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**AMENDED AND RESTATED  
DECLARATION OF COVENANTS AND RESTRICTIONS AND  
PROVISIONS FOR  
PINCKNEY RETREAT COMMUNITY ASSOCIATION, INC.**

Final Version – February 1, 2023

## INTRODUCTION

WHEREAS, Pinckney Retreat Development Co., LLC ("Company"); developed certain property known as Pinckney Retreat which is located in Beaufort County, South Carolina; and

WHEREAS, the Company caused to be prepared and duly recorded that certain instrument titled "Declaration of Covenants and Restrictions and Provisions for Pinckney Retreat Community Association, Inc.", said instrument being recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Record Book 2132 at Pages 1171-1240; and

WHEREAS, the Company has formally transferred full control and governance of the Pinckney Retreat Property to the Pinckney Retreat Community Association, Inc.; and *6/2023*

WHEREAS, the Association, by and through its Members, has formally approved this Amended and Restated Declaration of Covenants and Restrictions and Provisions for Pinckney Retreat Community Association, Inc., said approval being by the affirmative vote of eighty-six percent (86%) of the Membership in good standing at a special meeting held on March 23, 2023.

NOW THEREFORE, the Association declares that the real property described in Section I of Article II, and such additions thereto as may hereafter be made pursuant to Article II, is and shall be held, transferred, sold, conveyed, leased, occupied, and used subject to the covenants, restrictions, conditions, easements, charges, assessments, affirmative obligations, and liens (sometimes referred to as the "COVENANTS") hereinafter set forth.

## INDEX

<u>ARTICLE</u>	<u>CONTENT</u>	<u>PAGE</u>
<b>Article I</b>	<b>Definitions</b>	<b>7</b>
<b>Article II</b>	<b>Property Designations</b>	<b>9</b>
	<b>Section 1. Existing Property</b>	
	<b>Section 2. Additions to Existing Property</b>	
	<b>Section 3. Common Property</b>	

<b>Article III</b>	<b>Membership and Voting Rights</b>	<b>10</b>
	<b>Section 1. Membership</b>	
	<b>Section 2. Voting Rights</b>	
	<b>Section 3. Government</b>	
<b>Article IV</b>	<b>Property Rights in the Common Property</b>	<b>11</b>
	<b>Section 1. Obligations of the Association</b>	
	<b>Section 2. Owner's Easements of Enjoyment</b>	
	<b>Section 3. Extent of Owner's Easements</b>	
	<b>Section 4. Delegation of Use</b>	
	<b>Section 5. Damage or Destruction by Member</b>	
	<b>Section 6. Title</b>	
	<b>Section 7. Roads</b>	
<b>Article V</b>	<b>Covenant for Assessments</b>	<b>13</b>
	<b>Section 1. Creation of the Lien and Personal Obligation of Assessments</b>	
	<b>Section 2. Annual Assessments</b>	
	<b>Section 3. Date of Commencement of Annual Assessment</b>	
	<b>Section 4. Special Assessments for Improvements and Additions</b>	
	<b>Section 5. Capital Reserve Assessments</b>	
	<b>Section 6. Notice and Quorum</b>	
	<b>Section 7. Effect of Non-Payment of Assessments</b>	
	<b>Section 8. Subordination of the Lien to Mortgages</b>	
	<b>Section 9. Exempt Property</b>	
<b>Article VI</b>	<b>Architectural Control Committee</b>	<b>16</b>
	<b>Section 1. Creation and Composition</b>	

**Section 2. Purpose, Power and Duties****Section 3. Officers, Subcommittees and Compensation**

- Section 4. Operations of the ACC**
- Section 5. Design Standards**
- Section 6. Submission of Plans and Specifications**
- Section 7. Approval of Builder and Contractor**
- Section 8. Approval of Plans and Specifications**
- Section 9. Disapproval of Plans and Specifications**
- Section 10. Obligation to Act**
- Section 11. Inspection Rights**
- Section 12. Violations**
- Section 13. Certificate of Compliance**
- Section 14. Fees**
- Section 15. Liability of ACC Members**
- Section 16. Indemnification**
- Section 17. Right to Assign ACC Functions**
- Section 18. Parking Spaces**

<b>Article VII</b>	<b>General Covenants and Restrictions</b>	<b>25</b>
	<b>Section 1. Permitted Use</b>	
	<b>Section 2. Permitted Structures</b>	
	<b>Section 3. Minimum Floor Area</b>	
	<b>Section 4. Maximum Height</b>	
	<b>Section 5. Service Facilities</b>	
	<b>Section 6. Utility Facilities</b>	
	<b>Section 7. Pipes, Wires and Antennas</b>	
	<b>Section 8. Water</b>	
	<b>Section 9. Sewer</b>	
	<b>Section 10. Water and Sewer Service Charges</b>	
	<b>Section 11. Trees</b>	
	<b>Section 12. Exterior Lighting</b>	
	<b>Section 13. Signs</b>	
	<b>Section 14. Mailboxes</b>	
	<b>Section 15. Re-subdividing</b>	
	<b>Section 16. Maintenance</b>	
	<b>Section 17. Outside Storage</b>	
	<b>Section 18. Vehicles and Parking</b>	
	<b>Section 19. Temporary Buildings</b>	
	<b>Section 20. Unsightly Activities</b>	
	<b>Section 21. Solid Waste</b>	
	<b>Section 22. Nuisance</b>	

**Section 23. Pets and Wildlife**  
**Section 24. Firearms and Fires**  
**Section 25. Pest Control**  
**Section 26. Additional Restrictions**  
**Section 27. Waterfront Lots**  
**Section 28. Multiple Ownership**  
**Section 29. Garage/Yard Sales**  
**Section 30. Excavation**  
**Section 31. Outside Items**  
**Section 32. Antennae**  
**Section 33. Leasing**  
**Section 34. Limitations of Use on Bodies of Water**

<b>Article VIII</b>	<b>Easements</b>	<b>34</b>
	<b>Section 1. General Easements</b>	
	<b>Section 2. Pathways</b>	
	<b>Section 3. Sea Walls</b>	
	<b>Section 4. Environmental Easement</b>	
	<b>Section 5. Entry</b>	
<b>Article IX</b>	<b>Historic Area</b>	<b>35</b>
	<b>Section 1. Purpose</b>	
	<b>Section 2. Historic Area Assessment</b>	
<b>Article X</b>	<b>Insurance and Casualty Losses</b>	<b>37</b>
	<b>Section 1. Insurance</b>	
	<b>Section 2. Association's Policies</b>	
	<b>Section 3. Owner's Insurance</b>	
	<b>Section 4. Damage or Destruction to Common Property</b>	
	<b>Section 5. Damage or Destruction to Owners' Property</b>	

<b>Article XI</b>	<b>Condemnation</b>	<b>39</b>
	<b>Section 1. Condemnation of Common Property</b>	
	<b>Section 2. Condemnation of Owners' Property</b>	
 <b>Article XII</b>	 <b>General Provisions</b>	 <b>41</b>
	<b>Section 1. Duration</b>	
	<b>Section 2. Amendment</b>	
	<b>Section 3. Notices</b>	
	<b>Section 4. Enforcement</b>	
	<b>Section 5. Severability</b>	
	<b>Section 6. Right of Abatement</b>	
	<b>Section 7. Notice of Design</b>	
	<b>Section 8. Security</b>	
 <b>Exhibit A</b>	 <b>Bylaws</b>	
<b>Exhibit B</b>	<b>Description of the Property</b>	
<b>Exhibit C</b>	<b>The Common Property</b>	
<b>Exhibit D</b>	<b>Historic Area</b>	

## ARTICLE I - DEFINITIONS

The following words and terms, when used in this AMENDED AND RESTATED DECLARATION, as amended, or any SUPPLEMENTAL DECLARATION (unless the context clearly shall indicate otherwise) shall have the following meanings, to wit:

- a. "ASSESSMENT" is the mandatory financial amount payable by an OWNER to enable the ASSOCIATION to own, maintain and improve COMMON PROPERTY and the HISTORIC HOUSE and SITE.
- b. "ASSOCIATION" or "COA" shall mean and refer to Pinckney Retreat Community Association, Inc., a South Carolina non-profit corporation, its successors or assigns.
- c. "BOARD" is that body within the structure of the ASSOCIATION also known as the Board of Directors as defined in the BYLAWS.
- d. "BYLAWS" refers to the document which prescribes the method by which the ASSOCIATION will administer and manage itself. (Exhibit "A")
- e. "COMMON PROPERTY" or "COMMON AREA" will mean and refer to those items of real property and personal property with any improvements thereon which are deeded to the ASSOCIATION and designated in the deed or Bill of Sale as "COMMON PROPERTY" or "COMMON AREA", which are described as such in the DECLARATION, or which are subsequently acquired by the ASSOCIATION.
- f. "DECLARANT and/or COMPANY" will mean Pinckney Retreat Development Co., LLC, its successors and assigns which is the developer of the PROPERTY.
- g. "DECLARATION" shall mean this Declaration of Covenants and Restrictions together with any amendments or supplements hereto.
- h. "GENERAL PLAN OF DEVELOPMENT" will mean that plan as publicly distributed and as approved by appropriate public agencies, including local planning and zoning authorities, and governing bodies which shall represent the total general scheme and general uses of land in the PROPERTY, as such may be amended from time to time subject to approval of public agencies.
- i. "HISTORIC AREA" means the house built circa 1739 by Jean de la Gaye and the surrounding site (0.30 Acre described on Exhibit D hereto) which are to be preserved and maintained by an entity separate and apart from the DECLARANT.

- j. "LOT" will mean and refer to any improved or unimproved parcel of real property shown with a numerical designation upon any recorded final subdivision plat or any part of the PROPERTY with the exception of COMMON PROPERTY as heretofore defined and the roadways. There are seventy-seven LOTS.
- k. "MEMBER" will mean and refer to an OWNER who is vested with a fee simple interest in a LOT and who will automatically become a mandatory MEMBER of the ASSOCIATION upon acquiring their interest of ownership in a LOT.
- l. "OWNER" will mean and refer to the person of public record, whether one or more persons, firms, associations, corporations, or other legal entities, who is vested with the fee simple title to any LOT, situated upon the PROPERTY, but the term OWNER shall not mean or refer to any tenant of the OWNER.
- m. "PATHWAY" means an easement across certain LOTS as stated herein to be used as a recreational walking area for the OWNERS.
- n. "PLAT or SUBDIVISION PLAT" means that plat of the original portion of the development as prepared by Donald R. Cook, Jr., SCRLS, on April 13, 2004 and last revised on April 6, 2005, and recorded in Plat Book 105 at Page 192 and also any additional plats which are referred to in SUPPLEMENTAL DECLARATIONS.
- o. "PROPERTY" shall mean and refer to the Existing PROPERTY described in the Introduction and referred to in Article II, Section 1 hereof, and additions thereto, as are subject to this DECLARATION or any SUPPLEMENTAL DECLARATION under the provisions of Article II.
- p. "RULES" or "RULES OF CONDUCT" will mean and refer to rules and regulations applicable to the MEMBERS of the ASSOCIATION for use of the COMMON PROPERTY and the LOTS as adopted by the BOARD from time to time.
- q. "SUPPLEMENTAL DECLARATION" will mean any declaration of covenants, conditions, and restrictions which may be recorded by the ASSOCIATION which extends or amends the provisions of this DECLARATION to additional parcels of real property pursuant to Article II.
- r. "STRUCTURE" means:
  - (i) any physical improvement to any LOT which may affect the outward or exterior appearance of such LOT, including, but not limited to, any building or part thereof, carport, garage, porch, deck, shed, greenhouse, parking area, balcony, mailbox, covered or uncovered patio, fence, curbing, paving, wall,

television antenna and/or receiving equipment, sign, signboard, temporary building, landscaping to include trees, shrubs, hedges, and plants, or any other temporary or permanent improvement to such LOT;

(ii) any excavation, grading, fill, ditch, diversion dam or other thing or device which affects or alters the natural flow of surface waters from, upon or across any LOT (or any body of water, shore or marshland contiguous or adjacent to any LOT), or which affects or alters the flow of any waters in any natural or artificial creek, stream, wash or drainage channel from, upon or across any LOT;

(iii) any item related to utility service delivered to a residence such as sewer, water, telephone, electrical, or plumbing fixtures.

- s. "SEA WALL" or "REVETMENT" means a man-made STRUCTURE constructed on certain lots to prevent shore erosion.
- t. "WRITTEN NOTICE" shall mean the giving of notice transmitted by United States mail, express delivery service which provides proof of delivery, or any commercially acceptable form of electronic delivery.

## ARTICLE II - PROPERTY DESIGNATIONS

Section 1. Existing Property. The existing PROPERTY which is and will be held, transferred, sold, conveyed, leased and occupied, subject to these COVENANTS and the GENERAL PLAN OF DEVELOPMENT, is located in the Town of Port Royal, Beaufort County, South Carolina, and is more particularly described on Exhibit "B" attached hereto.

Section 2. Additions to Existing Property. Additional lands may become annexed to the Existing PROPERTY in the GENERAL PLAN OF DEVELOPMENT and subject to this DECLARATION in the following manners, to wit:

- a. Voluntary Additions. Upon approval in writing of sixty-seven percent (67%) of the MEMBERS In Good Standing of the ASSOCIATION at a duly called meeting for such purpose, the OWNER of any property other than the COMPANY who desires to add it to the plan of these COVENANTS and to subject it to the jurisdiction of the ASSOCIATION, may file of record an adoption of these COVENANTS with respect to the additional property which shall extend the operation and effect of these COVENANTS of the DECLARATION to such additional property. Such adoption shall reflect in writing the required approval of (1) the ASSOCIATION; (2) the OWNER of the real property to be annexed; and (3) the lien holders of both.
- b. Mergers. Upon a merger or consolidation of the ASSOCIATION with another association as provided for in the BYLAWS of the ASSOCIATION, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association, or, in the alternative, the properties, rights, and obligations of another association

may, by operation of law, be added to the properties of the ASSOCIATION as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this DECLARATION within the existing PROPERTY, together with the merged property as one plan or scheme. It shall take a vote of approval of sixty-seven percent (67%) of the MEMBERS IN GOOD STANDING, for a merger.

- c. Method of Annexation. The methods of annexation authorized herein shall be effectuated by the recording of a SUPPLEMENTAL DECLARATION executed by the Association under Section 2(a) above; by the OWNER of the real property to be annexed and the President and Secretary of the ASSOCIATION under Section 2(b) above; and by the Presidents and the Secretaries of both Associations under Section 2(c) above. In both instances, the lien holders' approval in writing shall also be obtained.
- d. Contents of Supplemental Declaration. The SUPPLEMENTAL DECLARATION shall describe the real property to be annexed and shall state that it is being made pursuant to Section 2 of Article II of this DECLARATION for the purpose of annexation and that the jurisdiction of this DECLARATION and of the ASSOCIATION shall extend to and cover the real property to be annexed.

Upon recording of the SUPPLEMENTAL DECLARATION, the owners of the real property annexed shall have a right and easement of enjoyment in and to the COMMON PROPERTY, incur an obligation of ASSESSMENTS for the cost of ownership, improvement, operation, and maintenance of the COMMON PROPERTY which shall be personal and run with the real property annexed, and in all ways they will become a MEMBER of the ASSOCIATION.

Section 3. COMMON PROPERTY. It is the intention of the ASSOCIATION that the original areas of COMMON PROPERTY will be those parcels of land described on Exhibit C hereto, as hereafter supplemented.

### ARTICLE III - MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Every person or entity who is a record OWNER of a fee simple or undivided fee simple interest in any LOT is subject to (a) all the terms and conditions of this DECLARATION and (b) to all ASSESSMENTS levied by the ASSOCIATION and (c) such persons/entities will be a mandatory MEMBER(s) of the ASSOCIATION. Provided, that any such person or entity who holds such title or interest merely as a security, for example a Mortgagee, for the performance of an obligation by COMPANY shall not be a MEMBER of the ASSOCIATION.

Section 2. Voting Rights. The ASSOCIATION shall have one (1) class of voting membership, to wit:

a. CLASS "A". Such MEMBERS shall be all those OWNERS as defined in Article I and each MEMBER IN GOOD STANDING will be entitled to one vote for each LOT owned. When more than one person or entity holds an interest or interests in any LOT, all such persons shall be MEMBERS, and the single vote for such LOT shall be exercised as they among themselves determine and shall notify the Secretary of the ASSOCIATION in writing. However, in no event shall more than one vote be cast with respect to any LOT. When one or more co-owners sign a proxy or purports to vote for his or her co-owners, such single vote shall be counted unless one or more of the other co-owners is present and objects to such vote, or if not present, submits a proxy or objects in writing delivered to the Secretary of the ASSOCIATION before the voting is counted.

Section 3. Government. The governance of the ASSOCIATION shall be in accordance with the BYLAWS attached hereto as Exhibit A. Unless so indicated as being otherwise, actions of the ASSOCIATION shall be upon a majority vote of the membership in good standing.

#### ARTICLE IV - PROPERTY RIGHTS IN THE COMMON PROPERTY

Section 1. Obligations of the ASSOCIATION. The ASSOCIATION, subject to the rights of the OWNERS set forth in this DECLARATION, will be responsible for the exclusive ownership, management, operation, control and improvement of the COMMON PROPERTY and all improvements thereon (including the furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and repair.

The BOARD shall have the right to inspect and study each COMMON AREA in order to perform these obligations.

Section 2. OWNER'S Easements of Enjoyment. Subject to the provisions of the DECLARATION, the BYLAWS, and the RULES, every OWNER shall have a right and easement of enjoyment in and to the COMMON PROPERTY and such easement shall be appurtenant to and shall pass with the title of the LOT of the OWNER.

All OWNERS shall have the right of access, ingress and egress to and from their LOT subject to the right of the ASSOCIATION to determine RULES of Conduct for such access and to maintain gates or other security devices to control access to and from the development.

No OWNER shall, without the written permission of the BOARD, construct or maintain any permanent or semi-permanent STRUCTURE, as defined herein, on the COMMON PROPERTY.

**Section 3. Extent of OWNER'S Easements.** The rights and easements of enjoyment created hereby shall be subject to the following, to wit:

- a. The right of the BOARD, in accordance with its BYLAWS, to borrow money for the purpose of improving the COMMON PROPERTY and in aid thereof to mortgage the same.
- b. The right of the BOARD, as provided in its BYLAWS, to suspend the enjoyment of rights of any OWNER for any period during which any ASSESSMENT remains delinquent, unpaid, due and owing; and for any period not to exceed one year for any other infraction of its published RULES. Any suspension for either nonpayment of any ASSESSMENT or a breach of the RULES of the ASSOCIATION shall not constitute a waiver or discharge of the MEMBER'S obligation to pay all ASSESSMENTS.
- c. The right of the BOARD to establish reasonable rules and regulations through the BYLAWS (the RULES) and to charge reasonable admission fees (other than ASSESSMENTS) for the use and occupancy of the COMMON PROPERTY.
- d. The right of the ASSOCIATION to dedicate, transfer or convey (by sale or gift) all or any portion of the COMMON PROPERTY to any public agency, authority or utility or other third party for such purposes and subject to the terms or conditions as may be agreed to in writing by sixty-seven per cent (67%) of all MEMBERS IN GOOD STANDING and the transferee and that such transfer is recorded. Provided, however, that the BOARD shall have the authority to make boundary line adjustments or to execute and receive Easements for the benefit of the ASSOCIATION.

**Section 4. Delegation of Use.** Any OWNER may delegate his/her right of enjoyment to the COMMON PROPERTY to the members of his/her family, tenants, and to his/her guests subject to the RULES as may be established from time to time by the BOARD. The persons to whom such rights of use are delegated are subject to and obligated to abide by all of the terms and conditions of the DOCUMENTS. By a delegation of use an OWNER is not released from any obligation in the DOCUMENTS and becomes fully and completely obligated for the performance of all the terms and conditions of the DOCUMENTS for the persons to whom the use has been delegated.

**Section 5. Damage or Destruction by Member.** In the event any COMMON PROPERTY is damaged or destroyed by an OWNER, or any of his guests, or tenants, or a member of his family, such OWNER hereby authorizes the ASSOCIATION, in its discretion, to repair such damaged area in a good and workmanlike manner in conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the ASSOCIATION. The amount necessary for such repairs will become a Special Assessment upon the LOT of OWNER and subject to payment in the

manner designated in writing by the BOARD (at least thirty [30] days after notice of the amount) and subject to collection as such and provided in Article V, Section 7.

**Section 6. Roads.** All roads and alleyways within the development will be private and owned and maintained by the ASSOCIATION.

#### ARTICLE V - COVENANT FOR ASSESSMENTS

**Section 1. Creation of the Lien and Personal Obligation of Assessments.** Each OWNER of every LOT shall, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of this DECLARATION and to pay the ASSOCIATION: (a) Annual ASSESSMENTS as set forth in Section 2 of this Article; and, (b) Special ASSESSMENTS for the purposes set forth in Section 4 of this Article; and (c) the HISTORIC AREA Assessment set forth in Article IX; and (d) Capital Reserve Assessment set forth in Section 5 if this Article. All of these Assessments (hereinafter ASSESSMENTS) are to be fixed, established and collected from time to time as hereinafter provided.

All ASSESSMENTS (together with late charges, interest thereon, and all costs of collection therefor as hereinafter provided, including reasonable attorneys' fees) will be (a) a charge and continuing lien on the LOT of the OWNER and all the improvements thereon against which such ASSESSMENT is made and (b) will also be the personal obligation of the person who was the OWNER of such PROPERTY at the time when the ASSESSMENT fell due. In the case of co-ownership of a LOT, all such co-owners of the LOT will be jointly and severally liable for the entire amount of the ASSESSMENT.

All ASSESSMENTS must be at a uniform rate for all LOTS and may be collected on a monthly, quarterly or annual basis in advance and by the calendar year or a fiscal year as may be determined from time to time by the BOARD. Notwithstanding the joinder or consolidation of two or more LOTS by an OWNER for the purpose of the construction of one dwelling STRUCTURE, or for the payment of taxes, or for any other purpose, there will not be any change or amendment in the number of LOTS assessed to the OWNER than the number of LOTS established by the original Declarant.

**Section 2. Annual Assessments.** The Annual Assessment shall be used for the improvement, maintenance, administration and operation of the COMMON PROPERTY including, but not limited to, the payment of taxes and insurance thereon, and repair, replacement, improvement, landscaping, pest control, pool maintenance, lagoon and lake control, surface and road drainage, pathways, revetments, roads and parking (to include culverts and causeways), building repair and maintenance, and additions thereto, and for the cost of labor, utility costs, equipment, materials, management, and supervision thereof (to include emergency repairs and maintenance or such matters caused by a natural disaster), i.e. to promote the recreation, health, safety, esthetic values and welfare of the MEMBERS and of the COMMON PROPERTY.

Section 3. Date of Commencement of Annual Assessment. The Annual ASSESSMENT shall be collected in advance (a) at the time of conveyance to an individual/entity; or, (b) at the time of recording of the document accepting the assessments and joining the ASSOCIATION by annexation under Article II.

Prior to December 31, 2006, the Annual ASSESSMENT was \$1,800.00 per LOT. Thereafter, the Annual ASSESSMENT may be increased up to fifteen per cent over the previous year as financial needs dictate in the discretion of the BOARD unless such is repealed by a vote of sixty-seven per cent (67%) of the MEMBERS IN GOOD STANDING at a meeting of the MEMBERS duly called only for that purpose by the giving of WRITTEN NOTICE within thirty (30) days of the establishment of the Annual ASSESSMENT by the BOARD.

The amount of the Annual ASSESSMENT shall be determined by the BOARD thirty (30) days in advance of the fiscal year and WRITTEN NOTICE thereof shall be sent to each MEMBER.

For a reasonable charge to be determined and published by the Board, the ASSOCIATION shall furnish a certificate signed by an officer setting forth the status of payment of ASSESSMENTS of any LOT.

The omission by the BOARD before the expiration of any fiscal year to designate the amount of the Annual ASSESSMENT for the next year shall not be deemed a waiver of the right to the Annual ASSESSMENT, but the Annual ASSESSMENT fixed for the preceding year shall continue, in an amount not to exceed one hundred three percent (103%) of the ASSESSMENT applicable to the preceding year, until a new Annual ASSESSMENT is determined.

Section 4. Special Assessments for Improvements and Additions. In addition to the Annual ASSESSMENTS authorized by this Article, the ASSOCIATION may levy special ASSESSMENTS for the purpose of defraying, in whole or in part, (a) the cost for any addition, and/or capital improvement to the COMMON PROPERTY, or, (b) for the acquisition of new COMMON PROPERTY. Any such special ASSESSMENT shall have the consent of sixty-seven per cent (67%) of the MEMBERS IN GOOD STANDING at a duly called meeting of the MEMBERS only for such purpose.

The payment date and manner of any Special ASSESSMENT under Section 4 hereof shall be fixed in the resolution authorizing the same.

Section 5. Capital Reserve Assessments. The BOARD shall conduct a study, annually, as to when to replace the assets of the ASSOCIATION as they wear out by normal wear and tear and a Capital Reserve Assessment shall be established by the BOARD. Succeeding BOARDS shall continue to review and monitor the capital replacement needs and to make adjustments to the Capital Reserve Assessments.

The funds collected from this assessment shall be deposited into a separate fund and shall not be used for Annual Assessments, Special Assessments, nor the Historic House and Site Assessments. These funds shall be invested in low risk investments.

Section 6. Notice and Quorum. WRITTEN NOTICE of any meeting of the MEMBERSHIP called for the purposes stated in this Article shall be sent to all MEMBERS not less than ten (10) days nor more than thirty (30) days in advance of the meeting. The presence of the MEMBERS In Good Standing or of proxies entitled to cast fifty per cent (50%) of all votes of each class shall constitute a quorum. If the required quorum should not be present, another meeting may be called upon ten (10) days actual notice and a quorum shall be constituted upon the presence of forty per cent (40%) of the MEMBERS IN GOOD STANDING or proxies entitled to vote by each class of membership.

Section 7. Effect of Non-Payment of Assessments. If any ASSESSMENT is not paid on the date when due, then such ASSESSMENT will become delinquent and will [together with (a) reasonable late charges, (b) interest thereon at twelve per cent (12.00%) per annum from the due date, and, (c) all costs of collection thereof to include reasonable attorney's fees] become a charge and continuing lien on the LOT and all improvements thereon, in the hands of the then OWNER, his heirs, devisees, personal representatives, successors, assigns and grantees.

Additionally, the personal obligation of the MEMBER for the ASSESSMENT (and late charges, interest, costs and attorneys' fees as set forth above) will remain his personal obligation and shall not pass as a personal obligation to his successors in title.

If any ASSESSMENT is not paid within thirty (30) days after the due date, the ASSOCIATION may bring an action at law against the MEMBER personally obligated to pay the same and/or also bring an action to foreclose the lien against the LOT. Failure to pay any ASSESSMENT when due will automatically vest the BOARD, at its option and in its discretion, with the right to file a notice of its lien upon the LOT in the Register of Deeds Office of Beaufort County. Such LIEN for this purpose will be valid notice of the unpaid ASSESSMENTS until paid in full notwithstanding the expiration of a Lien for any other purpose. A MEMBER who does not pay assessments in a timely manner shall become a MEMBER NOT IN GOOD STANDING.

No MEMBER may waive or otherwise divest himself of the obligation of any ASSESSMENT by the lack or failure to use any COMMON PROPERTY or the abandonment of his LOT or entity of ownership.

Section 8. Exempt Property. The following PROPERTY, individuals, partnerships or corporations, subject to this DECLARATION, shall be exempted from the ASSESSMENT, charge and lien created herein, to wit:

- a. The grantee of a conveyance to a public agency or utility; or,
- b. All COMMON PROPERTY.

#### ARTICLE VI - ARCHITECTURAL CONTROL COMMITTEE

**Section 1. Creation and Composition.** An Architectural Control Committee (the "ACC") will be established in the following manner, to wit:

- a. The ACC shall consist of three persons. All members will be appointed by DECLARANT until the construction of a residence on all of the LOTS, or until DECLARANT shall notify the BOARD in writing that DECLARANT intends to cease appointing the members, whichever event first occurs. Thereafter, all members of the ACC shall be appointed by the BOARD. Two of the members appointed by the BOARD must be OWNERS. The third member of the ACC shall be an architect or civil engineer who is not an OWNER and who is licensed by and in good standing with the State of South Carolina.

All costs of operating the ACC shall be borne by DECLARANT while it has the right to appoint the members and such shall be paid by the COA after the BOARD acquires the right to appoint the members. Both the COMPANY and the COA shall have the right to charge fees to the applicants for the operation of the ACC as set forth below.

- b. Each member of the ACC shall be appointed for a term of two (2) years respectfully, and will serve until his successor has been appointed and qualified. If any vacancy shall occur in the membership of the ACC by reason of death, incapacity, resignation, removal or otherwise, the remaining members of the ACC shall continue to act and such vacancy shall be filled at the earliest possible time by the party entitled to appoint the members of the ACC pursuant to subsection (a) above. Any ACC member may resign at any time by giving WRITTEN NOTICE of such resignation to the BOARD and such resignation shall take effect on receipt thereof. Any member of the ACC may be removed at any time with or without cause by the party entitled to appoint the members of the ACC pursuant to subsection (a), above.

**Section 2. Purpose. Power and Duties.** The purpose of architectural approval is to ensure that any installation, construction or alteration of any STRUCTURE, as defined herein, will be submitted to the ACC for prior approval (i) as to whether the proposed installation, construction or alteration is in conformity and harmony of external design and general quality with the existing standards of the neighborhood and with the aesthetical standards of Pinckney Retreat Subdivision, and (ii) as to the location of STRUCTURES with respect to topography, existing trees, prevailing breezes, views, finished ground elevation, surrounding LOTS, existing STRUCTURES, and adjacent shores, marshes and bodies of water.

To the extent necessary to carry out such purposes, the ACC shall have all the powers and duties to do each and everything necessary, suitable, convenient or proper for, or in connection with, or incidental to, the accomplishment of such purposes, including, without being limited to, the power and duty to approve or disapprove plans and specifications for any installation, construction or alteration of any STRUCTURE. Such decision can be made solely for aesthetical reasons.

Section 3. Officers, Subcommittees and Compensation. The members of the ACC shall appoint a chairman from among their number and may appoint from among their number such other officers and subcommittees of members of the ACC as they shall from time to time determine necessary. The members of the ACC shall have the right to be reimbursed for traveling expenses and other out-of-pocket costs incurred in the performance of their duties as members of the ACC from the fees collected by the ACC.

Section 4. Operations of the ACC. The ACC will operate as follows:

a. Meetings. The ACC shall hold such regular and special meetings as may be established by the ACC. Meetings may be called by the chairman and shall also be called by the chairman upon the written request of a majority of the members of the ACC then in office. WRITTEN NOTICE of each regular meeting of the ACC shall be provided to each member thereof at his residence or at his usual place of business at least five (5) days before the day the meeting is to be held. Notice of regular meetings need not specify the purposes for which the meeting is called. Notice of a meeting need not be given to any member of the ACC who signs a waiver of notice either before or after the meeting. Also, attendance of a member of the ACC at a meeting shall constitute a waiver of notice of such meeting and shall constitute a waiver of any and all objections to the place of the meeting, the time of the meeting, or the manner in which it has been called or convened, except when the member states, at the beginning of the meeting, any such objection or objections to the transaction of business.

WRITTEN NOTICE of special meetings shall be provided to each member. The purpose of a special meeting shall be stated in the notice. Attendance at the special meeting (or a written waiver) shall be waiver of notice and the purpose thereof.

At each meeting of the ACC, the presence of a majority of the members then in office shall constitute a quorum for the transaction of business. Except as otherwise provided herein, the act of a majority of the members of the ACC present at any regular or special meeting thereof at which a quorum is present shall constitute the act of the ACC. In the absence of a quorum, any member of the ACC present at the time and place of the meeting may adjourn the meeting from time to time until a quorum shall be present. At any adjourned meeting at which a quorum is present, any business may be transacted which may have been transacted at the meeting as originally called.

The ACC shall maintain written minutes for each of its meetings. The minutes shall reflect discussions and decisions on each application as a separate item. All actions which are taken at a meeting of the ACC shall be signed by all the members of the ACC who were present and the minutes are to be filed within 5 business days, with the secretary of the ACC and the secretary of the BOARD.

Proxies cannot be used by members of the ACC for any action.

b. Activities.

- (i) Prior to the installation, construction or alteration of any STRUCTURE, two complete sets of plans and specifications must be submitted to the ACC for prior written approval (i) as to whether the proposed installation, construction or alteration is in conformity and harmony of external design and general quality with the existing standards of Pinckney Retreat, and (ii) as to the location of STRUCTURES with respect to topography, existing trees, prevailing breezes, views, finished ground elevation, surrounding LOTS, existing STRUCTURES, and adjacent roads and wetlands. At the same time as plans and specifications are submitted to the ACC, one complete set shall also be submitted to the BOARD. Any Owner or member who is not in good standing is prohibited from submitting anything to the ACC.

The ACC shall review the applications for construction and, as necessary, make written findings, determinations, rulings and decisions with respect to the plans and specifications that are submitted for approval to the ACC.

The ACC shall provide the BOARD with a copy of such written findings, determinations, rulings and decisions with respect to the plans and specifications and the BOARD shall have ten (10) days after receipt of same to overturn the ACC's approval if, and only if, the BOARD determines that the plans and specifications do not conform to the design standards adopted and filed by Pinckney Retreat.

- (ii) Any two (2) members of the ACC are authorized in writing to exercise the full authority of the ACC with respect to all matters over which the ACC has authority.

WRITTEN NOTICE of a decision must be given to any applicant for an approval. No applicant can rely upon any oral approval for any act of the ACC.

The applicant may, within ten (10) days after receipt of notice of any decision which he deems to be unsatisfactory, file a written request to have the matter in question reviewed by the BOARD. Upon the filing of any such request, the matter with respect to which such request was filed shall be submitted to, and reviewed promptly by, the BOARD, but in no event later than twenty (20) calendar days after the filing of such request. The written decision of a majority of the members of the BOARD with respect to such matter shall be final and binding on all parties.

**Section 5. Design Standards.**

- a. The BOARD shall from time to time and in its sole discretion adopt, promulgate, amend, revoke and enforce rules, regulations and standards (the "Design Standards") for the purposes of:
  - (i) governing the form and content of plans and specifications for STRUCTURES and landscaping to be submitted to the ACC for approval;
  - (ii) governing the procedure for such submission of any plans and specifications;
  - (iii) establishing design features, architectural styles, exterior colors and materials, details of construction, location and size of STRUCTURES, landscaping design and plant types, and all other matters that require approval by the ACC or are required pursuant to this DECLARATION; and
  - (iv) assuring the conformity and harmony of external design and general quality with the standards of Pinckney Retreat Subdivision.
- b. The BOARD shall make a published copy of its current Design Standards readily available to MEMBERS and prospective MEMBERS of the COA and to all applicants seeking ACC approval.

**Section 6. Submission of Plans and Specifications.** No STRUCTURE or landscaping shall be commenced, erected, placed, moved onto or permitted to remain on any LOT (or COMMON PROPERTY) nor shall any existing STRUCTURE or landscaping be altered in any way which materially changes the exterior appearance of the STRUCTURE or LOT, until (1) a building permit has first been obtained from the Port Royal Building Department and (2) the preliminary and the final plans and specifications therefor shall have first been submitted to the ACC and BOARD and approved in writing by the ACC in advance.

Such plans and specifications shall be in such form and shall contain such information as may be reasonably required by the ACC, including, without being limited to the following:

- a. Preliminary sketches and concepts;
- b. A site plan showing the location of all proposed and existing STRUCTURES including building setbacks, fences, walls, gazebos, open space, driveways, walkways, parking spaces including the number thereof;
- c. A foundation plan;
- d. A floor plan;

- e. Exterior elevations of all proposed STRUCTURES and alterations to existing STRUCTURES, as such STRUCTURES will appear after all backfilling and landscaping are completed;
- f. Specifications and samples of materials, color scheme, lighting scheme and other details affecting the exterior appearance of all proposed STRUCTURES and alterations to existing STRUCTURES;
- g. Plans for landscaping, plant types and sizes, grading, drainage, water supply, and sanitary sewage disposal;
- h. The location of all existing trees having a diameter of five (5) inches measured one foot above the ground and identification of all trees (if any) the OWNER proposes to remove; and,
- i. The proposed construction schedule of all construction activities; and,
- j. The name and qualifications of the proposed builder or contractor.

**Section 7. Approval of Builder and Contractor.** Any builder or contractor prior to performing any work on any LOT must be approved by the ACC as to building experience, and ability to build STRUCTURES of the size and type of those proposed to be built or installed on the LOT. No person, firm or entity shall be approved as a builder or contractor unless such person, firm or entity obtains their income primarily from construction of the type of STRUCTURE which the proposed builder or contractor is to perform upon the LOT. No OWNER shall be permitted to act as his/her own builder or contractor for the exterior of any STRUCTURE except where such OWNER is properly licensed and obtains his income primarily from the construction of the type of STRUCTURE to be constructed upon the LOT and otherwise meets the qualifications for approval by the ACC as herein above set forth.

**Section 8. Approval of Plans and Specifications.** Upon written approval by the ACC of any plans and specifications submitted pursuant to this DECLARATION, a copy of such plans and specifications, as approved, shall be deposited for permanent record with the ACC and a copy of such plans and specifications bearing such approval, and the date of such approval, in writing, shall be returned to the applicant submitting the same. Approval for use in connection with any LOT or STRUCTURE of any plans and specifications shall not be deemed a waiver of the ACC's right, in its discretion, to disapprove similar plans and specifications or any of the features or elements included therein if such plans, specifications, features or elements are subsequently submitted for use in connection with any other LOT or STRUCTURE. Approval of any such plans and specifications relating to any LOT or STRUCTURE, however, shall be final as to that LOT or STRUCTURE and such approval may not be revoked or rescinded thereafter, provided that there has been adherence to, and compliance with, such plans and specifications, as approved, and any conditions attached to any such approval.

**Section 9. Disapproval of Plans and Specifications.** The ACC shall have the right to disapprove any plans and specifications submitted pursuant to this DECLARATION because of any one of the following reasons:

- a. The failure to include all information in such plans and specifications as may have been reasonably requested; or,
- b. The failure to comply with the procedures of the ACC or the Design Standards; or,
- c. Since the establishment of standardized, inflexible building setback lines tends to force construction of STRUCTURES having detrimental effects on privacy, view, preservation of important trees and exposure to sun and breeze, no specific building setback lines are established by this DECLARATION. In order to assure, however, that STRUCTURES will be located so that the maximum practicable amount of privacy, view and breeze will be available to each LOT and so that environmental and other natural constraints will be observed in construction on each individual LOT, taking into consideration location of streets, bluffs, marshes, lakes, trees, sunlight, prevailing breezes, STRUCTURES on neighboring LOTS and similar considerations, the ACC reserves unto itself the right absolutely and solely to control and decide the precise site and location of the main STRUCTURE, the accessory building and other STRUCTURES; provided, however, that such location shall be determined only after reasonable opportunity is afforded the OWNER to recommend a specific site; or,
- d. Any other matter to include purely esthetical reasons, which, in the judgment of the ACC, would be likely to cause the proposed installation, construction or alteration of a STRUCTURE (i) to fail to be in conformity and harmony of external design and general quality with the existing standards of Pinckney Retreat; or (ii) for the location to be incompatible with topography, existing trees, prevailing breezes, views, finished ground elevation, surrounding LOTS, and existing STRUCTURES.
- e. In order to obtain approval, all fees due and owing to the ACC and to the BOARD shall have been paid.

In any case in which the ACC shall disapprove any plans and specifications submitted hereunder, or shall approve the same only as modified or upon specified conditions, such disapproval or qualified approval shall be accompanied by a statement of the grounds upon which such action was based. In any such case the ACC shall, if requested, make reasonable efforts to assist and advise the applicant in order that an acceptable proposal may be prepared and submitted for approval. Variances may be granted due to extreme hardships or factors involving the topography, foliage or shape of a LOT.

At the same time that the ACC notifies an applicant of its action on any plans and specifications submitted to it, the ACC shall notify the BOARD of its action and shall provide the BOARD with a complete copy of the notice given to the applicant.

Section 10. Obligation to Act. The ACC shall take written action on any plans and specifications, or applicant's revisions to such plans and specifications, submitted as herein provided within twenty (20) calendar days after receipt thereof. Approval and the date thereof by the ACC, if granted, together with any conditions imposed by the ACC, shall be placed in writing

on the plans and specifications and shall be returned to the applicant. Upon receipt of the approval, the OWNER shall, as soon as practicable, satisfy all conditions thereof and diligently proceed with the commencement and completion of all construction, reconstruction, refinishing, alterations and excavations pursuant to the approved plans. If the OWNER shall fail, within six (6) months after the date of such approval, to satisfy the conditions and substantially commence the work, the approval shall be deemed revoked unless time for such is extended in writing by the ACC pursuant to the written request of the OWNER upon a finding of the ACC that there has been no change in the circumstances upon which the original approval was granted.

In any event, the OWNER shall complete all site development work and the construction, reconstruction, refinishing or alteration of the foundation and all exterior surfaces (including the roof, exterior walls, windows and doors) of any STRUCTURE within one (1) year after commencing construction thereof, except that the one year period may be extended upon a written request by the OWNER in the event completion is rendered impossible due to strikes, fires, national emergencies, natural calamities or other supervening forces beyond the control of the OWNER or his agents. If the OWNER fails to complete all site development work and such construction within the one-year period, the ACC shall notify the BOARD of such failure. If the BOARD shall agree with the determination of the ACC with respect to the failure, then the BOARD shall provide WRITTEN NOTICE to the OWNER. If the OWNER shall not have taken reasonable steps toward completion of site development work and construction within thirty (30) days after receipt of WRITTEN NOTICE of the aforesaid notice of failure to complete, then the BOARD shall have the Right of Abatement as provided herein.

**Section 11. Inspection Rights.** Any employee or agent of the COA or the ACC may, after reasonable notice, at any reasonable time or times enter upon any LOT and STRUCTURE thereon for the purpose of ascertaining whether the installation, construction, alteration or maintenance of any STRUCTURE or the use of any LOT or STRUCTURE is in compliance with the provisions of this DECLARATION; and neither the COA nor the ACC, nor any such agent shall be deemed to have committed a trespass or other wrongful act solely by reason of such entry or inspection, provided such inspection is carried out in accordance with the terms of this Section.

**Section 12. Violations.** If any STRUCTURE shall be erected, placed, maintained or altered upon any LOT or on any wetland contiguous or adjacent to such LOT (wetland being defined as any Wetland designated as such by any state, federal or municipal authority), other than in accordance with the plans and specifications approved by the ACC pursuant to the provisions of this Article, then such erection, placement, maintenance or alteration shall be deemed to have been undertaken in violation of this Article and without the approval required herein. If, in the opinion of the ACC, such violation shall have occurred, the ACC shall notify the BOARD. If the BOARD shall agree with the determination of the ACC with respect to the violation, then the BOARD shall provide WRITTEN NOTICE to the OWNER setting forth in reasonable detail the nature of the violation and the specific action or actions required to remedy the violation. If the OWNER shall not have taken reasonable steps toward the required remedial action and given WRITTEN NOTICE to the BOARD within ten (10) days after the WRITTEN NOTICE of the aforesaid notice of violation, then the BOARD shall

have the right to take action to enforce and it shall have the Right of Abatement as provided herein.

**Section 13. Certificate of Compliance.**

- a. Upon the completion of the installation, construction or alteration of any STRUCTURE in accordance with plans and specifications approved by the ACC, the ACC shall, upon written request of the OWNER thereof, issue a certificate of compliance. The certificate shall identify such STRUCTURE and the LOT and shall state that the plans and specifications have been approved and that such STRUCTURE complies with such plans and specifications. A copy of the certificate shall be filed for permanent record with the plans and specifications on file with the ACC and a copy of the certificate shall be submitted to the BOARD at the same time that it is given to the OWNER. No occupancy can take place until the certificate has been obtained by the OWNER.
- b. Any certificate of compliance issued in accordance with the provisions of this Section shall be *prima facie* evidence of the facts therein stated; and as to any purchaser or encumbrancer in good faith and for value, or as to any title insurer, such certificate shall be conclusive evidence that all STRUCTURES on the LOT comply with all the requirements of this Article; provided, however, that the certificate shall in no way be construed to certify the acceptability, sufficiency or approval by the ACC of the actual construction of STRUCTURES or of the workmanship, or to represent or warrant to anyone the safety, quality, function or operation of the STRUCTURE or of any construction, workmanship, engineering, materials or equipment.

**Section 14. Fees.** The ACC may collect reasonable and appropriate fees from an OWNER to cover (i) the cost of examination of any plans and specifications submitted for approval pursuant to this DECLARATION, (ii) the cost of inspections performed pursuant to the Sections herein, (iii) the cost of certificates issued pursuant to Section 13, above, (iv) payments to members of the ACC pursuant to Section 3 above, and (v) for cleaning the LOT upon completion of construction (which may be a refundable fee). The fees shall be made payable to the entity responsible for bearing the cost of operation of the ACC pursuant to Section 1a above. The fees shall be established and amended from time to time by the BOARD and published in the Design Standards.

OWNERS are responsible for the cost of any damages to or destruction of any property belonging to the ASSOCIATION or residents of Pinckney Retreat as a result of the OWNER'S (including any contractor or vendor directly or indirectly engaged by OWNER) installation, construction or alteration of any STRUCTURE. From each OWNER undertaking any installation, construction or alteration of any STRUCTURE, whether or not such OWNER has made application to the ACC for approval, the ASSOCIATION may collect a Damage Deposit in an amount determined by the

BOARD. The ASSOCIATION may apply all or a portion of such deposit toward any damages to or destruction of any property belonging to the ASSOCIATION or residents of Pinckney Retreat as a result of the OWNER'S installation, construction or alteration of any STRUCTURE. Any portion of the Damage Deposit not used will be returned to the OWNER. The Damage Deposit shall be paid to the ASSOCIATION. The amount of the Damage Deposit shall be established and may be amended from time to time by the BOARD.

Section 15. Liability of ACC Members. No member of the ACC shall be liable to any OWNER for any decision, action or omission made or performed by such ACC member in the course of his duties unless such member acted in bad faith, or in reckless disregard of the rights of any person, or in reckless disregard of the terms of this DECLARATION or the BYLAWS.

Section 16. Indemnification. Until the ACC functions are assigned to the ASSOCIATION, the DECLARANT shall, to the full extent permitted by law, indemnify all persons designated from time to time by the DECLARANT to serve as members of the ACC from and against any liability, including attorney fees, as may be incurred by such members. Following DECLARANT'S assignment to the ASSOCIATION of the within ACC Board functions, members of the ACC shall be indemnified by the ASSOCIATION pursuant to the provisions of the BYLAWS.

Section 17. Right to Assign ACC Functions. DECLARANT reserves the right to assign to the ASSOCIATION, at its sole discretion, the whole or any portion of its rights reserved in this DECLARATION which are exercisable by the ACC. The ASSOCIATION hereby agrees to accept the assignment of these rights without the necessity of any further action by it. At the time of any such assignment, the past records of the ACC shall be delivered to the Secretary of the Board.

Section 18. Parking Spaces. No construction or alteration of any STRUCTURE shall take place on any LOT without the provision of a sufficient number of parking spaces to meet the reasonably anticipated parking needs for the residents of the LOT, in accordance with plans and specifications approved by the ACC for such purpose.

## ARTICLE VII - GENERAL COVENANTS AND RESTRICTIONS

Section 1. Permitted Use. LOTS may be used for single family residential purposes only and for no other purpose. No more than one family (including its servants and transient guests) shall occupy a LOT. Single family means one or more persons, each related to the other by blood, marriage or adoption, or a group of not more than three persons not so related who maintain a common household together.

No home occupation, business or profession, the conduct of which is evident from outside of the STRUCTURE, shall be conducted in any STRUCTURE or on any LOT.

**Section 2. Permitted Structures.** No building or other STRUCTURE shall be erected, altered, placed or permitted to remain on a LOT except (a) a main residence designed for occupancy by a single family; (b) one building accessory to the main STRUCTURE, designed for use as a private garage or guest suite or combination of both, and being compatible with the main building in size, design, quality of construction and location; and (c) appurtenances to the main house and accessory building, including but not limited to sheds, patios, etc. Neither the accessory building nor any appurtenance shall be constructed or occupied prior to the construction and occupancy of the main house.

**Section 3. Minimum Floor Area.** No main STRUCTURE shall be erected, altered, placed or permitted to remain on a LOT unless it shall have an enclosed, heated living area (exclusive of garages, carports, porches, terraces, attic, basement, screened and bulk storage areas) of at least the following minimum square feet with one or more stories:-

Minimum Square Feet – 2,000

LOTS 3, 4, 5, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29a, 29b, 30, 31, 32, 33, 45, 50, 51, 55, 56, 57, 59, 64, 65, 66, 68, 71, 72, 73, 75

Minimum Square Feet – 1,700

LOTS 1, 2, 6, 7, 8, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 46, 47, 48, 49, 52, 53, 54, 58, 60, 61, 62, 63, 67, 69, 70, 74, 76

**Section 4. Maximum Height.** No STRUCTURE shall be erected, altered, placed or permitted to remain on a LOT in excess of thirty-five (35) feet in height to the eve of the house from grade.

**Section 5. Service Facilities.** Each main STRUCTURE or accessory building shall include a fenced service yard enclosing from view all containers for garbage, trash and other refuse, and all other maintenance and service facilities on the LOT.

No incinerators for garbage, trash or other refuse shall be placed, used or permitted to remain on any LOT, and the maintenance of accumulated waste plant materials is prohibited except as part of an established compost pile fenced or screened from view.

**Section 6. Utility Facilities.** No air conditioning compressors, window air conditioning units, solar heating devices or other heating and cooling equipment, fuel tanks, electrical transformers and meters, gas valves, telephone junction boxes or other utility equipment, devices or facilities shall be erected, altered, placed or permitted to remain on any LOT except in the interior of the main STRUCTURE or accessory building, or behind a fence or shrubbery screening sufficient to hide all such devices and facilities from view.

**Section 7. Pipes, Wires and Antennas.** All water and sewer pipes, electrical service, cable, television and telephone wires and other wires and pipes shall be placed underground. No pole, tower, antenna or other device for the transmission or reception of television signals,

radio signals or any other form of electromagnetic radiation, or for any other purpose, shall be erected, placed, maintained or permitted to remain on any LOT unless approved in advance and in writing by the ACC.

Section 8. Water. No water well or other independent water supply works or facilities shall be constructed, maintained or permitted to remain on any LOT as long as there is available to such LOT, a source of water supply through one or more water distribution systems owned, operated or maintained by any governmental entity or agency.

Section 9. Sewer. Prior to occupancy of any STRUCTURE on a LOT, proper and suitable provisions shall be made for the disposal of sewage by means of a public sewage disposal system available to the LOT. No septic tank or tanks or other independent sewage disposal works or facilities shall be constructed, placed, altered or permitted to remain on any LOT.

Section 10. Water and Sewer Service Charges. Every OWNER of a LOT shall be presumed conclusively by acceptance of a deed of conveyance to such LOT to have covenanted, for himself, his heirs, representatives, successors and assigns, to pay charges for water and sewer service, and for availability thereof prior to actual use, to the operator of any utility system organized to serve the area. At such time as the OWNER shall elect to have water service and sewer service connected, he shall pay a separate connection or tap-in charge for each such service as established by the serving utility. Thereafter he shall pay for water and sewer service at such rates established by the serving utility.

Section 11. Trees. No tree having a diameter of five (5) inches measured one foot above the ground shall be destroyed or removed from any LOT without the prior written consent of the ACC. In the event of a violation of this Section, the OWNER shall cause the destroyed or removed tree to be promptly replaced with another tree. The replaced tree shall be planted at the same location and shall be the same type and size as the destroyed or removed tree, unless the ACC shall grant the OWNER written approval to replace with a tree of a different type or size or at a different location. In the event the OWNER shall fail to replace the tree as required by this Section within thirty (30) days after the giving of WRITTEN NOTICE from the ACC, then the ASSOCIATION shall have the Right of Abatement as provided below.

Section 12. Exterior Lighting. No exterior lighting other than low intensity landscape lighting shall be installed, maintained or permitted to remain on any LOT, the light source of which is visible from any street or neighboring property unless approved by the ACC.

Section 13. Signs. No sign shall be installed, altered, maintained or permitted to remain on any LOT, except as approved by the Board of Directors. This section is applicable to all types of signs, to include, but not limited to: "For Sale", "For Rent", "Sold", "Street Address", "Garage Sale", "Event" and/or "Open House" signs.

Section 14. Mailboxes. No mailbox or other STRUCTURE used as a receptacle for the delivery or dispatch of mail, packages, newspapers, periodicals or similar matter shall be

constructed, altered, maintained or allowed to remain on any LOT except a single mailbox or receptacle approved by the ACC of a size, type, color and design, and at a location, consistent with the standards of the neighborhood and with the Design Standards. The ACC can require that mailboxes and the other receptacles be combined into one or more combined receptacle.

Section 15. Re-subdividing. No LOT may be split, divided, or subdivided or have its boundaries changed.

Section 16. Maintenance. Each OWNER will keep and maintain each LOT and the exterior of all STRUCTURES, as well as all landscaping located on each LOT, in good condition and repair, including, but not limited to, (i) the repairing and painting (or other appropriate external care) of all STRUCTURES; (ii) the pruning, trimming and care of all trees, hedges, shrubs and planted areas so that the same are esthetically in harmony with the standards of the Pinckney Retreat Community and are not obstructive of vehicle or pedestrian traffic.

If, in the opinion of the ACC, any OWNER shall fail to perform the duties imposed by this Section, the ACC shall notify the ASSOCIATION. If the BOARD shall agree with the determination of the ACC with respect to the failure of the OWNER to perform the duties imposed by this Section, then the BOARD shall give WRITTEN NOTICE to the OWNER to remedy the condition in question, setting forth in reasonable detail the nature of the objectionable condition and the specific action or actions needed to be taken to remedy the condition. If the OWNER shall fail to take reasonable steps to remedy the condition within thirty (30) days after the giving of WRITTEN NOTICE, then the ASSOCIATION shall have the Right of Abatement as provided below.

Section 17. Outside Storage. Except during approved construction, no outside storage of personal property (to include boats, canoes, rafts, trailers, etc.) shall be permitted unless screened from view by enclosures, fences, shrubbery or other devices that are approved by the ACC. During approved construction, no construction material or device shall be stored on any LOT except for the purposes of such construction nor for longer than the length of time reasonably necessary for such construction. All construction debris, excess materials, stumps and other matter discarded during construction shall be removed from the LOT as often as necessary to keep the LOT and all STRUCTURES neat, clean and attractive in appearance.

#### Section 18. VEHICLES and Parking.

- (a) VEHICLES are defined as, but not limited to, automobiles, pick- up trucks, vans, sports utility vehicles (SUV), trucks, tractor-trailer rigs, motor homes, trailer homes, campers, trailers, boats, motorcycles, all-terrain vehicles (ATV), boat or other types of trailers, recreational vehicles (RV) and all other types of transportation devices that may be defined as vehicles at the sole discretion of the BOARD and without

regard to any other definition established by any government authority or the manufacturer.

- (b) All VEHICLES (other than passenger automobiles and pick-up trucks of one-half ton or less) must be parked in a fully enclosed garage or an area designated by and approved for screening by the ACC.
- (c) No VEHICLES may be parked on any lawn, road, right of way, shoulder, easement or vacant lot, except on a temporary basis (not to exceed 12 hours) and only for the necessary construction, repair or maintenance of an improved or vacant lot.
- (d) Any VEHICLE not required to park in a garage/carport must park on a driveway. A driveway is defined as a concrete or gravel surface that provides continuous access to a garage.
- (e) Abandoned or inoperable automobiles or vehicles of any kind, except as provided below, shall not be stored or parked on any portion of the PROPERTY. "Abandoned or inoperable vehicles" shall mean and refer to any vehicle which has not been driven under its own propulsion for a period of ten (10) days or longer; provided, however, that this shall not include vehicles parked by OWNERS while on vacation. A WRITTEN NOTICE describing the "abandoned or inoperable vehicle" and requesting its removal may be served upon the OWNER or posted on the unused vehicle. If such vehicle has not been removed within seventy-two (72) hours after notice has been given, the ASSOCIATION shall have the right to remove the vehicle without liability, and the expense of removal shall be charged against the OWNER.
- (f) Un-licensed VEHICLES must be stored in a closed garage.
- (g) Any VEHICLE repair and maintenance exceeding three (3) hours in length must take place in a garage.
- (h) No VEHICLE may be used as a domicile or residence even on a temporary basis.
- (i) In order to alleviate any hardship upon any OWNER or occupant of a LOT, a pass may be issued by the BOARD allowing a VEHICLE to be parked in a driveway overnight for the convenience of loading or unloading a boat, motor home, camper or camper trailer. The pass may not exceed 24 hours. This pass must be obtained in advance before any of the above is parked or placed on the property. A pass will be issued only to the occupant living in the property. Repeated violations or abuses may result in the suspension of the right to obtain any pass for

a person, address or vehicle. No more than two passes in a thirty-day period will be issued.

- (j) Only personal VEHICLES can be used in the PROPERTY and commercial vehicles are only allowed for the temporary purpose of delivery. No sign, advertising or the painting of words or symbols shall be allowed on any VEHICLE.
- (k) In order to provide for the safe and effective regulation of traffic upon all roadways, streets and alleyways, the ASSOCIATION shall have the authority to promulgate from time to time traffic and parking rules and regulations as part of the RULES of Conduct. Such right includes the authority to make agreements by and with any governmental agency for such purposes and the authority to post signs and to enforce the RULES by monetary fines or the towing of vehicles in violation.
- (l) Motorcycles, motorbikes, mopeds and golf carts can be driven on the roads and alleyways but only on the conditions that they and the driver of such vehicle are properly licensed by any and all governmental agencies having jurisdiction over the same.

Section 19. Temporary Buildings. No house trailer, mobile home, tent or other STRUCTURE of a temporary or transient character shall be kept, placed, maintained or permitted to remain on any LOT except a shelter used by a building contractor during the course of construction of the main STRUCTURE or accessory building. The design and location upon a LOT of any such shelter shall at any time be subject to approval by the ACC and no temporary STRUCTURE will be used as a residence or be permitted to remain on the LOT after completion of construction.

Section 20. Unsightly Activities. No pursuit of hobbies or other activities (including without limitation the repair, maintenance, assembly and disassembly of motor vehicles, boats and other mechanical devices) which might tend to cause disorderly, unsightly or unkept conditions shall be pursued or undertaken on any LOT or COMMON PROPERTY. The BOARD shall have the authority in its sole discretion to determine what constitutes a disorderly, unsightly or unkempt condition.

Section 21. Solid Waste. No person shall dump or keep rubbish, debris, garbage or any other form of solid waste on any LOT or on COMMON PROPERTY.

No person shall burn rubbish, debris, garbage or any other form of solid waste on any LOT or on COMMON PROPERTY. If rubbish, garbage or any other form of solid waste is to be disposed of by being collected and removed from the LOT on a regular and recurring basis, the OWNER shall provide access to the persons making such pickup only in accordance with the RULES of the ASSOCIATION.

Section 22. Nuisances. No noxious or offensive activity shall be permitted upon any LOT, nor shall anything be done or placed thereon which may be or become a nuisance, or cause unreasonable embarrassment, disturbance or annoyance to other OWNERS in the enjoyment of their LOTS or in their enjoyment of COMMON PROPERTY. The BOARD shall have the authority in its sole discretion to determine what may cause a nuisance or cause unreasonable embarrassment, disturbance or annoyance to other OWNERS.

Specifically, the users of motorcycles, motorbikes, mopeds, and golf carts must exercise caution not to create a nuisance by their use, parking, or the emission of noise.

Section 23. Pets and Wildlife. No animals, livestock, fowl, birds, insects or reptiles, shall be placed, kept, maintained or allowed to remain on any LOT except as household pets and not for commercial or show purposes. No such pet shall be allowed to make an unreasonable amount of noise or otherwise to become a nuisance. Pets shall be under leash at all times when walked or exercised on any portion of the COMMON PROPERTY.

No STRUCTURE for the care, housing or confinement of any pet shall be maintained so as to be visible from any street or neighboring LOT.

Upon the request of any OWNER, the BOARD shall determine in its sole discretion whether for the purposes of this Section a particular animal shall be considered to be a household pet or a nuisance and whether the number of animals on any LOT is reasonable.

No wildlife shall be trapped, captured, confined, or killed on any LOT or on any COMMON PROPERTY except in connection with a wildlife population control program having the prior written approval of the BOARD.

Section 24. Firearms and Fires. No firearm or other weapon (including but not limited to air guns and bow and arrow) and no fireworks shall be discharged on any LOT or COMMON PROPERTY; provided, however, that this Section shall not prohibit the ASSOCIATION from instituting wildlife population control programs which may include the use of firearms or weapons.

Section 25. Pest Control. In order to maintain and implement aesthetically pleasing yards and grounds and to control fire ants, mosquitos and other such insects or vermin upon the PROPERTY, the BOARD acting for the ASSOCIATION, its successors and assigns and authorized agents, shall give an OWNER fifteen (15) days WRITTEN NOTICE of those matters that need correcting in this regard. Upon the failure of the OWNER to correct such matters, the BOARD has the right to enter upon any LOT for the purposes of mowing grass and removing, clearing, pruning, cutting underbrush, weeds, or unsightly growth or trash and garbage or any other item which detracts from the overall beauty and safety of the PROPERTY. The cost of such control shall be paid by the OWNER of such LOT in the same fashion as a Special ASSESSMENT and upon the nonpayment of such by the OWNER, all rights of Special ASSESSMENTS shall accrue to the ASSOCIATION. In the event of invocation of this right it shall not be deemed a trespass.

Section 26. Additional Restrictions. No OWNER can impose or place any additional or other restrictions, covenants or easements on any LOT (other than those contained in this DECLARATION) except by the written consent of the DECLARATION and the BOARD.

Section 27. Waterfront LOTS. With respect to LOTS adjacent to any river, stream, creek, marsh, lake, shore or other water body:

- (a) no land vehicle shall be stored within twenty (20) feet of the waterfront or marsh front boundary thereof;
- (b) no canal or intrusion in the shore or bank can be dug or excavated therein or in any of the adjacent shores, banks, waters or marshes;
- (c) no bulkhead, revetment, seawall, barge, dock, post, mooring, piling, float or other marine structure shall be erected thereon or in or on any adjacent shore, bank, water or marsh without the prior written approval of the ACC of plans and specifications for such structure in accordance with this DECLARATION;
- (d) no recreational dock, platform or other man-made STRUCTURE (neither for boats, viewing nor any other purpose) shall be built on or located on any LOT;
- (e) The South Carolina Department of Health and Environmental Control by and through the Office of Coastal Recreational Management (DHEC-OCRM) and also Beaufort County and the Town of Port Royal exercise jurisdiction within that area located on the water or marsh front of such LOTS. It is the obligation of each OWNER to become knowledgeable about such governmental laws, ordinances, rules and regulations and to abide by them.
- (f) No garbage, trash debris, yard raking or other such materials can be placed upon or dumped on or over any bluff, shore, or marsh line or water area.

Section 28. Multiple Ownership. No LOT can be owned by more than four OWNERS. For purposes of this restriction, a married couple constitutes one single owner. A LOT may be owned by a corporation, partnership, limited liability company or other entity so long as such entity does not have more than four owners/shareholders/members/partners, etc..

No LOT can be used for or owned by any type of Vacation Time Sharing Plan or Vacation Multiple Ownership plan or fractional ownership arrangement or similar time sharing or multiple ownership plan.

Section 29. Garage Yard Sales. The BOARD shall establish RULES from time to time to determine when, where and under what conditions garage and/or yard sales shall take place. Such authority shall include the authority to prohibit such sales activities.

Section 30. Excavation. No excavation shall be made on any LOT or the COMMON PROPERTY except in connection with improvements approved as provided in these Covenants. For purposes of this Section, "excavation" shall mean and refer to any disturbance of the surface of the land (except of the extent reasonably necessary for approved landscaping planting) which results in a removal of earth, rock or other substance to a depth of more than eighteen (18") inches below the natural surface.

Section 31. Outside Items. No clothing, towels, rugs, laundry, wash nor any item similar thereto can be hung or dried or kept outside of any building.

Section 32. Antennae. No exterior radio, television, cable, microwave or other antenna or antenna dish or signal capture and distribution device shall be permitted without the prior written consent of the ACC.

Section 33. Leasing. An OWNER shall have the right to enter into Rental Agreements for their LOT subject to the following terms and conditions:

- (a) All rental agreements shall be in writing and copies thereof shall promptly be delivered to the President of the ASSOCIATION for purposes of identifying the tenants and that the tenants are authorized to be on the PROPERTY and in the house of the OWNER.
- (b) No rental term can be less than ninety (90) continuous days without the prior written consent of the BOARD.
- (c) The Rental Agreement shall specifically notify the tenant that they are subject to all the terms and conditions of the DOCUMENTS and that a violation of the same will invoke a penalty against both the tenant and the OWNER.

Section 34. Limitations of Use on Bodies of Water. To provide for the maximum enjoyment by the OWNERS, to preserve the quality of the water, to preserve and maintain drainage functions, and to minimize erosion and shore damage of the water bodies, no boats, canoes, rafts, kayaks, or other watercraft of any nature or kind can be placed in, used or operated on any pond, lake, lagoon or other body of water within the PROPERTY.

The ASSOCIATION reserves the right to adjust water levels and to perform drainage functions in these areas from time to time.

## ARTICLE VIII - EASEMENTS

Section 1. General Easements. The ASSOCIATION expressly reserves to itself, its successors and assigns forever, a perpetual easement in, on, over and across any LOT and the COMMON PROPERTY for the following purposes:

- (a) The erection, installation, construction and maintenance of wires, lines and conduits and the necessary or proper attachments in connection with the transmission of gas, electricity, telephone, television and other utilities and similar facilities;
- (b) The erection, installation, construction and maintenance of storm-water drains, land drains, public and private sewers, septic tanks and drain fields, pipelines for supplying gas, water, heat and cooling, and for any public or quasi-public facility, service or function;
- (c) For slope, bluff, shore and marsh erosion control purposes, including the right to grade and plant slopes, bluffs, shores and marshes, to construct walls, revetments, embankments, dikes, dams, berms and similar erosion control devices, and to prevent the doing of any activity which might interfere, or threaten to interfere, with slopes, bluffs, shores or marshes or which might create, or threaten to create, erosion or sliding problems or which might change, obstruct or retard drainage flow and shorelines, or threaten to do so;
- (d) For fire and pest control and eradication purposes including the right to cut firebreaks and dispense pesticides and to take other action deemed necessary or desirable by the ASSOCIATION to control and eradicate fire, insects, pests and vermin; and,
- (e) The planting or re-planting of hedges, shrubbery, bushes, trees, flowers and plants of any nature.

Nothing, however, contained in this DECLARATION shall obligate the ASSOCIATION, its successors or assigns, to engage in any of the activities described in this Article.

Section 2. PATHWAYS. Across LOTS 9 to 23 and 25 to 29B and also those COMMON PROPERTY areas designated on the PLAT, there are pathways that are ten feet wide. On such LOTS the pathways are located within the fifty-foot OCRM critical line setback area. The ASSOCIATION will determine the specific location of and the installation of the pathways with reference to views, geography, tree locations and like considerations and will construct the same. The ASSOCIATION will be responsible for the repair and maintenance of pathways to such standard as is reasonable for pedestrian use.

The purpose of the pathways is to allow pedestrian passage over the

designated LOTS with a water view to all OWNERS. Bicycles can be used on the pathways and dogs with a leash of no more than ten feet can accompany an adult.

There is reserved to the ASSOCIATION and all OWNERS a perpetual easement for the purposes stated herein.

**Section 3. Sea Walls.** For the purpose of containing and restricting salt -water shore erosion, the ASSOCIATION has the right to install and the ASSOCIATION shall repair and maintain sea walls, revetments, or bulkheads on LOTS 10 to 18.

**Section 4. Environmental Easement.** For the purpose of taking any action necessary to effectuate compliance with environmental rules, regulations and procedures from time to time as established by the BOARD, the ACC or by any governmental agency, there is a perpetual easement reserved in favor of the ASSOCIATION, its agents and employees, which is alienable, and transferrable, over, across and under the surface of any portion of the PROPERTY.

**Section 5. Entry.** A perpetual and alienable easement for ingress and egress is reserved to the ASSOCIATION for the purposes set forth in this Article over all LOTS and the COMMON PROPERTY. The ASSOCIATION, its employees, agents, successors and assigns, shall have the right at all reasonable times to enter upon all parts of each easement described in this Article for any of the purposes stated herein without being deemed to have committed a trespass or wrongful act solely by reason of such entry and the carrying out of such purposes.

The DECLARANT and the ASSOCIATION, their employees, agents, successors and assigns shall be responsible for leaving each LOT and parcel of COMMON PROPERTY in good condition and repair following the completion of any work or activity undertaken pursuant hereto.

#### ARTICLE IX - HISTORIC AREA

**Section 1. Purpose.** The area designated on the PLAT as 0.30 (See Exhibit D) acres and stated to be the "HISTORIC AREA" is a specifically sensitive area both historically and environmentally. The old building and gardens upon that site were constructed about 1739 by Jean de la Gaye who was one of the earliest European settlers in the Beaufort area. It is the intention and purpose of the ASSOCIATION to preserve and protect this site.

**Section 2. Historic Area Assessment.** To provide the necessary financial support to enable the ASSOCIATION to conduct the purposes set forth herein, a special assessment is hereby created that is designated as the HISTORIC AREA ASSESSMENT. It mandatorily applies from the date of the recording of this DECLARATION to all LOTS. The DECLARANT and each subsequent OWNER upon conveyance by the DECLARANT, their successors and assigns forever, are deemed to covenant and consent to this HISTORIC AREA

ASSESSMENT and this special covenant shall run with the land. Upon the sale of any LOT, the grantor shall pay this HISTORIC AREA ASSESSMENT, to the ASSOCIATION, in the amount of one (1.0%) per cent of the gross sales price of the LOT. This assessment shall be payable at the time of the closing of the sale and it shall be the responsibility of the seller to insure that it is delivered.

This HISTORIC AREA ASSESSMENT (together with late charges, interest and all costs of collection to include reasonable attorneys' fees) shall be the personal obligation of the seller and it shall also be a charge and continuing lien upon the LOT which is sold until payment in full has been made and such charge and continuing lien shall continue to apply to the LOT without regard to any and all subsequent conveyances. In the event of co-ownership, all selling OWNERS shall be jointly and severally personally obligated for the entire amount of the assessment that is due.

In the event of the failure of the payment of the HISTORIC AREA ASSESSMENT within five (5) days of the closing, then the assessment shall be delinquent together with (a) reasonable late charges for collection, (b) interest thereon at twelve per cent (12%) per annum, and (c) all costs of collection including reasonable attorneys' fees. Upon this assessment becoming delinquent in payment, the ASSOCIATION, its successors and assigns, shall have such remedies at law and in equity to collect all sums and amounts due in the same manner and with the same rights as the collection of any other delinquent assessment pursuant to Article V hereof.

The monies collected from this HISTORIC AREA ASSESSMENT shall be maintained in a separate account and shall be invested in low risk investments. Expenses from the monies collected pursuant to this Article shall be spent to preserve, protect and maintain the HISTORIC AREA. The amount of this assessment can be amended in the same manner as the adoption of a Special Assessment under Article V Section 4.

#### ARTICLE X - INSURANCE AND CASUALTY LOSSES

**Section 1. Insurance.** The BOARD shall have the authority to purchase and continue in effect insurance in such form and amounts as the BOARD deems appropriate and necessary for the protection of the ASSOCIATION, its directors, officers, employees, committee members, volunteers and the Common Property.

**Section 2. ASSOCIATION'S Policies.** All such insurance coverage shall be written in the name of the ASSOCIATION and the costs of all such coverage shall be a COMMON EXPENSE. Exclusive authority to adjust losses under policies obtained by the ASSOCIATION and hereafter in force with respect to the Development shall be vested in the BOARD. Provided, however, that no mortgagee or other security holder of the COMMON PROPERTY having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

Insofar as permitted by law, the ASSOCIATION shall be required to

make every effort to secure insurance policies with the provisions hereafter set forth:

- (a) All policies shall be written with a company licensed to do business in the State of South Carolina and holding an A.M. Best Company, Inc. Financial Strength Rating of A or better with a Financial Size Category of IX or higher, if such a company is available. If a company licensed to do business in the State of Carolina with the required A.M. Best Company, Inc. Financial Strength Rating and Financial Size Category is not available, the Board may utilize other insurers.

Section 3. OWNER'S Insurance. It shall be the individual responsibility of each OWNER at his own expense to provide, as he sees fit, public liability, property damage, title, and other insurance with respect to his or its own property. The BOARD may require all OWNERS to carry public liability and property damage insurance with respect to their respective property and to furnish copies or certificates thereof to the ASSOCIATION.

Section 4. Damage or Destruction to COMMON PROPERTY. Immediately after the damage or destruction by fire or other casualty to all or any part of the COMMON PROPERTY covered by insurance written in the name of the ASSOCIATION, the BOARD shall proceed with the filing and adjustment of all claims arising under such insurance, and, in any such event, the BOARD shall obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used here, means repairing or restoring the damaged property to substantially the same condition in which it existed prior to the fire or other casualty. If the insurance proceeds, if any, for such damage or destruction are not sufficient to defray the cost thereof, and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, the BOARD shall levy a SPECIAL ASSESSMENT against all OWNERS, without the necessity of a vote of the OWNERS, in an amount sufficient to provide funds to pay such excess costs of repair or reconstruction. Such a SPECIAL ASSESSMENT shall be levied against the OWNERS equally in the same manner as ANNUAL ASSESSMENTS are levied, and additional SPECIAL ASSESSMENT for such purpose may be made at any time during or following the completion of any repair or reconstruction. Any and all sums paid to the ASSOCIATION under and by virtue of such SPECIAL ASSESSMENTS shall be held by and for the benefit of the ASSOCIATION together with the insurance proceeds, if any, for such damage or destruction. Such insurance proceeds and ASSESSMENTS shall be disbursed by the ASSOCIATION in payment for such repair or reconstruction pursuant to and in accordance with such method of distribution as is established by the BOARD. Any proceeds remaining after defraying such costs shall be retained by and for the benefit of the ASSOCIATION. If it is determined by the BOARD that the damage or destruction for which the insurance proceeds are paid shall not be repaired or reconstructed, such proceeds shall be retained by and for the benefit of the ASSOCIATION, and the ruins of the COMMON PROPERTY damaged or destroyed by fire or other casualty shall be cleared and the COMMON PROPERTY left in a clean, orderly, safe and sightly condition.

**Section 5. Damage or Destruction to OWNERS' Property** In the event of damage or destruction by fire or other casualty to any property subject to this DECLARATION, or the improvements thereon, and in the further event that the OWNER responsible for the repair and replacement of such property elects not to repair or rebuild, such OWNER shall promptly clear away the ruins and debris of any damaged improvements or vegetation and leave such property in a clean, orderly, safe, and sightly condition. Should such OWNER elect to repair or rebuild such property or other improvements thereon, such OWNER shall repair or rebuild to substantially the same condition as existed prior to such fire or other casualty and in accordance with all applicable standards, restrictions, and provisions of this DECLARATION (including the ACC) and all applicable zoning, subdivision, building, and other governmental regulations. All such work or repair or construction shall be commenced promptly following such damage or destruction and shall be carried through diligently to conclusion, subject to ACC approval.

## ARTICLE XI - CONDEMNATION

**Section 1. Condemnation of COMMON PROPERTY** Whenever all or any part of the COMMON PROPERTY shall be taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof by the BOARD acting on the affirmative vote of sixty-seven per cent (67%) of the votes cast by MEMBERS In Good Standing present, in person or by proxy, and entitled to vote at a duly called meeting of the Members, the award or proceeds made or collected for such taking or sale in lieu thereof shall be payable to the ASSOCIATION and shall be disbursed or held as follows:

- (a) Common Areas With Improvements. If the taking or sale in lieu thereof involves a portion of the COMMON AREAS on which improvements have been constructed, then, the ASSOCIATION shall restore or replace such improvements so taken, to the extent practicable, on the remaining lands included in the COMMON PROPERTY which are available therefore, in accordance with the plans approved by the BOARD, and the ACC. If the awards or proceeds are not sufficient to defray the cost of such repair and replacement and such deficiency cannot be appropriated from a reserve fund as may have been established for such purpose, the BOARD may levy a SPECIAL ASSESSMENT against all OWNERS, without the necessity of a vote of the OWNERS, to be in an amount sufficient to provide funds to pay such excess cost of repair or reconstruction. Such a SPECIAL ASSESSMENT shall be levied against the OWNERS equally in the same manner as ANNUAL ASSESSMENTS are levied, and additional SPECIAL ASSESSMENTS may be made at any time during or following the completion of any repair or reconstruction. If such improvements are not to be repaired or restored, the award or proceeds shall be retained by and for the benefit of the ASSOCIATION.
- (b) Common PROPERTY Without Improvements. If the taking or sale in lieu thereof does not involve any improvements to the Common Areas, or if there are net funds remaining after any such restoration or

replacement of such improvements is completed, then such award, proceeds, or net funds shall be retained by and for the benefit of the ASSOCIATION.

- (c) Including Owner's Property. If the taking or sale in lieu thereof includes all or any part of an OWNER'S property and also includes any part of the Common PROPERTY, then a court of competent jurisdiction shall apportion such award or proceeds and such award or proceeds shall be disbursed to the ASSOCIATION and the OWNER so affected so as to give just compensation to the OWNER for their interest in such property. Provided, however, such apportionment may instead be resolved by the agreement of (i) the BOARD, and (ii) the OWNERS of all properties wholly or partially taken or sold, together with the mortgagees for each such property.

## Section 2. Condemnation of OWNERS' Property.

- (a) Election Not To Restore. In the event that all or any part of a property subject to this DECLARATION, or any improvements thereon is taken by any authority having the power of condemnation or eminent domain, or is conveyed in lieu thereof, and in the further event that the OWNER of such property responsible for the maintenance and repair thereof elects not to restore the remainder of such property, then the OWNER making such election shall promptly clear away any remaining improvements damaged or destroyed by such taking or conveyance and shall leave such property and any remaining undamaged improvements thereon in a clean, orderly, safe, and sightly condition. In addition, if the size or configuration of such property remaining after such taking or conveyance is insufficient to permit the restoration of the remaining improvements thereof or therein to their condition prior to such taking or conveyance in compliance with all applicable standards, restrictions, and provisions of this DECLARATION and all applicable zoning, subdivision, building, and other governmental regulations, then such OWNER shall have the option, after clearing away all remaining improvements or portion thereof and placing the remainder in a clean, orderly, safe, and sightly condition referred to above of deeding the remaining portion of the property to the ASSOCIATION as a part of the COMMON AREAS, and thereafter any such OWNER shall not have any further voting rights or membership rights or privileges in the ASSOCIATION or with respect to the Development and shall not be subject to any further ASSESSMENTS imposed by the ASSOCIATION and payable after the date of such deeding and attributable to such property deeded to the ASSOCIATION.
- (b) Election to Restore. In the event that any part of a property subject to this DECLARATION, or any improvements thereon, is taken by any authority having the power of condemnation or eminent domain, or is

conveyed in lieu thereof, and if the OWNER of such property responsible for the maintenance and repair of property elects to restore the remainder thereof such OWNER making such election shall restore such remainder thereof as nearly as practicable to the same condition it was in prior to such taking or conveyance and in accordance with all applicable standards, restrictions and provisions of this DECLARATION and all applicable zoning, subdivision, building, and other governmental regulations. All such work of restoration shall be commenced promptly following such taking or conveyance and shall be carried through diligently to conclusion.

## ARTICLE XII - GENERAL PROVISIONS

Section 1. Control of Board. The OWNERS shall have the right to elect five (5) BOARD members in accordance with the BYLAWS, attached hereto as Exhibit A and incorporated herein by reference.

Section 2. Duration. The COVENANTS of this DECLARATION shall run with and bind the PROPERTY, and shall inure to the benefit of and be enforceable by the ASSOCIATION, the COMPANY and/or the OWNER of any land subject to this DECLARATION, their respective legal representatives, heirs, successors and assigns, until December 31, 2045. The COVENANTS of the DECLARATION shall thereafter be automatically renewed for successive time periods of ten years each unless, at a meeting of the OWNERS within 120 days prior to the expiration of the original term (December 31, 2045) or any ten-year renewal term, the OWNERS vote not to renew the same or to amend it by a vote of sixty-seven per cent (67%) of the OWNERS.

Section 3. Amendment. This DECLARATION may be amended at any time if sixty-seven per cent (67%) of the MEMBERS in Good Standing at a duly called meeting only for such purpose approve the amendment. Provided, however, that no such agreement to amend shall be effective unless WRITTEN NOTICE of the proposed amendment is given to every OWNER and the COMPANY at least thirty (30) days in advance of any meeting to amend.

The COMPANY shall not, by reason of the power herein reserved, have the right to delete, alter the amount, or method of making, any Annual or Special ASSESSMENTS.

Section 4. Notices. Any notice required to be given to any OWNER under the provisions of this DECLARATION shall be deemed to have been properly given, and notice thereby given, when transmitted by United States mail, express delivery service or any commercially acceptable form of electronic delivery to the person who appears as OWNER on the records of the ASSOCIATION at the time of such notice. Notice to one or more co-owners of a LOT shall constitute notice to all co-owners.

It shall be the obligation of every OWNER to continuously keep the Secretary of the ASSOCIATION informed of their current address and other contact information necessary for the ASSOCIATION to be able to give notice as required in this DECLARATION.

**Section 5. Enforcement.** Enforcement of the terms and conditions of this DECLARATION or the RULES OF CONDUCT can be by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any covenant or restriction. Such proceedings can be to either restrain violation, or to recover damages, or abate a violation, or any combination thereof. Such proceedings can be against the land or such person to enforce any lien created hereby or against the OWNER or by any remedy at law or in equity. The failure by the ASSOCIATION, any OWNER, or the COMPANY to enforce right or remedy for any period of time shall in no event be deemed a waiver or estoppel of the right to enforce the same thereafter.

The ASSOCIATION or an aggrieved OWNER shall have the right to enforce the provisions of this DECLARATION, and in the event they shall retain an attorney to enforce any provisions of the DECLARATION, the RULES or BYLAWS, the person violating any of such terms or conditions will bear all costs and expenses of such matter to include reasonable attorneys' fees.

**Section 6. Severability.** Should any covenant or restriction herein contained, or any Article, Subsection, sentence, clause, phrase, word or term of this DECLARATION be declared to be void, invalid, illegal or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no wise affect the other provisions hereof which are hereby declared to be severable, and which shall remain in full force and effect.

**Section 7. Right of Abatement.** In the event of a violation or breach of any term or restriction contained in this DECLARATION, the BOARD shall give WRITTEN NOTICE as provided herein, to the OWNER setting forth in reasonable detail the nature of such violation or breach and the specific action or actions needed to be taken to remedy such violation or breach. If the OWNER shall fail to take reasonable steps to remedy such violation or breach within a reasonable time period depending on the violation, the BOARD shall have the Right of Abatement, which right shall be in addition to all other rights available to the BOARD.

The Right of Abatement, as used in this DECLARATION, means the right of the ASSOCIATION, through its agents and employees, to enter at all reasonable times upon any LOT or STRUCTURE, as to which a violation, breach or other condition to be remedied exists, and to take the actions specified in the notice to the OWNER to abate, extinguish, remove, or repair such violation, breach or other condition which may exist thereon contrary to the provisions hereof, without being deemed to have committed a trespass or wrongful act solely by reason of such entry and such actions, provided such entry and such actions are carried out in accordance with the provisions of this Section. The costs and expenses of such abatement including all costs of collection and reasonable attorneys' fees, together with interest thereon at twelve per cent (12%) per annum, shall be the binding

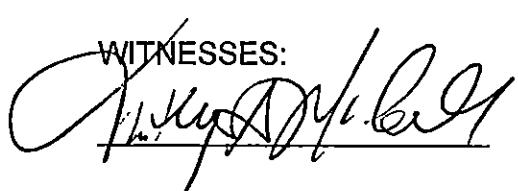
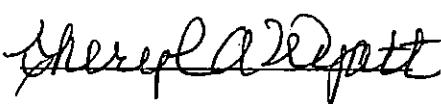
personal obligation of such OWNER, as well as a lien on such OWNER'S LOT enforceable pursuant to the provisions hereof as an ASSESSMENT.

Section 8. Notice of Design. All OWNERS are on notice that the LOTS in this development are designated to be smaller than the lots in many other developments. For example, while one of the LOTS is 95 feet wide, most of them are nearer to being 60-feet wide and one of them is only 48-feet wide. In addition, some of the roads are alleyways which are narrower than the roads in other portions of this development and in other developments. Small lots and narrow alleyways mean that the houses and the people who occupy and use them are closer together than in many other developments. Therefore, the types of uses and activities to be conducted on these LOTS by the OWNERS and occupants shall be measured and determined by this design issue. The BOARD shall take this design issue into consideration upon any decision to enforce any provision of this DECLARATION and the ACC shall consider this design issue in making its decisions.

Section 9. Security. Notwithstanding any wall, fence, entry gate or other devices that are installed by DECLARANT or the ASSOCIATION, no representations or warranties, express or implied, can be assumed by any OWNER or occupant of the PROPERTY by such acts or by any omissions. Every OWNER (to include occupants and invitees) is on NOTICE that neither the DECLARANT nor the ASSOCIATION is an insurer or indemnitor of the safety or health or personal injury or the property of any OWNER (or occupant, tenant or invitee).

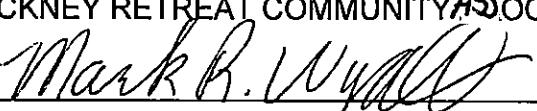
Amended Declaration of Covenants and Restrictions and Provisions for Pinckney Retreat Community Association, Inc., signed this 17th day of April, 2023.

WITNESSES:

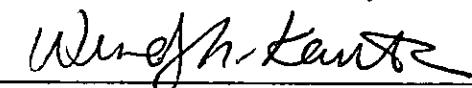
  


PINCKNEY RETREAT COMMUNITY ASSOCIATION, INC.

BY:

  
ITS: PRESIDENT Mark R. Wyatt

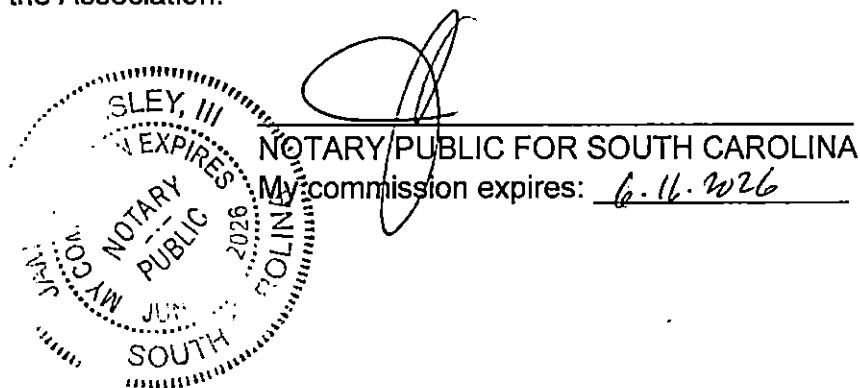
BY:

  
ITS: SECRETARY Wendy Kautz

(Acknowledgement appears on following page)

STATE OF SOUTH CAROLINA )  
COUNTY OF BEAUFORT )  
ACKNOWLEDGEMENT

On this 17<sup>th</sup> day of April, 2023, Manki Wyatt and Wendy Kautz, President and Secretary, respectively, of the Pinckney Retreat Community Association, Inc., personally appeared before me and that, by the authority given, duly executed the foregoing instrument on behalf of the Association.



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EXHIBIT A TO DECLARATION OF COVENANTS

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BYLAWS  
OF  
PINCKEY RETREAT COMMUNITY ASSOCIATION, INC.

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INDEX

<u>Article</u>	<u>Content</u>	<u>Page</u>
Article I	Name, Location and Membership	1
	Section 1. Name	
	Section 2. Location	
	Section 3. Membership	
	Section 4. Suspension of Membership and Voting Rights	
	Section 5. Applicability	
	Section 6. Seal	
Article II	Definitions	4
Article III	Property Rights : Rights of Enjoyment	4
Article IV	Meetings of Association	4

Section 1.	Place of Meeting	
Section 2.	Annual Meeting	
Section 3.	Special Meetings	
Section 4.	Notice of Meetings	
Section 5.	Order of Business	
Section 6.	Quorum	
Section 7	Voting Rights	
Section 8.	Proxy	
Section 9.	Majority Vote	
Section 10.	Actions Without	
<b>Meeting</b>		
Section 11.	Ballots by Mail	
<b>Article V</b>	<b>Board of Directors</b>	<b>6</b>
Section 1.	Number	
Section 2.	Powers and Duties	
Section 3.	Management	
Section 4.	Election and Term of Office	
Section 5.	Vacancies	
Section 6.	Removal	
Section 7.	Regular Meetings	
Section 8.	Special Meetings	
Section 9.	Waiver of Notice	
Section 10.	Quorum	
Section 11.	Compensation	
Section 12.	Action by Board Without a Meeting	
Section 13.	Liability	
<b>Article VI</b>	<b>Officers</b>	<b>9</b>
Section 1.	Number and Election	
Section 2.	Removal and Vacancies	
Section 3.	Duties	

		a. President
		b. Secretary
		c. Treasurer
	Section 4.	Compensation
	Section 5.	Liability
Article VII	Obligations of the Owners	10
	Section 1.	Assessments
	Section 2.	Right of Entry
	Section 3.	Mortgage Notices
	Section 4.	Conduct of Members
Article VIII	Amendments	13
	Section 1.	Amendment
	Section 2.	Conflicts
	Certification	

## ARTICLE I - NAME, LOCATION AND MEMBERSHIP

Section 1. Name. The name of this association is Pinckney Retreat Community Association, Inc. (ASSOCIATION).

Section 2. Location. The principal office of the ASSOCIATION shall be located at 420 Commons Circle, Beaufort, South Carolina 29902, but meetings of the members may be held at such places designated by the Board of Directors (BOARD) in Beaufort County, S.C. in accordance with the provisions of these Bylaws.

Section 3. Membership. Each and every record owner or owners (OWNER) of a fee or undivided fee interest in any lot (hereinafter LOT) located in Pinckney Retreat Subdivision in Port Royal, South Carolina will be a member of the ASSOCIATION, excluding persons who hold such interest under a deed to secure debt, mortgage or deed of trust. The OWNER of each LOT shall designate in writing and deliver to the Secretary from among such OWNER or OWNERS of such LOT, or a member of the immediate family of such OWNER or OWNERS the name of the voting member and their address, and such member shall represent the OWNER or OWNERS of such LOT in connection with the activities of the ASSOCIATION and exercise the voting rights hereof. Such designation shall be valid until revoked in writing and delivered to the Secretary or until such OWNER sells his LOT, whichever event shall first occur. Members are designated as OWNERS and the collective body of membership is designated the ASSOCIATION.

Section 4. Suspension of Membership and Voting Rights. During any period in which an OWNER shall be in default of the payment of any annual, special or capital reserve Assessment levied by the BOARD, the voting rights of the OWNER and the rights of the OWNER and his tenants or family members who use such OWNER'S LOT to use and enjoy the COMMON PROPERTY may be suspended by the BOARD until such time as the Assessment has been paid. Such rights may also be suspended by the BOARD for the violation of the provisions of the DECLARATION, or the published rules and regulations (RULES) with respect to the use of the COMMON PROPERTY as published from time to time by the BOARD. Such RULES shall be kept in the office of the ASSOCIATION as a matter of record and copies thereof shall be furnished to any OWNER on request.

Section 5. Applicability. These Bylaws are applicable to the PROPERTY described as Pinckney Retreat Subdivision, all LOTS, the COMMON PROPERTY, and the ASSOCIATION, and are binding on all present or future OWNERS, their families, tenants, guests, employees, and any other person residing in or occupying a LOT. Each and every person who accepts a deed to, a lease of, or who occupies or uses any LOT thereby consents to be bound by the provisions of these BYLAWS, the RULES, and the DECLARATION.

## ARTICLE II - DEFINITIONS

The terms used in these Bylaws, unless the context requires otherwise or unless otherwise specified herein, shall have the same meaning as in the recorded DECLARATION

of Covenants and Restrictions for Pinckney Retreat Subdivision, as Amended and Restated, to which these Bylaws are annexed.

### ARTICLE III - PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT

Delegation of Property Rights: Each member of the ASSOCIATION shall be entitled to the use and enjoyment of the COMMON PROPERTY as provided in the DECLARATION. Any OWNER may assign his rights of enjoyment and use of the COMMON PROPERTY to the members of his immediate family, to his guests, or to his tenants who reside on his LOT. Such Member shall notify the Secretary in writing of the name or names of any such assignees. The rights and privileges of such assignees are subject to suspension to the same extent as those of the Member.

### ARTICLE IV - MEETINGS OF ASSOCIATION

Section 1. Place of Meeting. Meetings of the members of the ASSOCIATION shall be held in Beaufort County, South Carolina at such suitable place convenient to the Members as may be designated by BOARD.

Section 2. Annual Meeting. The annual meeting of members shall be held each year on a date determined by the BOARD.

Section 3. Special Meetings. Special meetings may be called at any time by (a) the President, (b) by resolution of the BOARD, or by (c) the Secretary upon receipt by the Secretary of a petition signed by members in good standing holding twenty-five per cent (25%) of the total votes of the ASSOCIATION. The call of a special meeting shall be by WRITTEN NOTICE stating the date, time, place, purpose and order of business of such special meeting. Only the business stated in the notice may be transacted at a special meeting except by consent of sixty-seven per cent (67%) of the Members in Good Standing.

Section 4. Notice of Meetings. The Secretary shall give WRITTEN NOTICE of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each member at least fifteen (15) days but not more than thirty (30) days prior to such meeting. Any Member may waive notice of the meeting in writing either before or after the meeting. Attendance of a Member at a meeting, either in person or by proxy, except for the purpose of stating, at the beginning of the meeting, any objection to the transaction of business, shall constitute waiver of notice and any objection of any nature whatsoever as to the transaction of any business at such meeting. Notice given to one tenant in common, shall be deemed notice to all. It is the responsibility of each OWNER to maintain a current mailing address with the Secretary, and to provide to the Secretary such other contact information as is necessary for the ASSOCIATION to be able to give notice as required in these Bylaws.

Section 5. Order of Business. The business at each annual meeting shall include the following and such other business as is specified in the notice of such meeting:

- a. Roll call and confirming of proxies.
- b. Proof of notice of meeting or waiver of notice.
- c. Reading of minutes of preceding meeting.
- d. Reports of officers.
- e. Reports of committees, if any.
- f. Election of Board.
- g. Unfinished business.
- h. New business.
- i. Adjournment.

The order of business at a special meeting shall include items (a) through (c) above, and thereafter, the items specified in the meeting notice.

**Section 6. Quorum.** At all meetings, regular or special, a quorum shall consist of the presence in person or by proxy, of Members holding greater than forty per cent (40%) of the total votes in the Members in Good Standing. If a quorum shall not be present at any meeting, a majority vote of those present, in person or by proxy, may adjourn the meeting from time to time until a quorum can be obtained. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

**Section 7. Proxy.** Votes may be cast in person or by written proxy. Proxies must be filed with the Board Secretary before the designated time of the meeting to which they apply.

**Section 8. Majority Vote.** Acts authorized, approved or ratified by the casting of a majority of the votes represented at a meeting at which a quorum is present, in person or by proxy, shall be the acts of the ASSOCIATION, except where a higher percentage vote is required by these Bylaws, the DECLARATION, or by law, and shall be binding for all purposes.

**Section 9. Actions Without Meeting.** Any action which may be taken at a meeting of the membership may be taken without a meeting if a consent or ratification, in writing, setting forth the action so taken or to be taken shall be signed by persons who would be entitled to cast sixty-seven per cent (67%) of the votes of the MEMBERS in Good Standing of the ASSOCIATION. Such consent shall be filed with the Secretary of the ASSOCIATION and inserted in the Minute Book thereof within sixty (60) days of the date the document is sent out by the Secretary for signature.

**Section 10. Ballots by Mail or Other Forms of Delivery.** On issues to be voted on at an annual or special meeting, votes will be counted if ballots from MEMBERS who will not attend the meeting, that are properly signed and identified are received by the Secretary in the form and by the date set forth by the BOARD in the notice of the meeting.

## ARTICLE V - BOARD OF DIRECTORS

**Section 1. Number.** The business and affairs of the ASSOCIATION shall be governed by a Board of Directors (herein sometimes referred to as the "BOARD"). The BOARD shall consist of five (5) individuals, each of whom must be a LOT owner. Each person shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualified. The initial members of the BOARD will serve until the first annual meeting of the ASSOCIATION.

**Section 2. Power and Duties.** The BOARD shall manage and direct the affairs of the ASSOCIATION and, subject to any restrictions imposed by law, by the DECLARATION, or these Bylaws, may exercise all the powers of the ASSOCIATION. The BOARD shall exercise such duties and responsibilities as shall be incumbent upon it by law, the DECLARATION, or these Bylaws as it may deem necessary or appropriate in the exercise of its powers, including without limitation, (a) the determining of annual assessments, (b) the collection of assessments and charges from the owners, (c) the establishment and amendment from time to time of reasonable RULES of Conduct governing the use of the COMMON PROPERTY, (d) the preservation and maintenance of the assets of the ASSOCIATION, and (e) the employment and dismissal of personnel necessary for the maintenance and operation of the COMMON PROPERTY. Additionally, the BOARD may require that all employees handling or responsible for ASSOCIATION funds shall furnish adequate fidelity bonds. The premium on such bonds shall be paid by the ASSOCIATION.

**Section 3. Management.** The BOARD may employ for the ASSOCIATION a managing agent under such terms and conditions as the BOARD may authorize; provided, however, the BOARD shall not delegate to such agent the complete and total responsibility of the ASSOCIATION. Such managing agent shall have such duties and shall receive such compensation as determined by the BOARD.

**Section 4. Election and Term of Office.** Subject to Article XII of the DECLARATION, at the first annual meeting of the ASSOCIATION the Members thereof shall elect a director for an initial term of three (3) years, two (2) directors for an initial term of two (2) years, and two (2) directors for an initial term of one (1) year. At the expiration of the initial term of each, his successor shall be elected for a term of three (3) years. Cumulative voting is not permitted.

**Section 5. Vacancies.** Vacancies on the BOARD caused by any reason other than the removal of a member by a vote of the ASSOCIATION shall be filled by vote of the majority of the remaining members of the BOARD, even though they may constitute less than a quorum, and each person so elected shall serve until a successor is elected at the next annual meeting. Vacancies caused by removal shall be filled by vote at the same meeting at which a BOARD member is removed.

**Section 6. Removal.** At any regular or special meeting of the ASSOCIATION duly called, any one or more members of the BOARD may be removed with or without cause by a vote of sixty-seven per cent (67%) of the total votes of the MEMBERS in Good Standing of the ASSOCIATION with five (5) days WRITTEN NOTICE being given by the Secretary, and a successor may then and there be elected to fill the vacancy thus created. Any BOARD member

whose removal has been proposed by an OWNER shall be given an opportunity to be heard at such meeting.

Sale of his LOT by a director which renders him/her a non-OWNER, shall automatically terminate his/her term of office.

Section 7. Regular Meetings. The first regular meeting of the BOARD shall be held immediately following the first annual meeting of the Members of the ASSOCIATION and regular meetings thereafter shall be held on such dates and at such place and hour, but not less frequently than biannually, as may be fixed from time to time by resolution of the BOARD. Notice of regular meetings of the BOARD shall be given to each director, personally or by WRITTEN NOTICE, at least three (3) days prior to the day of such meeting; provided, however, notice of the first regular meeting shall not be required to be given to the BOARD member provided that a majority of the entire BOARD is present at such meeting. Should any such meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 8. Special Meetings. Special meetings of the BOARD may be called by the president on three (3) days' notice to each director, given personally or by WRITTEN NOTICE, which notice shall state the date, time, place (as herein above provided) and purpose of the meeting. Special meetings of the BOARD may also be called by the Secretary in like manner and on like notice upon the written request of at least two (2) BOARD Members.

Section 9. Waiver of Notice. Before or at any meeting of the BOARD, a BOARD Member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a BOARD member at any meeting of the BOARD shall be a waiver of notice by him of the date, time and place thereof. If all the directors are present at any meeting of the BOARD, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum. At all meetings of the BOARD, a majority of the then qualified BOARD shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the BOARD. If, at any meeting of the BOARD, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 11. Compensation. No director shall receive compensation for any service he/she may render to the ASSOCIATION nor shall the ASSOCIATION make any loan, directly or indirectly, to a director; provided, however, a BOARD member may be reimbursed for the out of pocket expenses incurred by him/her in the performance of his/her duties.

Section 12. Action by BOARD Without a Meeting. The BOARD shall have the right

to take any action which it could take at a meeting by obtaining the written approval or ratification of all. Any action so approved shall have the same effect as though taken at a meeting of the BOARD.

Section 13. Liability. To the extent permitted by the South Carolina law in effect at the applicable time, no director shall be liable to an OWNER for injury or damage caused by such director in the performance of his duties unless due to the willful misfeasance or malfeasance of such director. Furthermore, each director shall be indemnified by the ASSOCIATION against all liabilities and expenses, including attorneys' fees, reasonably incurred and imposed upon him in connection with any proceeding to which he may be a part or in which he becomes involved by reason of his being or having been a director whether or not he is a director at the times such expenses and liabilities are incurred, except in such cases where the director is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties. Provided, however, that in the event of a settlement, the indemnification shall apply only when the BOARD approves such settlement and reimbursement as being in the best interest of the ASSOCIATION. Such indemnity shall be subject to approval by the Members of the ASSOCIATION only when such approval is required by the laws of South Carolina.

## ARTICLE VI - OFFICERS

Section 1. Number and Election. There shall be elected annually by and from the BOARD a President, a Secretary and a Treasurer. The office of Secretary and Treasurer may be filled by the same person. The BOARD may also elect from time to time such other officers as in their judgment may be needed, which officers need not be BOARD members.

Section 2. Removal and Vacancies. Except as herein provided to the contrary, the officers shall be elected annually and hold office at the pleasure of the BOARD. A vacancy in any office may be filled by the BOARD at its next meeting. The officer elected to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

Section 3. Duties. The duties of the officers shall be as follows, to wit:

- a. President. The President shall be the chief executive officer and shall preside at all meetings of the BOARD and the ASSOCIATION, shall see that orders and resolutions of the BOARD are carried out, shall appoint committees consisting of members of the ASSOCIATION as in his/her opinion is necessary, and shall perform such other duties as may be delegated to him/her by the BOARD. He shall have all the general powers and duties which are incident to the office of the President of a corporation organized under the laws of South Carolina.
- b. Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the BOARD and the ASSOCIATION; keep appropriate current records, showing the members of the ASSOCIATION together with their addresses and designating those members entitled to vote; keep custody of and attest the seal of the

ASSOCIATION; and perform such other duties as may be required by him by the BOARD or incident to the office of the Secretary of a corporation organized under the laws of South Carolina.

- c. Treasurer. The Treasurer shall be responsible for the funds of the ASSOCIATION, shall prepare financial reports of the activities of the ASSOCIATION, and shall perform such other duties as may be designated by the BOARD or incident to the laws of South Carolina.

Section 4. Compensation. Officers shall not be compensated for the usual and ordinary services rendered to the ASSOCIATION incident to their offices, nor shall the ASSOCIATION make loans, directly or indirectly, to any officer. The officers may be reimbursed for reasonable out of pocket expenses incurred on behalf of the ASSOCIATION.

Section 5. Liability. To the extent permitted by South Carolina law in effect at the applicable time, no officer shall be liable to any OWNER for injury or damage caused by such officer in the performance of his/her duties unless due to the willful misfeasance or malfeasance of such officer. Furthermore, each officer shall be indemnified by the ASSOCIATION against all liabilities and expenses, including attorneys' fees, reasonably incurred and imposed upon him/her in connection with any proceeding to which he/she may be a party or in which he/she becomes involved by reason of his/her being or having been an officer of the ASSOCIATION, whether or not he/she is an officer of the ASSOCIATION at the times such expenses and liabilities are incurred, except in such cases where the officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties; provided, however, that in the event of a settlement the indemnification shall apply only when the BOARD approves such settlement and reimbursement as being in the best interest of the ASSOCIATION. Such indemnity shall be subject to approval by the Members of the ASSOCIATION only when required by South Carolina law.

## ARTICLE VII - OBLIGATIONS OF THE OWNERS

Section 1. Assessments. All OWNERS are obligated to pay ASSESSMENTS imposed by the BOARD as provided in the DECLARATION to meet Common Expenses, which may include the expense of liability insurance coverage and/or hazard insurance coverage for repair and reconstruction. An OWNER is required to reimburse the ASSOCIATION for any expenses incurred by it in repairing or replacing COMMON PROPERTY damaged by such OWNER, his guests, family members, tenants or invitees in accordance with the DECLARATION.

Section 2. Right of Entry. Each and every OWNER by accepting a deed to a LOT thereby grants to the BOARD, managing agent or such other agent designated by the BOARD, the right to enter the same at reasonable times.

Section 3. RULES for the Conduct of Members. The OWNERS shall be obligated to the following provisions as to their conduct on the PROPERTY:

- a. All OWNERS, their family members, guests, visitors and tenants and each and every occupant of a LOT shall at all times observe the published RULES of Conduct which may be established from time to time by the BOARD. Sanctions will apply against the OWNER and against the violators (i.e., tenant, guest, family member, etc.).
- b. The BOARD shall promulgate and amend rules and regulations for the use of the LOTS and the COMMON PROPERTY which shall be called the RULES of Conduct and shall be kept by the Secretary in a separate book for such purpose. In the discretion of the BOARD, a separate Compliance Committee of three (3) Members may be created to act for the BOARD as to investigation of violations and enforcement of the RULES. Each Member of the Committee shall serve for a term of two (2) years and all members may be removed during the term of their office by a majority of the BOARD. They need not be members of the BOARD.
- c. Subject to the limitations in the DECLARATION, the BOARD shall have the full power and authority to (a) impose a monetary fine, (b) suspend the use of any COMMON PROPERTY or the right to vote, or (c) place on probation for each single infraction by any OWNER, or his/her family member, tenant or guest, or (d) take any other appropriate action for an infraction of the RULES of Conduct. Any BOARD member shall have the right to immediately suspend the person from temporary use of the COMMON PROPERTY without notice or hearing and subject to a subsequent hearing on the infraction as set forth herein. Any complaint by one OWNER against another shall be in writing, signed, and delivered to the Secretary.
- d. Depending on the necessity of correcting the violation, WRITTEN NOTICE shall be given to the violator stating the violation and the actions to correct or prevent the violation.
- e. Upon a failure to correct or cease the violation and pursuant to WRITTEN NOTICE having been given seven days in advance, the OWNER and/or the violator are entitled to a hearing before the Compliance Committee or the BOARD with an opportunity for the OWNER and/or the violator to be heard with cross examination. Proceedings shall be conducted in executive session. A majority vote of the Compliance Committee or Board shall be necessary to fine, suspend, or place on probation. shall be in writing.
- f. Any party to the decision who disagrees with a decision of the Compliance Committee may appeal that decision by WRITTEN NOTICE to the BOARD within seven (7) days of receipt of the decision. The BOARD shall conduct an appeal hearing within thirty (30) days only upon such errors of the

Compliance Committee decision as are set forth in the notice of the appeal.

The appeal hearing shall be in executive session. The decision of the BOARD shall be in writing and final.

- g. The authorization to use the COMMON PROPERTY given to family members and tenants or guests shall not be construed as granting membership to such persons.

#### ARTICLE VIII - AMENDMENTS

Section 1. Amendment. These Bylaws may be amended by a vote of sixty- seven per cent (67%) of the total votes of the MEMBERS in Good Standing of the ASSOCIATION at a duly constituted meeting only for such purpose. WRITTEN NOTICE of any proposed amendment shall be given to each Member at least thirty (30) days before the meeting to amend. Any amendments shall be set forth in proper form and duly recorded. Each and every OWNER agrees to be bound by any such amendment after the recording of it.

Section 2. Conflicts. In the event of any conflict between the provisions of the DECLARATION and the provisions of these Bylaws, the provisions of the DECLARATION shall control.

EXHIBIT B TO DECLARATION OF COVENANTS

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DESCRIPTION OF THE PROPERTY

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ALL those parcels of real property situate on Port Royal Island in Beaufort County, South Carolina containing 35.55 acres in total (Lots, Common Property, Historic Area, Rights of Way and Lift Station) which are described as to metes, courses, bounds, distances and directions on a plat (Project RHD-001) prepared by Donald R. Cook, Jr., SCRLS, on April 13, 2004 and last revised on April 6       , 2005 which is recorded in Plat Book 105 at Page 192 of the ROD Office of Beaufort County, S.C.

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The plat recorded in Plat Book 105 at Pages 99-101 is NOT the correct plat and should not be referred to or used for any purpose.

EXHIBIT C TO DECLARATION OF COVENANTS

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DESCRIPTION OF COMMON PROPERTY

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All those certain Twenty One (21) separate parcels of real property situated on Port Royal Island in Beaufort County, South Carolina containing 9.42 acres in total and being a portion of the Pinkney Retreat Subdivision which are designated by number and acreage as well as metes, bounds, distances and directions on a plat prepared by Donald R. Cook, Jr., SCRLS, on April 13, 2004 and last revised on April 16, 2005 which is recorded in The Register of Deeds Office for Beaufort County, South Carolina in Plat Book 105 at Page 192.

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The plat recorded in Plat Book 105 at Pages 99-101 is NOT the correct plat and should not be referred to or used for any purpose.

EXHIBIT D TO DECLARATION OF COVENANTS

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DESCRIPTION OF HISTORIC HOUSE AND SITE

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ALL that parcel of real property situate on Port Royal Island in Beaufort County, South Carolina containing 0.30 acre that is designated as the "HISTORIC AREA" and described on a plat prepared by Donald R. Cook, Jr., SCRLS, on April 13, 2004 and last revised on April 6, 2005 which is recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Plat Book 105 at Page 192.

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The plat recorded in Plat Book 105 at Pages 99-101 is NOT the correct plat and should not be referred to or used for any purpose.

