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AFTER RECORDING RETURN TO:
Walter L. Heinsohn
Attorney at Law
P.O. Box 4287
Rock Hill, SC 29732
(803)366-5181

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OLDE YORK FARMS

RESTRICTIVE AND PROTECTIVE COVENANTS

WHEREAS, Nation Land Company, LLC, is the owner of the real estate hereinafter described; and

WHEREAS, Nation Land Company, LLC, is desirous of having the property developed in the best manner possible as an upscale, rural, estate-like, single-family residential subdivision and is desirous of imposing upon said property Restrictive and Protective Covenants in order to benefit any and all persons who may own or hereafter acquire or occupy any portion of said land.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that Nation Land Company, LLC, for itself and its successors, heirs and assigns, does hereby restrict the following described tract of land in the manner hereinafter set forth, which restrictions are hereby deemed to "touch and concern" the land and "run with the land":

PROPERTY DESCRIPTION

ALL THOSE CERTAIN pieces, parcels or tract of land lying and being situate in the State of South Carolina, County of York, as shown on the following plats (and also as described in the Deeds whereby such properties were acquired by Declarant, the recording information for which are indicated below), which plats are incorporated herein by this reference, and having such metes, bounds, courses and distances as by reference to said plats will more fully appear, together with such other properties as may, from time to time, be annexed and appended thereto:

PLAT BOOK D-201 - PAGE 4	-	RECORD BOOK 8932 - PAGE 312 and RECORD BOOK 9071 - PAGE 42
PLAT BOOK D-220 - PAGE 4	-	RECORD BOOK 9142 - PAGE 53

ARTICLE I

DEFINITIONS

The following words used in this Declaration or any supplemental amendment hereto, shall have the following meanings (unless the context requires otherwise):

- 1.1 "Architectural Control Committee" shall mean and refer to the committee appointed by the Board to oversee the development and enforcement of architectural control standards and restrictions with respect to the Project and to perform certain other functions as described in ARTICLE VI of this Declaration.
- 1.2 "Association" or "Homeowners' Association" or "Owners' Association" shall mean Olde York Farms Homeowners Association, Inc., a non-profit corporation organized, or to be organized, and existing under the laws of the State of South Carolina and its successors and assigns.
- 1.3 "Board" shall mean and refer to the executive board of the Association.
- 1.4 "Bylaws" shall mean the bylaws adopted by the Association pursuant to the South Carolina Non-Profit Corporation Act, as they may be amended from time to time.
- 1.5 "Common Area" shall mean all four-rail wooden fences and all monuments and all real and personal property leased or owned by the Association, and all easements granted to or reserved for the benefit of the Association, and all facilities or improvements thereon.
- 1.6 "Declarant" or "Developer" shall mean and refer to Nation Land Company, LLC and its successors and assigns to whom the rights of Declarant or Developer have been assigned. Declarant or Developer shall, as the context herein dictates, be synonymous with "Association" until such time as Declarant cedes control thereof to the Owners as provided herein.
- 1.7 "Declaration" shall mean and refer to this Declaration of Restrictive and Protective Covenants, as it may be amended, supplemented or extended from time to time.
- 1.8 "Executive Board" or "Board" shall mean the duly elected President, Vice-President, Secretary and Treasurer of the Association.
- 1.9 "Fence" shall mean the four-rail wooden fence installed by Declarant along the road frontages of all Lots in Olde York.

- 1.10 "Guidelines" shall refer to the attached Design Guidelines together with and supplemental Architectural and Landscape Guidelines described in ARTICLE VI.
- 1.11 "Homeowners Dues" or "Assessments" shall mean the annual sum of money which each Owner is required to pay to the Association.
- 1.12 "Lot" shall mean any numbered plot of land to be used for residential purposes shown upon any recorded subdivision plat of the Properties subject to this Declaration.
- 1.13 "Member" shall mean and refer to every individual, corporation, partnership, Limited Liability Corporation, association, trustee or other legal entity that is a member of the Association as provided in ARTICLE III.
- 1.14 "Monument" or "Monuments" shall mean the four monolithic masonry/stone/wood structures which Declarant has erected at all four corners of Highway 49 and Adkins /Sherrer Roads.
- 1.15 "Olde York Farms" or "Olde York" shall mean the Property described on the attached Exhibit A, together with such additional properties which shall later be made subject hereto.
- 1.16 "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property described above but excluding those having such interest merely as security for the performance of an obligation.
- 1.17 "Plat" shall mean and refer to any plat of the Property or any part of it which is recorded from time to time in the office of the Register of Deeds for York County, South Carolina.
- 1.18 "Person" shall mean a natural person, as well as a corporation, partnership, firm, association, trust or other legal entity. The use of the masculine pronoun shall include the neuter and feminine, and the use of the singular shall include the plural where the context so requires.
- 1.19 "Properties" or "Property" shall mean the Property described above, which shall be known as Olde York Farms. Declarant reserves the right to annex additional properties and make such properties subject to these same restrictive covenants.
- 1.20 "Turnover Date" shall mean the date that the Declarant Nation Land Company, LLC turns over control of the Association to the Owners.
- 1.21 "Uniform Trees" shall mean the trees that are all of one species that have been planted at regular intervals between the Fence and the roads.

ARTICLE II

COMMON AREA

2.1 OWNERS' EASEMENTS OF ENJOYMENT. Every Owner shall have a perpetual right and easement of enjoyment in and to any Common Areas in Olde York, which shall be appurtenant to and shall pass with the title to every Lot, subject to the terms of this Section.

The foregoing easement rights include, without limitation, a non-exclusive easement over all Roadways, streets, driveways, walkways and parking areas within the Property, for the purpose of vehicular and pedestrian access, ingress and egress to each Lot. The access easements described in the preceding sentence shall survive the expiration or termination of this Declaration, and shall continue as a burden running with the Property unless and until such reasonable access, ingress and egress is provided by the dedication of a public street or by the conveyance in fee or by the grant of a perpetual easement in one or more strips of land adequate for that purpose.

All easements created by this Section 2.1 shall be deemed appurtenant to each Lot, shall inure to the benefit of each Owner and his tenants, family members, guests, invitees and agents, and are granted subject to the provisions of this Declaration including, without limitation, the following conditions and reservations:

The Monuments are Common Areas of Olde York Farms and ownership of the same is retained and reposed in the Declarant until such time as Declarant transfers ownership thereof to the Association at which time the Association shall be the owner of the same. Though the Monuments are situated on Lots which will be purchased by homeowners, **THE OWNERS OF THE LOTS UPON WHICH THE MONUMENTS ARE LOCATED DO NOT AND SHALL NOT OWN THE MONUMENTS.** The Declarant, and its assigns, including the Association, has access rights to the Monuments for maintenance and upkeep as fully set forth in ARTICLE VII below. The Declarant, for itself and its successors and assigns, including the Association, does hereby indemnify and hold the Owners of the Lots upon which the Monuments are located harmless from and against any claims for injuries to persons or damages to property of any nature whatsoever that may arise due to any structural failure or defect of the Monuments.

- (a) The right of the Association, in accordance with the provisions of Section 2.6 and the Project Documents, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (b) The right of the Association to take such steps as are reasonably necessary to protect the Common Area against foreclosure;

- (c) The rights of the Association, as provided in the Project Documents, including without limitation, to impose fines, to suspend the voting rights of any Member, and to suspend the rights of any Member to receive services or to use any part of the Common Area (except the right of pedestrian or vehicular access to the Member's Lot), for any period during which any assessment remains unpaid, or as a result of any infraction or violation of the Project Documents;
- (d) The right of the Association, in accordance with the provisions of Section 2.6 to dedicate or transfer all or any part of the Common Area;
- (e) The easements over the Common Area;
- (f) The right of Declarant, prior to the conveyance of the Common Area to the Association, and of the Association, to grant and reserve easements and rights-of-way through, under, over and across the Common Area, for the installation, maintenance and inspection of utility and drainage facilities;
- (g) The right of the Association to limit the number of guests of Members as to the use of the Common Area or any other property of the Association;
- (h) The right of the Association to establish reasonable rules and regulations for the use of the Property by Members or their tenants, family members, guests, invitees and agents;
- (i) Any and all other provisions of this Declaration.

2.2 TITLE TO COMMON AREA. Declarant covenants for itself, its successors and assigns, that it shall convey fee simple title to any Common Areas within the Property to the Association prior to or simultaneously with the date of recordation of the deed conveying the first Lot to an Owner other than Declarant. Each such conveyance shall be free and clear of all liens and encumbrances, except the rights, restrictions, and easements set forth in this Declaration, including the easements shown on any Plat, other public and private access, utility and drainage easements, easements to governmental authorities, and ad valorem taxes for the year in which such conveyance occurs. Ad valorem taxes shall be prorated between the Declarant and the Association as of the date of conveyance and the Declarant will pay its pro-rata share to the Association which will pay the taxes when due.

The Declarant reserves the right (but shall not be obligated) to construct and install within the Common Areas, among other things, (i) fencing within the Common Areas, (ii) other improvements for the use and enjoyment of the Owners who are entitled to use such Common Areas as provided in this Declaration. Notwithstanding the recordation of any Plat or any other action by Declarant or the Association, all Common Areas shall remain private property and shall not be considered as dedicated to the use and enjoyment of the public with the exception of the Roadways.

2.3 DELEGATION OF USE. Any Owner may delegate his rights of enjoyment to the Common Area to members of his family, tenants or contract purchasers who reside on the Property, or to such other persons as may be permitted by the Association and subject to such rules and regulations as may be made by the Association.

2.4 MAINTENANCE. The Common Areas, together with all improvements, utilities and amenities located thereon and not otherwise maintained by public entities or utilities or any other party as provided herein, shall be maintained by the Association. Maintenance by the Association shall include, without limitation, the following:

- (a) Care and maintenance of the easements specified in ARTICLE VII (but only to the extent the Association uses or exercise its rights in or over any of them) including, without limitation, installation, maintenance, repair, replacement and reconstruction, when necessary, of the trees, shrubs, flowers, vegetation, fences, monuments, signage, irrigation, planters and lighting located thereon and providing and paying for utility or lease charges for irrigation and lighting located thereon.
- (b) Maintenance of the Common Area shall include the maintenance, repair, replacement, and reconstruction, when necessary, of the Common Area, including all lighting, water lines and other fixtures, wire, railings and other facilities located thereon, and providing and paying for utility charges and other operational costs.
- (c) Keeping of all areas and facilities for which the Association is responsible hereunder clean and free from debris and in a safe and orderly condition, together with the landscaping thereon, if any; provided, however, that wetlands, ponds and other Common Area not improved by the Declarant may remain in its natural, unimproved state, it being the intent of this Declaration that the Association have no specific obligation with respect to the maintenance or improvement of the unimproved Common Area as except as may be otherwise imposed or provided by law.
- (d) The Fence and the Monuments are the distinctive and unique characteristics of Olde York. Thus, the maintenance and the uniformity of the appearance thereof are of paramount concern. Therefore, every owner is charged with keeping the grass and shrubbery properly and attractively cut and maintained around the Fence on his Lot. No Owner shall alter the color of the fence in any manner. Only so much of the Fence shall be removed so as to install driveways to the Lots. The periodic repainting of the Fence shall be the responsibility of the Association. Further details concerning Fence maintenance appear in Paragraphs 4.3, 5.16 and 5.17 below.
- (e) The Association shall not be responsible for the maintenance of any Lot or any portion of any Lot or the improvements within the boundaries thereof, including, without limitation, any House or underground utilities located thereon. The Owners of such Lots shall be solely responsible for same.

2.5 RESERVE FUND(S). The Association may establish and maintain reserve fund(s) for the periodic maintenance, repair and replacement of all or any portion of the Common Areas or any easement maintained by the Association and/or in order to fund unanticipated expenses of the Association and/or to acquire equipment or services as may from time to time be deemed reasonable, necessary or desirable by the Board of Directors. Such reserve fund(s) shall be collected and maintained out of the assessments, as hereinafter provided in Article IV. Assessments collected as reserves shall not be considered to be advance payments of Annual Assessments.

ARTICLE III

HOMEOWNERS ASSOCIATION

3.1 MEMBERSHIP. Every Owner of a Lot in Olde York Farms shall be a member of the Olde York Farms Homeowners' Association and shall be responsible for paying homeowners association dues and assessments, and shall be responsible for abiding by the By-Laws, Rules and Regulations governing ownership in Olde York. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. Every Owner shall be responsible for insuring that his or her guests, friends, family members, agents, tenants, and invitees comply with these Restrictions and the Association's By-Laws, Rules and Regulations.

3.2 ORGANIZATION. The Association shall be governed by the By-Laws, a copy of which is attached hereto and incorporated herein, subject to the right of control by Declarant set forth in Section 3.3 below.

3.3 VOTING AND VOTING RIGHTS - CONTROL BY DECLARANT. The Association shall have but one class of voting membership and every Lot shall have but one vote. If more than one person owns a Lot, it shall be up to the co-owners thereof to determine how they shall cast their vote. However, for so long as Declarant owns at least one Lot in Olde York, Declarant shall be deemed to be the majority Owner as if Declarant owned one lot more than all other Owners combined, which is to say that for so long as Declarant owns at least one Lot in Olde York, Declarant shall remain in Control of Olde York and the Association. For so long as Declarant owns at least one Lot in Olde York, Declarant shall retain veto power over the promulgation of any rule, regulation, amendment to these restrictions, amendment to the By-Laws, amendment to the Design Criteria, and/or the election of any officer or committee member. Notwithstanding the foregoing, Declarant reserves the option to at any time to transfer control of the Association to the Association by delivering to the Owners a written notice that such rights have been ceded.

3.4 MANAGEMENT AND OTHER AGREEMENTS. The Association may be professionally managed and may enter into management and other agreements for the management, operation and administration of the Association.

3.5 LIABILITY LIMITATIONS. Neither Declarant, nor any Member, nor the Board, nor any officers, directors, agents or employees of any of them shall be personally liable for debts contracted for or otherwise incurred by the Association or for a tort of another Member, whether or not such other Member was acting on behalf of the Association or otherwise. Neither Declarant, nor the Association, nor its Directors, officers, agents or employees shall be liable for any incidental or consequential damages for failure to inspect any premises, improvements or portions thereof or for failure to repair or maintain the same. Neither the Declarant nor the Association shall be liable for any personal injury or other incidental or consequential damages occasioned by any act or omission in the repair or maintenance of any premises, improvements or portions thereof. The Association shall, to the extent permitted by applicable law, indemnify and defend all members of the Board from and against any and all loss, cost, performance by the Board of its duties and obligations, except for any such loss, cost, expense, damage, liability, claim, action or cause of action resulting from the gross negligence or willful misconduct of the person(s) to be indemnified.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

4.1 CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. Each Owner of any Lot or portion of the Property other than the Declarant, by acceptance of a deed to a Lot in Olde York is deemed to covenant and agree to pay to the Association: (1) Annual Assessments or charges of the Association; (2) Supplemental Annual Assessments; (3) Special Assessments; and (4) Special Individual Assessments, such assessments to be established and collected as hereinafter provided. In order to secure payment of all Assessments, each annual and special assessment, together with interest, late fees, costs and reasonable attorneys' fees, shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, late fees, costs and reasonable attorneys' fees, shall also be the personal financial obligation of the person who was the Owner of such Lot at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successors in title (other than as a lien on the Lot) unless expressly assumed by them. Declarant shall be exempt from all assessments relating to any portion of the Property owned by Declarant.

4.2 OBLIGATION TO PREPARE ANNUAL BUDGET. The Board shall, from time to time and at least annually, prepare and adopt a proposed budget for the Association, determine the amount of expenditures payable by the Owners to meet the proposed budget ("Common Expenses") and allocate and assess Common Expenses among the Owners. The Common Expenses shall include such amounts as the Board deems necessary for the operation and maintenance of the Property and shall include, without limitation, amounts for purposes set forth in Paragraph 4.3 below, amounts for permitted reserves and such amounts as may be necessary to make up any deficit for outstanding Common Expenses for any previous year.

4.3 PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Owners and other residents of the Property to the fullest extent authority or responsibility is granted to the Association hereunder including, and without limiting the generality of the foregoing, for:

a. Fence Maintenance. The Fence and the Monuments are the distinctive and unique characteristics of Olde York. Thus, the maintenance and the uniformity of the appearance thereof is of paramount concern. The Association has the duty and responsibility to periodically repaint the Fence and make repairs thereto that are not caused by an Owner or an Owner's family, friends, guests, and/or invitees (or any of their vehicles), pets, and livestock. The Association shall repair all other damage to the Fence which includes, but is not limited to: damage or warping caused from sources such as structural defects; damage or warping due to wear and tear from the elements; damage caused by vandalism; damage caused by wild life; damage caused by brush or timber fire wherein the same was not the result of the intentional or negligent acts of an Owner or his family, friends, guests or invitees; damage caused by vehicular accident wherein an Owner was not the cause of the accident. Note, in such instances, and where practicable, the Association shall pursue compensation from the "at fault" driver or his insurance carrier or both.

b. Monument Maintenance. The Association has the duty and responsibility to make repairs to the Monuments that are not caused by an Owner or an Owner's family, friends, guests, and/or invitees (or any of their vehicles), pets, and livestock. The Association shall repair all other damage to the Monuments which includes, but is not limited to: damage or warping caused from sources such as structural defects; damage or warping due to wear and tear from the elements; damage caused by vandalism; damage caused by wild life; damage caused by brush or timber fire wherein the same was not the result of the intentional or negligent acts of an Owner; damage caused by vehicular accident wherein an Owner was not the cause of the accident. Note, in such instances, the Association shall pursue compensation from the "at fault" driver or his insurance carrier or both.

c. **Lighting Maintenance.** The Association has the duty and responsibility to maintain the Monument lighting, including, but not limited to: paying the power bill, replacing light bulbs, and repairing broken or defective lights and/or power lines. Note the Association's access easement in ARTICLE VII below.

d. **Landscaping Maintenance.** The Association has the duty and responsibility to maintain the uniformity of the appearance of the trees between the Fence and the roads by replacing any downed, diseased, or dead trees with replacements of the same species. Note the Association's access easement in ARTICLE VII below.

e. **General Maintenance.** The Association has the duty and responsibility to, where and when applicable, maintain: drainage ways; lighting; signage; security; vegetation control; drainage systems; common area and open space landscaping and maintenance; and other Common Property expenses, including but not limited to, the payment of taxes and governmental assessments on any taxable Common Area; payment of insurance premiums for the insurance policies maintained by the Association; payment in connection with any Water System, Street Lights or other utilities serving the Property; payment of management fees to a property manager; the employment of attorneys, architects, accountants and other professionals to represent or assist the Association deemed necessary or appropriate by the Board; the cost of utilities and fuel used in operating facilities in the Common Area; for reserves; and to carry out all other purposes and duties of the Association, the Board or the Architectural Control Committee.

d. **Other Purposes.** The Association, either acting through the Board or by consent of the Members at an Association Meeting, if funds so allow, has the authority to use Assessments for such things as a neighborhood directory, neighborhood newsletter, neighborhood web-site, neighborhood parties, neighborhood bulletin board, seasonal decorating, planting flowers, trees, shrubbery in strategic locations, such as around the Monuments, etc.

4.4 **EXEMPT PROPERTY.** The assessments, charges and liens created under this Article shall not apply to any Common Area, nor shall they apply to any Lot the title to which is vested either in Declarant or in any first mortgagee subsequent to foreclosure or in the Secretary of Housing and Urban Development or the Administrator of Veterans Affairs or any other state or federal governmental agency which acquires title by reason of such agency's guarantee or insurance of a foreclosed mortgage loan; provided, however, that upon the resale of such property by such first mortgagee or such governmental agency the assessments shall again accrue on such Lot. Any Lot which Declarant may hereafter designate for common use as part of the Common Areas shall also be exempt by a local public authority, and all land granted to or used by a utility company shall be exempt from the assessments created herein.

4.5 PAYMENT OF ANNUAL ASSESSMENTS: DUE DATES AND MAXIMUMS. Each Owner of a Lot shall pay to the Association Annual Assessments as hereinafter set forth.

- (a) Annual assessments provided for herein shall commence as to any Lot as of the date of the conveyance by Declarant to an Owner (other than Declarant) of such Lot. The Annual Assessment for the first year in which a Lot is subject thereto shall be prorated based upon the number of days remaining in the applicable billing period from the date of such conveyance. The Annual Assessment amount for each and every year shall be in an amount as set by the Board in accordance with the terms of this ARTICLE 4. Annual Assessments shall be due and payable in advance in full or in installments as determined by the Board. The Board shall fix the amount of the annual Assessment as to each Lot for any calendar year and shall send written notice of the amount of and due date of each installment of such Annual Assessment to each Owner at least thirty (30) days prior to the due date for payment of the assessment or first installment thereof; provided, however, the failure of the Association to send, or of an Owner to receive, such notice shall not relieve any Owner of the obligation to pay Annual Assessments.
- (b) The maximum Annual Assessment for the initial calendar year 2007 shall be FORTY-FIVE (\$45.00) DOLLARS per acre owned. The total annual assessment amounts shall be determined by Declarant, at its sole discretion, through the 2010 assessment (calendar) year ending December 31, 2010. Thereafter, the Board by a vote in accordance with the Bylaws, without a vote of the Members, may increase the Annual Assessment applicable to each Lot by a maximum amount equal to the previous year's Annual Assessment times the greater of (i) ten percent (10%) or (ii) the annual percentage increase in the Consumer Price Index, All Urban Consumers, United States, All Items (1982-84 = 100) (hereinafter "CPI") issued by the U.S. Bureau of Labor Statistics for the most recent 12-month period for which the CPI is available. If the CPI is discontinued, then the index most similar to the CPI published by the United States Government indicating changes in the cost of living shall be used. If the Annual Assessments are not increased by the maximum amount permitted under the terms of this provision, the difference between any actual increase which is made and the maximum increase permitted for that year shall be computed and the Annual Assessments may be increased by that amount in a future year, in addition to the maximum increase permitted under the terms of the preceding sentence for such future year, by a vote of the Board, without a vote of the Members.
- (c) For calendar year 2011 and thereafter, the maximum annual assessment applicable to each Lot may be increased above the maximum amount set forth in subparagraph (b) of this Section 4.5 by a vote of a majority of the votes appurtenant to the Lots which are then subject to this Declaration, plus the written consent of Declarant as long as Declarant owns any part of the Property.

- (d) The Board may fix the Annual Assessment applicable to each Lot at an amount not in excess of the maximum set forth in Subparagraph (b) of this Section 4.5 (the "Maximum Annual Assessment"). If the Board shall levy less than the Maximum Annual Assessment for any calendar year and thereafter, during such calendar year, determine that the important and essential functions of the Association cannot be funded by such lesser assessment, the Board may, by vote in accordance with the Bylaws, levy a "Supplemental Annual Assessment." In no event shall the sum of the Annual and Supplemental Annual Assessments for any year exceed the applicable Maximum Annual Assessment for such year unless approved as specified in Subparagraph (c).
- (e) With respect to any Lot conveyed by Declarant, the purchaser of such Lot shall pay to the Association at closing the amount of the Annual Assessment for the installment period in which the closing occurs on such Lot, prorated based upon the number of days remaining in such installment period. With respect to any Lot conveyed by any Owner other than Declarant, the amount of the Annual Assessment applicable to such Lot for the installment period in which such closing occurs shall be prorated between the buyer and seller thereof as of the date of closing of such conveyance.

4.6 SPECIAL ASSESSMENTS. In addition to the Annual Assessment authorized above, the Association may levy, in any assessment year, a special assessment ("Special Assessment") applicable to that year only for the purpose of defraying, in whole or in part, the cost of (i) the construction of any Common Area improvements which are not originally constructed by Declarant or (ii) the reconstruction, repair or replacement of the Common Areas, including any improvements located thereon. Provided, however, (a) Declarant shall not be obligated to pay any Special Assessments on Lots owned by Declarant except with Declarant's prior written approval, and (b) any Special Assessment must be approved by Declarant as long as Declarant owns any part of the Property and by a vote of seventy-five (75%) of the votes appurtenant to the Lots which are then subject to this Declaration.

4.7 SPECIAL INDIVIDUAL ASSESSMENTS. In addition to the Annual Assessments and Special Assessments authorized above, the Board shall have the power to levy a special assessment applicable to any particular Owner ("Special Individual Assessment") for: (i) the purpose of paying for the cost of any construction, reconstruction, repair or replacement of any damaged component of the Common Areas, including any improvements located thereon, whether occasioned by any act or omission of such Owner(s), members of such Owner's family or such Owner's agents, guests, employees, tenants or invitees and not the result of ordinary wear and tear; or (ii) for payment of fines, penalties or other charges imposed against any particular Owner relative to such Owner's failure to comply with the terms and provisions of this Declaration or the Project Documents. Provided, however; Declarant shall not be obligated to pay any Special Individual Assessment except with Declarant's prior written approval. The due date of any Special Individual Assessment levied shall be fixed in the Board resolution levying such Special Individual Assessment. Upon the establishment of a Special Individual Assessment, the Board shall send written notice of the

amount and due date of such Special Individual Assessment to the affected Owner(s) at least thirty (30) days prior to the date such Special Individual Assessment is due.

4.8 UNIFORM RATE OF ASSESSMENT. Annual Assessments, Supplemental Annual Assessments and Special Assessments levied by the Association must be fixed at a uniform rate for each acre.

4.9 EFFECT OF NONPAYMENT OF ASSESSMENTS: REMEDIES OF THE ASSOCIATION. If any assessment or monthly installment thereof is not paid within thirty (30) days after its due date, the Board may, at its option and without further notice, declare the entire unpaid assessment, both annual and special, immediately due and payable. Unpaid assessments shall bear interest from and after the due date at the rate of eighteen percent (18%) per annum, not to exceed, however, the maximum rate permitted by law. In addition, the Association may impose a reasonable charge for late payment of any assessments not to exceed \$25.00 (which charge may be imposed once in any month during which an assessment or any portion thereof remains unpaid), and shall be entitled to recover fees and penalties for returned checks. The Association may enforce assessment obligations as permitted by law, including, without limitation, by filing and foreclosing a claim of lien and/or by bringing an action at law against the Owner personally obligated to pay the assessment and/or foreclose the lien against his Lot to collect said assessment. Interest, late charges, collection costs and reasonable attorneys' fees and costs of such action or foreclosure shall be added to the amount of such assessment. Each Owner, by his acceptance of a deed to a Lot, expressly grants to and vests in the Association or its agents the right and power to bring such action or foreclosure. Foreclosure may be accomplished in an action brought in the name of the Association in the manner that a foreclosure of a mortgage or deed of trust would be brought under the South Carolina Code of Laws (as periodically amended), or as otherwise expressly provided by law, and each Owner grants to the Association a power of sale in connection with any such charge or lien. The Association, acting on behalf of the Owners, shall have the power to bid on any Lot and to acquire and hold, lease, mortgage and convey the same.

NO OWNER MAY WAIVE OR OTHERWISE ESCAPE LIABILITY FOR THE ASSESSMENTS PROVIDED FOR HEREIN BY NON-USE OF THE COMMON AREA OR ABANDONMENT OF HIS LOT.

During any period in which an Owner is in default in the payment of any installment of an annual, special or other assessment levied by the Association, the voting rights of the Owner in the Association and the right to the use of the Common Area or any other services or facilities which is provided by the Association (except the right of access to the Owner's Lot and the right of access to utility service for such Lot) may be suspended by the Association until such assessment is paid. During any period in which an Owner is in default in the payment of any installment of an annual, special or other assessment levied by the Association, the Board may also notify the owner and holder of any mortgage or deed of trust of a delinquency relating to the Lot encumbered by that mortgage or deed of trust.

4.10 SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate to the lien of any Mortgage or Mortgages now or hereafter placed on any Lot subject to assessment; provided, however, that such subordination shall apply on to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessment after becoming due, not from the lien of subsequent assessments.

4.11 PROPERTY EXEMPT FROM ASSESSMENTS: (a) the Common Area; (b) portions of the Property owned by the Declarant; (c) any part of the Property dedicated to and accepted by any public or governmental authority (the recording of this Declaration shall in no way be deemed a dedication of, or offer to dedicate, any part of the Property to any such authority).

4.12 WORKING CAPITAL ASSESSMENT. Upon the closing of the sale of any Lot by the Declarant to an Owner, the Owner shall pay to the Association an initial Working Capital Assessment in the amount of THREE HUNDRED (\$300.00) DOLLARS. This assessment, which will be collected at closing, will be part of the general operating funds of the Association.

4.13 TRANSFER EXPENSE ASSESSMENT. The Association incurs costs and expenses in connection with each transfer of Lots within the Property. In order to defray those expenses, a Transfer Expense Assessment in the amount of \$50.00 shall be paid by the selling or transferring Owner to the Association prior to or contemporaneously with the recordation of the deed or other instrument of conveyance. This transfer expense assessment shall be part of the general operating funds of the Association. If not paid at closing, it shall be collectible as provided in Section 4.9 above. This Transfer Expense Assessment shall not apply to transfers or conveyances by the Declarant to an Owner.

4.14 NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER CERTAIN SECTIONS. Written notice of any meeting called for the purpose of taking any action authorized under Sections 4.3(d), 4.5(c) and 4.6 shall be sent to all members not less than ten (10) days nor more than thirty (30) days in advance of the meeting. At the first such meeting called, the presence in person or by proxy of members entitled to cast thirty percent (30%) of all the votes of each class shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be equal to the number of lots/votes represented at the meeting. No such subsequent meeting shall be held more than six (6) months following the preceding meeting.

ARTICLE V

USE RESTRICTIONS

5.1 LAND USE AND BUILDING TYPE. No lot shall be used except for residential purposes. No dwelling shall be erected, altered, placed or permitted to remain on any lot other than one detached single family dwelling together with such outbuildings which may approved by Declarant or the Architectural Control Committee. No lot or any portion of the Property shall be used for or as a "Residential Institution" except to the extent such are expressly protected and permitted by law. For purposes of this Declaration, a "Residential Institution" shall mean and refer to a nursing home, child care center, boarding house, dependent living facility, adult care center, adult care home, family child care home, group home, residential day care, house of detention, reform school, asylum, or institution of a kindred character, or any structure to house, provide a residence for, or be occupied by three or more persons, unrelated by blood, marriage or adoption on a temporary or permanent basis. The pasturing or stabling of cattle, meaning horses, cows, sheep and goats, but not swine, pigs or hogs, is permitted but each Owner shall have no more than one such animal per fenced acre on his, her or their Lot. Owners in Olde York Estate are permitted to stable horses for hire so long as the Owner does not exceed the one animal per fenced in acre limit.

5.2 APPROVAL OF PLANS. Construction shall not commence upon any lot unless and until the plans and specifications (specs) for the dwelling, and any permitted outbuilding(s), to be built upon said lot shall have first been submitted to and approved by the Developer, its successors and assigns, in accordance with the Design Guidelines which are attached hereto and incorporated herein and made a part hereof by this reference.

Plans and specs must be submitted and approved prior to the start of construction of any additions to any buildings or any out-buildings to be constructed on the property. Provided, however, that Declarant, its successors and assigns, may designate a committee of one or more persons to act on its behalf as an Architectural Control Committee (ACC).

Nation Land Company, LLC, its successors and assigns, shall have the right at any time to declare the further necessity for "Approval of Plans" to be null and void and of no further force and effect.

5.3 DWELLING SIZE, LOCATION AND 'SET BACKS'. The main structure shall consist of no less than the square footage stated in the attached Design Guidelines, and the location thereof and the set back requirements shall all be subject to pre-approval by the Developer, or the ACC, which shall review and approve all plans on a case by case basis.

5.4 MOBILE HOMES, MODULAR HOMES, MANUFACTURED HOMES PROHIBITED. All residences shall be "stick built" on site. No homes may be relocated to any lot. Mobile homes, modular homes or manufactured homes are not permitted.

5.5 CONSTRUCTION. All construction shall be completed within one year from the start of construction. All construction sites shall be kept in a clean, orderly condition. All construction plans and specs must be approved in accordance with the attached Design Guidelines prior to the start of any construction.

5.6 NUISANCES. No noxious or offensive activity shall be carried on, conducted or permitted upon any lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. Dogs shall not be allowed to roam freely outside an Owner's lot. All dogs shall at all times be kept restrained either within a fenced enclosure or upon a leash.

5.7 ABANDONED AUTOMOBILES. No abandoned automobile shall be placed or allowed to remain upon any lot. Any abandoned automobile is defined as an automobile upon which current license plates have not been obtained and displayed within ninety (90) days of the date for which current license plates are required and properly insured as required by the South Carolina Department of Motor Vehicles.

5.8 TEMPORARY STRUCTURES. No structure of a temporary character or trailer or basement, tent, shack, garage, barn or other outbuilding shall be used on any lot at any time as a residence either temporarily or permanently.

5.9 FENCES, WALLS, DRIVEWAYS. Prior to the installation of any fencing, walls or driveways on a Lot, the plans for the same showing the materials to be used and the location of the same shall be submitted to the Developer and Architectural Control Committee for approval in accordance with the Architectural Design Guidelines.

5.10 MAILBOXES. Mailboxes in Olde York shall be of uniform design as approved by the Developer or the ACC.

5.11 LIVESTOCK, ANIMALS, PETS. The pasturing or stabling of cattle, meaning horses, cows, sheep, and goats, but not swine, pigs or hogs, is permitted but each Owner shall have no more than one such animal per fenced acre on his, her or their Lot. All permitted pets and animals shall be controlled so as not to create a nuisance or unreasonable disturbance, including loud and excessive barking, on the Property. All animals and pets must be housed inside a Lot either by conventional fencing or invisible fencing, and no animal or pet shall be permitted or found on the Property (other than the Lot of its owner) unless carried or leashed by a person that can control the animal or pet. No pets may be kept or bred for commercial purposes. No savage or dangerous animals, as determined by the Board in its sole discretion, may be kept on any Property within Olde York Farms. Pets shall not be permitted to defecate other than on the Lot of its Owner, and each Owner shall clean up immediately after his pet if an accident occurs. All Properties containing animals shall be free and clean of odors emanating from animals or animal enclosures so as not to create an unpleasant situation for other Owners. All animals and pets shall be registered, licensed and inoculated as required by law. Each Owner shall indemnify and hold the Association

harmless from any claim or costs, including reasonable expenses and attorney's fees, resulting from any action of his pet, and shall repair at his expense any damage to the Property or the fence caused by his pet and/or livestock. If any Owner violates these rules more than twice in a twelve (12) month period, the Association shall have the right to require the Owner to remove the animal permanently from the Property upon not less than ten (10) days' written notice.

5.12 SUB-DIVIDING LOTS. Sub-division of any Lot is not permitted except upon the expressed, written approval of the Developer or the ACC. The Developer or the ACC shall require the submission for approval of a plat showing the proposed sub-division.

5.13 BOATS, TRAILERS, ETC. No boats, boat trailers, boat riggings, "RVs" motor homes, camping trailers or other recreational vehicles shall ever be parked or placed (except temporarily) nearer to the street than the rear of the residence and must be adequately screened so as not to be seen from the street, common area or adjoining Lots. The parking of automotive vehicles on any road right of way for a period longer than twelve hours is prohibited. No tractor-trailer rigs, dump trucks, busses, or large commercial vehicles shall be parked or stored on any lot or street at any time.

5.14 SIGNS. No advertising signs of any type or kind shall be erected, placed or permitted to remain upon or above any Lot or Common Area with the exception of a single sign "For Rent" or "For Sale" which sign shall not exceed two feet by two feet in dimension and shall refer only to the premises on which displayed, there being only one sign to a Lot. "For Sale" signs, approved by the ACC, may be used by builders during the new home construction phase.

5.15 POOLS, SATELLITE DISHES. No above ground pools shall be permitted. No satellite dishes greater than 18" in diameter shall be permitted and said satellite dishes shall be located to the rear of the house and hidden as much as possible from view.

5.16 MAINTENANCE BY OWNERS. Each Owner shall have the duty and responsibility, at such Owner's sole cost and expense, to keep the Lot(s) owned by such Owner, including the residence structure ("House"), barns, unattached buildings, the portion of the Fence located on owner's lot and all other improvements, landscaping and ground and drainage easements or other rights-of-way incident thereto, in compliance with the covenants, conditions, restrictions and standards contained in this Declaration, and in any applicable Supplemental Declaration, in accordance with the provisions of Architectural and Landscape Guidelines, and well maintained and in good repair, safe, clean and attractive condition at all times. Such maintenance, as to unimproved and improved Lots (including the area between the Lot line and the paved portion of any roadway, sidewalk or public right-of-way), shall include, but not be limited to, the following:

- (a) Keeping the Fence on his Lot in good condition and repair (see Paragraph 5.17 below) including keeping the grass and shrubbery around the fence properly and attractively cut and maintained. This includes keeping the grass cut between the Fence and the road and keeping the grass cut for at least 10 feet behind the fence. Owner shall conduct all activities in the area between the Fence and the road so as not to damage the uniform trees planted therein. Owner shall not remove any of the uniform trees unless necessary to install a driveway. The area between the Fence and the road is to be kept as clear and open as possible so as to highlight the distinctively unique quality of the Fence. Therefore, the area between the Fence and the road shall be maintained as lawn. Low growth shrubbery and flowers along the fence may be permissible but Owner must first obtain ACC approval prior to the installation of the same. Note the Developer's/Association's right under paragraph 5.18 below to enter and cure and charge the Owner the cost thereof for failing to abide by this, or any other requirement.
- (b) The Owner of a Lot upon which a Monument is located shall have the duty and responsibility of keeping the grass and shrubbery around the Monument attractively cut and maintained. Note however, installing more extensive plants, shrubbery, flowers, etc., around the Monuments is a project which the Association may want to assume (see Paragraph 4.3(d) above). The Monument access easement reserved in ARTICLE VII below includes the right of the Developer or the Association to perform such landscaping around the monuments and maintain such landscaping. In the event the Association installs more extensive landscaping around the Monuments, then the Association shall have the responsibility of maintaining the same. In other words, the Association does not have the right to install more landscaping, and even elaborate landscaping, and require the Owners of the Lots upon which the Monuments are located to maintain the same unless the Owners agree to do so. No Owner shall otherwise have the right to alter or modify the appearance of the Monuments without the consent of the Association.
- (c) Lots shall be kept free of all litter, trash, refuse, waste, rubbish and brush.
- (d) Keeping land, including any lawns and shrub beds, well maintained and free of trash, uncut grass and weeds.
- (e) Keeping all sediment resulting from land disturbance or construction confined to the respective Owner's Lot by using appropriate confinement measures.
- (f) Complying with all governmental zoning, construction, health and police requirements.
- (g) All dead or decaying trees and vegetation must be removed.

- (h) Grass areas shall be maintained by mowing on a regular basis.
- (i) Grass areas and planting beds shall be kept weed free.
- (j) Parking and driveway areas shall be maintained and in good repair.
- (k) All structures and improvements on Lots must be well maintained and shall be kept in a neat, clean and attractive condition at all times.
- (l) Every Owner shall be responsible for the cost of repairing any damage done to the Fence, the uniform trees planted between the Fence and the roads, the Monument lights, or the Monument(s) as the result of the negligent or intentional acts of Owner, Owner's family, friends, guests, invitees (or any of their vehicles), or damage caused by Owner's pets, and/or livestock. The cost thereof shall be deemed to be a component of such Owner's annual assessment and as such shall be a lien against Owner's Lot, the collection of which shall be enforceable in the same manner as unpaid assessments under Paragraph 4.9 above, including foreclosure of the lien for unpaid assessments, if the cost is not paid on or before 10 days of the date that the bill for the cost is not paid by Owner.

5.17 FENCE MAINTENANCE. The Fence and the Monuments are the distinctive and unique characteristics of Olde York. Thus, the maintenance and the uniformity of the appearance thereof is of paramount concern. Therefore, every owner is charged with keeping the grass around the Fence on his Lot properly and attractively cut and maintained (see 5.16(a) above). No Owner shall alter the color of the fence in any manner. Only so much of the Fence shall be removed so as to install driveways to the Lots. The duties of the Association as to repairing, maintaining and periodically repainting the Fence are set forth in Paragraph 4.3 above.

5.18 DEVELOPER'S RIGHT TO ENTER AND CURE. In the event an Owner shall fail, refuse, or neglect to fulfill any of his, her or their obligations under these Restrictions, and particularly the requirements under this ARTICLE V, and such condition or omission shall remain unchanged for a period of five days of the date that notice is mailed to the Owner, the Developer, its successors and assigns, shall have the right to enter upon Owners's Lot and perform the action necessary to remedy the unsightly condition or other deficiency and charge the Owner for the cost thereof which cost shall be deemed to be a component of such Owner's annual assessment and as such shall be a lien against Owner's Lot, the collection of which shall be enforceable in the same manner as unpaid assessments under Paragraph 4.9 above, including foreclosure of the lien for unpaid assessments, if the cost is not paid on or before 10 days of the date that the bill for the cost is not paid by Owner.

ARTICLE VI

ARCHITECTURAL CONTROL

6.1 GENERAL. Notwithstanding anything contained in this Declaration to the contrary, no Improvements, including, without limitation, changes, additions or alterations of any Lot, including exterior additions or alterations to any building situated upon the Property, erection of or changes or additions in fences, shrubs, landscaping, walls and other structures, or any cutting of trees on any Lot, shall be commenced, erected or maintained on any portion of the Property until: (a) the Architectural Control Committee, appointed as hereinafter provided, has received and reviewed the plans and specifications and the location, materials, size and design of such Improvements and has given its written approval for commencement of the changes, all in accordance with the terms and requirements in the Architectural and Landscape Guidelines; and (b) any applicable fees have been paid. In addition to any standards established pursuant to this Declaration, Declarant may establish by Supplemental Declarations, other architectural and landscaping control standards, guidelines and restrictions.

6.2 COMPOSITION OF ARCHITECTURAL CONTROL COMMITTEE.

- (a) Before "Turnover Date". So long as Declarant owns any Lot or other portion of the Property, the members of the Architectural Control Committee shall be Declarant and/or persons appointed from time to time by Declarant (which may include architects or other professionals). Control of architectural and landscaping issues and decisions shall remain vested in Declarant until such time as Declarant no longer owns any Lot or other portion of the Property or at such earlier date as Declarant releases its right to appoint the members of the Architectural Control Committee by recordation of a written instrument in the Register of Deeds ("Turnover Date").
- (b) After "Turnover Date". The members of the Architectural Control Committee may be appointed by the Board after the Turnover Date. Pending appointment of members by the Board, the Board shall act as the Architectural Control Committee. The Architectural Control Committee will be composed of at least three (3) and not more than seven (7) individuals, the exact number of members of the Architectural Control Committee to be designated from time to time by the Board.
- (c) Removal and Replacement of Committee Members. In the event of the death or resignation of any member of the Architectural Control Committee, the party or body then having the authority to appoint members to the Architectural Control Committee shall have full authority to designate and appoint a successor. Members of the Architectural Control Committee may be removed and replaced at any time, with or without cause, and without prior notice, by the party or body then having the authority to appoint such members.

- (d) **Professional Services.** Professional fees for services rendered may be assessed to the Owner submitting a request and if unpaid shall become a Special Individual Assessment enforceable as provided in Section 4.9. Notwithstanding anything contained herein to the contrary, the Architectural Control Committee shall have the right, power and authority to employ and/or use the services of any architects, engineers, attorneys or other professionals as it deems necessary or advisable, in its sole discretion, to carry out the duties and obligations of the Architectural Control Committee.

6.3 **DESIGN AND ARCHITECTURAL GUIDELINES.** The Architectural Control Committee may, from time to time, publish and promulgate supplementary architectural, landscape and construction guidelines (the "Architectural Guidelines") so long as the same do not amend or deviate from the attached Design Guidelines without Declarant's approval. The Design Guidelines and any additional Architectural Guidelines shall be explanatory and illustrative of the general intent of the development of the Property and are intended as a guide to assist the Architectural Control Committee in reviewing plans and specifications for Improvements. The Architectural Control Committee is authorized to request the submission of samples of proposed construction materials. The attached Design Guidelines shall serve as the basis for the approval or disapproval of all construction in Olde York. However, the Declarant shall have the authority to revise and amend the same at any time, in its sole discretion, and shall not constitute, in every event, the basis for approval or disapproval of plans, specifications and other materials submitted to the Declarant or Architectural Control Committee for approval.

6.4 **VARIANCE FROM GUIDELINES.** Upon submission of a written request for same, the Declarant/Architectural Control Committee may, from time to time, in its sole discretion, permit Owners to construct, erect or install Improvements which are at variance with architectural or landscaping requirements or provisions that might be otherwise applicable. In any case, however, such variances shall be in basic conformity with and shall blend effectively with the general architectural style and design of the community and shall not materially change the scheme of restrictions herein set forth. Written requests for variances shall be deemed to be disapproved until the Declarant or Architectural Control Committee has expressly approved the request in writing. The Declarant, nor any member of the Architectural Control Committee, shall be liable to any Owner for any claims, causes of action, or damages arising out of the grant or denial of any variance to any Owner. Each request for a variance submitted hereunder shall be reviewed separately and apart from all other such requests. The grant of a variance to any Owner shall not constitute a waiver of the Declarant's or the Architectural Control Committee's right to strictly enforce the covenants, restrictions and architectural standards provided hereunder or under any Supplemental Declaration against any other Owner. Nothing herein shall authorize the Committee to grant a variance with respect to the Use Restrictions set forth in ARTICLE IV or any Supplemental Declaration.

6.5 DEFINITION OF "IMPROVEMENTS". The term "Improvement" or "Improvements" shall mean and include the House and any and all man-made changes or additions to a Lot or attached or affixed to a Lot, including, but not limited to, all buildings (including any exterior devices attached to or separate from buildings, such as heating and air conditioning equipment, solar heating devices, antennae, satellite dishes, etc.); storage sheds or areas; roofed structures; parking or paved areas; fences; "invisible" pet fencing; pet "runs", lines and similar tethers or enclosures; walls, irrigation equipment, apparatus and systems; landscaping (including cutting of trees) hedges; mass plantings, poles; driveways; ponds; lakes, changes in grade or slope; site preparation; swimming pools; hot tubs; Jacuzzis; tennis courts; tree houses; basketball goals; skateboard ramps; and other sports or play apparatus; signs; exterior lights and illumination; and changes in any exterior color, design or shape. The definition of Improvements includes both original Improvements and all later changes to Improvements. The definition of Improvements, however, does not include the replacement or repair of Improvements previously approved by the Architectural Control Committee, provided such replacement or repair does not change exterior colors, materials, designs or appearances from that which were previously approved by the Architectural Control Committee.

6.6 ENFORCEMENT. The architectural control provisions of this Declaration and any Supplemental Declarations are to facilitate control of the architectural design, construction, installation and placement of all Improvements and landscaping and to establish quality standards for the development and to help preserve values of properties in the development. All Owners, by purchasing property subject to this Declaration, acknowledge that a violation of any such provisions could result in irreparable damage to other Owners of property in the Project and to Declarant. Accordingly, the Association, or any Owner, shall have the specific right (but not the obligation) to enforce and/or to prevent any violation of the provisions contained in this Article and to enforce rulings and decisions of the Architectural Control Committee by a proceeding at law or in equity against the person or persons violating or attempting to violate any such provision, ruling or decisions and/or through administrative action as permitted by the Act, including the possible imposition of fines or suspension of rights or privileges. Declarant hereby specifically reserves and grants unto the Architectural Control Committee, the Board and any agent or member thereof, the right of entry and inspection upon any portion of the Property for the purpose of determination by the Architectural Control Committee or the Board whether there exists any Improvement which is not approved or which violates the terms of any approval by the Architectural Control Committee, the terms of the Architectural and Landscape Guidelines, the terms of this Declaration or the Project Documents.

As to nonconforming or unapproved Improvements, the Association may require any Owner to restore such Owner's Improvements to the condition existing prior to the construction or installation thereof (including, without limitation, the demolition and removal of any unapproved Improvements) if such Improvements were commenced or constructed in violation of this Article. In addition, the Association may, but has no obligation to, cause such restoration, demolition and removal to be performed and to levy the amount of the cost

thereof as a Special Individual Assessment against the Lot or portion of the Property upon which such Improvements were commenced or constructed. In the event that it becomes necessary to resort to litigation to determine the propriety of any constructed Improvement, to remove any unapproved Improvement or otherwise to remedy a violation of the Architectural and Landscape Guidelines, the Association shall be entitled to recover court costs, attorneys' fees and expenses incurred by the association and/or the Architectural Control Committee in connection therewith, which costs, fees and expenses may be levied as a Special Individual Assessment against the Lot or other portion of the Property upon which such Improvement was commenced or constructed.

6.7 FAILURE OF THE ARCHITECTURAL CONTROL COMMITTEE TO ACT. Written approval as specified in Section 6.1 shall be required in every case. No failure or delay by the Architectural Control Committee to approve or disapprove any plans and specifications and other submittals or to reject them as being inadequate or unacceptable shall be deemed as construed to be an acceptance or approval thereof. Further, the Architectural Control Committee has no right or power to waive or grant any variances relating to any mandatory use restrictions or requirements specified in this Declaration or any Supplemental Declaration, or to waive any of the requirements set forth in this Article. If plans and specifications or other submittals are not sufficiently complete or are otherwise inadequate, the Architectural Control Committee may take no action with respect to them or may reject them as being inadequate or may approve or disapprove them in part, conditionally or unconditionally, and reject or approve the balance.

6.7 FEES REQUIRED BY THE ARCHITECTURAL CONTROL COMMITTEE. The Architectural Control Committee, in its sole discretion, may require that each person submitting plans and specifications for Improvements to the Architectural Control Committee pay one or more fees to the Architectural Control Committee or to Declarant as a condition to review and/or to commencement of construction of such Improvements including, without limitation, fees of professionals serving on or retained, employed or consulted by the Architectural Control Committee. Such fee(s), including the amount(s), payee and purpose(s) thereof, shall be established by, and may be increased from time to time by the Architectural Control Committee and may be set forth in the Architectural and Landscape Guidelines.

6.8 LIMITATION OF LIABILITY. No member of the Architectural Control Committee or any "Architectural Changes Committee" shall be liable for claims, causes of action or damages (except where occasioned by willful misconduct of such member) arising out of services performed pursuant to this ARTICLE VI. The Architectural Control Committee, nor the members thereof, nor the Association, nor Declarant, nor any officers, directors, members, employees, agents or affiliates of any of them, shall be liable for damages or otherwise to anyone submitting plans and specifications and other submittals for approval or to any Owner by reason of mistake of judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval of, or the failure to approve or disapprove of, any plans and specifications. The approval of plans and specifications by the Architectural Control Committee or any Architectural Changes Committee (if applicable) shall not be deemed or

construed as a representation or warranty of the Architectural Control Committee, Declarant, or any officer, director, member, employee, agent or affiliate of any of them, that Improvements constructed in accordance with such plans and specifications will comply with applicable zoning ordinances, building codes, or other governmental or quasi-governmental laws, ordinances, rules and regulations or as to the structural soundness or quality

ARTICLE VII

EASEMENTS

7.1 **GENERAL.** Each Lot now or hereafter subjected to this Declaration shall be subject to all easements shown or set forth on the recorded plat or plats of survey upon which such Lot is shown. No structure of any type shall be erected or placed upon any part of any Lot which will interfere with rights and use of any and all easements shown on said recorded plat.

7.2 **UTILITY AND DRAINAGE.** An easement on each Lot is hereby reserved by Declarant for itself and its successors and assigns along, over, under and upon a strip of land ten feet (10') in width parallel and contiguous to the rear or back Lot line and the front Lot line of each Lot and a five foot (5') in width strip parallel to the side lines of each Lot, in addition to such other easements as may appear on a recorded subdivision plat for Olde York. The purpose of these easements shall be to provide, install, maintain, construct and operate drainage facilities now or in the future and utility service lines to, from or for each of the Lots. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of utilities, or which may change the direction or flow of drainage channels in the easements. The easement area of each and all improvements in it shall be maintained continuously by Owner, except for those improvements for which a public authority or utility company is responsible. With ten (10) days prior written notice to Owner, Declarant may exercise the right to remove obstructions in such easements upon Owner's failure to do so. For the purpose of this covenant, Declarant reserves the right to modify or extinguish the herein reserved easements along any Lot lines when in its sole discretion adequate reserved easements are otherwise available for the installation of drainage facilities and/or utility service lines. For the duration of these restrictions, no such utilities shall be permitted to occupy or otherwise encroach upon any of the easement areas reserved without first obtaining the prior written consent of Declarant; provided, however, local service from utilities within easement areas to residences constructed upon any such Lots may be established without first obtaining separate consents therefore from Declarant. The Association may likewise reserve and grant easements for the installation and maintenance of sewerage, utility and drainage facilities in, across, under and over the Common Area.

7.3 EMERGENCY. There is hereby reserved without further assent or permit and to the extent allowed by law, a general easement to all firemen, ambulance personnel, policemen and security guards employed by Declarant and all similar persons to enter upon the Properties or any portion thereof, in the performance of their respective duties.

7.4 FENCE. A perpetual easement is hereby reserved on all Lots to situate, place, construct and maintain the Fence. The location of the Fence easement shall be between 25 feet and 45 feet from the center of the road which each Lot faces for the entire width of each Lot. Furthermore, in the event highway widening or other factors cause the fence to have to be moved outside of the 25' - 45' easement zone, then the easement shall adjust accordingly to accommodate the new position in which the Fence has to be relocated.

7.5 MONUMENT. A perpetual easement is hereby reserved on the Lots at the four corners of Highway 49 and Sherrer/Adkins Roads to situate, place, construct and maintain the Monuments and the lighting thereof. The location of the Monument Easement shall be where the Monuments are presently located and as shown, or to be shown, on the survey plats of the Property or the Lots on those corners.

7.6 FENCE AND MONUMENT ACCESS EASEMENTS. The Declarant and the Association hereby reserve perpetual easements over the Properties and Lots for access in, to and from the various roads and the Fence, the uniform trees between the Fence and the roads, and the Monuments, for the maintenance, repair, and repainting thereof, including the maintenance and repair of Monument lighting, and for the installation and maintenance of any additional landscaping which the Board or the Association may opt to do. This access easement includes sufficient area on all sides of the Fence and Monuments as necessary for service vehicles and equipment to perform needed maintenance, repair, repainting and landscaping.

ARTICLE VIII

GENERAL PROVISIONS

8.1 COVENANTS RUNNING WITH THE LAND. All provisions of this Declaration shall be construed to be covenants running with the land, and with every part thereof and interest therein, and every Owner or any other person or legal entity claiming an interest in any Lot, and his heirs, executors, administrators, successors and assigns, shall be bound by all of the provisions of this Declaration.

8.2 DURATION. The covenants, conditions and restrictions of this Declaration shall be binding for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive and additional periods of ten (10) years each.

8.3. AMENDMENT. This Declaration may be amended by Declarant at any time until Declarant owns no more lots in Olde York unless Declarant shall sooner cede such right to the Association as provided herein. Thereafter, this Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than sixty percent (60%) of the Owners, and thereafter may be amended or terminated by an instrument signed by not less than fifty-one percent (51%) of the Owners. Any such amendment or termination shall not be effective until an instrument evidencing such change has been filed of record in the Office of the Clerk of Court of York County.

8.4. ENFORCEMENT. If any Owner shall violate or attempt to violate any of these restrictions, failure to comply with any of the same shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Executive Board on behalf of the Association, or, in proper case, by an aggrieved Owner. Any failure by the Association or any other Owner to enforce any of the foregoing restrictions or other provisions shall in no event be deemed a waiver of their right to do so thereafter. Invalidation of any covenant, condition or restriction or other provision of this Declaration shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

The provisions of this Declaration were established for the purpose of creating, preserving and maintaining the development and operation of a residential community of the highest quality. The owner of any Lot, by acceptance of a deed therefore, covenants and agrees that the Association may pursue any breach or violation of the Declaration, rules, regulations and guidelines duly established by the Association in the following manner:

The Board has the authority to establish a procedure to address violations of the Declaration, rules, regulations and guidelines.

The Association may conduct any administrative proceedings permitted or provided for under the Declaration or as otherwise provided by law, including without limitation, the right of the Association, after notice and an opportunity to be heard, to (1) impose reasonable fines for violations of the Declaration, the Bylaws, or other rules, regulations and guidelines, (2) to suspend privileges or services provided by the Association (except rights of access to lots) for reasonable periods for violations of the Declaration, Bylaws, or other rules, regulations and guidelines or during any period that assessments or other amounts due and owing to the Association remain unpaid for a period of thirty (30) days or longer, or (3) to adjudicate small claims for damages and determine liability therefore. Prior to pursuing the imposition of a fine or suspension of privileges or services, the offending Owner will be notified and given ten (10) days in which to cure his violation or nonpayment. In the event the violation or nonpayment is not cured within this ten (10) day period, a hearing shall be

held before the Board to determine if the offending Owner should be fine or if privileges or services should be suspended. The violating Owner shall be given notice of the violation and an opportunity to be heard and present evidence before the Board. Afterwards, the owner will be notified in writing of the Board's decision. If it is decided that a fine should be imposed, a fine not to exceed one hundred dollars (\$100.00) may be imposed for each violation and without further hearing, for each day after the decision that each violation occurs. Fines imposed shall be assessments secured by liens.

8.4 HEADINGS. Headings are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer.

8.5 UNINTENTIONAL VIOLATION OF RESTRICTIONS. In the event of unintentional violation of any of the setback line restrictions set forth on any recorded plat of the Properties, Declarant reserves the right, by and with the mutual written consent of the owner or owners for the time being of such lot, to change the setback line restriction set forth in the instrument provided, however, that such change shall not be violation of any zoning provision of the County of York.

8.6 INDEMNIFICATION OF OFFICERS. The Association shall indemnify any and all persons who may serve or whom have served at any time as officers of the Association against any and all expenses, including amounts paid upon judgments, counsel fees and amounts paid in settlement (before or after suit is commenced), actually and necessarily incurred by such persons in connection with the defense or settlement of any claim, action, suit or proceeding in which they, or any of them, are made parties, or a party, which may be asserted against them or any of them, by reason of being or having been directors or officers or a director or an officer of the Association, except in relation to matters as to which any such director or officer or former director or officer or person shall be adjudged in any action, suit, or proceeding guilty of willful and intentional negligence or misconduct in the performance of his or her duties to the Association. Provided, however, that in the event of a settlement, the indemnification herein shall apply only when the Board approves such settlement and reimbursement as being in the best interest of the Association.

The provisions hereof shall be in addition to and not exclusive of any and all other rights to which any officer may otherwise be entitled under any law, By-law, agreement, vote of Association Members or otherwise. In the event of death of any officer or director, the provisions hereof shall extend to such person's legal heirs, representatives, successors and assigns. The foregoing rights shall be available whether or not such person or persons were in fact directors or officers at the time of incurring or becoming subject to such expenses, and whether or not the proceeding, claim, suit or action is based on matters which antedate the recording of this Declaration.

Olde York Farms

DESIGN GUIDELINES

I. INTRODUCTION

These Guidelines are assembled to set a standard of quality for Olde York Farms, yet the intent is to encourage the Owner, the home and landscape designer to use their creativity in order to give this development a sense of diversity within this designated level of design quality. An Architectural Control Committee, ACC, has been established. The ACC is flexible and receptive to a wide variety of good design.

The ACC will not approve "facade architecture", where in only the front elevation is emphasized and the remaining sides do not reflect the same quality of design. Garage doors that are visible from the street are not allowed; therefore no garages shall face the front street of the residence. All garages shall have a "side entry" or a "rear entry".

Olde York Farms will approve home styles that have an eclectic English and French Country manor estate architectural fashion. These specific styles names are but not limited to Tudor Manor, English Victorian styles such as Richardsonian and Shingle, Normandy, Chateausque, French Eclectic, and Gothic influences. Other combinations will be reviewed on a case basis in the preliminary review before the owner starts the design phase

II. SUBMITTAL PROCEDURES

2.1 Preliminary Submittal

2.1.1 Purpose: The preliminary submittal gives the Architectural Representative and the Architectural Control Committee a chance to comment on the design at an early stage prior to the applicant's commitment to a complete set of contract documents that might have basic problems. This preliminary submittal will generally assist the later construction approval in expediting a "cleaner" issuance of a Construction Approval Letter. It is advisable for the applicant to telephone the Architectural Representative and discuss this phase of the submittal process.

2.1.2 Form: Preliminary submittals shall include the following: Site plan, rough grading plan, floor plan, and elevations indicating only the major details. These should be submitted in duplicate as one copy will be retained in the project file and the other returned with appropriate markings indicating suggested modifications along with written review comments.

2.2 Construction Documents Approval

2.2.1 Purpose: The Application for Architectural Review, including a site plan and building plan must be submitted and approved in writing before you can begin any site clearing or building on your lot.

→ Site and Architectural Plans (2 sets) must be sent with the application. In order to expedite processing. Please note your Lot number on the plans.

Once the Architects review and approve your plans, **UNTIL YOU RECEIVE A LETTER STATING THAT EACH OF YOUR PLANS ARE APPROVED, YOU MAY NOT BEGIN CONSTRUCTION.**

Additional reviews required beyond these steps such as separate review of contingent items, required additional site visits will be considered "non-standard" and will be billed on a time and materials basis as determined by the Architectural Representative.

2.2.4 Violations: Any improvement built in violation with the approved construction documents shall be considered a violation, whether or not the change is considered superior to the original proposal. For whatever action it deems necessary, including, but not limited to, the assessment of a fine as provided by the foregoing Developer. Changes desired during construction to any exterior element of the project must be submitted to the Architectural Control Committee.

2.2.6.1 Site Plan: The application must be accompanied by a complete site plan at a minimum scale of 1"=20'-0" that accurately indicates the boundary, required setbacks and easements. Delineate with a dashed line the proposed staging (storage of materials and equipment) areas. Appropriate fine grading notes shall be included to contain any surface drainage on site at the side and rear yard property lines.

2.2.6.2 Floor Plans: Floor plans shall be submitted at a scale of 1/4"=1'-0"

2.2.6.3 Elevations: All exterior elevations shall be shown at a minimum scale of 1/4"=1'-0". Include all exterior patios, decks, and utility screens. Indicate type and size of finish materials, location and height of furnace flues.

2.2.6.4 Exterior Finish Material and Colors: Finish exterior material samples with exact finish colors shall be submitted to the ACC for review and approval along with the proposed building plans and specifications for construction. The Architectural Representative must be informed not only of the proposed body, fascia and trim colors, but those of "factory finished" manufactured windows, garage doors, entry door, gutters and down spouts, flashings, vents, etc. All exterior metal shall be painted or have a factory finish.

2.2.5 Inspections: The Architectural Control Committee has the authority to make on-site inspections following the submission of preliminary or construction submittal documents. At completion of the project, and preferably prior to occupancy, please send your "Request for Final Inspection" form.

III. DESIGN AND CONSTRUCTION GUIDELINES

To achieve a high quality community image, both the overall building appearance and its details should convey a sense of solid, permanent construction. The Architectural Control Committee will discourage facade treatments that are associated with impermanent, hastily built, or obviously inexpensive construction materials or techniques. Major grading alterations are discouraged. A residence design that attempts to show a statement of quality on the front elevation but abandons all pretense of design or quality on the other sides and rear will not be approved. Minimum house sizes (excluding the garage) shall contain a minimum of 2,600 square feet of heated living space. All product submittals are expected to be authentic representations of the original period styles and shall be consistent with that style from all views as reviewed and approved by the ACC. The garage shall not be the major design statement of the house, and as viewed from the street the garage doors shall not be totally visible. Design emphasis shall be on the main body of the house as the focal point. Exterior amenities such as barns, decks, patio covers, trellises, gazebos, hot tubs, etc. shall be designed and finished as extensions of the original house design theme.

3.1 Construction: Staging areas are required on each site plan to limit the impact of storage of materials and equipment on the surrounding parcels. Building materials and construction vehicles shall be kept completely on the construction site unless prior approval of the ACC is obtained. The owner shall monitor the construction procedure to see that the site is kept clean. Periodic water sprinkling may be required for dust control.

3.2 Materials

- a.) Wood lap siding, shingles, brick, wood siding, masonry stucco and stone are acceptable exterior finishes. Composition wood products are discouraged. Wood shall be high quality finish, grade, stained or painted. Structures must be eighty (80) percent masonry, stone or wood. All colors, styles, etc., shall be submitted for ACC approval.
- b.) All exterior building materials, finishes and colors shall be approved by the ACC. Uncovered or exposed (whether or not painted) concrete or masonry block shall not be permitted as the exterior finish of any building, structure or wall unless approved by the ACC.
- c.) The structures must have a major material to be used on all sides. Multiple accent materials are acceptable.

All brick, stone work and mortar, as to type, size, color and application, must be approved by the ACC. All exterior colors, including the color of all roof shingles, brick, stone, masonry stucco, wood, trim, eaves, railings, doors garage doors and shutters shall be subject to approval.

3.3 Roofs, Gutters & Down spouts: a.) The minimum recommended pitch for all major roof structures is 8/12, or consistent with the architectural style of the dwelling; variances may be granted. The ACC encourages the use of gable and hip roofs to break up the expanses of the major roof planes. Acceptable materials are as follows:

Architectural Shingles
Slate
Cedar Shingles or Shakes
Standing Seam Metal

All gutters and down spouts shall be designed as a part of the building structure, and shall blend in color with the surface to which they are attached

3.4 Barns: Barns must be placed in the rear yard unless otherwise approved by the ACC. The structure, materials and placement for any barn must be approved by the ACC.

3.5 Exterior Mechanical Systems: Screening for mechanical systems such as the air conditioning condenser units and propane tanks must be designed and insulated for noise control to protect adjoining properties. These screens shall be designed as an extension of the house design and shall match the house wall in material and finish.

3.6 Accessory Buildings & Elements: Only temporary construction related buildings may be erected prior to construction of the actual house. Garages attached to the residential structure, patio covers, and detached patio covers, shall be constructed of, and roofed with, the same materials and with similar design (roof pitch) and finish colors as the residential structure.

3.7 Excavation: All excavation and related earth work must be done in a manner to create a minimum disturbance on the site and surrounding properties.

3.8 Chimneys: All exterior chimneys shall either match the exterior material of the residence or be of brick, stucco or stone masonry. The chimney cap shall be screened by a spark arrester appropriate to the design of the house, and indicated on the drawings. In circumstances where a custom designed false cap is desired, it will require approval of the Architectural Committee. All exposed metals shall have a "factory finish" or be painted.

3.9 Exterior Lighting: The balance of exterior lighting on the other building elevations must not have a visible light source, which would dictate a "shielded" unit or recessed type fixture. Lighted driveway entry "bollards" may be permitted but must have their design submitted to the Architectural Control Committee for review and approval prior to installation. Ground-mounted floodlights for landscaping emphasis are allowed with proper shielding. Colored lights or colored light sources shall be prohibited, except on a temporary basis during the Christmas season (November 15th through January 15th).

3.10 Utilities: All connections from trunk lines to individual structures shall be underground. Exposed plumbing and electrical lines are not allowed. Areas impacted by excavated for site utility hookups must be restored to their natural condition.

3.11 Utility Items on the Roof: Roof plumbing vents shall be located on the roof faces other than the street side. Metal attic vents are discouraged; attic venting should be handled by a combination of soffit, dormer, and ridge vents. Gas or other flues protruding through

the roof in excess of three (3) feet in height measured from the low point of the roof protrusion will not be allowed unless a compatibly designed chase (chimney) is provided. These flues shall be shown on all elevation drawings. Satellite saucer communication systems or other antenna shall not be visible from the street, indicate their actual location on the submittal drawings. Wood burning fireplace chimneys shall have spark arrester termination shrouds.

3.12 Exterior Appearance: Exterior materials and colors shall be continuous and consistent on all elevations in order to achieve a uniform and total architectural design. Horizontal blank wall areas over twelve feet (12') without a break in plane, window, trim, or design feature are strongly discouraged; but will be reviewed on an individual basis. All reflective metals such as chimney stacks, flues, flashings, exhaust vents and pipes must be painted or have a "factory finish" to match or blend with surrounding materials. All exterior materials and colors are required to be submitted to the Architectural Committee for review and approval.

3.13 Windows: Consistency in type, style, trim, proportion, and relationship to each other is a key focus of quality design. Window treatment should be approached as a theme that can be repeated with variations rather than regarding each window as a separate requirement of the design and function of the floor plan.

3.14 Fencing: Fence must be four (4) board black horse fence as seen as on-site example. Any other fence must be approved by the ACC. No fence or wall shall be erected on any Lot until the Architectural Control Committee has given its prior written approval of the color, size, design, materials and location for such fence or wall. No chain link fences will be permitted

3.15 Mailboxes: Mailboxes in Olde York shall be of uniform design as approved by the Developer or the ACC.

3.16 Driveways: Straight driveways are discouraged; curving layouts will assist in creating an "estate feel". The first fifty (50) feet from the front roadside entrance must be made of a hard surface, concrete, brick, stone or asphalt.

3.17 Construction Signage: All advertising signs shall be limited to twelve square feet and shall be subject to Architectural Committee approval as to design and color. No more than two (2) shall be permitted on any Building Lot at any one time and all signs shall be located at least twenty (20) feet back from the front property line. Streamers, flags and other like advertising are expressly prohibited.

3.18 Facilities: Swimming pools, tennis courts and similar facilities shall be located no closer than thirty (30) feet from any property line. All such facilities shall be located in a rear yard. Above ground swimming pools will not be permitted.

BY-LAWS
of
OLDE YORK FARMS HOMEOWNERS ASSOCIATION

THESE ARE THE BY-LAWS of Olde York Farms Homeowners Association (hereinafter referred to as the "Association"), a nonprofit association of homeowners organized and charged with the primary duty of maintaining the common areas in Olde York Farms, a single family residential subdivision located in York County, South Carolina.

I. GENERAL

A. Fiscal Year. The fiscal year of the Association shall begin January 1st and end December 31st.

B. Application. These By-laws shall apply automatically to all owners, tenants of such owners, employees of owners and tenants, and any other persons who use the property, or any part thereof.

II. MEMBERS

A. Definition. "Member" as used in these By-laws shall mean and include a lot owner, co-owner, and each of their respective heirs, representatives and successors. Any person becoming an owner shall automatically become a member of the Association and be subject to these By-laws, and this membership shall terminate without any formal action of the Association whenever such person ceases to be an owner, but such termination shall not relieve any such former owner from any liability or obligation incurred under or in any way connected with the lot during the period of this ownership and membership, or impair any effective remedies which the Association or others may have against such former owner arising out of, or in any way connected with, such ownership and membership and the covenants and obligations incident thereto.

B. Vote of Members. On all matters upon which the members are entitled to vote, each lot shall represent one vote.

If a lot is owned by one person, his right to vote shall be established by the record title of his lot. If a lot is owned by more than one person, or is under lease, the person entitled to cast the vote for the lot shall be designated by a certificate signed by all of the record owners of the lot and filed with the Secretary of the Association. If a lot is owned by a Corporation or other legal entity, the agent entitled to cast the vote for the lot shall be designated by the appropriate officials in a certificate of appointment filed with the Secretary of the Association. Such certificate shall be valid until revoked, or superseded or until a change in the ownership of the lot occurs.

C. Annual Meeting. Annual meetings of members after the initial meeting shall be held at the place designated in the notice during the first two weeks of the month of July of each year for the purpose of electing officers and transacting any other business authorized to be transacted by the members.

D. Special Meetings. Special meetings of members shall be held whenever called by the Officers, and must be called by the officers upon receipt of a written request from members entitled to cast a majority of the total vote of the Association.

E. Notice of Meetings. Notice of all meetings of members stating the time and place and the objects for which the meeting is called shall be given by the President or Secretary unless waived in writing. Such notice shall be in writing to each member at his address as it appears on the books of the Association and shall be mailed not less than ten (10) days nor more than thirty (30) days prior to the date of the meeting. Proof of such mailing shall be given by the affidavit of the person giving the notice.

The Secretary shall prepare or cause to be prepared, at least ten (10) days before every meeting of the members, a complete list of members entitled to vote at the meeting arranged in alphabetical order, showing the address and the number of votes for each. Such list shall be open to the examination of any member, during ordinary business hours for a period of at least ten (10) days prior to the meeting, at the office of the Association. The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any member who is present. The record date for the purpose of determining members entitled to notice of, or to vote at, any meeting of the Association shall be the close of business on the day next preceding the day on which the notice is mailed, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

Notice of the meeting may be waived in writing either before or after meetings, and attendance at any meeting by a member shall be deemed a waiver of the notice requirements with respect thereto unless such member delivers written objection of failure to comply with such notice requirements of the person presiding at the meeting.

F. Quorum. Unless indicated otherwise in the Restrictions, a quorum for a meeting of members shall consist of persons entitled to cast a 33% of the votes of the entire membership. The joinder of a member in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such member for the purpose of determining a quorum. In the event a quorum is not present at the regular meeting, the meeting shall be rescheduled and notice thereof given pursuant to these by-laws and the quorum at any rescheduled meeting shall be those members present at the rescheduled meeting.

G. Proxies. Votes may be cast in person or by proxy. Proxies shall be valid only for the particular meeting designated therein and must be filed with the Secretary before the appointed time of the meeting.

H. Approval Without Meeting. Approval or disapproval of a member upon any matter, whether or not the subject of an Association meeting, shall be by the same person authorized to cast the vote of such member if in an Association meeting.

I. Adjourned Meetings. If any meeting or meetings cannot be organized because a quorum has not attended, the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

J. Presiding Officer. The presiding officer at all meetings of members shall be the President, in whose absence the Vice President shall preside. If neither such officer is present, the members shall elect a Chairman to preside at the particular meeting.

K. Order of Business. The order of business at all Annual Meetings of the members shall be as follows:

1. Roll call.
2. Proof of notice of meeting or waiver of notice.
3. Reading of minutes of preceding meeting.
4. Report of officers.
5. Report of committees.
6. Election of Officers.
7. Unfinished business.
8. Election of the Architectural Control Committee.
9. Determine the annual assessment.
10. New business.

The order of business at all Special meetings of the Members shall include items (1) through (4) above, and thereafter, the agenda shall consist of the items specified in the notice of meeting.

L. Powers and Duties of Members. Powers and duties of members shall be those powers and duties specifically and exclusively required by the Restrictive Covenants and Amendment to Restrictive Covenants (hereinafter referred to as the Restrictions) and these By-laws to be exercised and be performed by the Association which powers and duties shall be exercised and performed upon a majority of the total vote of the Association. Such powers and duties to include, but not limited to, the following:

1. Election of officers as provided in these By-laws.
2. Removal of any officer or director upon vote of 67% of the total vote of the Association, and election of a replacement therefore upon vote of a majority of said total vote.
3. Promulgation of regulations.

4. Proposal and approval of amendments to the Restrictions.
5. Approval of amendments to the By-laws, as provided in these By-laws.
6. Approval of increase in assessments, as provided in the Restrictions or in these By-laws.

M. Obligations of the Members.

1. Assessments. All members are obligated to pay periodic assessments imposed by the Association to meet all Association expenses. The initial annual assessment shall be \$45.00 per acre per year unless modified as provided in the Restrictions.

2. Rules of Conduct.

A. Owners shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, television and amplifiers that may disturb other owners.

B. A member shall not place or cause to be placed in the common areas or roads any furniture, packages, refuse or any other obstructions of any kind. Such areas shall be used for no other purpose than for normal transit through them.

C. No owner of the property shall:

- (1) Post any advertisements, signs or posters of any kind in or on the property except as authorized by the Association, the By-laws or the restrictions.
- (2) Hang garments, rugs or similar object from their windows or from any of the facades of their houses.
- (3) Hang dust rags, mops or similar objects from the windows.
- (4) Throw garbage or trash outside standard trash and garbage receptacles.
- (5) Act so as to interfere unreasonably with the peace and enjoyment of the owners of the other lots.
- (6) Install or erect any structure of a temporary nature such as a shack, tent, garage, barn or other similar structure except such structures as have been approved by the Architectural Control Committee.
- (7) Install or erect a radio, television or satellite tower or disc within the development. Nevertheless, satellite dishes not exceeding 20" in diameter are permitted but must be located to the rear of the dwelling.

- (8) Comply with all traffic laws and posted speed limits.
- (9) Place any motorcycles and motorbikes on front lawns, sidewalks or porches. The same shall be kept on the driveway or in the garage.
- (10) Permit a dog to be outside of a lot unless on a leash.
- (11) Permit a dog to defecate on the lawn of any lot other than the dog's owner's lot. Any such defecation shall be immediately removed by the dog owner.
- (12) Excavate, extract or remove any earth or dirt which may materially affect the surface grade of the property.

3. Compliance and Default.

A. Each member shall be governed by and shall comply with the terms of the Restrictions, Articles of Incorporation, By-laws and regulations adopted pursuant thereto, and by such documents and regulations as they may be amended from time to time. A default shall entitle the other members to the relief described hereafter in addition to the remedies provided by the Restrictions.

B. A member shall be liable for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that such expense is not met by the proceeds of insurance carried by the member of the Association. In any proceeding arising because of an alleged default by a member, the prevailing party shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees as may be awarded by the court.

C. The failure of the members to enforce any covenant, restriction, or other provision of the Restrictions, the Articles of Incorporation, the By-laws, or the regulations adopted pursuant thereto, shall not constitute a waiver of their right to do so thereafter.

III. POWERS AND DUTIES OF OFFICERS

A. Elected Officers. The members by majority vote shall elect annually from the membership of the Association a President, Vice-President, Secretary and Treasurer, which officers or any of them may be removed, either with or without cause, at any meeting by vote of 67% of the members. No person may hold more than one such office at the same time. There shall be no compensation of the officers.

B. Powers and Duties of President. The President shall be the chief executive officer of the Association and shall exercise all the powers and perform all the duties of the Association as provided in the Restrictions and these By-laws (including all powers necessary and proper for carrying out such powers and duties) excepting only those powers and duties specifically and exclusively assigned by the Restrictions or these By-laws, to be exercised by the other officers or the membership of the Association. The President's duties shall include, but not be limited to, the following:

1. To report on state of the subdivision at regular meetings of the membership and at special meetings called for that purpose.
2. To manage the affairs of the Association in conformance with the Restrictions and the By-laws, including, without limitation, supervision of employees of the Association, purchase of supplies and equipment, and supervision of performance of contracts to which the Association is a party.
3. To preside at meetings of the members.
4. To attend all meetings of the Architectural Control Committee.
5. To appoint such committees of the Association as he or she in his or her discretion determines to be appropriate in the conduct of the affairs of the Association.
6. To exercise such other powers and perform such other duties as shall be prescribed by the members from time to time at a duly called meeting.

C. Vice-President. The Vice-President shall, in the absence or disability of the President, exercise the powers and perform the duties of the President. He shall also generally assist the President and exercise such other powers and perform such other duties as shall be prescribed by the directors.

D. Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and members. He shall attend to the giving and serving of all notices to the members and directors and other notices required by law. He shall keep the records of the Association, except those of the President and shall perform such other duties incident to the office of secretary as may be required by the President or the members.

E. Treasurer. The Treasurer keeps full and accurate accounts of all receipts and disbursements in books belonging to the Association and to deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may from time to time by the Officers.

IV. FISCAL MANAGEMENT OF THE ASSOCIATION

The provisions for fiscal management of the Association set forth in the Restrictions and elsewhere in these By-laws shall be supplemented by the following provisions:

A. Assessments.

1. Creation of the Lien and Personal Obligation of Assessments. By the Restrictions each member is deemed to covenant and agree to pay: (1) to the Association, annual assessments or charges, (2) to the Association, regular or special assessments. The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided shall be a charge on the land and shall be a continuing lien upon the property against which each assessment is made. Each such assessment, together with such interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due and shall not pass to his successors in title unless expressly assumed by them.

2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the owners in the property and in particular for the improvement and maintenance of the Fence and Monuments.

3. Basis and Maximum of Annual Assessments. Until December 31, 2010, the maximum annual assessment shall be FORTY-FIVE DOLLARS per acre per year unless modified as provided in the Restrictions. From and after January 1, 2011 the maximum annual assessment may be increased as provided in the Restrictions.

4. Uniform Rate. Both annual and special assessments shall be borne at a uniform rate per acre and shall be payable in one annual installment unless the members, by majority vote agree that assessments may be collected on a monthly installment basis or at longer intervals.

5. Effect of Non-Payment of Assessments: Remedies of the Association. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty days of the due date (January 1st of each year), the Treasurer shall dispatch notice to the delinquent owner by regular first class mail, informing that if the assessment together with the additional interest and processing fee is not paid on or before 10 days of the date of the notice, the Association shall turn the account over to an attorney to begin foreclosure proceedings. A member shall pay an additional processing fee of up to \$25.00 or as determined by the Boardc if assessments are not paid on or before the 30th of January. The delinquent assessment shall bear interest from the 30th day of January at the rate of eighteen (18%) percent per annum. If the Association brings an action at law against the member personally obligated to pay the same or foreclose the lien against the property, interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment.

NO MEMBER MAY WAIVE OR OTHERWISE ESCAPE LIABILITY FOR THE ASSESSMENTS PROVIDED FOR HEREIN BY NON-USE OR ABANDONMENT OF HIS LOT.

6. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage, deed of trust or deeds of trust. Sale or transfer of any lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to any decree of foreclosure thereof, shall not extinguish the lien of such assessments as to payments thereof which became due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any mortgage, mortgages, deed or trust or deeds of trust.

7. Assessment Roll. The assessment roll shall be maintained by the Treasurer in a set of accounting books in which there shall be an account for each member of the Association. Such an account shall designate the name and address of the member, the amount of each assessment against the member, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due upon assessments.

8. Budget

A. The Board shall prepare a budget for each calendar year which shall contain estimates of the cost of performing the functions of the Association.

B. Copies of the budget and proposed assessments shall be presented to the membership at the annual meeting.

9. Bank Accounts. The depository of the Association shall be such bank or banks as shall be designated from time to time by the officers and in which the monies of the Association shall be deposited. Withdrawal of monies from such accounts shall be only by checks signed by President and Treasurer.

10. Audit of Accounts. An audit of the accounts of the Association shall be made periodically as determined by the Officers, by a certified public accountant, or firm of accountants, and a copy of the report of such accountant with respect thereto shall be furnished to each member not later than April 1 of the year following the year for which the report is made.

V. ARCHITECTURAL CONTROL COMMITTEE

Once control of the Association is turned over to the Association by the Developer, the Architectural Control Committee (ACC) shall be constituted as follows:

At each annual meeting of the Association there shall be elected an Architectural Control Committee, the ACC, consisting of at least three (3) members but no more than seven (7) members, one of which shall be the president of the association, one of which shall be the vice-president of the Association and one or more of which shall be elected from the membership at large.

The ACC shall select from its panel by majority vote a chairman. It shall be the duty of the ACC to enforce the Restrictive Covenants as far as structure and improvements placed on any lot. No plans shall be approved until an owner receives from the ACC a letter signed by the chairman of the ACC and one other member specifically stating that such plans have been approved. In the event a member's plans are disapproved by the ACC, such member shall have the right to appeal the decision to the full membership at either the regular annual meeting or at a meeting specifically called for such purpose. The member shall be given full and fair opportunity to be heard. The decision of the ACC shall be overturned by the membership upon a vote of 51% of the members in attendance at the meeting.

Until such time as the Developer relinquishes control of the ACC, the Developer shall have the authority to delegate the responsibility to approve post dwelling construction matters for things such as fences, storage buildings, pools, etc. to a sub-committee consisting of the president, the vice-president and a member elected from the membership at large.

VI. PARLIAMENTARY RULES

Roberts Rules of Order (latest edition) shall govern the conduct of Association proceedings when not in conflict with the By-laws or the Restrictions.

VII. AMENDMENTS

Amendments to the By-laws shall be proposed and adopted in the following manner:

- A. By the Declarant at any time up and until the "Turnover Date".
- B. Notice: Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is to be considered.
- C. Adoption: A resolution adopting an amendment to the By-laws must receive majority (51%) of the total vote of the Association. Members not present at the meetings considering the amendment may express their approval in writing.
- D. Notwithstanding the above, the membership does not have the authority to amend the provisions of these By-laws relating to the composition of the Architectural Control Committee until such time as the Developer relinquishes its control of the same to the Association at such time as it owns no more lots in Olde York Farms or voluntarily cedes control to the Association sooner.

VIII. BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Restrictions, the Articles of Incorporation and the By-laws of the Association shall be available for inspection by any member at the principal office of the Association where copies may be purchased at reasonable cost.

IX. CONSTRUCTION

In the case of any conflict between the Articles of Incorporation and these By-laws, the Articles shall control; and in the case of any conflict between the Restrictions and these By-laws, the Restrictions shall control.

X. MORTGAGES

Section 1. Notice of Unpaid Assessments. The Treasurer or President shall, at the request of a lending institution holding a mortgage against any lot, report any unpaid assessments due to the Association from the owner of such lot.

XI. NON-LIABILITY AND INDEMNITY OF OFFICERS

1. No Officer of the Association shall be liable for acts, faults or neglects of any other Officer or member or for any loss sustained by the Association or any member, unless the same shall have resulted from his own willful or negligent act or neglect.

2. Every Officer and agent of the Association shall be indemnified by the Association against all reasonable costs, expenses and liabilities (including counsel fees) actually and necessarily incurred by or imposed upon him in connection with or resulting from any claim, action, suit, procedure, investigation or inquiry as to whatever nature in which he may be involved as a party or otherwise by reason of his being or having been an Officer or agent at the time of incurring or imposition of such costs, expenses or liabilities, except in relation to matters as to which he shall be finally adjudged in such action, suit, proceeding, investigation for inquiry to be liable for willful misconduct or neglect in the performance of his duties, in the absence of such final adjudication of the existence of such liability, the Association and each member thereof and officer or agent thereunder may conclusively rely on an opinion of legal counsel selected by the Association. The foregoing right of indemnification shall be in addition to and not in limitation of all other rights to which such person may be entitled as a matter of law, and such shall inure to the benefit of the legal representative of such person.

