

42

MISCELLANEOUS
VOL 1221 PAGE 189
**DECLARATION OF PROTECTIVE COVENANTS,
CONDITIONS, RESTRICTIONS
AND EASEMENTS FOR
NEW BRIDGE POLO RANCH**

THIS DECLARATION, is made as of the 21st day of August 2003 by NEW BRIDGE ROAD POLO RANCH, L.L.C., a South Carolina limited liability company ("NBRLLC").

BACKGROUND

NBRLLC (defined below as the "Founder"), is the owner of certain real property in Aiken County, South Carolina, which it intends to develop as a residential and equestrian community to be known as New Bridge Polo Ranch (the "Ranch"). The Founder desires to establish a framework for the development and occupancy of Ranch and for the management, preservation, maintenance, enjoyment and use of the common areas of Ranch.

NOW, THEREFORE, Founder hereby declares that the Property (defined below) shall be held, transferred, sold, mortgaged, leased, conveyed and occupied subject to the following easements, charges, liens, restrictions, covenants, and conditions (collectively the "covenants and restrictions"), which are for the purpose of protecting the value and desirability of, and which shall run with, the Property and be binding on and inure to the benefit of all parties having any right, title or interest in the Property, or any part thereof, their heirs, successors and assigns.

ARTICLE 1: DEFINITIONS

Unless the context expressly requires otherwise, the following terms will have the following meanings wherever used in this Declaration:

Section 1.1 "Articles" means the Articles of Incorporation of the Association, as amended from time-to-time.

Section 1.2 "Assessments" means any sum of money payable to the Association which if unpaid can result in a lien against an Owner's Lot, including, without limitation, the General Assessments, Special Assessments and Specific Assessments provided for in Article 7 of this Declaration.

Section 1.3 "Assessment Units" means the total number of Lots (including for this purpose each Dwelling where more than a single Dwelling is constructed on a Lot) in the Ranch.

MISCELLANEOUS
VOL. 1221 PAGE 190

Section 1.4 "Association" means the NEW BRIDGE POLO RANCH PROPERTY OWNERS' ASSOCIATION, INC., a South Carolina corporation not for profit and its successors and assigns.

Section 1.5 "Block" or "Blocks" means each numbered Block of Lots as established by the Plat(s).

Section 1.6 "Board" or "Board of Directors" means the Board of Directors of the Association.

Section 1.7 "Boundary Creek" shall refer to any one of the several flowing creeks or streams which mark the respective westerly, southerly and easterly boundaries of the Property.

Section 1.8 "Buffer Easement Area" refers to those portions of the Property, whether contained in any Lot or part of the Common Area, specifically including but not limited to the Creek Easement Area and the area of a Lot that is within twenty (20') feet from the edge of the right-of-way of any Common Road or Common Path or within thirty (30') feet from any public road.

Section 1.9 "Bylaws" means the Bylaws of the Association as amended from time-to-time.

Section 1.10 "Certification of Completion" means any such certificate issued by the Committee confirming that the subject Improvements have been completed in accordance with the requirements of this Declaration.

Section 1.11 "Club Facilities" shall mean the playing fields that have been constructed on the Club Property together with any additional facilities and amenities that Founder may from time-to-time, in its sole and absolute discretion, designate as Club Facilities for the use and benefit of the NBPC; provided, however, Founder shall have no obligation to construct or designate any such additional facilities.

Section 1.12 "Club Property" shall mean the Lots or other described portions of the Property owned or leased from time-to-time by NBPC. As of the date of initial filing of this Declaration the Club Property consists of two (2) polo fields, one stick and ball field, and a workout track. The two (2) polo fields are owned by the Club. The stick and ball field, workout track and a third polo field now under construction will be leased to NBPC by Founder on a year-to-year basis, the yearly extension of the lease being at the sole discretion of Founder.

Section 1.13 "Committee" means, once established, the Architectural Control Committee established pursuant to this Declaration and the Articles and Bylaws. Prior to the date of establishment of the Committee, when used in this Declaration, "Committee" shall mean the Founder or a representative designated by Founder.

Section 1.14 "Common Areas" means the Common Paths, Common Roads, Buffer Easement Areas and such areas of the Property which are from time-to-time owned or leased by the Association as well as areas over which the Association has easement or use rights, together with all other real and personal property owned or leased by the Association from time-to-time for the common use, benefit, and enjoyment of all or several of the Owners. Nothing in this Declaration is intended as a dedication of any portion of the Common Areas to the Public. Certain areas of the Property may from time-to-time be owned or leased by the NBPC and made available for use by its members, but the Club Property is not intended to be included as "Common Areas" as defined herein and the terms and conditions of the use of Club Property and Club Facilities are governed by the rules and regulations of NBPC.

Section 1.15 "Common Paths" means the bridle pathways and promenades that may be shown on the Plat(s) or as designated by Founder on the Development Concept Plan, but shall not include the "Track" as shown on the Plat, said Track being privately owned.

Section 1.16 "Common Roads" mean the vehicular roadways shown on the Plat(s) or so designated by Founder on the Development Concept Plan.

Section 1.17 "Creek Easement Area" means that portion of any Lot located within one-hundred (100') feet of the centerline of the flowing waters of a Boundary Creek.

Section 1.18 "Declaration" means this Declaration as amended from time-to-time.

Section 1.19 "Development Concept Plan" means the Development Concept Plan designated by Founder for the Ranch as it may exist from time-to-time. Founder may make changes in the Development Concept Plan and further subdivide any Lot in its sole discretion, and without approval from any Owner except to the extent that such change alters the boundary of a Lot owned by someone other than Founder or creates an easement on or allows an encroachment onto a Lot owned by someone other than Founder, in which case the consent of the Owner whose Lot is impacted by the change must also be obtained.

Section 1.20 "Dwelling" means a residential structure constructed on a Lot and, in the case of a Lot or Parcel, on which this Declaration allows multiple dwelling units to be constructed, each such dwelling unit.

Section 1.21 "Easement Areas" mean those areas designated as easement areas on the Plat(s) or on the Development Concept Plan, together with any additional areas in which easement rights have been granted to or reserved by the Founder or Association for the benefit of Owners from time-to-time.

Section 1.22 "Founder" means NEW BRIDGE ROAD POLO RANCH, L.L.C., a South Carolina limited liability company, or its successors or such assigns as may be expressly assigned rights hereunder by recorded instrument.

Section 1.14 "Common Areas" means the Common Paths, Common Roads, Buffer Easement Areas and such areas of the Property which are from time-to-time owned or leased by the Association as well as areas over which the Association has easement or use rights, together with all other real and personal property owned or leased by the Association from time-to-time for the common use, benefit, and enjoyment of all or several of the Owners. Nothing in this Declaration is intended as a dedication of any portion of the Common Areas to the Public. Certain areas of the Property may from time-to-time be owned or leased by the NBPC and made available for use by its members, but the Club Property is not intended to be included as "Common Areas" as defined herein and the terms and conditions of the use of Club Property and Club Facilities are governed by the rules and regulations of NBPC.

Section 1.15 "Common Paths" means the bridle pathways and promenades that may be shown on the Plat(s) or as designated by Founder on the Development Concept Plan, but shall not include the "Track" as shown on the Plat, said Track being privately owned.

Section 1.16 "Common Roads" mean the vehicular roadways shown on the Plat(s) or so designated by Founder on the Development Concept Plan.

Section 1.17 "Creek Easement Area" means that portion of any Lot located within one-hundred (100') feet of the centerline of the flowing waters of a Boundary Creek.

Section 1.18 "Declaration" means this Declaration as amended from time-to-time.

Section 1.19 "Development Concept Plan" means the Development Concept Plan designated by Founder for the Ranch as it may exist from time-to-time. Founder may make changes in the Development Concept Plan and further subdivide any Lot in its sole discretion, and without approval from any Owner except to the extent that such change alters the boundary of a Lot owned by someone other than Founder or creates an easement on or allows an encroachment onto a Lot owned by someone other than Founder, in which case the consent of the Owner whose Lot is impacted by the change must also be obtained.

Section 1.20 "Dwelling" means a residential structure constructed on a Lot and, in the case of a Lot or Parcel, on which this Declaration allows multiple dwelling units to be constructed, each such dwelling unit.

Section 1.21 "Easement Areas" mean those areas designated as easement areas on the Plat(s) or on the Development Concept Plan, together with any additional areas in which easement rights have been granted to or reserved by the Founder or Association for the benefit of Owners from time-to-time.

Section 1.22 "Founder" means NEW BRIDGE ROAD POLO RANCH, L.L.C., a South Carolina limited liability company, or its successors or such assigns as may be expressly assigned rights hereunder by recorded instrument.

MISCELLANEOUS
VOL. 122/PAGE 192

Section 1.23 "Improvement" means any building, structure, landscaping or other item not naturally existing on a Lot, whether temporary or permanent, including, by way of example only and not as a limitation, all satellite dishes, television and other antennas; statuary, fountains, flags, flagpoles or other ornamentation; clothes lines; children's playhouses; outbuildings; walkways; piping; garages; swimming pools, spas, basketball backboards or other recreational facilities; carports; driveways; parking areas; refuse and trash containers; fencing; walls; stairways; decks; landscaping, hedges, trees, shrubs, planting and other added vegetation; poles; for sale, for rent and other signs (including, without limitation, signs in windows or elsewhere visible from the Common Area); water softening, air conditioning and heating and other equipment; and paint and all other coloring or texturing device or covering on all surfaces. Improvement does not include any improvements and decorations within a Dwelling or within another building that are not visible from the Common Areas.

Section 1.24 "Lot" or "Lots" means each numbered, platted lot, parcel or Tract as established from time-to-time by the Plat(s) creating a subdivision of the Ranch or designated as a Lot according to the Development Concept Plan and, in the case of a single Lot on which multiple Dwellings have been constructed, each such Dwelling Unit constructed thereon shall also constitute a Lot. As of the date of recording of this Declaration the Property has been subdivided into 22 Lots (numbered 1 through 22), with any Lot owned by Founder subject to being further subdivided, in which event additional Lots shall be created and subject to this Declaration.

Section 1.25 "Members" mean the Owners (including Founder) as more particularly described in Article

Section 1.26 "Mortgage" means any valid instrument transferring any interest in or creating a lien on real property in favor of an unrelated third party as security for the repayment of indebtedness. "First Mortgage" means a valid Mortgage having priority over all other Mortgages on the same property.

Section 1.27 "New Bridge Polo Club, Inc. ("NBPC")" shall mean that certain South Carolina not-for-profit corporation operated by Founder as an equestrian and social membership club.

Section 1.28 "Ranch" means the community being developed by Founder on the Property pursuant to the Development Concept Plan and subject to this Declaration.

Section 1.29 "Owner" means any person who from time-to-time holds record fee simple title to any Lot, or, as to a single Lot on which multiple Dwellings are constructed, title to any Dwelling. If more than one person holds such title, all such persons are Owners, jointly and severally.

Section 1.30 "Person" means any natural person or artificial entity having legal capacity.

Section 1.31 "Plat" or "Plat(s)" means such subdivision plats of all or any portions of the Property recorded from time-to-time in the Public Records of Aiken County, South Carolina and as they may be amended or modified from time-to-time. In the event of any inconsistency between a Plat and the Development Concept Plan, the Plat or Plats shall control.

Section 1.32 "Property" means the Property described in Exhibit A.

Section 1.33 "Public Records" means the Public Records of Aiken County, South Carolina.

Section 1.34 "Recreational Common Areas" means any swimming pool, tennis or other recreational facilities, if any, which are Common Areas and are available for the use by the Owners, but shall not include the Club Property. There may be certain recreational facilities within the Ranch which are not part of the Recreational Common Areas or of the Club Property, but which require membership in a separate club or organization or the payment of a fee to use. Founder has no obligation to construct any Recreational Common Areas at the Ranch.

Section 1.35 "Rules and Regulations" means the rules and regulations of the Association as provided for in Section 3.14. The Rules and Regulations may be amended from time-to-time as provided for in Section 3.14.

Section 1.36 "Turnover" means the termination of the Founder's Class B Membership as provided for in Section 6.4 of this Declaration.

ARTICLE 2: PROPERTY SUBJECT TO THIS DECLARATION

Section 2.1 Property. The Property shall be held, transferred, sold, mortgaged, leased, conveyed, and occupied subject to this Declaration. The covenants and restrictions of this Declaration are to run with the land, regardless of whether or not this Declaration is specifically mentioned in any deeds or conveyances subsequently executed, and shall be binding upon and enforceable against all parties and all Persons claiming under such deeds and conveyances for a period of thirty (30) years from the date this Declaration is recorded in the Public Records, after which time, this Declaration shall automatically be extended for successive periods of ten (10) years, unless and until terminated pursuant to Section 12.5.

Section 2.2 Additions to Common Areas. The Founder shall have the right, in its sole discretion, to lease or to convey title to any of the Property owned by Founder, or any easement or interest therein, to the Association as a part of the Common Areas, and any such lease or conveyance shall be effective upon recording the deed or instrument of conveyance or memorandum of lease or assignment thereof, as applicable, in the Public Records. Any other Person may also lease or convey title to any of the Property owned by such Person, or any interest therein, to the Association to be held as a portion of the Common Areas; provided that the Association, through the Board, shall have

landscaping installed in the Buffer Easement Areas or place or allow to be placed any Improvement in any Buffer Easement Area without the prior written consent of the Association and the Committee.

Section 3.3 Owner's Right to Use Common Areas. Founder grants to every Owner, subject to provisions of this Declaration and the Rules and Regulations, the right and easement to use the Common Areas for their normal and intended purposes, as designated by the Association from time-to-time. The Association shall, consistent with this Declaration, have the right to alter, change, improve, add to or eliminate portions of the Common Areas.

Section 3.4 Title to Common Properties. The Founder may retain the legal title to the areas of the Property designated to become Common Areas until such time as it has completed any contemplated Improvements thereon, and, in the opinion of the Founder, the Association is able to maintain such areas.

Section 3.5 Limitations on Easement Rights. The rights and easements created herein for the benefit of the Owners shall be subject to the following:

- 3.5.1 The right of the Association to limit the use of the Common Areas to Owners, to members of an Owner's family residing with the Owner, to invitees or social guests of the Owners, to tenants of the Owner and their invitees or their family residing with them and social guests, and to members, guests and invitees of NBPC.
- 3.5.2 The right of the Association to suspend or limit any Owner's right, or the right of any Person which is derivative from said Owner, to use any Common Areas for any period during which any Assessment against the Owner's Lot remains unpaid, or for a period continuing to not later than the sixtieth (60th) day after termination of any violation by Owner of the Rules and Regulations or any of the covenants and restrictions of this Declaration.
- 3.5.3 The right of the Founder or the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility organized for a purpose consistent with the intent of this Declaration; provided that no such dedication or transfer shall be effective by the Association unless it shall have first been approved by the Owners entitled to at least a majority of the total votes of the Association. Notwithstanding the foregoing, the Board shall have the right, without notice to or the approval of or any vote by the Owners, to grant easements to allow entry by police, fire or public safety agencies to carry out their duties or for the installation and maintenance of electrical, telephone, natural gas, cable television, water, irrigation, sewer, storm water and other utility facilities upon, over, under and across the Common Areas or any Buffer Easement Areas.

expressly accepted such conveyance by executing the deed or lease or other instruments of conveyance or by recording a written acceptance of such conveyance or lease in the Public Records.

Section 2.3 Mergers. Upon a merger or consolidation of the Association with another owners' association (or similar organization) as may be provided in the By-laws, the Association's properties, rights and obligations may be transferred to another surviving or consolidated owners' association, or alternatively, the Association may constitute the surviving association pursuant to a merger. The surviving or consolidated owners' association may administer the covenants and restrictions established by this Declaration together with the covenants and restrictions established upon any other properties as one scheme. No such merger or consolidation, however, shall effect any revocation, change or addition to the covenants and restrictions established by this Declaration within the Property, except in accordance with the amendment procedures of this Declaration.

ARTICLE 3: EASEMENTS, RIGHTS AND REGULATIONS

Section 3.1 Rights and Easements are Appurtenances. Except as otherwise expressly provided herein, rights and easements granted herein to an Owner constitute rights and easements which are appurtenant to fee simple ownership of a Lot. The Association, acting as agent for the Owners under an irrevocable agency coupled with an interest, which is hereby created, is vested with the non-exclusive right on its own behalf and on behalf of all Owners and parties interested in the Property to enforce all the covenants and restrictions of this Declaration.

Section 3.2 Certain Easements.

- 3.2.1 All Easement Areas granted or reserved herein are nonexclusive easement grants. Founder reserves, both for itself and the Association, the right to grant additional non-exclusive easements over, under, across and through an Easement Area or the Common Area, provided that such additional easement grants do not materially interfere with the activities for which such areas were established.
- 3.2.2 The Founder hereby reserves unto itself and grants to the Association, subject to the terms and conditions of this Declaration, a non-exclusive easement burdening the Buffer Easement Areas. Such reservation and grant is for the purpose of allowing the implementation of a storm water management plan, preserving existing vegetation and constructing, reconstructing, maintaining and operating such landscaping, storm water drainage, irrigation, signage, fences, walls and other structures, Improvements, and facilities as the Association deems appropriate. The Association shall be responsible for the maintenance, repair and replacement of the structures, Improvements, facilities and landscaping constructed or installed, whether by the Founder or the Association, within the Buffer Easement Areas. No Owner shall alter, or otherwise interfere with the structures, Improvements, facilities and

landscaping installed in the Buffer Easement Areas or place or allow to be placed any Improvement in any Buffer Easement Area without the prior written consent of the Association and the Committee.

Section 3.3 Owner's Right to Use Common Areas. Founder grants to every Owner, subject to provisions of this Declaration and the Rules and Regulations, the right and easement to use the Common Areas for their normal and intended purposes, as designated by the Association from time-to-time. The Association shall, consistent with this Declaration, have the right to alter, change, improve, add to or eliminate portions of the Common Areas.

Section 3.4 Title to Common Properties. The Founder may retain the legal title to the areas of the Property designated to become Common Areas until such time as it has completed any contemplated Improvements thereon, and, in the opinion of the Founder, the Association is able to maintain such areas.

Section 3.5 Limitations on Easement Rights. The rights and easements created herein for the benefit of the Owners shall be subject to the following:

- 3.5.1 The right of the Association to limit the use of the Common Areas to Owners, to members of an Owner's family residing with the Owner, to invitees or social guests of the Owners, to tenants of the Owner and their invitees or their family residing with them and social guests, and to members, guests and invitees of NBPC.
- 3.5.2 The right of the Association to suspend or limit any Owner's right, or the right of any Person which is derivative from said Owner, to use any Common Areas for any period during which any Assessment against the Owner's Lot remains unpaid, or for a period continuing to not later than the sixtieth (60th) day after termination of any violation by Owner of the Rules and Regulations or any of the covenants and restrictions of this Declaration.
- 3.5.3 The right of the Founder or the Association to dedicate or transfer all or any part of the Common Areas to any public agency, authority or utility organized for a purpose consistent with the intent of this Declaration; provided that no such dedication or transfer shall be effective by the Association unless it shall have first been approved by the Owners entitled to at least a majority of the total votes of the Association. Notwithstanding the foregoing, the Board shall have the right, without notice to or the approval of or any vote by the Owners, to grant easements to allow entry by police, fire or public safety agencies to carry out their duties or for the installation and maintenance of electrical, telephone, natural gas, cable television, water, irrigation, sewer, storm water and other utility facilities upon, over, under and across the Common Areas or any Buffer Easement Areas.

MISCELLANEOUS
VOL 121 PAGE 196

- 3.5.4 The right of the Founder or the Association to assign, by document recorded in the Public Records, to Owners of one or more specific Lot(s), the sole and exclusive use of specified portions of the Common Areas. Upon such assignment, the exclusive use of such portions of the Common Areas shall be appurtenant to such specific Lot(s) and no Owner shall be permitted to reassign such use to the Owner of a different Lot without the prior written consent of the Association and Founder. Any such assignment shall be subject to such conditions as the Founder or the Association may impose. No Owner shall have the right to use or to enter upon any portion of the Common Areas which has been so assigned by the Association to another Owner or Owners.

Section 3.6 No Easement for Parking. Vehicle parking shall be permitted only within a Lot, subject to the provisions of Section 4.18 hereof. No parking is allowed on the Common Areas except in accordance with Rules and Regulations. The Association is hereby empowered to enforce these parking regulations and the provisions of Section 4.18 by all means lawful for such enforcement on private roads, or private property, including the removal of any violating vehicle by those so empowered.

Section 3.7 Boundary Line Easement on Lot. The Founder hereby specifically reserves from each Lot an easement in a strip of land thirty (30') feet wide adjacent to and immediately within all boundary lines of said Lot for the purpose of making any repairs or performing any maintenance or other activities required by this Declaration or for the installation and maintenance of all utilities, including but not limited to electricity, cable television facilities, water, drainage, gas, sewer, telephone, and for any similar facility, deemed by the Founder necessary for the service of the Property; provided, however, that no such easement shall impede reasonable access for vehicular or pedestrian purposes to any Lot from any Common Road. The Founder further reserves the right to release said easement or to assign the use of said easement or rights-of-way to any person, firm, corporation, or municipality furnishing any of the utilities or facilities mentioned.

Section 3.8 New Bridge Polo Club Easement. The Club and its members, their family members, guests and invitees, and the authorized players or users of the Club Facilities, shall have a perpetual, non-exclusive vehicular, equestrian and pedestrian easement over, through and across the Common Roads and the Common Paths in their favor for all normal purposes, including, without limitation, ingress and egress and for maintenance and the furnishing of services and facilities and for such other purposes for which the same are reasonably intended. In addition, the spectators at any events held at the Club Facilities (the "Visitors") shall have a non-exclusive vehicular and pedestrian easement over, through and across that portion of the Common Roads lying immediately adjacent to the Club Property as needed to provide access to the Club Property from the public road. Founder may establish binding rules and regulations regarding the specific location of and use of the easements set forth in this Section, which rules and regulations concerning such rights shall be binding on Club, its members and guests, Visitors and on all Owners and the Association.

Section 3.9 Master Drainage Areas, Use and Maintenance. For the purposes of this Declaration, "Master Drainage Areas" means those portions of the Property designated as surface water management areas, drainage areas, basins, drainage easements, water management tracks, canals or canal easements which are part of the Storm Water Management Plan for the Property approved by the applicable government agency, or which are reflected on the Development Concept Plan and any amendments thereto, or which are specified as a Drainage Easement on the Plat or in this Declaration, all of which are herein collectively referred to as "Master Drainage Areas." The Association shall maintain the Master Drainage Areas in accordance with the requirements of all applicable governmental authorities. The Club Property owner shall reimburse the Association within fifteen (15) days after written demand therefore, one-sixth (1/6) of the actual expenses of maintaining, repairing and replacing the Master Drainage Areas and Common Roads. Such demand for reimbursement shall be made not more frequently than one (1) time per month. Aiken County shall have the right but not the obligation to enforce or implement the Storm Water Management Plan or any term of condition of this Declaration concerning the construction, operating or maintenance of the Master Drainage Areas following sixty (60) days written notice to the Association of the failure to construct, operate or maintain such areas. Aiken County shall have an easement across the Common Areas and Drainage Easements for purposes of enforcing said Master Drainage Areas plans or Storm water Management Plan. Any expenses of Aiken County in constructing, operating or maintaining said Master Drainage Area shall become an expense of the Association and lien against each Lot until paid in full; provided however, each Lot Owner shall be entitled to a release of his/her Lot from such lien upon payment to Aiken County of his/her proportionate share of such expense, which shall be determined by dividing the expense by the number of Assessment Units.

Section 3.10 Bridal Path Easements. All Common Paths shall be for the non-exclusive use and enjoyment of Owners, Founder, the owner of the Club Property, the members of New Bridge Polo Club, and each of their guests and invitees; provided, however, Visitors shall not be entitled to use the Common Paths. Except for driveways and drainage facilities approved by Founder, no structure shall be built upon the Common Paths. The Association shall be responsible for maintaining the Common Paths. However, the responsibility for maintaining any fences along the Common Paths, whether said fence was constructed originally by Founder, Association, Club or the Lot Owner or his predecessor in title, shall be that of each Lot Owner on whose Lot the fence runs or whose Lot is adjacent to the fence.

Section 3.11 Easement to Correct Drainage. The Founder grants the Association a blanket easement and right on, over and under the ground within all Lots to maintain and to correct drainage of surface water in order to maintain reasonable standards of health, safety and appearance including the right to create swales or storm water detention ponds in connection with Common Roads; provided, however, this easement shall not run under any structure constructed on a Lot. This easement expressly includes the right to cut any trees, bushes or shrubbery, make any gradings on the soil, or to take any other similar action reasonably necessary, following which the Association shall restore the affected lands to its original condition as nearly as practicable. The Association

MISCELLANEOUS
VOL. 122 PAGE 198

shall give reasonable notice of intent to take such action to all affected Owners, unless in the opinion of the Association an emergency exists which precludes such notice.

Section 3.12 Access by Association. The agents or representatives of the Association shall have the right of entry onto each Lot to the extent reasonably necessary to discharge any duty imposed or exercise any right granted by this Declaration, or to investigate compliance with or enforce the provisions of this Declaration and the Rules and Regulations. Such right of entry must be exercised in a peaceful and reasonable manner and at reasonable times, and the entry may be only upon reasonable notice whenever circumstances permit. Notwithstanding the foregoing, entry into any enclosed non-public area of any completed structure upon any Lot may not be made without the consent of its Owner or occupant, except pursuant to court order or other authority conferred by law.

Section 3.13 Rules and Regulations. The Board may, from time-to-time, without the vote or consent of the Owners, adopt new Rules and Regulations or amend the existing Rules and Regulations governing the operation, use, enjoyment, maintenance, management and control of the Common Areas and the facilities incident thereto and the conduct of the Owners and their family, guests and tenants on the Common Areas and on their Lots (outside of the buildings thereon) and the operation of the Ranch generally. Copies of the Rules and Regulations shall be furnished to each Owner at least ten (10) days in advance of the time such Rules and Regulations become effective. The Association shall have available copies of the most current Rules and Regulations and provide them to each Owner upon request. The Association shall have the right to charge a reasonable fee for additional copies of the Rules and Regulations requested by any Owner to offset production costs.

ARTICLE 4: PROTECTIVE COVENANTS

The following protective covenants are hereby imposed upon the Property as covenants running with the land.

Section 4.1 Use of Lot. No Parcel, Lot or any Improvement thereon shall be used for any purpose in violation of the Development Concept Plan or this Declaration. A Lot may not be improved with multiple Dwellings unless such Parcel or Lot has been specifically designated for that purpose on the Development Concept Plan or such development has been approved in writing by Founder.

Section 4.2 Nuisance. No activity deemed by the Association to constitute a noxious, offensive or hazardous activity shall be permitted to be carried on nor allowed to continue by any Owner on any Lot or on the Common Area, nor shall anything be done thereon which in the opinion of the Association constitutes an annoyance, nuisance or safety hazard to individual Owners or to the community in general. No Owner shall permit or allow anything to be done or kept in any Dwelling, on any Lot, or within the Common Areas, which would be a violation of any law, regulation, or other governmental restriction or requirement.

Section 4.3 Trash and Debris. No accumulation of debris, rubble, piles of dirt, or fill or other unsightly material shall be allowed to accumulate or be deposited on any Lot or in any area of the Property. Trash, garbage or other waste shall be kept in closed sanitary containers or as otherwise required by the Association. All equipment for the storage or disposal of such waste shall

- 4.3.1 be of a type approved by the Committee,
- 4.3.2 be kept in a clean and sanitary condition, and
- 4.3.3 be kept in a location on a Lot approved by the Committee.

An Owner may maintain a compost pile on a Lot if the pile is kept out of view from any Common Road or public road.

Section 4.4 Building, Building Height and Completion Date. In order to provide for the preservation of values, the Founder has set certain restrictions and requirements for Improvements to Lots, which restrictions and requirements may be amended from time-to-time, as set forth in this Declaration.

- 4.4.1 Except for those Lots on which multiple Dwellings have been authorized, an Owner may construct on a Lot only one (1) single family home and either one (1) guesthouse or "grooms quarters" or a guest house as part of a barn. The guesthouse may be free standing or attached to the main house or barn. Other buildings on a Lot that may be constructed if approved include a horse barn and/or a running shed for the keeping of horses and a utility shed. All Improvements are subject to review and approval as otherwise set forth herein.
- 4.4.2 No building or other Improvements shall be erected, altered, placed or permitted to remain on any Lot which exceed thirty-five (35') feet in height (as measured in accordance with the building code, rules, regulations, and ordinances of the applicable governmental authority issuing the building permit for the residence) above normal ground level (which shall be deemed to be eighteen (18") inches above the Common Road) or the maximum height allowed by the governmental regulations of the governmental authority issuing the building permit, whichever is less.
- 4.4.3 No air conditioning and heating equipment, water softener equipment, pool pump, pool heating equipment, solar device, irrigation pressure tanks or other mechanical equipment shall be permitted unless appropriately located, fenced or screened and approved by the Committee in accordance with the provisions hereof.

MISCELLANEOUS
VOL. 1221 PAGE 200

- 4.4.4 The grade level of each Lot as initially established by Founder shall not be altered nor shall any filling be done without Committee's prior written consent.
- 4.4.5 No repair, replacement, change or modification shall be made to any of the Improvements constructed on a Lot which will in any manner modify or change the exterior appearance of such Improvement except with the consent and approval as required herein.
- 4.4.6 Any exterior structural alterations shall only be made with consent and approval of the Committee. Any additions to be placed on any residence or structure, or any screens, porches or lanais to be enclosed, or garages to be enclosed or converted to any purpose other than garage and utility areas, and other structural changes to be made of whatever kind or nature, shall be made only with the consent and approval required herein.
- 4.4.7 Construction of Improvements (including but not limited to driveways) shall be fully completed within 180 days from the date construction of the Improvement is commenced.
- 4.4.8 In order to buffer and blend buildings to be constructed with the natural setting of the Ranch, the Committee may establish, and change from time-to-time, landscaping requirements for a Lot in connection with and as a condition to approval of construction of Improvements on a Lot. Within sixty (60) days after the completion of construction of Improvements on a Lot, there shall be planted shrubs, trees and such other landscaping as shall meet the minimum landscaping requirements, if any, established from time-to-time, by the Committee, which requirements may include Landscape plans setting forth the number, species and size of all trees and shrubs to be planted shall be submitted to the Committee at the time of submitting plans and specifications for a building. The required landscaping shall be completed within sixty (60) days after completion of the building and thereafter shall be maintained in good condition by the Owner.
- 4.4.9 In order to add to the overall character of the Ranch as a wooded and rural community, in addition to meeting the landscaping requirements as established by the Committee from time-to-time, each Owner shall establish one (1) oak tree (of a type, as specified by Founder and at least ten [10'] feet in height and six [6"] inch trunk caliper at time of planting) along the Common Road frontage or Public Right-of-Way frontage, as applicable, for every one hundred (100') feet of frontage of the Owner's Lot on such Common Road or Public Right-of-Way. Such oak trees may be spaced or clumped together and recognition will be given for existing living trees

MISCELLANEOUS
VOL 221 PAGE 201

located within ten (10') feet of the perimeter of the Lot. Owners shall have up to one (1) year after taking ownership of the Lot in which to plant such trees. The Committee shall have the right in its sole discretion, but shall have no obligation, to allow one or more other species of trees to satisfy the requirements hereunder. Founder may, in its sole discretion, waive, reduce or modify this requirement.

Section 4.5 Building Location. Subject to Founder's or Committee's right to grant variances, no building structure or other improvement shall be located on any Lot, as follows:

4.5.1 nearer to the front Lot line than the greater of:

- (i) sixty (60') feet; or
- (ii) the minimum setback required pursuant to governmental ordinances and regulations in effect at the time the building or structure is constructed; or
- (iii) one hundred (100') feet from the centerline of the Common Road adjacent to the Lot.

4.5.2 nearer than forty (40') feet from each side Lot line;

4.5.3 nearer than sixty (60') feet from the rear Lot line, but not nearer than one hundred (100') feet to the Creek Easement;

4.5.4 nearer than twenty (20') feet to any Drainage Easements.

The front Lot line shall be the line bordering the Common Road from which the Lot's address is designated. "Side" Lot lines shall mean the Lot lines intersecting the front Lot line and "rear" Lot line shall mean the Lot line opposite the front Lot line.

Founder or Committee shall have the right to vary setbacks in order to accommodate the building, improvements, air conditioning pads, pool equipment and wells. Founder shall have the right to determine all setbacks applicable to a Lot on which multiple Dwellings are authorized to be constructed.

The distance from the Lot lines or other setback line to the structure shall be measured along a straight line from the closest points. Roofed portions of the building, together with all poured concrete shall be considered as a part of a building for the purposes of this covenant. The setbacks shall be measured from the eaves or overhanging portion of the roof, but air conditioning pads, pool equipment and wells shall not be deemed to be part of the structure from which the setbacks are to

MISCELLANEOUS

VOL 1221 PAGE 222

be measured and such may be located within the setback if the location is approved by the Committee.

For the purposes of this covenant, any person owning two (2) adjacent Lots may disregard the common Lot line between the two (2) adjacent Lots if the Dwelling is to be located on both Lots and if the condition is satisfied that Founder or Committee approves such location and provides a written release of any existing Lot line easement, and any existing utility lines or drainage lines are relocated at Owner's expense.

Setbacks as described in this section are minimum setback requirements, and in addition to the rights of Founder and Committee to allow variances therefrom as set forth above, the setbacks may be increased, decreased or altered by Founder in such a manner as Founder in its sole discretion shall determine on a case-by-case basis for reasons which, in Founder's sole discretion and judgement, enhance the value, desirability and attractiveness of the Ranch or a particular Lot.

Section 4.6 Lot Appearance. Once a Lot has been sold by the Founder, the same shall be maintained in good appearance. During the period when any construction activity is undertaken on a Lot, the Lot shall be kept in a neat and orderly condition with construction debris and trash being neatly stacked or confined in containers or trash enclosures and removed frequently enough so as to prevent unsightly or objectionable accumulation. The Association may require a reasonable deposit be paid, to be held during the period of any construction as security to assure compliance with the terms of this Declaration.

Section 4.7 Common Area. Nothing shall be placed on, altered in, constructed on or removed from the Common Areas, except with the prior written consent of the Association.

Section 4.8 Underground Utility Lines. All utility lines and lead-in wires, including but not limited to, cable television lines, electrical lines and telephone lines, located within the confines of any Lot shall be located underground.

Section 4.9 Time Share Ownership. No time-share ownership of any Dwelling shall be permitted. Time-share ownership shall include any method of ownership where the right of use, possession or occupancy is divided into time units or points and sold, leased or licensed to various individuals. Time-share ownership shall generally not include ownership by a group of individuals as tenants-in-common.

Section 4.10 Damage to Improvements. Any structure on any Lot which is damaged or destroyed in whole or in part must be rebuilt in accordance with the requirements of this Declaration or completely removed within one (1) year from the date of damage or destruction. Whether rebuilding has commenced or not, all debris must be removed and the Lot restored to a sightly condition within sixty (60) days after such damage or destruction.

MISCELLANEOUS

VOL 121 PAGE 203

Section 4.11 Certificate of Completion. No Improvements upon any Lot shall be used or occupied until a "Certification of Completion" has been obtained from the Committee. The Committee shall issue a "Certification of Completion," or a written statement as to why one cannot be issued, as to any Improvement within ten (10) days of a request therefore from the Owner.

Section 4.12 Animals on Lots. No animals (for example: cows, chickens, goats, pigs) may be kept on a Lot, except for:

4.12.1 customary domesticated household pets (not kept for commercial or breeding purposes) such as dogs, cats, birds, rabbits; and

4.12.2 horses, which may be kept on any Lot which is 4.0 acres or larger in area and the number of horses that may be kept in the pasture area of a Lot ("turned-out") at any one time shall not exceed one horse one (1) horse per acre of Lot area. When a horse is stored in the barn on a Lot, it shall not be counted as "turned-out. Any Lot on which a horse is kept must be completely fenced with fencing material and in a location as approved by the Committee.

The Association may require the removal of a pet which it deems to be a nuisance to other Owners.

Section 4.13 Residential Purposes. Except as herein otherwise allowed, the Lots shall be used for residential and related equestrian and recreational use only and not for commercial, trade or business purposes. Provided however, notwithstanding this restriction, if allowed by the applicable governmental authorities, a veterinary clinic shall be allowed to be opened, maintained and operated on a Lot if so designated by Founder. Further, those activities associated with the enjoyment of horses, such as storing, training, feeding, breeding or caring for horses on a commercial basis shall be permitted on such Lots as may be designated by Founder. Private, non-commercial dog kennels shall also be permitted upon the prior written approval of the Committee. Private dog kennels shall not be used for commercial purposes such as breeding or boarding.

Section 4.14 Home Office; Business. If permitted by zoning and other applicable governmental restrictions and requirements, not more than one room in a Dwelling may be used as a home office in connection with the operation of a business; however, no employees of such business (other than family members) may work in a Dwelling and no clients or customers shall be seen or allowed in any Dwelling in connection with such business. On certain Lots, as so designated by Founder in the Development Concept Plan, an Owner may operate an equestrian service business, horse or other farm animal feeding, raising or storage business, and the office facilities related thereto.

Section 4.15 Signs. Without the prior written consent of the Board, no sign, poster, display, billboard or other advertising device of any kind shall be displayed to the public view on any portion of the Property except for the following: one sign of not more than four square feet used to designate the name of the resident; signs regardless of size, used by Founder for advertising during the

MISCELLANEOUS

VOL 1221 PAGE 204

construction and sale period; entrance or directional signs for the New Bridge Polo Ranch or New Bridge Polo Club. The Committee shall have the right in their sole discretion to prohibit or to restrict and control the size, construction, material, wording, color, locations, and height of all signs and may summarily remove and destroy all unauthorized signs.

Section 4.16 Driveway and Sidewalk. All driveways shall be paved in concrete, asphalt or other material approved by Committee, and must extend from the barn and/or garage to the travel lane of the adjacent Common Road. All driveways must be approved by the Committee as to location, construction material, color and design. Where the driveway meets the adjacent Common Road, Owner shall construct a culvert, the size, location and design of which must be approved by Committee.

Section 4.17 Exterior Facilities and Equipment; Clotheslines No exterior television or radio antennae shall be installed or maintained on a Lot without Committee's prior written consent. Other exterior equipment, including but not limited to solar hot water heating equipment and piping, satellite dishes, clotheslines, horsewalkers, well equipment, water pumps, and storage sheds, shall be permitted only as they may be approved by the Committee. Provided however, no clotheslines or clothes drying facilities shall be installed, erected or maintained on any Lot.

Section 4.18 Parking or Storage. No mobile homes, motor homes, trailers (other than horse trailers), abandoned vehicles, vehicles in storage, vehicles under repair or commercial equipment shall be parked or stored on any Lot unless kept fully enclosed in a garage or barn. The foregoing restriction shall not be deemed to prohibit the temporary parking of commercial vehicles making delivery to or from, or used in connection with providing services to any Lot. Horse trailers and horse trucks shall be permitted to be parked and stored on the Lots in a parking area adjacent to a barn. No mobile home, motor home, trailer of any kind or other vehicle of any kind shall be permitted to park on the Common Roads.

Section 4.19 Additional Temporary Structures. No structure of a temporary or portable character, including but not limited to tents, shacks, garages, house trailers or other buildings shall be used or erected on any Lot, with the exception of the customary general contractor's office or trailer, debris collection containers and portable restroom facilities, but only during the course of construction of Improvements on the Lot.

Section 4.20 Exterior Improvements. No Owner shall cause anything to be affixed or attached to, hung, displayed or placed on the exterior walls, balconies, patios, doors or windows of any buildings (including awnings, antennae, signs, hurricane or storm shutters, screens, furniture, fixtures and equipment) without prior written consent of Committee.

Section 4.21 Water and Sewer.

4.21.1 There is no central sewer system serving the Ranch and it is not anticipated that the Ranch will ever be served by such. Individual sewer disposal for

MISCELLANEOUS

VOL 122/ PAGE 205

each Lot shall be effected by means of individual septic tank (or other equally sanitary structures for the storage or disposal of sewage). The type of tank, its construction, location on the Lot and the disposal field shall be approved in writing by Committee and by governmental agencies having jurisdiction prior to construction.

4.21.2 There is no central water supply system serving the Ranch and it is not anticipated that such supply will be available. A Lot Owner may, with governmental and Committee approval evidenced in writing, obtain water from wells in the surficial aquifer. Water from any approved wells shall be restricted to potable uses and landscape irrigation and shall not be used for irrigation of pastures or filling of ponds, canals or lakes without specific written approval from the Founder.

Section 4.22 Surface Water Management System. It shall be the responsibility of each Owner within the Ranch at the time of construction of an Improvement to comply with the surface water management system and Master Drainage Area plan developed by Founder for the Ranch.

Section 4.23 Fences, Hedges and Walls No fences, walls or hedges shall be constructed on any Lot without prior written approval of Committee. No hedge (nor screening wall or fence) shall block any drainage, utility or other easement. Fences, hedges and walls may be placed on the boundary line of the Lot but no such fence, hedge or wall shall encroach into a Buffer Easement Area or Common Path. Such fence, hedge or wall must be set back the required minimum distance as established by the Development Concept Plan. All fences, hedges and walls shall be designed to allow for unobstructed access to Drainage Easements located on the Lot and to allow for maintenance, clearing and repairs to same. All fences shall have a minimum of four (4) horizontal boards. All walls and fences shall be a minimum of three (3') feet in height, and a maximum of five (5') feet in height. All fences shall be of commercial quality and well maintained. The Owner of a Lot which exceeds 2.0 acres in area is hereby required to erect and thereafter maintain a fence around the perimeter of his/her Lot (or, where the perimeter includes a Buffer Easement Area, then the fence shall be located on the easement boundary so as not to obstruct use of the easement), in accordance with the above requirements. The Founder may designate a fence location for each Lot, which designated location may be other than the perimeter of the Lot or other than on an easement boundary, in the Founder's sole discretion. Such fence shall be erected within 180 days after acquiring the Lot from Founder. Any fence or wall shall require the written approval of the Committee as to material, design and color.

Section 4.24 Unlawful Use. No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof; and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed.

Section 4.25 Storage Tanks All oil or bottled gas tanks shall be located at the rear of the

structure served and shall be installed underground or within a walled-in or screened area which is not visible from any Common Road or public right-of-way or adjoining Lot.

Section 4.26 Lakes; Ponds. Founder anticipates that an Owner may seek to construct a lake or pond on a Lot and utilize the fill therefrom for fill under buildings or driveways. Owner shall obtain Founder's prior written approval for the location of such lakes or ponds and for the design and construction of same. Where possible, such lakes or ponds should fit into the Master Drainage Plan as possible storm water retention areas. Such ponds or lakes may require local government approvals and should be a minimum of seven (7') feet deep. Any lake or pond constructed must be kept clear of cattails. The banks of any such lakes or ponds must be constructed with a minimum slope of 4:1 to a depth of three (3') feet from the surface of the lake or pond and grassed to avoid erosion.

Section 4.27 Hunting, Firearms Discharge No hunting or shooting of firearms or weapons of any kind shall be allowed on the Properties.

Section 4.28 Hazardous Substance. An Owner shall not cause or permit any Hazardous Substance to be used, stored, generated, or disposed of on or in the Lot without first obtaining Founder's written consent. If hazardous substances are used, stored, generated, or disposed of on or in the Lot other than as permitted above, or if the Lot becomes contaminated in any manner for which Owner is responsible, Owner shall indemnify and hold harmless the Founder and Association from any and all claims, damages, liens, judgments, penalties, costs, liabilities, or losses (including, without limitation a decrease in value of their Property, damages caused by loss or restriction of rentable, sellable or usable Lots, or any damages caused by adverse impact on marketing of the Lots arising during or after the sale and arising as a result of such contamination). This indemnification includes, without limitation any and all costs incurred because of any investigation of the site or any cleanup, removal or restoration mandated by a federal, state, or local agency or political subdivision. Without limitation of the foregoing, if Owner causes or permits the presence of any hazardous substance on the Property and that results in contamination, Owner shall promptly notify Founder and the Board and at Owner's sole expense take any and all necessary actions to return the Property to the condition existing prior to the presence of any such Hazardous Substance on the Property. Owner shall first obtain Founder's approval for any such remedial action.

As used herein, "hazardous substance" means any substance that is toxic, Ignitable, reactive, or corrosive and that is regulated by any local government, the State of South Carolina, or the United States Government. "Hazardous Substance" includes any and all material or substances that are defined as "hazardous waste," "extremely hazardous waste," or a "hazardous substance" pursuant to state, federal, or local governmental law. "Hazardous Substance," includes but is not restricted to asbestos, polychlorobiphenyls ("PCB's") and dieselene.

Section 4.29 Provisions Inoperative as to Initial Construction Nothing contained in this Declaration will be construed or applied to prevent the Founder or, with Founder's written consent, any other person, from doing or performing on all or any part of the Property owned or controlled

by the Founder, or from constructing thereon whatever Founder determines to be reasonably necessary or convenient to complete the development of the Ranch, the sale of the Lots and the construction of buildings, including without limitation:

- 4.29.1 erecting, constructing, and maintaining such structures and other improvements as Founder may deem to be necessary or convenient for the completion of the development of the Ranch, the sale of the Lots, construction of Improvements on all of the Lots, and the establishment of the Property as a residential and equestrian community including the construction and maintenance of construction and sales offices in permanent or temporary structures, model homes and model centers, and inventory homes to be used in the sales program; and
- 4.29.2 maintaining any signs, billboards, flags, and placards as Founder may determine to be necessary or convenient in connection with the sale, lease, or other transfer of the Lots.

Section 4.30 Association's Performance of Owner's Duties. If an Owner of any Lot shall fail to comply with any of its obligations under this Declaration and such failure continues for ten (10) days after written notice of such failure from the Association, the Association, after approval of a majority of the Board, shall have the right, through its agents, employees or contractors, to enter upon said Lot and to perform such acts and pay such amounts necessary to fulfill such obligations and bring the Lot and Owner into compliance with this Declaration and all costs and expenses incurred in connection therewith shall be a Specific Assessment against such Lot and Owner.

ARTICLE 5: ARCHITECTURAL AND CONSTRUCTION RESTRICTIONS

Section 5.1 Approval of Plans and Architectural Control Committee.

- 5.1.1 No Improvement, regardless of size or purpose, whether temporary or permanent, shall be commenced, placed, erected, or allowed to remain on any Lot, nor shall any modification, addition to, or exterior change or alteration thereto be made, unless and until a request therefore has been submitted to and approved in writing by the Committee. The applicant for such approval shall, together with the request therefore, submit such plans, specifications, drawings, information and materials as the Committee may request from time-to-time in order to make an informed decision (collectively, the "plans and specifications").
- 5.1.2 In reviewing the plans and specifications and other submitted materials, the Committee may take into consideration such factors as it deems appropriate,

MISCELLANEOUS

VOL. 221 PAGE 205

including, without limitation, the suitability and desirability of the proposed Improvements and of the materials of which the same are proposed to be built, their location on the Lot upon which they are proposed to be installed, the quality of the proposed workmanship and materials, the harmony of external design with the surrounding neighborhood, and the effect and appearance of such construction as viewed from neighboring Lots and Common Areas.

- 5.1.3 The Committee shall have thirty (30) days from submittal of a full and complete package within which to approve or reject the plans and specifications. The Committee shall have the absolute and exclusive right to refuse to approve any such plans and specifications which are not suitable or desirable in its opinion for any reason, including purely aesthetic reasons and reasons relating to future development within the Ranch.
- 5.1.4 Once construction starts, it shall be prosecuted to completion diligently, continuously and promptly and in substantial conformity with the approved plans and specifications. A copy of the Committee's approval of construction shall be posted on the Lot during construction. The Committee shall be entitled to stop any construction in violation of this Declaration, and any Improvement made without application having first been made and approval obtained as provided above shall be deemed to be in violation of this Declaration, and the Association may require that the unapproved Improvement be removed and the Lot restored to its prior condition at the Owner's expense.
- 5.1.5 The Committee shall have the right to charge a reasonable fee for reviewing each application for approval of plans and specifications. If any approval lapses due to passage of time or otherwise, a new review fee may be charged.
- 5.1.6 The Committee's review of plans and specifications shall be conducted for the purpose of the Association's architectural control responsibilities hereunder. Such approval shall not constitute any representation, warranty or certification as to the correctness, completeness, accuracy or feasibility of such documents or any work, items or systems shown thereon or contemplated thereby or of their compliance with governmental restrictions or requirements.
- 5.1.7 Any damage to Common Areas, ditches, utility lines, irrigation facilities, landscaping, natural areas or vegetation, curbs or pathways, or other Improvements on or serving the Property caused by any Owner, Owner's tenant, contractor or subcontractor or its or their agents, employees or invitees shall, at the request of the Association, be repaired (in conformity with such

requirements as the Association may impose) by such Owner, or the Association may itself make any necessary or desirable repairs and all costs incurred in connection therewith shall be a Specific Assessment against the responsible Owner's Lot.

Section 5.2 Architectural and Construction Restrictions. The following general restrictions shall apply to each and every Lot:

- 5.2.1 All Improvements on all Lots shall comply with any policies or regulations of the Committee in effect at the time such Improvements were approved by the Committee. The Committee may limit the time of the effectiveness of any approval. Upon the expiration of the effectiveness of the approval, the proposed Improvement must be resubmitted for approval.
- 5.2.2 One or more entire Lots may, with the consent of the Association, be combined with portions of additional Lot(s), but not more than one Dwelling may be constructed on a Lot (except on a Lot designated by Founder as the site of multiple Dwellings) without the prior written consent of the Committee and Founder. Except for Lots owned by Founder, which may be subdivided and re-subdivided at any time and from time-to-time in Founder's sole discretion and without the approval or consent of Association or of an Owner, no Lot shall be divided or re-subdivided unless both portions of said Lot will be used to increase the size of the adjacent Lots as platted. Resubdivision of a Lot shall not affect the obligation of the subdivided Lot to pay pro-rata Assessments so that the total revenues collected are that which would have been collected had there been no resubdivision.
- 5.2.3 Unless approved by the Committee, garages or ancillary buildings may not contain or be converted into living space except to the extent allowed by Section 4.4.1, nor shall the garage be modified so as to prevent its use for the number of standard size vehicles for which it was originally designed and approved by the Committee.
- 5.2.4 It is the Founder's intent that in the development of the Ranch the existing vegetation on the Property be preserved to the fullest extent possible. In furtherance of that intent, each Owner in connection with the construction of Improvements on its Lot shall be required to preserve existing vegetation to the fullest extent practical. In connection with and prior to any clearing of trees or changing of grade on a Lot or the construction of any Improvements, the Owner shall submit to the Committee a vegetation management and preservation plan which shall indicate all trees with a trunk caliper of more than six (6") inches and all wetlands and related grasses located on the Lot and show which vegetation shall be removed. Upon the Committee's approval

MISCELLANEOUS
VOL 1221 PAGE 210

of such plan, the Owner shall strictly comply with the plan and take all necessary steps to ensure the preservation of all vegetation designated on such plan for preservation.

Section 5.3 Design Standards. The Association may, but shall not be required to adopt such design standards and policies for construction of Improvements and their location on a Lot as it deems appropriate (the "Design Standards") provided that any such Design Standards, or changes therein, be included in a notice mailed to Owners sent at least ten (10) days prior to the proposed effective date.

ARTICLE 6: MEMBERSHIP AND VOTING RIGHTS

Section 6.1 Membership. Every Owner of a Lot, and in the case of a Lot on which multiple Dwellings have been constructed, the Owner of each such Dwelling, shall become a Member of the Association. If title is held by more than one Person, each such Person is a Member. An Owner of more than one Lot or Dwelling is entitled to one membership for each Lot or Dwelling owned (subject to Section 6.3 below). Each membership is appurtenant to the Lot or Dwelling upon which it is based and is transferred automatically by conveyance of title. No person other than an Owner may be a Member of the Association, and membership in the Association may not be transferred except by the transfer of title to a Lot or Dwelling.

Section 6.2 Voting. The Association shall have two classes of voting membership: Class A and Class B. So long as there is Class B membership, Class A members are all Owners except Founder. The Class B member shall be the Founder. Upon termination of Class B membership, as provided below, Class A members shall include all Owners, including Founder, so long as Founder is an Owner. All Members, Class A or Class B, are entitled to cast one vote for each Lot or Dwelling owned (and in the case of Lots which have been consolidated with other Lots or partial Lots pursuant to the provisions herein set forth, voting rights for such consolidated Lot(s) shall be adjusted upwards in proportion to the increase in size by virtue of such consolidation); but as provided in the Association's Bylaws, the Class B member is entitled to elect the Board of Directors until the termination of the Class B membership.

Section 6.3 Co-Ownership. If more than one Person owns an interest in any Lot or Dwelling, or more than one Person owns separate portions of a Lot, all such Persons shall be Members; but there shall be only one vote, in the aggregate, cast with respect to each such entire Lot or Dwelling. Such vote may be exercised as the co-Owners determine among themselves; but no split vote is permitted among co-Owners. Prior to any meeting at which a vote is to be taken, each co-Owner must file the name of the voting co-Owner with the secretary of the Association to be entitled to vote at such meeting, unless such co-Owners have filed a general voting authority with the Secretary applicable to all votes until rescinded. Notwithstanding the foregoing, if title to any Lot or Dwelling is held jointly by a husband and wife, either spouse is entitled to cast such vote unless and until the Association is notified by either spouse otherwise in writing.

MISCELLANEOUS

VOL 221 PAGE 211

Section 6.4 Class B Termination. The Class B membership will terminate and convert automatically to Class A membership (to the extent the Founder then owns Lots) ("Turnover") upon the happening of any of the following, whichever occurs first:

- 6.4.1 Three (3) months after the Founder has conveyed, other than to a successor developer, all of its right, title and interest in and to ninety percent (90%) of the total of all existing Lots in the Property. For purposes of this provision, a Lot shall be considered conveyed when the deed is duly recorded in the Public Records.
- 6.4.2 The Founder records a disclaimer of its Class B membership in the Public Records.
- 6.4.3 Such date as may be required by South Carolina law.

Upon termination of the Class B membership, all provisions of this Declaration, Articles, or By-Laws referring to Class B membership will be obsolete and without further force or effect, including any provision requiring voting by classes of membership. However, after the termination of the Class B membership, Founder may, at its option, in lieu of voting its Class A membership votes for the election of the Board of Directors, appoint one of the Directors to the Board of Directors, so long as Founder holds for sale in the ordinary course of business at least five percent (5%) of the total of all existing Lots in the Property. If Directors are being elected for different terms, the Founder shall be entitled to appoint a Director who will sit for the longest term being offered.

Section 6.5 Amplification. The provisions of this Declaration are amplified by the Association's Articles and By-Laws; but no such amplification will alter or amend substantially any of the rights or obligations of the Owners set forth in this Declaration. The Founder intends the provisions of this Declaration on the one hand, and the Articles and By-Laws, on the other, be interpreted, construed, applied and enforced to avoid inconsistencies or conflicting results. If such conflict necessarily results, however, Founder intends that the provisions of this Declaration control over the Articles or By-Laws and that the provisions of the Articles control over the By-Laws.

ARTICLE 7: RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 7.1 General Duties of the Association. The following sets forth the basic and general duties of the Association:

- 7.1.1 The Association shall enforce this Declaration and the Rules and Regulations and control and manage the Common Areas pursuant to the terms and provisions of this Declaration and the Association's Articles and By-Laws.
- 7.1.2 The Association may, but is not obligated to and shall have no liability for

MISCELLANEOUS
VOLUME PAGE 212

failure to, employ security guard(s) or a security guard service. All Owners acknowledge that the Founder, while in control of the Association, does not intend to hire or pay for security guard(s), or to cause Association to do so, and shall have no liability in connection therewith.

- 7.1.3 The Association shall provide for the maintenance, management, repair and, if necessary, replacement of the Common Areas so as to keep them in good and attractive condition, except as to any portion of the Common Areas which are required to be maintained as a portion of a Lot by the Lot Owner.
- 7.1.4 The Association shall pay the ad valorem taxes and other governmental taxes assessed against the Common Areas whether owned by Founder or the Association and obtain and pay the premiums for public liability and casualty insurance as to the Common Areas and such other types of insurance as it deems advisable. Said insurance policy(s) shall be for the benefit of the Association, the Founder, Members of the Association and such other parties as the Association determines. The aforesaid insurance policy(s) shall be in such amounts, subject to such conditions and contain such provisions (including deductible provisions) as the Board determines.
- 7.1.5 The Association shall have the power to establish reserves for the improvement, repair, maintenance, and replacement of the Common Areas.
- 7.1.6 The Association shall have the power to incur all costs and expenses necessary or desirable to carry out its duties and responsibilities under this Declaration and in furtherance of the purposes set forth in this Declaration. It shall be the duty and responsibility of the Association, through its Board of Directors, to fix and determine from time-to-time, the sum or sums necessary and adequate to provide for the costs and expenses of the Association. The procedure for the determination of such Assessments shall be as hereinafter set forth in this Declaration.

Section 7.2 Management Contracts. The Association shall expressly have the power to contract for the management of the Association and the Common Areas. The Association shall further have the power to employ personnel to perform the services required for proper administration of the Association.

ARTICLE 8: ASSESSMENTS

Section 8.1 Assessments Established. In accepting a deed to any Lot or Dwelling within the Property, each Owner, whether or not it is so expressed in such deed, is deemed to covenant to pay to the Association:

MISCELLANEOUS
VOL 1221 PAGE 213

- 8.1.1 An annual General Assessment, as defined in Section 8.2; and
- 8.1.2 Special Assessments, as defined in Section 8.3; and
- 8.1.3 Specific Assessments against any particular Lot or Dwelling that are established pursuant to any provision of this Declaration as defined in Section 8.4; and
- 8.1.4 All excise or other taxes, if any, that from time-to-time may be imposed upon all or any portion of the Assessments established by this Article.

All of the foregoing, together with late fees and interest as specified in Section 8.9 and all costs and expenses of collection, including without limitation attorneys' fees, shall be a continuing charge on the Lot or Dwelling and secured by a continuing lien thereon (and Improvements). Each such Assessment, together with late fees and interest as aforesaid and all costs and expenses of collection, including attorneys' fees incurred, also is the personal obligation of the Person or Persons who was or were the Owner(s) of such Lot or Dwelling when such Assessment fell due. Such personal obligation for delinquent assessments shall become the joint and several obligation of the Owner's successors in title while delinquent Assessments are outstanding.

Section 8.2 General Assessment. Subject to the provisions of the following sentence and Section 8.4 hereafter, the Assessments levied by the Association must be used exclusively (as determined by the Board) to promote the common good and welfare of the Owners, for the operation of the Association, for the operation, maintenance, management, repair and replacement of the Common Areas, and to pay the costs and expenses of the Association incurred in furtherance of its duties, responsibilities and rights hereunder. To effectuate the foregoing, the Association shall levy an annual general assessment ("General Assessment") to provide and be used for payment of the costs and expenses of the Association. The General Assessment for calendar year 2003, 2004, 2005, and 2006 shall be in an amount which shall not be greater than Five Hundred Dollars (\$500.00) per Assessment Unit. The maximum annual General Assessment for any year after 2003 may not be increased more than twenty percent (20%) above the actual assessment for the previous year unless approved by a vote of two-thirds (2/3rd) of each class of Members voting in person or by proxy, at a meeting duly called to consider such increase. Subject to the foregoing, the amount of the annual General Assessment shall be fixed by the Board at least thirty (30) days in advance of each General Assessment period based upon an adopted budget. The General Assessment period shall coincide with the calendar year. Written notice of the amount of the General Assessment will be given to every Owner; but the failure to give or receive such notice, or both, shall not invalidate any otherwise valid Assessment. The General Assessment may be payable in such installments as may be determined, from time-to-time, by the Board.

Section 8.3 Special Assessments. In addition to the General Assessment, the Association may levy in any year a special assessment ("Special Assessment") applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or

MISCELLANEOUS
VOL 122 / PAGE 214

replacement of any capital improvement or repair upon or to the Common Areas or for the purpose of defraying expenses which exceeded, or when mature will exceed, the budget prepared and on which the General Assessment was based. Any such Special Assessment shall have the approval of at least two-thirds (2/3rd) of the votes of each class of Members voting in person or by proxy, at a meeting duly called for that purpose, provided however as follows:

- 8.3.1 no such approval shall be required unless the amount of any such Special Assessment exceeds a sum greater than twenty percent (20%) of the General Assessment payable by the Owner for the year which includes the date of approval of such Special Assessment;
- 8.3.2 Special Assessment for taxes and governmental or quasi-governmental charges or assessments shall not require such approval; and
- 8.3.3 Special Assessment for needed replacements or repairs to capital improvements shall not require such approval.

Section 8.4 Specific Assessments. In addition to General Assessments and Special Assessments, the Association may from time-to-time levy reasonable fine(s) against an Owner for violations by the Owner or the Owner's family, tenants, guests or invitees of the covenants and restrictions set forth herein or of the Rules and Regulations and may levy an assessment against the Owner to reimburse Association for any costs and expenses incurred by the Association to fulfill the obligations of the Owner under this Declaration as provided for in Section 4.30. Such fine(s) shall not exceed \$50 per violation, or such higher amount as may be permitted by South Carolina law. In the event of a willful violation of the covenants and restrictions of this Declaration or the Rules and Regulations, which violation continues after ten (10) days written notice to the Owner, each day the violation continues may be considered a separate violation for purposes of assessing fines. Any such fine(s) and assessments, together with any other charges or indebtedness of any Owner to the Association may be assessed by the Association as a specific assessment ("Specific Assessment") against such Owner's Lot(s) and Dwelling(s).

Section 8.5 Uniform Amount of Assessments The General Assessment and any Special Assessments shall be uniform for each Assessment Unit. Notwithstanding any other provision herein contained, in the event Lots are further subdivided or consolidated with other Lots or partial Lots as permitted by this Declaration, General and Special Assessments shall thereafter be imposed against any such resubdivided or consolidated Lot(s) as may constitute an Assessment Unit.

Section 8.6 Capital Contribution Fee and Commencement of General Assessment
Upon the closing of the Founder's sale of each Lot or of a Dwelling, and upon each subsequent sale thereof by an Owner to a purchaser, the purchasing Owner shall pay to the Association a Capital Contribution Fee equal to Five Hundred Dollars (\$500). No part of such Capital Contribution Fee shall be applied, as a credit or otherwise, toward the General Assessment due, nor shall any portion of such fee be refundable for any reason whatsoever, but such fee shall be applied toward costs

incurred by the Association as determined by the Board. The General Assessment commences on the day of the closing of the purchase by the respective Owner. In the event of a transfer of a Lot or Dwelling during a year, the General Assessment shall be pro rated.

Section 8.7 Founder's Assessments. Notwithstanding anything contained herein to the contrary, until Turnover, Founder may, at its sole option, prior to each fiscal year of the Association, elect to either be excused from the payment of any Assessments under this Declaration, but, in lieu thereof, Founder shall pay all expenses incurred by the Association in excess of the Assessments and Capital Contribution Fees collected by the Association for the ensuing year or, pay Assessments as provided for in this Declaration for the existing Assessment Units which Founder owns. Founder shall render an accounting of income and expenses incurred as may be required by law. Prior to Turnover, while it is in control of the Association by virtue of its ability to elect the Board of Directors, the Founder shall not be required to establish or contribute to any reserve accounts.

Section 8.8 Remedies of Association and Lien for Assessment If any Assessment is not paid within thirty (30) days after its due date, a five percent (5%) administrative late fee may be added to the Assessment and such overdue Assessment shall bear interest at a rate equal to the lesser of eighteen percent (18%) per annum or the maximum rate permitted by South Carolina law. The Association may bring an action at law against the Owner personally obligated to pay such Assessment, foreclose its lien against such Owner's Lot or Dwelling. No Owner may waive or otherwise escape liability for the Association's Assessments. A suit to recover a money judgment for unpaid Assessments may be maintained without foreclosing, waiving, or otherwise impairing the security of the Association's lien or its priority. All sums assessed to any Owner, together with late fees, interest and all costs and expenses of collection, including reasonable attorneys' fees, may be the basis for a money or other judgment and are secured by a lien on Owner's Lot or Dwelling in favor of the Association. Such lien is subject and inferior to the lien of any First Mortgage encumbering such Lot or Dwelling. Except for liens of any First Mortgage, all other lienors acquiring liens on any Lot or Dwelling after this Declaration is recorded are deemed to consent that their liens are inferior to the lien established by this Article 8, whether or not such consent is specifically set forth in the instrument creating such lien. The recordation of this Declaration constitutes constructive notice to all subsequent purchasers and creditors of the existence of the Association's lien and its priority. The Association from time-to-time may record a notice of lien for the purpose of further evidencing the lien established by this Article, but neither the recording of, nor failure to record, any such notice of lien will affect the existence or priority of the Association's lien.

Section 8.9 Foreclosure. The lien for sums assessed pursuant to this Article may be enforced by judicial foreclosure in the same manner in which mortgages on real property from time-to-time may be foreclosed in the State of South Carolina. In any such foreclosure, the Owner is required to pay all costs and expenses of foreclosure, including reasonable attorneys' fees. All such costs and expenses are secured by the lien foreclosed. The Owner also is required to pay to the Association any Assessments that become due during the period of foreclosure, which Assessments also are secured by the lien foreclosed and accounted on a pro rata basis and paid as of the date the Owner's title is divested by foreclosure. The Association has the right and power to bid at the

foreclosure or other legal sale to acquire the Lot or Dwelling foreclosed, or to acquire such Lot or Dwelling by deed or other proceeding in lieu of foreclosure, and thereafter to hold, convey, lease, rent, encumber, use, and otherwise deal with it as its owner for purposes of resale only. If any foreclosure sale results in a deficiency, the court having jurisdiction of the foreclosure may enter a personal judgment against the Owner for such deficiency. Nothing herein shall be construed as a limitation on the right of Founder to bid at any foreclosure sale pursuant to this Section 8.9.

Section 8.10 Homesteads. Each Owner, by accepting the deed for a Lot or Dwelling is charged with actual or constructive notice of the lien provisions of this Declaration and the intent of this Declaration that the Lot and Dwelling stand as security for certain obligations of the Owner under this Declaration. The lien created by this Declaration is deemed to relate back to the time of the filing of this Declaration and will be deemed a pre-existing lien for purposes of homestead and will prevail over the homestead rights of any Owner. The subordination of the lien for Assessments to any First Mortgage provided in Section 8.8 of this Declaration shall not affect the relation back of the lien, except only to the extent necessary to subordinate the lien to any valid First Mortgage.

Section 8.11 Certificate. Upon demand, and for a reasonable charge, the Association will furnish to any interested person a certification signed by an officer of the Association setting forth whether the General Assessment and any Special Assessment or Specific Assessment have been paid and, if not, the unpaid balance(s).

ARTICLE 9: RESTRICTION ON SALE AND LEASE OF LOT OR DWELLING

Section 9.1. In order to maintain a community of congenial Owners who are financially responsible and thus protect the value of all Property at the Ranch, the transfer of a Lot or Dwelling by any Owner, other than Founder, shall be subject to the provisions hereinafter set forth:

It shall be necessary for the Association or its duly authorized officers, agent or committee, to approve in writing all sales, proposed transfers of title, leases, subleases or renewals or extensions thereof, before such sale, transfer, lease or sublease shall be valid and effective. Written application for such approval shall contain such information as may be required by application forms promulgated by the Association and shall be accompanied by a transfer fee as required by the Rules and Regulations; provided however, there shall be no transfer fee charged in connection with the approval of the renewal of a lease or sublease. When considering such application, consideration shall be given to good moral character, social compatibility, personal habits, and financial responsibility of the proposed purchaser, transferee, lessee or sublessees. For purposes of this paragraph, any partnership, corporation or trustee applying for approval shall designate the partner(s), director(s) or officer(s) or beneficiaries, as applicable who will occupy the Lot or Dwelling, and the approval shall run to such person(s). If after approval, a different partner, director, officer or beneficiary, as applicable, is to be the occupant, a new and separate approval shall be required. A waiver of this provision or the failure to enforce it in any particular instance shall not constitute a waiver or estop the Association from enforcing this provision in any other instance.

In the event a lease, sublease, or change in occupant of a Lot or Dwelling, or any renewal or extension of the term thereof, is disapproved, the Lot or Dwelling shall not be leased, subleased or so occupied, or same shall not be so renewed or the term so extended, as the case may be. In the event no action is taken by the Board of Directors or its duly authorized officers, agents or committee within thirty (30) days after receipt of application for a lease, sublease or change in occupant, such lease, sublease or occupant shall be deemed to be approved.

In the event of a proposed transfer or purchase, the proposed transferee or purchaser must have first been approved for membership in the New Bridge Polo Club (if it still exists). If the proposed purchaser or transferee is not approved for membership in the New Bridge Polo Club, or if the proposed transferee is not approved by the Association, the Lot or Dwelling shall not be transferred to such person, and any attempted transfer shall be null and void ab initio.

In the event any such proposed purchase or transfer is not approved, the Founder shall have a right of first refusal to purchase said Lot or Dwelling for the identical price, terms and conditions, which right shall be exercised in writing by notice delivered to the proposed seller or mailed to his address as shown on the Association records. In the event the Founder is of the opinion that the price is not a bona fide sales price, then the sales price for purposes of the right of first refusal shall be the fair market value of the Lot (and Improvements thereon) or Dwelling determined by three recognized real estate appraisers, one of whom shall be selected by the Founder, one by the proposed seller and the third by the first two appraisers. The cost of such appraisals shall be divided between the Founder exercising the right to purchase and the proposed seller. If no one exercises his right of first refusal by delivering or mailing his notice of exercise prior to thirty (30) days before the proposed closing date or within ten (10) days after the sales price is determined by appraisal, whichever date is later, the transfer to the proposed purchaser may be closed pursuant to the price and terms stated in the notice.

Section 9.2. The foregoing provisions of Section 9.1 shall not apply to a transfer to or purchase by an Institutional Lender which acquires title as a result of owning a mortgage upon the Lot or Dwelling concerned, and this shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings. Neither shall such provisions require the approval of a purchaser who acquires title to a Lot or Dwelling at a duly advertised public sale with open bidding as provided by law, such as, but not limited to, execution sale, foreclosure sale, judicial sale or tax sale; provided however, the requirement that such purchaser become a member of the New Bridge Polo Club shall apply. Neither shall any of the provisions of this section apply to the sale of a Lot or Dwelling by the Founder.

ARTICLE 10: ENVIRONMENTAL PROTECTIONS

Section 10.1 Improvements Setback. No Improvements may be constructed within the Creek Easement except for Common Paths as determined by Association.

Section 10.2 Discharge and Runoff No Person shall discharge any liquid or other material into any water body located on or adjacent to the Property or into the creeks which mark the Western, Southern and Eastern boundary lines of the Property. Furthermore, each Owner shall take reasonable steps to prevent runoff of chemicals used to treat the grass or soil, or to fertilize a Lot, or waste material from a Lot or Dwelling from running into any body of water on the Property or creek adjacent to the Property.

ARTICLE 11: MEMBERSHIP IN NEW BRIDGE POLO CLUB

Section 11.1 New Bridge Polo Club Membership. So long as the New Bridge Polo Club exists, each Owner (which in the case of a partnership, corporation or trust owning a Lot or Dwelling shall mean the one officer, director or beneficiary thereof who shall be designated as the person to qualify as the member and in the case of multiple individuals jointly owning a Lot, then each one of them shall be required to qualify as a Club Member with husband and wife permitted to share a single membership) shall be required to be a member in the New Bridge Polo Club and shall be required to keep such membership in good standing at all times. The type, terms and obligations of such membership shall be determined in accordance with the requirements established from time-to-time by the New Bridge Polo Club. The purpose of the New Bridge Polo Club is to own, improve, maintain, operate and manage the Club Facilities. THE NEW BRIDGE POLO CLUB IS A NON-EQUITY CLUB AND ITS OWNERS SHALL HAVE NO OWNERSHIP OR OTHER INTERESTS OR RIGHTS IN THE CLUB FACILITIES OR CLUB PROPERTY EXCEPT THE RIGHTS PROVIDED BY THE PARTICULAR TYPE OF MEMBERSHIP MAINTAINED BY THE OWNER. MEMBERSHIP REQUIRES THE ACQUISITION OF A MEMBERSHIP CAPITAL CERTIFICATE AND THE PAYMENT OF ANNUAL DUES. Except as otherwise provided in this Declaration, prior to a purchaser or transferee acquiring a Lot or Dwelling, such purchaser or transferee shall be required to submit a membership application to the New Bridge Polo Club, pay any initial capital contribution required and pay the annual dues charged for such membership and be accepted as a member of the New Bridge Polo Club. For purposes of this paragraph and requirement, one designated partner, director, officer or beneficiary of an Owner that is a partnership, corporation or trust, as applicable, taking title shall be the person required to become and maintain a membership in the New Bridge Polo Club. Founder may waive this requirement that an Owner become a club member in such cases as Founder, in its sole discretion, may deem appropriate.

Section 11.2 New Bridge Polo Club Annual Dues. The New Bridge Polo Club has the right to require payment of a capital contribution and to charge annual dues (the "Club Dues") and to enforce collection thereof by placing liens against the Lot(s) or Dwelling(s) of the member owing such Club Dues, said lien to be equal in dignity to a lien as if held by the Association for the payment of an assessment. The Club Dues shall:

- 11.1 be equal in priority to the Association's lien for General Assessments and Special Assessments;

MISCELLANEOUS
VOL 1221 PAGE 219

- 11.2 be accelerated and foreclosed in the same manner as set forth herein for the foreclosure of the Associations lien for General Assessments and Special Assessments;
- 11.3 bear interest and late charge as herein set forth for General Assessment and Special Assessments; and
- 11.4 be subject to the same rights set forth herein for First Mortgagees with regard to Assessments.

Further, New Bridge Polo Club shall be entitled to bid at foreclosure sale and to collect attorneys fees and costs in the collection enforcement and foreclosure of its lien for Club Dues.

Section 11.3 Use and Regulation of New Bridge Polo Club Facilities An Owner's rights and obligations regarding the New Bridge Polo Club and the use of Club Facilities are governed by the terms of the particular membership type, and the rules and regulations, if any, adopted from time-to-time by the New Bridge Polo Club. Each Owner by his acceptance of a deed agrees to abide by the terms and provisions of these Use Restrictions. Founder shall not be obligated to pay Club Dues on membership certificates owned by Founder, and in lieu of Club Dues, Founder has committed to fund any deficit in the cost of operating the Club Facilities through December 31, 2005. Dues for calendar years 2003, 2004 and 2005 have been set at \$5,000 per member, per year. There can be no assurance that there will be enough members after January 1, 2006 to sustain the operation of the Club or to prevent dues from increasing significantly.

Section 11.4 Restriction on Club Property Without the prior written consent of Founder, the Club Property may not be used for any purpose other than as polo playing fields. Furthermore, as of December 31, 2002 and on each December 31 thereafter, subject to approval by a vote of a majority in interest of the holders of NBPC's Membership Capital Certificates. Founder has the right to repurchase the Club Property owned by NBPC at its Fair Market Value determined by agreement of Founder and NBPC, approved as aforesaid, or if no agreement than by an appraisal process whereby Founder selects an appraiser, NBPC selects an appraiser and the two (2) appraisers select a third appraiser. All appraisers shall have an "MAI" designation and the cost shall be paid by NBPC. In the event of a repurchase, the Club would no longer exist and the obligations of Owners to become club members would terminate.

ARTICLE 12: GENERAL PROVISIONS

Section 12.1 Operation. The covenants and restrictions of this Declaration are self-executing and will run with the Property and be binding upon all Persons having any right, title, or interest therein, or any part thereof, their respective heirs, successors and assigns. All deeds and contracts pertaining to the sale, transfer, lease, encumbering or other disposition of a Lot or Dwelling shall specifically contain a reference to the same being subject to the covenants and restrictions of this Declaration, provided that failure to include such references shall not obviate the provisions of

MISCELLANEOUS
VOL. 121 PAGE 220

this Section 12.1.

Section 12.2 Condemnation. If all or any part of the Common Area is taken by condemnation or transferred under threat of or in lieu of condemnation all compensation and damages shall be paid to and be the property of the Association. The Board shall have the right to act on behalf of the Association with respect to any negotiation and litigation in connection therewith and the Owners shall have no rights in connection therewith. The Association shall, however, provide notice to the Owners of any condemnation proceeding filed against any portion of the Common Areas.

Section 12.3 Interpretation. Unless the context expressly requires otherwise:

- 12.3.1 use of the singular includes the plural and vice versa;
- 12.3.2 the use of one gender includes all genders;
- 12.3.3 the use of the terms "including" or "include" is without limitation; and
- 12.3.4 the words "must," "should," and "will" have the same legal effect as the word "shall."

This Declaration should be interpreted, construed, applied, and enforced in a reasonable, practical manner to effectuate its purpose of protecting and enhancing the value, marketability, and desirability of the Property by providing for a plan for the development, operation and enjoyment of the Ranch. The various headings used in this Declaration are for indexing and organizational purposes only and are not to be used to interpret, construe, apply, or enforce any of the terms or provisions of this Declaration.

Section 12.4 Enforcement. Unless expressly provided otherwise, the Association, or any Owner, has the right to enforce, by any appropriate proceeding at law or in equity, all covenants and restrictions and the Rules and Regulations now or hereafter imposed by, or pursuant to, the provisions of this Declaration. If the Association or any person entitled to enforce any of the provisions of this Declaration, is the prevailing party in any litigation involving this Declaration, or any Rule or Regulation, such party may recover from the losing party all costs and expenses incurred, including reasonable attorneys' fees (including, without limitation, attorneys' fees incurred through all appellate and post-judgment proceedings and during any bankruptcy or arbitration proceedings). If the Association is the prevailing party against any Owner, such costs and expenses, including reasonable attorneys' fees incurred by the Association, may be assessed against such Owner's Lot or Dwelling. Failure by the Association or by any Owner to enforce any covenant or restriction will not constitute a waiver of the right to do so at any time.

Section 12.5 Amendment. The Founder may amend any and all provisions of this Declaration by an instrument executed with the formalities of a deed and without notice to or the

MISCELLANEOUS
VOL. 22/PAGE 221

approval or joinder of any other party at any time prior to Turnover, provided that no such amendment shall increase the financial obligations of Owners or constitute a material, adverse change to the rights of Owners unless approved by a majority of the Owners other than Founder as of the date of said amendment. After Turnover, this Declaration may be amended or terminated by an instrument executed by the Association with the formalities from time-to-time required of a deed and consented to or joined in by not less than the Owners of seventy-five percent (75%) of all Assessment Units. No amendment is effective until recorded in the Public Records and the Association's proper execution will entitle it to be publicly recorded, notwithstanding the informal execution by the requisite percentage of Owners. The joinder by the requisite number of Owners may be contained in an exhibit to the amendment. Notwithstanding the foregoing, no instrument of amendment or termination shall be effective while Founder has more than five (5) votes unless Founder shall approve and join in such instrument. For purposes of this Section, a Lot or Dwelling shall be considered conveyed when the deed is duly recorded in the Public Records. Notwithstanding anything to the contrary herein, by a majority vote of the Board, the Association may at any time, amend this Declaration where necessary to comply with regulations of the Veterans Administration, the Federal Housing Administration, the Office of Interstate Land Sales Registration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Federal Home Loan Bank Board or other similar federal or state governmental entity.

Section 12.6 Rights of Mortgagee. Any holder of any First Mortgage shall have the following rights:

- 12.6.1 During normal business hours, and upon reasonable notice and in a reasonable manner, to inspect the books, records, and papers of the Association at the location where they are commonly kept;
- 12.6.2 Upon payment of any reasonable, uniform charge that the Association may impose to defray its costs, to receive copies of the Association's books, records, or papers, certified upon request;
- 12.6.3 Upon written request to the Secretary of the Association, to receive copies of the annual financial statements of the Association; provided, however, the Association may make a reasonable charge to defray its costs incurred in providing such copies;
- 12.6.4 To designate a representative to attend all meetings of the membership of the Association, who is entitled to a reasonable opportunity to be heard in connection with any business brought before such meeting but in no event entitled to vote thereon; and
- 12.6.5 By written notice to the Secretary of the Association, and upon payment to

MISCELLANEOUS
VOL 1221 PAGE 222


the Association of any reasonable annual fee that the Association from time-to-time may establish for the purpose of defraying its costs, to receive any notice that is required to be given to the Class A members of the Association under any provision of this Declaration, or the Articles or By-Laws.

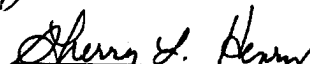
Section 12.7 Variances. In addition to the specific rights granted herein to Founder to approve variances, the right and discretion is also hereby reserved to the Association to grant variances with respect to the protective covenants imposed by Article 4 hereof in cases where not to grant such variance would create hardship in the opinion of the Board or where the granting of such variances would in the opinion of the Board be in keeping with the spirit and intent of this Declaration and would not materially adversely affect any neighboring Lot or Dwelling or the Property as a whole. Such variances, if granted, shall be granted upon application to the Board by the Owner in writing setting forth in detail the variance requested and reasons therefore. Copies of each application for variance shall be forwarded (certified mail, return receipt requested) to each Owner of Property which adjoins or fronts on the Lot or Dwelling for which the variance is requested. If appropriate, any such variance shall be granted by the Board in writing, and shall be executed by the Board and the Owner with the formalities of a deed and recorded in the Public Records. The variance may be conditioned on the Owner's compliance with such conditions as the Board deems advisable. The Owner requesting a variance will be responsible for payment of all costs associated with processing a variance request whether or not the variance is granted. Prior to Turnover, Founder may veto any variance which the Association proposes to grant.

Section 12.8 Severability. Invalidation of any particular provision of this Declaration, by judgment or court order will not affect any other provision or any valid portion or application of such invalid provision, all of which shall remain in full force and effect; provided, however, any Court of competent jurisdiction is hereby empowered, to the extent practicable, to reform any otherwise invalid provision contained in this Declaration, when necessary to avoid a finding of invalidity while effectuating Founder's intent of providing a comprehensive plan for the use, development, sale, and beneficial enjoyment of the Property.

IN WITNESS WHEREOF, the Founder has duly executed this instrument on the day and year first above written.

Signed, sealed and delivered
in the presence of:


Witness: From A. Zivan


Witness: Sherry L. Henry

NewBridge Covenants 7/14/2003 7/23/2003

FOUNDER:
NEW BRIDGE ROAD POLO RANCH, L.L.C.,
a South Carolina limited liability company

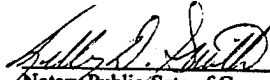
By: 
Russell C. McCall, Managing Member

State of Georgia

County of Fulton

I hereby certify that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Russell C. McCall as Managing Member of New Bridge Road Polo Ranch, L.L.C., a South Carolina limited liability company, to me well known to be the person described in and who executed the foregoing and acknowledged before me that he executed the same. He is personally known to me and did take an oath.

Witness my hand and official seal in the County and State aforesaid, this 21 st day of August 2003.

 [Seal]
Notary Public-State of Georgia
Print Name: Kelly D. Smith
My Commission Expires:

KELLY D. SMITH
Notary Public, Carroll County, Georgia
My Commission Expires November 27, 2004



EXHIBIT A

All that certain piece; parcel or lot of land, situate, lying and being in Aiken County, South Carolina, approximately 4 miles East of the City of Aiken, containing 5 acres, more or less, and designated as Tract "A", as shown upon a plat prepared by Benjamin B. Christensen, PLS, dated August 30, 2001, and recorded in Plat Book 44, at Page 209, according to said Plat being bounded, now or formerly, as follows: on the NORTH by right-of-way of New Bridge Road; on the EAST, SOUTHEAST, SOUTH, and WEST by Tract "B" of said plat.

AND

All that certain piece, parcel or lot of land, situate, lying and being in Aiken County, South Carolina, approximately 4 miles East of the City of Aiken, containing 465.55 acres, more or less, and designated as Tract "B", as shown upon a plat prepared by Benjamin B. Christensen, PLS, dated August 30, 2001, and recorded in Plat Book 44, at Page 209, according to said plat being bounded, now or formerly, as follows: on the NORTH by right-of-way of New Bridge Road and by Track "A" of said plat; on the EAST by the run of Clearwater Branch which separates the subject lands from the lands of Transtates Properties, Inc.; on the SOUTH by the run of Shaws Creek which separates the subject lands from the lands of George Wright; and on the WEST by the run of Joyce Branch which separates the subject lands from the lands of Twin Creek Farm Subdivision, lands of Robert G. and Susan D. Foster, and the lands of M.C. Matthews.

(The two parcels described above, taken together, constitute all of the property shown on the plat of New Bridge Polo Ranch as recorded in Plat Book 47, Page 72-76, of the Aiken County, South Carolina Records and are described therein as Lots 1-22, New Bridge Polo Ranch, and its common areas as shown on said Plat.

RECORDED 10-10-03 at 11:45 hrs
Aiken County
S.C.