

STATE OF SOUTH CAROLINA ) DECLARATION OF PROTECTIVE  
 ) COVENANTS, RESTRICTIONS,  
COUNTY OF PICKENS ) RESERVATIONS AND EASEMENTS

Whereas, Joy S. Smith (referred to interchangeably as either "Developer" or "Architectural Committee") is the owner of a certain tract of land situated in the County of Pickens, State of South Carolina, to be developed as a residential subdivision and to be known as **Shallowford on Keowee**, said tract of land being more particularly described as follows:

All those certain lots of land situate, lying and being in the State of South Carolina, in Pickens County, being shown as Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13 and 14 on plat of Shallowford on Keowee by Nu-South Surveying, Inc., Earl B. O'Brien, S. C. RLS #10755, under date of October 18, 2000, said plat being duly of record in the Office of the Clerk of Court for Pickens County, South Carolina, in Plat Book \_\_\_\_\_ at Page \_\_\_\_\_. The metes, bounds, courses and distances for Lots 1 through 14, inclusive, are incorporated herein by reference and made a part of this description hereof.

The above property has the following sources of title. Jacob O. Shular and Beverly S. Shular as Trustees, and Nancy Marilyn Shular individually, conveyed three tracts of land to the Grantor herein by deed dated April 2, 1976, recorded in the aforesaid Clerk's Office in Deed Book 13-D at Page 46. Tract B referenced in said deed is the property above described.

Whereas, the use of said property is intended for residential purposes only and in order to protect said property as a residential development, the undersigned desires to impose certain restrictive covenants and reserve certain easements,

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS that in consideration of foregoing and the benefits flowing to the present and future owners of the lots included in said subdivision, the undersigned does hereby impose the

following protective and/or restrictive covenants and reserve the following easements:

**1. LAND USE AND BUILDING TYPE:**

- A) All lots in the aforesaid subdivision shall be designated as residential lots and shall be used exclusively for single family residential dwellings (except as modified by Section 1E of this instrument, and except any area as designated by the developer for streets, roadways, and buffer zones, all of which shall be shown as such on the plat to be recorded). No structure shall be erected, altered, placed or permitted to remain on any residential lot other than one detached single family dwelling not to exceed two and one-half (2 1/2) stories in height and a garage for private passenger automobiles and personal storage. No other structure shall be allowed that would not be harmonious to this subdivision as specified in these covenants or approved in writing by the Architectural Committee (also variously referred to as the "Architectural Control Committee").
- B) All utility trailers, motor homes, campers or recreational vehicles of any type or description shall be parked, maintained, or stored in a garage at all times and must not be visible from the street.
- C) No abandoned, unlicensed or inoperable vehicles of any type or description shall be allowed to be parked on any lot, street or area of the subdivision. No lot shall be used to repair or restore any motor vehicle or boat, whether the work is performed by the owner or any other party.
- D) No structure of a temporary character, tent, shack, barn, storage shelter (or any type of outbuilding not matching a similar style, material and construction of the main residence and approved by the Architectural Committee) shall at any time be permitted in this subdivision for any reason.

- E) No trade or commercial business activity shall be carried on upon any lot, but this restriction shall not prohibit a home office, provided, however, that the use of a home office does not carry with it the appearance of carrying on a trade or a commercial business activity, meaning, in general terms, that there shall be no increase in traffic or use of the premises by members of the general public. No dwelling shall be used for transient or hotel purposes.
- F) No noxious or offensive activity shall be conducted anywhere within the subdivision nor shall anything be done therein which may be or become an annoyance, nuisance or menace to the subdivision.
- G) Any external antenna or devices used for the transmission or reception of electromagnetic energy must have the written approval of the Architectural Committee prior to installation. Directional antennas having a cross sectional dimension greater than twenty-four (24) inches are expressly forbidden. Satellite receiving dishes shall be allowed provided that the cross sectional dimension is not greater than 24 inches. Installation of any such devices must be done so that it does not interfere with the harmony of design of the structure in question.
- H) No swimming pool, wading pool or any similar type container of water shall be constructed unless it is properly secured and approved by the Architectural Committee. Any structure associated with the pool must be of a similar style, material and construction of the main residence and approved by the Architectural Committee. No above ground pools shall be permitted on any lot. Each lot owner shall be required to fence the pool area so that it is not readily accessible to individuals other than the owner. Each lot owner is encouraged to use and pump water from the lake which adjoins for the initial filling of the pool. While each lot has (or will have) its own separate well, and while this system is sufficient for residential water use

purposes, the filling and maintaining of a swimming pool can involve more than 25,000 gallons of water and the private water distribution system for each lot may not be sufficient for this purpose.

- I) Fuel containers and energy cells used to supply any structure on the lot shall be in compliance with all environmental and safety regulations and out of view from any street. Any storage tank or similar facility such as a tank for heating oil, must be buried and no such tank shall be allowed above ground.
- J) No livestock or poultry of any kind shall be kept in the subdivision. Animals considered household pets may be kept, provided that they are not bred or maintained for commercial purposes and are not so great in number as to create a nuisance in the neighborhood. Any household pet is the responsibility of its owner who must not allow the pet to be a nuisance to other residents nor allow the pet to prevent residents and their guests from the enjoyment and beneficial use of the streets and areas of the subdivision. All Pickens County leash laws shall be observed.
- K) Garbage, trash cans and wood piles must be located so that they are not visible from streets and areas of the subdivision.
- L) On-street parking shall not be allowed except for temporary overflow parking. On-street parking shall not be allowed overnight.
- M) No signs of any kind shall be displayed to the public view on any lot except a sign advertising the property for sale or the signs normally used by building trades to advertise during the construction and sales period. No signs of any kind (except the subdivision entrance signs) will be allowed on the property at the entrance to the subdivision.
- N) No weeds, underbrush, or other unsightly growth shall be permitted to grow or remain upon any part

of the property and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere in sight. It shall be allowable for the lot owner to maintain privacy by encouraging the natural growth of trees, but lawns and shrubbery as planted shall be kept in a neat manner within the confines of any natural growth that is retained by the lot owner.

- O) A great portion of the natural beauty of Shallowford on Keowee Subdivision is the large abundance of virgin timber and beautiful trees. Consistent with the overall developmental plan of the Architectural Committee, under no circumstances shall any clear cutting be allowed on any lot or common area in the subdivision. The Architectural Committee (or the Homeowners Association hereinafter referenced if the Architectural Committee shall be removed from further involvement in the subdivision) is hereby mandated to insure that no violation occurs, and injunctive relief shall immediately be sought by the Architectural Committee if such a scheme of timber or tree removal shall become evident. This provision shall not be interpreted to prevent a lot owner from removing a tree or trees that is creating or is about to create a hazardous or unsafe condition to the owner of the lot or owners of adjoining lots. Neither shall this provision be interpreted to prevent the removal of a tree which is diseased. However, written notification shall be given to the Architectural Committee, stating (a) the reason for the removal of any tree, and (b) the date and method by which it is anticipated that removal will be made. After written notification has been given to the Architectural Committee, if no affirmative steps have been taken by the Architectural Committee to deny permission for the requested tree removal within seven (7) days from the date said notice is received by the Architectural Committee, the lot owner shall be allowed to remove the tree or trees that is creating or is about to create the hazardous or unsafe condition.

- (P) All motorized recreational vehicles, including but not limited to four-wheeled, three-wheeled, and two-wheeled vehicles, this to include but not be limited to go-carts, three wheelers, motorcycles, motorbikes, and mopeds, shall not be permitted to operate on any of the lots, walkways, paths, common areas, or roadways of the subdivision. The operation of such vehicles in the manner intended by the manufacturer would create noise that would be an annoyance or nuisance to the lot owners in the subdivision by reason of the operation of said vehicle.
- (Q) A specific sign easement is reserved on Lot 14 as shown on the subdivision plat in connection with the subdivision sign for the entrance from Old Shallowford Bridge Road to Running Bear Lane. While the sign will be physically situated on Lot 14, a permanent easement is reserved for the placement of said sign on this location. In addition, an easement is also reserved on Lot 1 for this same purpose, which will be expressed in the deed of conveyance at the time Lot 1 is conveyed to a third party purchaser by the Developer.

**2. DWELLING QUALITY AND SIZE:**

- A) No residence shall be constructed containing less than two thousand two hundred (2,200) square feet of heated floor space exclusive of porches, garages and breezeways. No two story residence shall be constructed containing less than one thousand five hundred (1,500) square feet of heated space on the first or ground floor. One (1) story homes with finished and heated basements must contain not less than two thousand two hundred (2,200) square feet of heated space on the ground or first floor. All residences must have garages attached. All garages must contain a minimum of six hundred (600) square feet of area for the storage of vehicles and/or boats.
- B) All structures must have a brick, wood, stucco, or vinyl exterior. Any structure with a combination

of brick, stucco, or vinyl must be pre-approved by the Architectural Committee.

- C) No open garages shall be allowed. All garages must have doors.
- D) No mobile, manufactured, preassembled, log type, slab, or modular home shall be allowed in this subdivision.
- E) No homes shall be allowed to be moved from another location to this subdivision.
- F) No concrete blocks, cinder blocks or any similar type building materials shall be used in the construction so that said materials are visible on the exterior of the building.

### 3. RESIDENCE LOCATION:

- A) No residence or structure shall be erected on any lot in violation of any setback lines drawn on the plat of the subdivision. In the event a side setback line is not drawn on said recorded plat, no part of any residence or structure shall be located on any lot nearer than a distance equal to 10% of the width of the lot at the location where said residence or structure is located. By way of example, only, if the width of a particular lot is 100 feet at the location where the residence or structure is to be located, the setback line for the side lot line shall be 10 feet on either side. The setback line for the front lot line, this being defined as the portion of the lot fronting on the road, shall be 35 feet. The setback line for the rear lot line shall be determined on a lot by lot basis by the Developer, and shall be specified in the Warranty Deed at the time that the Developer conveys the lot to a third party purchaser. Any variance due to unusual lot sizes or configuration or any other reason deemed necessary must be in writing and recorded as a variance from the developer conveying the lot. Per the provisions of Item 10 hereafter, the Developer has and retains the exclusive right to grant such a variance. No

variances may be given by anyone other than the original developer, except as modified later in this document when the developer has withdrawn from active involvement.

- B) All residences and structures shall face toward the front line and residences and structures including garages to be erected on corner lots shall be located and must face the direction designated by the Architectural Control Committee.
- C) Developer reserves twenty (20) foot easements on all front and side lot lines for installation and maintenance of all underground utilities, including placement of entrance signs and street lights. In the event the width of a particular lot allows the residence or structure on the lot to be located nearer to a side lot line than 20 feet, then in that event, the 20 foot easement reserved by this provisions shall automatically be changed to conform to any distance which is less than that, based upon the actual location of a residence or structure "on the ground". By way of example, only, if the side setback on a particular lot is 15 feet, the 20 foot easement reserved by this provision shall be automatically changed to a distance of not greater than 15 feet in the area where said residence or structure would otherwise encroach upon the 20 foot easement reservation.
- D) The plat to be recorded of Shallowford on Keowee shows various 20 foot drainage easements reserved by the Developer, affecting Lot 12, Lot 13 and Lot 14. These are permanent easements reserved by the Developer and imposed upon the lots shown, for the purpose of drainage and for the common benefit of each owner of a lot in the subdivision. No improvements of any kind may be constructed upon the physical location of these drainage easements.

#### 4. CONSTRUCTION REQUIREMENTS

- A) All construction shall be completed within one year after commencement of construction.



- B) All driveways are to be constructed using asphalt, concrete or other materials which are approved by the Architectural Committee.
- C) The mailbox design shall be designated by the Architectural Committee and any deviation must be approved in writing. No separate box or other form of receptacle for the use of delivery of newspapers and magazines shall be permitted.
- D) All visible barriers, to include walls, fences, or shrubbery (over four (4) feet in height) must have written approval of the Architectural Committee. No visible barrier of any type or description will be allowed in front of the residence and no barrier of the chain link fence and/or "chicken wire" variety will be allowed on any lot in any location. Any barrier erected without the written approval of the Architectural Committee will be removed at the property owner's expense and permission to do so is expressly granted to the Architectural Committee by the property owner by the acceptance of the delivery of the deed to each lot and the recording of same.
- E) No lot shall be subdivided or its boundaries changed without the written consent of the Architectural Committee. In such event, said written consent shall be recorded in the Office of the Clerk of Court for Pickens County, S.C. In the event that any portion of any lot is combined with any other lot, a new plat, approved by the Architectural Committee, shall be recorded showing the same. In such an event, this new lot shall thenceforth be considered to be a single lot for the purposes of assessments, set back lines, voting and all other purposes under these restrictive covenants, and said new lot shall not thereafter be re-subdivided without the consent of the Architectural Committee, which may be conditioned on such reasonable conditions as the Architectural Committee may deem proper in its sole discretion.

- F) Nothing contained herein shall be construed to prohibit the use of more than one lot or portions of one or more lots as a single residential building site. A new lot cannot be smaller than 90% of the size of the original lot on the recorded plat. In such event, the Architectural Committee shall have sole authority to determine the setback lines, the direction that the structures will face, their location on the site, and any other matter as to conformity and harmony of the structures with the remainder of the subdivision. These matters must be approved in writing by the Architectural Committee prior to construction.
- G) No grading, filling, or tree removal which would significantly change the elevation, appearance or drainage of any lot shall be done without prior consent of the Architectural Committee.
- H) In the event that a lot owner desires to construct a retaining wall, a flood wall, or any such similar structure along the waterline, this must be approved in writing by the Architectural Committee prior to construction. Under no circumstances will rip-rap be allowed to be used.

**5. ARCHITECTURAL COMMITTEE:**

- A) The developer shall appoint such persons from time to time as he deems necessary to the Architectural Committee. All appointees will serve at the discretion of the developer. It shall not be necessary for the appointment of committee members to be evidenced by a recorded document. The initial Architectural Committee will consist of Joy S. Smith and H. N. Smith, Jr.
- B) No structures, including residential, garages, storage buildings, energy producing devices, greenhouses, pools, tennis courts, fences, driveways or other structures shall be erected, altered, placed or permitted to remain on any site or area in the subdivision unless and until the building plans, specifications, exterior finish,

or lots, and if an agreement cannot be reached by said joint owners of the lot at the time of the vote, then the vote shall not be counted.

#### 10. SUBSTITUTION OF HOMEOWNERS' ASSOCIATION FOR DEVELOPER.

At such time as the original Developer (who shall control and maintain the property during the developmental phase of the subdivision) shall determine that the purposes of the subdivision have been largely accomplished, it can so declare this in an instrument in writing in recordable form, and withdraw from active involvement in the management of the subdivision, affirmatively stating at that time in said document that the right to manage or control said subdivision has been relinquished to the Homeowners' Association. In this event, and upon the recordation of such an instrument relinquishing the right to manage or control said subdivision to the Homeowners' Association, all references to "Developer" in this Declaration of Protective Covenants, Restrictions, Reservations and Easements, shall be read so that the phrase, "Homeowners' Association," is taken in the place and stead of "Developer," thereby vesting control and management of the subdivision in all respects in the Homeowners' Association.

#### 11. BOAT DOCKS.

- A) It is anticipated that a lot owner will most likely want a boat dock for his personal use and enjoyment. Because of the configuration of certain of the lots and the availability of the useable frontage on the lake, the following provisions are hereby established and imposed concerning the availability, access, installation, and maintenance of boat docks.
  
- B) All lot owners in Shallowford on Keowee, by the acceptance of the delivery of the deed to their particular lot, agree that an easement is reserved on each and every lot in the subdivision which has lake frontage, for the purpose of the adjoining lot owner on either side to cross the projected lot lines of an adjoining lot for purposes of availability, access, installation, and maintenance of a boat dock for the use of the particular lot owner in question.

C) If the configuration of a particular lot will not allow the installation of a dock which is contiguous to the lot in question, the Developer or its successor, has and retains authority to impose an easement on an adjoining lot for purposes of availability, access, installation, and maintenance of a boat dock for the particular lot in question. This shall be an easement in perpetuity for the benefit of the lot owner constructing said dock, and any lot owner in Shallowford on Keowee, by the acceptance of the delivery of the deed to his particular lot, agrees that an easement is reserved on each and every lot in the subdivision for this purpose, regardless of whether the easement is actually exercised or used prior to the conveyance of the lot to the lot owner on whose land the easement is subsequently imposed.

#### **12. PARAGRAPH HEADINGS.**

Paragraph headings, sub-headings, and/or designations are for the sake of convenience only, and shall not be a determining factor in dealing with any questions that might arise concerning the intent, meaning, or interpretation of any provision of this Declaration.

#### **13. GENDER USAGE.**

The use of the masculine form of pronoun is for the sake of convenience only, and the masculine form shall be held to include the feminine form as is necessary to give full effect and meaning to this Declaration.

#### **14. ENFORCEMENT.**

Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant, either to restrain violation or to recover damages, or both, as the case may be.

15. SEVERABILITY:

Invalidation of any one or more of these covenants by judgment or court order in no wise affect any of the other provisions, which shall remain in full force and effect.

All of the covenants, restrictions, reservations, easements, and servitudes set forth herein shall run with the land and any grantee, by accepting the deed to such premises, accepts the same subject to such covenants, restrictions, reservations, easements, and servitudes and agrees for himself, his heirs, administrators, successors, and assigns to be bound by each of such covenants, restrictions, reservations, easements, and servitudes jointly, separately, and severally.

IN WITNESS WHEREOF, this instrument is executed this 5TH day of December, 2000.

WITNESSES:

[Signature] (LS)  
Joy S. Smith  
Allison B. Bran

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF ANDERSON ) PROBATE

PERSONALLY appeared before me the undersigned, who on oath says that (s)he saw duly authorized individual sign, seal, and as its act and deed, deliver the within written DECLARATION OF PROTECTIVE COVENANTS, RESTRICTIONS, RESERVATIONS, AND EASEMENTS, and that (s)he with the other subscribing witness, witnessed the execution thereof.

SWORN TO AND SUBSCRIBED )  
before me this the 5th )  
day of December, 2000. )  
[Signature] (LS) ) Allison B. Bran (LS)  
Notary Public for S.C. )  
My Comm. Expires: 5/26/2002 )

EXHIBIT "A"

DECLARATION OF LIEN  
BY  
SHALLOWFORD ON KEOWEE HOMEOWNERS' ASSOCIATION

against

---

and

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(whether one or more, hereinafter referred to  
as the "Homeowners' Association")

Pursuant to the provisions of paragraph 6(I) of the Protective Covenants of Shallowford on Keowee Homeowners' Association recorded in the Office of the Register of Deeds for Pickens County, South Carolina, in Record Book \_\_\_\_\_ at Page \_\_\_\_\_ the Association declares and hereby gives notice of its lien on the property hereinafter described for the payment of the balance due under the terms of Item \_\_\_\_\_ of said Protective Covenants (the "Assessments") in the amount set forth hereinafter. The property being the subject of this lien, the period covered and the amount of the lien is as follows:

<u>Property Description</u>	<u>Period of Delinquent Assessment</u>	<u>Amount of Assessment</u>
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Lot # \_\_\_\_\_  
Plat Slide \_\_\_\_\_  
Page \_\_\_\_\_  
Deed Book \_\_\_\_\_  
Page \_\_\_\_\_

\*Assessments accrue interest at the rate for judgement liens recorded in the State of South Carolina.

The failure of the property owner to bring any legal action to contest the validity or amount of this lien within 30 days after notice is mailed by regular U. S. mail to the property owner at the address on record with the Association shall be

EXHIBIT "A"

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deemed to be an admission that the validity and amount is correct and the amount of the Assessment together with accrued interest shall be conclusive against the property owner.

Payment of this lien shall be made to the Association and paid to the undersigned Treasurer at the address set forth below the signature of the Treasurer.

IN THE PRESENCE OF:

SHALLOWFORD ON KEOWEE  
HOMEOWNERS' ASSOCIATION

\_\_\_\_\_

By: \_\_\_\_\_

\_\_\_\_\_

Its: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

STATE OF SOUTH CAROLINA )

) PROBATE

COUNTY OF ANDERSON )

PERSONALLY appeared before me the undersigned who on oath states that (s)he saw \_\_\_\_\_ as Treasurer of SHALLOWFORD ON KEOWEE HOMEOWNERS' ASSOCIATION sign, seal and as its act and deed deliver the within Declaration of Lien and that (s)he along with the other witness witnessed the execution thereof.

SWORN TO BEFORE ME THIS \_\_\_\_\_  
day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

Notary Public for South Carolina

My Commission Expires:

exterior color, and plot plans showing the location of any and all structures have the written approval of the Architectural Committee. In approving or disapproving the submitted plans, consideration will be given to the conformity and harmony of external design with existing structures in the subdivision. Under no circumstances shall construction, improvement or alteration to a lot occur until written approval is obtained from the Architectural Committee. After initial construction is completed, any improvement and/or addition to the original structures and/or dwelling must be submitted to the Architectural Committee (or to any successor of the Architectural Committee if the Committee has removed itself from further decisionmaking authority pursuant to other provisions of this Declaration hereinafter), and written approval must be given prior to the commencement of construction, pursuant to the same provisions recited above.

- C) All sewage disposal systems must be designed, located and constructed in accordance with the requirements, standards and recommendations of the Pickens County Health Department and the state of South Carolina. Approval of the sewage disposal system must be obtained from the County Health Department prior to installation.
- D) No lot or area shall be used or maintained as a dumping ground for rubbish. Each owner is required to keep his property in a neat manner, free of trash, rubbish and debris. All waste shall be kept in containers, and such containers shall be located so as not to be visible from the streets or public areas. All trash, rubbish, or debris kept or retained in containers shall be limited to that which is generated by the residence located on the lot in question.
- E) Prior to construction, it is the responsibility of each property owner to keep vegetation (with the exception of trees) to a height not to exceed twenty-four inches. If the property is not so maintained, the Homeowners' Association has the



right to maintain the property and charge the owner for the maintenance.

6. HOMEOWNERS' ASSOCIATION:

- A) Shallowford on Keowee Homeowners' Association, Inc. will be formed by the Developer of the subdivision and will be controlled by the by-laws of the association. The Homeowners' Association shall be a "non-stock" corporation, so that no stock certificates shall be issued to represent ownership.
- B) The Developer shall not be a member of the Homeowners' Association and shall not be required to pay any membership fees, annual dues or assessments as may be levied on any lots deeded from the original Developer.
- C) Upon the purchase of each lot in the subdivision and payment of the then established membership value, a share of stock in the Shallowford on ~~Keowee Homeowners' Association, Inc., (represented~~ by the deed of conveyance), will be deemed to have been transferred to the owner. Membership is mandatory and is required of the purchaser of each lot, whether his title be acquired by deed, devise or intestate succession or by any other method, including a person acquiring title by foreclosure of a mortgage. Title to Real Estate (Deed) shall serve as evidence of the lot owner's ownership of one (1) share of stock in the corporation.
- D) Upon any subsequent conveyance of any lot within the subdivision, ownership of the one (1) share of the stock in the Homeowners' Association shall automatically vest in the new owner upon recordation of the deed. The lot owner shall notify the Homeowners' Association of the conveyance of said lot. The stock deemed to have been issued in the name of the owner conveying the said lot will be deemed canceled upon the recording of the new deed and one (1) share of stock in the

association will be vested in the new owner's name as of the date of the recordation of the deed.

- E) Each lot owner shall be entitled to one (1) vote in the Homeowners' Association. Membership shall be appurtenant to and may not be separated from the ownership of the property. In the event of joint ownership of a lot, said owners will be entitled to one (1) vote as determined between them. If agreement cannot be reached by the said joint owners, then said vote will not be counted.
- F) There will be an original membership fee of Two Hundred Fifty and 00/100 (\$250.00) dollars to be paid to the Homeowners' Association at the time of the purchase of each lot in the subdivision to exchange for one (1) share in the Homeowners' Association. If any membership fees are paid prior to the formation of the Homeowners' Association, then the developer shall hold such funds in an escrow account until the Homeowners' Association is formed, at which time he will pay the accumulated funds to the Homeowners' Association. Upon each ~~subsequent transfer of a lot to a new owner, there~~ shall be imposed an additional fee of Two Hundred Fifty and 00/100 (\$250.00) dollars, payable and due to the Homeowners' Association at the transfer of the title to the lot. Failure to pay the original or any subsequent membership fee shall result in a lien as more fully referenced below.
- G) The membership fee shall be used to establish a reserve account for the Homeowners' Association, with the funds being utilized for any matters which the Homeowners' Association deem expedient for the safety, comfort, welfare and enjoyment of the lot owners in the subdivision.
- H) The Homeowners' Association shall have the right to determine the amount of funds necessary on an annual basis to levy an annual assessment of dues on each lot owner. The dues levied by the association shall be paid on or before the final date set by the Board of Directors of the Homeowners' Association. Written notice of the

charge shall be sent to each owner at the last address given by the owner to the Association. If the charges levied against any lot are not paid when due, it shall become a lien upon the said lot, and shall remain a lien until paid in full. If a lot owner is delinquent for a period of thirty (30) days, a second notice will be sent to said lot owner. In the event said lot owner does not correct the deficiency within a second thirty (30) day period, interest shall then accrue from the date said levy became past due at the then current legal rate for judgement liens in South Carolina, and an additional fee equal to 50% of the unpaid past due balance shall be charged in order to compensate the Association for any expenses it might incur. The Board of Directors may direct that such action be instituted either at law or in equity for the collection of such assessments or charges, thus including interest, costs of collection and attorney's fees as they deem appropriate. The sale of any lot shall not affect any lien for charges due. Upon request, the Association shall furnish a statement certifying that the charges against a specified lot have been paid or remain unpaid. The association shall not be required to transfer membership or to allow the exercise of any rights or privileges of membership, until all charges due the association are paid.

- I) Any unpaid assessment of dues, fees, or charges shall become a lien against the property of the non-paying owner, and shall run with the land. The Homeowners' Association, by and through the Board, shall have the unilateral right to file a Declaration of Lien in the deed records of Pickens County to perfect a lien for unpaid assessments of dues, fees or charges. No notice or service of process shall be required with reference to the lot owner; the unilateral filing of said Declaration shall be the only requirement necessary to perfect said lien. A sample format of said Declaration of Lien is shown on Exhibit "A" attached hereto.
- J) SUBORDINATION OF ASSESSMENTS AND/OR CHARGES AND/OR LIENS TO MORTGAGES.

- i) The lien and permanent charge of the assessments (together with interest thereon and costs of collection) authorized herein with respect to any lot is hereby made subordinate to the lien of any mortgage placed on such lot if, but only if, all such assessments with respect to such lot having a due date on or prior to the date such mortgage is filed for record have been paid.
  
- ii) Such subordination is merely a subordination and shall not relieve the property owner of the mortgaged property of his personal obligation to pay all assessments coming due at a time when he is the property owner; shall not relieve such property from the lien and permanent charge provided for herein (except to the extent a subordinated lien and permanent charge is extinguished as a result of any such subordination as against a mortgage or such mortgagee's assignee or transferee by foreclosure or levy and execution); and no sale or transfer of such property to the mortgagee or to any other person pursuant to a decree of foreclosure, or pursuant to any proceeding executing upon the property shall relieve any existing or previous property owner of such property or the then and subsequent property owners for liability for any assessment provided for hereunder coming due after such sale or transfer.

#### **7. LIMITED ACCESS:**

Access for the purposes of ingress and egress in the subdivision shall be limited to those streets so designated on the subdivision plat. No lot owner shall use or allow his lot to be used as an easement for the purpose of ingress or egress to the subdivision from adjoining property or future streets abutting any lot.

**8. TERM:**

These covenants are to run with the land and shall be binding on all parties claiming under them for a period of forty (40) years from the date these covenants are recorded, after which time the said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the majority of the then owners of the lots has been recorded, agreeing to change the said covenants in whole or in part.

**9. CHANGE OR AMENDMENT:**

- A) Until such time as the original Developer substitutes the Homeowners' Association in its place and stead pursuant to the terms of Paragraph 10 hereinafter, the terms and provisions of these restrictions may only be changed or amended by an instrument in writing by the Developer.
- B) After the Developer withdraws from active involvement in the management of the subdivision pursuant to the terms of Paragraph 10 hereinafter, the terms and provisions of these restrictions may only be changed or amended by an instrument in writing signed by two-thirds (2/3) of the lot owners in said subdivision.
- C) At such time as the original Developer shall determine that the purposes of the subdivision have been largely accomplished, it can so declare this in an instrument in writing, in recordable form, and withdraw from active involvement, affirmatively stating at that time in said document that the right to manage or control the subdivision has been relinquished to the Homeowners Association. After this withdrawal, it shall not be necessary to obtain the consent of the Developer, except as it might constitute a portion of the two-thirds (2/3) vote needed for a change or amendment in these restrictions. The owner(s) of each lot, including the Developer herein, shall have one (1) vote for each lot owned. In the event of joint ownership of a lot