manner provided below) until after a quorum has been established, except as otherwise provided by law, the Articles of Incorporation or these Bylaws. Except as otherwise provided by law, the Articles of Incorporation or these Bylaws, the act of a majority of Directors who are present at a meeting at which a quorum previously has been established (or at any adjournment of such meeting) provided that a quorum previously shall have been established at such adjourned meeting shall be the act of the Board of Directors, regardless of whether or not a quorum is present at the time such action is taken. In determining the number of directors who are present at the time any such action is taken, any Director who is in attendance at such meeting but who, for just cause, is disqualified to vote on such matter, shall not be considered as being present at the time of such action for the purpose of establishing the number of votes required to take action on any matter submitted to the Board of Directors, but shall be considered as being present for purposes of determining the existence of a quorum.

In the event a quorum cannot be established at the beginning of a meeting, a majority of the Directors present at the meeting, or the Secretary of the Corporation, if there be no Director present, may adjourn the meeting from time to time until a quorum be present. Only such notice of such adjournment need be given as the Board of Directors may from time to time prescribe.

Section 11. Regulations. The Board of Directors may adopt such rules and regulations for the conduct of its meetings and for the management of the property, affairs and business of the Corporation as it may deem proper and not inconsistent with law, the Articles of Incorporation and these Bylaws.

Section 12. Compensation. Directors shall not receive compensation for their services.

Section 13. Participation in Meeting by Conference Telephone. Any and all members of the Board of Directors may participate in a meeting of the Board by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.

Section 14. Written Consent in Lieu of Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if a written consent or consents thereto shall be signed by all members of the Board then in office.

Section 15. Waiver of Notice by Directors. Whenever any notice is required to be given by law, the Articles of Incorporation or these Bylaws to a member of the Board of Directors, a written waiver thereof signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to such notice. Neither the business to be

transacted at, nor the purpose of any regular or special meeting of the Board of Directors need be specified in any written waiver of notice unless so required by law, the Articles of Incorporation or these Bylaws. A director's attendance at or participation in a meeting waives any required notice to him of the meeting unless the director at the beginning of the meeting, or promptly upon his arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

Section 16. Assessments. The Board of Directors shall, on an annual basis, levy assessments against all of the members in accordance with the Covenants. Assessments shall be levied for the purposes set forth in the Covenants, including, but not limited to, the maintenance of water and sewer mains in and upon the Common Area; the maintenance and repair of all common drainage systems on the Property; and the maintenance of open spaces, roads and streets which have not been accepted for dedication by a public authority, signage, roadway medians and islands (including signage, medians and islands located in dedicated rights-of way), drives and parking areas within the Common Area. Assessments shall be binding legal obligations on members and shall be enforceable by the corporation as provided in the Covenants.

ARTICLE V

Notices

Section 1. Form; Delivery. Whenever, under the provision of law, the Articles of Incorporation, or these Bylaws, notice is required to be given to any member, personal notice shall not be required unless specifically provided. Notice may be given in writing, by mail addressed to such member at his address as it appears on the records of the Corporation, with postage prepaid. Such notices shall be deemed to be given at the time they are deposited in the United States mail. Notice to a Member may also be given personally, or by telegram sent to his address as it appears on the records of the Corporation.

ARTICLE VI

Officers

Section 1. Designations. The officers of the Corporation shall be chosen by the Board of Directors. The Board of Directors shall appoint a President, a Vice President, a Secretary, and a Treasurer and such other officers as are appointed by the Board of directors from time to time. All officers of the Corporation shall exercise the powers and perform the duties as shall from time to time be determined by the Board of Directors. Any number of offices may be held by the same person.

Section 2. Term of Office: Removal. Each officer of the Corporation shall hold office until his successor is chosen and shall qualify. Any officer elected or appointed by the Board of Directors may be removed, with or without cause, at any time by the affirmative vote of a majority of the Board of Directors. Removal from office shall not prejudice the contract rights, if any, of the

person so removed. Election or appointment of an officer or agent shall not of itself create contract rights. Any vacancy occurring in any office of the Corporation may be filled for the unexpired portion of the term by the Board of Directors.

Section 3. Compensation. No officers of the Corporation shall be compensated for their services as such.

Section 4. President. The President, subject to the direction of the Board of Directors, shall have general charge of the business affairs and property of the Corporation and general supervision over its other officers and agents. In general, he shall perform all duties incident to the office of President and shall see that all orders and resolutions of the Board of Directors are carried into effect. He may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and executing thereof shall be expressly delegated by the Members or by these Bylaws to some other officer or agent of the Corporation, or shall be required by law to be otherwise signed or executed.

Section 5. Vice Presidents. In the event that the Board of Directors appoint a Vice President, or Vice Presidents, then the Vice President, or the Vice Presidents in the order designated or appointed, shall, in the absence of the President or in the event of his disability or refusal to act, perform the duties and exercise the powers of the President, and shall generally assist the President and perform such other duties and have such other powers as may from time to time be prescribed by the Board of Directors.

Section 6. Secretary. The Secretary shall attend all meetings of the Board of Directors and of the Members and shall record all the votes and proceedings of the meetings in a book to be kept for that purpose. He shall give, or cause to be given, notice of all meetings of the Board of Directors and of the Members and shall keep a register of the post office address of each director and each member. He shall have custody of the seal of the Corporation, and he, or an Assistant Secretary, shall have authority to affix the same to any instrument requiring it. When so affixed, the seal may be attested by his signature or by the signature of such Assistant Secretary. The Board of Directors may give general authority to any other officer to affix the seal of the Corporation and to attest the affixing of it by his signature.

Section 7. Assistant Secretary. The Assistant Secretary, if any (or the Assistant Secretaries, in the order designated or appointed) shall, in the absence of the Secretary or in the event of his disability, perform the duties and exercise the powers of the Secretary, and shall perform such other duties and have such other powers as may from time to time be prescribed by the Board of Directors.

Section 8. Treasurer. The Treasurer shall have the custody of the corporate funds and other valuable effects, and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation. He shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may from time to time be

designated by the President or Board of Directors. He shall disburse the funds of the Corporation as may be ordered by the Members, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, whenever they may require it, an account of all of his transactions as Treasurer and of the financial condition of the Corporation.

Section 9. Assistant Treasurer. The Assistant Treasurer, if any (or the Assistant Treasurers, in the order designated or elected) shall, in the absence of the Treasurer or in the event of his disability, perform, the duties and exercise the powers of the Treasurer, and shall perform such other duties and have such other powers as may from time to time be prescribed by the Board of Directors.

ARTICLE VII

Indemnification of Directors and Officers

Section 1. Statutory Indemnification. The Corporation shall indemnify any director or officer of the Corporation to the fullest extent permitted by law.

ARTICLE VIII

MISCELLANEOUS

Section 1. Fiscal Year. The fiscal year of the corporation shall be the calendar year, beginning on January 1 and ending on December 31 of each year.

Section 2. Contracts, Checks, Bank Accounts, Etc. The Board is authorized to select such banks or depositories as it shall deem proper for the assets of the Corporation. The Board shall determine who, if anyone, in addition to the President and the Treasurer shall be authorized from time to time on the Corporation's behalf to sign checks, drafts, or other orders for the payment of money, acceptances, notes or other evidence of indebtedness, to enter into contracts or to execute and deliver other documents and instruments.

Section 3. Corporate Seal. The Corporation may have a corporate seal in such form as the Board of Directors may from time to time determine.

Section 4. Amendments. The Articles of Incorporation and/or the Bylaws of the Corporation or any part thereof may be amended, deleted, or added upon the same provisions for amendment as are contained in the Covenants. Amendments shall be considered only at a meeting at which notice of the meeting and the terms of the proposed amendment shall have been given in accordance with these bylaws. Proposed amendments may be initiated by any member of the Board of Directors.

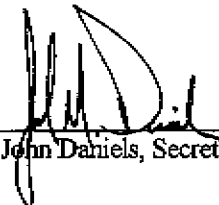
Section 5. Investments. The corporation shall have the right to retain all or any part of any securities or property acquired by it in whatever manner, and to invest and reinvest any funds

Section 6. References to Gender and Number Terms. In construing these Bylaws, feminine or neuter pronouns shall be substituted for those masculine in form and vice versa, and plural terms shall be substituted for singular and singular for plural in any place in which the context so requires.

Section 7. Headings. The Article and Section headings in these Bylaws are inserted for convenience only and are not part of these Bylaws.

I, John Daniels, Secretary of **Sandpines at Wescott Property Owners Association, Inc.** (the "Corporation"), do hereby certify that the foregoing is a true and correct copy of the Corporation's Bylaws as adopted on May 23, 2007.

IN WITNESS WHEREOF I have set my hand and affixed the Corporate Seal of the Corporation, this the 23 day of May, 2007.



John Daniels, Secretary

(Corporate Seal)