DECLARATION

OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR CHARLESTON NATIONAL

THIS DECLARATION, made on the date hereinafter set forth by EAST COOPER GOLF CO., INC. ("Declarant").

WITNESSETH:

WHEREAS, Declarant is the owner of certain property in the Town of Mt. Pleasant, County of Charleston, State of South Carolina, which is more particularly described on Exhibit A attached hereto and made a part hereof by this reference.

NOW THEREFORE, Declarant hereby declares that the Properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability thereof, and which shall run with the Properties, and be binding on all parties having any right, title or interest in the Properties, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

NOTE: THIS DECLARATION APPLIES ONLY TO THE PROPERTIES ABOVE DESCRIBED AND DOES NOT APPLY TO ANY ADJOINING PROPERTY OWNED BY THE DECLARANT UNLESS EXPRESSLY SUBJECTED TO THIS DECLARATION BY DECLARANT.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to CHARLESTON NATIONAL COMMUNITY ASSOCIATION, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers but excluding those having such interest merely as security for the performance of an obligation.

Section 4. "Common Area" shall mean and refer to all real and personal property which is now or hereafter deeded or leased to, or is the subject of a use agreement with, the Association, and wherein the property therein described is specifically denominated to be a part of the Common Area. The Common Area may include the maintenance and drainage areas, easements, roads, streets, parking lots, walkways, sidewalks, leisure trails, bike paths, street lighting, signage, lagoons, ponds, wetlands, and the area between any property line of an Owner and the mean high water mark of any adjoining river, tidal creek, lagoon, lake, marsh or other waterway. The designation of any land and/or improvements as Common Area shall not mean or imply that the public at large acquires any easement of use or enjoyment therein. Subject to the rights, if

any, of the Club and the reservations to Declarant set forth herein, all Common Area is to be devoted to and intended for the common use and enjoyment of the Declarant, Owners, and their respective guests.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of Common Area, streets dedicated to a public body and areas for public utilities.

Section 6. "Declarant" shall mean and refer to EAST COOPER GOLF CO., INC., its successors and assigns, if such successor is designated as successor Declarant by recording such designation in the R.M.C. Office for Charleston County.

Section 7. "Charleston National Subdivision" as used herein means only that portion of a certain residential community known as Charleston National Country Club, which is described herein as "Property," together with such additions hereto as may from time to time be designated by Declarant.

Section 8. "Declaration" shall mean and refer to this instrument.

Section 9. "Club" or "Club Property" shall mean the real and personal property comprising the golf course(s), tennis court(s), pool(s), and related recreational facilities constructed, or to be constructed adjacent to, or in close proximity to the Property, and owned and operated as further set forth in Article IX. The property of the Club shall not be subject to this Declaration. The purchase of a Lot at Charleston National does not give any

ownership rights in Charleston National Country Club. Membership in the Club is by separate application and payment of all fees and dues. NO REPRESENTATION OR WARRANTY IS MADE BY DECLARANT THAT THE REFERENCED PROPOSED AMENITIES WILL BE BUILT.

Section 10. "By-Laws" shall mean the By-Laws attached hereto as Exhibit B and made a part hereof by this reference.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easement of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of each class of members has been recorded.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants, or to contract purchasers who reside on the property.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

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

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) on January 1, 2012.

PROVIDED, HOWEVER, in the event Declarant, its successors or assigns, shall annex additional property, the Class B Membership shall apply to such lots annexed, and its Class B membership shall be reinstated for all unsold Lots in previous sections.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of any Lot by

acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. Except as to first mortgagees as hereinafter provided, a sale or transfer of the Lot shall not affect the assessment lien and shall pass to successors in title.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the health, safety, and welfare of the residents in the Properties and for improvement and maintenance of the Common Area, buffer areas and fences and equipment located within the Common Area, maintaining, replanting and improving any planter islands located within the rights-of-way of dedicated streets, lawn maintenance and ground care and landscaping of the property located within the Common Area, and maintaining all drainage facilities and any detention ponds, lakes or lagoons not maintained by a public body.

Section 3. Maximum Annual Assessment. Until January 1, 1993, the maximum annual assessment shall be $110.00 per Lot.

(a) From and after January 1, 1993, the maximum annual assessment may be increased each year not more than five (5%) percent above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1, 1993, the maximum annual assessment may be increased above five (5%) percent by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Working Capital Collected At Closing. Each Owner of a property subject to this Declaration, other than Declarant, shall pay to the Association a sum equal to two (2) months of the Annual Assessment for working capital, which cost, when paid, can be recovered from the grantee of an Owner upon conveyance of said property by the Owner. (For large-scale developments, the working capital assessment will be due and payable at the time of the sale of the house and lot to the first occupant.) Such sums are and

shall remain separate and distinct from Annual Assessments and shall not be considered advance payments of Annual Assessments. Each such Owner's share of working capital, as aforesaid, shall be collected from such Owner upon his purchase of property subject to this Declaration, and must be transferred to the Association at the time of closing the con-veyance from the Declarant to the Owner.

Section 6. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly, quarterly or annual basis as set by the Board of Directors.

Section 8. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the convey-

ance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

Additional lots which are annexed by the Declarant shall be subject to the assessments at the time of the recording of an approved subdivision plat in the R.M.C. Office for Charleston County.

Section 9. Effect of Non-payment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at a rate of eighteen (18%) percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property and such Owner shall be responsible for all costs of collection, including reasonable attorneys' fees and expenses incurred whether before or after a suit for collection is brought. No Owner may waive or

otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 10. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V

ARCHITECTURAL CONTROL

Section 1. Architectural Approval. To preserve the architectural and aesthetic appearance of the Development, no construction of improvements of any nature whatsoever shall be commenced or maintained by the Association or any Owner, other than Declarant, with respect to the construction or exterior of any improvement, structure, Dwelling or with respect to any other portion of the Development, including, without limitation, the construction or installation of sidewalks, driveways, mail boxes, decks, patios, awnings, walls, fences, exterior lights, garages, nor shall any exterior addition to or change or alteration therein be made (including, without limitation, painting or staining of any exterior surface), unless and until two (2) copies of the plans and specifications and related data (including, if required by the

Architectural Review Board, a survey showing the location of trees of six (6) inches or greater in diameter at a height of four and one half (4-1/2) feet and other significant vegetation on such property) showing the nature, color, type, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to the harmony of external design, location, and appearance in relation to surrounding structures and topography by the Architectural Review Board. One copy of such plans, specifications, and related data so submitted shall be retained in the records of the Architectural Review Board, and the other copy shall be returned to the Owner marked "approved" or "disapproved". The Architectural Review Board shall establish a fee sufficient to cover the expense of reviewing plans and related data and to compensate any consulting architects, landscape architects, urban designers, inspectors, or attorneys retained in accordance with the terms hereof. The fee initially established for such review shall be $150.00 for each submission, and the Architectural Review Board shall have the right to increase or decrease this amount from time to time. Plans will not be deemed submitted until payment of the then applicable fee is received. Notwithstanding the foregoing, an Owner of any enclosed Dwelling, or other building or structure may make interior improvements and alterations therein without the necessity of approval or review by the Architectural Review Board; provided, however, such approval shall be required if such interior improvements are made within any window, garage, underneath parking area or similar area plainly

within view of any roadway or adjacent properties, regardless of whether said adjacent property is subject to this Declaration. The Architectural Review Board shall have the sole discretion to determine whether plans and specifications submitted for approval are acceptable to the Association. In connection with approval rights and to prevent excessive drainage or surface water run-off, the Architectural Review Board shall have the right to establish a maximum percentage of a property which may be covered by Dwellings, buildings, structures, or other improvements, which standards shall be promulgated on the basis of topography, percolation rate of the soil, soil types and conditions, vegetation cover, and other environmental factors. Following approval of any plans and specifications by the Architectural Review Board, representatives of the Architectural Review Board shall have the right during reasonable hours to enter upon and inspect any property or improvements with respect to which construction is planned, underway, or completed within the Development to determine whether or not the plans and specifications thereof should be or have been approved and are being complied with. In the event the Architectural Review Board shall determine that such plans and specifications have not been approved or are not being complied with, the Architectural Review Board shall be entitled to enjoin further construction and to require the removal or correction of any work in place which does not comply with approved plans and specifications. In the event the Architectural Review Board fails to approve or disapprove in writing any proposed plans and

specifications within forty-five (45) days after such plans and specifications shall have been submitted, such plans and specifications will be deemed to have been expressly approved. Upon approval of plans and specifications, no further approval under this Article 5 shall be required with respect thereto, unless such construction has not substantially commenced within six (6) months of the approval of such plans and specifications (e.g. clearing and grading, pouring of footings, etc.) or unless such plans and specifications are altered or changed. Refusal of approval of the plans and specifications may be based by the Architectural Review Board upon any ground which is consistent with the objects and purposes of this Declaration, including purely aesthetic considerations, so long as such grounds are not arbitrary or capricious.

Section 2. Landscaping Approval. To preserve the aesthetic appearance of the Development, no landscaping, grading, excavation, or filling of any nature whatsoever shall be implemented and installed by the Association or any Owner, other than Declarant, unless and until the plans therefor have been submitted to and approved in writing by the Architectural Review Board. The provisions of Section 1 regarding time for approval of plans, right to inspect, right to enjoin and/or require removal, etc. shall also be applicable to any proposed landscaping, clearing, grading, excavation, or filling. Such plans shall include a calculation of the ratio of the area to be covered by grass lawns versus the area to be left in a natural state, and the Architectural Review Board

shall be entitled to promulgate standards with respect to such ratios. In addition to the provisions of this Section 2, the landscaping plan for any property adjacent to golf courses within the Development shall, for that portion of such property which is within thirty (30) feet of the boundary of any such golf course, be in general conformity with the overall landscaping plan of such golf course. Furthermore, without the consent of the Architectural Review Board, no hedge or shrubbery planting which obstructs sight-lines at elevations between two (2) and six (6) feet above streets and to remain on any property within the triangular area formed by the street property lines and a line connecting such lines at points fifteen (15) feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of the extended street property lines. The same sight-line limitations shall apply to any property subject to this Declaration within ten (10) feet from the intersection of a street property line with the edge of a driveway. No trees shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of such sight-lines or unless otherwise consented to by the Architectural Review Board. Unless located within ten (10) feet of a building or a parking facility, no Owner, other than Declarant, shall be entitled to cut, remove, or mutilate any trees, shrubs, bushes, or other vegetation having a trunk diameter of six (6) inches or more at a point of four and one half (4-1/2) feet above ground level, or other significant vegetation as designated

from time to time by the Architectural Review Board without obtaining the prior approval of the Architectural Review Board, provided that dead or diseased trees which are inspected and certified as dead or diseased by the Architectural Review Board or its representatives, as well as other dead or diseased shrubs, bushes, or other vegetation, shall be cut and removed promptly from any property by the Owner thereof. All of the landscaping within a Lot must be completed within ninety (90) days of occupancy or substantial completion of the Dwelling, whichever date shall first occur.

Section 3. Applicable Tree Ordinance. Anything contained herein to the contrary notwithstanding, the limitations herein provided are in addition to, and not substitutions for, the ordinances, rules, regulations and conditions of the Town of Mt. Pleasant, South Carolina, with respect to the cutting and removal of trees.

Section 4. Approval Not a Guarantee. No approval of plans and specifications and no publication of architectural standards shall be construed as representing or implying that such plans, specifications, or standards will, if followed, result in properly designed improvements. Such approvals and standards shall in no event be construed as representing or guaranteeing that any Dwelling or other improvement built in accordance therewith will be built in a good and workmanlike manner. Neither Declarant, the Association, nor the Architectural Review Board shall be responsible or liable for any defects in any plans or specifi-

cations submitted, revised, or approved pursuant to the terms of this Article V, nor any defects in construction undertaken pursuant to such plans and specifications.

Section 5. Large-Scale Development. In cases where another developer buys a large tract of land, the Architectural Review Board shall have the authority to set reduced fees and provide for expedited procedures for approval of plans and specifications as provided in this Article V. The plans for the development of the St. Andrews Section, being built by Centex Real Estate Corporation, have been pre-approved.

ARTICLE VI

STREETS

Section 1. Dedication of Streets. It is the intention that all streets within Charleston National shall be dedicated to the Town of Mt. Pleasant, South Carolina, for public maintenance.

ARTICLE VII

NON-DEDICATION

The Common Area, as described herein, and any further common areas are not hereby dedicated for the use of the general public but are dedicated to the common use and enjoyment of the homeowners in Charleston National.

ARTICLE VIII

RESTRICTIONS AND EASEMENTS

Section 1. Special Requirements for Lots Bounded By or Subject to Any Buffer area, Detention Pond, Lake, Lagoon, Drainage Easement or Waterway. All Lots bounded by or subject to any buffer

area, detention pond, lake, lagoon drainage easement or waterway, shall be subject to the following additional restrictions:

(a) The Owner shall maintain and mow the area between the edge of any detention pond, lake, lagoon and all areas not covered by water, even though the same may be reserved as a part of the detention pond, lake, lagoon, drainage easement, or waterway.

(b) No power boats shall be permitted on any detention pond, lake, lagoon, canal, drainage easement or waterway.

(c) No filling of any detention pond, lake, lagoon, drainage easement or waterway shall be permitted, and no waste, garbage or wastewater are to be discharged, dumped or otherwise placed in any detention pond, lake, lagoon, drainage easement, or waterway from any Lot.

(d) The Owner of any Lot bounded by a detention pond, lake, or lagoon will take title subject to the rights of the Town of Mt. Pleasant and other governmental bodies to work within and maintain for drainage purposes only any areas within drainage easements shown on recorded plats. Provided, however, the Town of Mt. Pleasant or other governmental body making use of said drainage easements within the boundaries of Lots shall not be obligated to provide aquatic growth control or improve said easements in any way except as the Town of Mt. Pleasant or other governmental body, in its sole discretion, may determine necessary for drainage purposes. Any Owner of a Lot adjoining any detention pond, lake, lagoon, drainage easement or other waterway shall save and hold harmless the Town of Mt. Pleasant or other governmental body from all claims arising out of discoloration of any detention pond, lake, lagoon or other waterway or damages to the same caused by normal maintenance and repairs to the drainage easement.

<u>Section 2</u>. <u>Special Requirements for Buffer With Regard to Wetlands Located Within or Adjacent to Any Lot</u>. Upland buffers around freshwater wetlands will generally be 25'± in width. Any buffer that lies within a Lot will be selectively managed by removing understory up to, but no more than, three (3) inches in

diameter. All activities within wetland sites are subject to the South Carolina Coastal Council (SCCC) jurisdiction.

Section 3. Special Covenants With Regard to Marshfront Lots. In order to preserve the natural appearance and scenic beauty of the marshfront property and to provide "cover" for birds and animals which habitually move along the edges of saltwater marshlands, certain areas shall be called Designated Habitat Preservation Areas ("Habitat Areas"), defined as the areas located within fifteen (15) feet of the South Carolina Coastal Council Critical Line in all saltwater marshfront areas designated for residential use within the Property, excluding all farm and drainage ditches within the South Carolina Coastal Council Critical Area. Habitat Areas shall be subject to the following restrictions:

(a) All Habitat Areas shall be preserved substantially in their present natural state and there shall be no removal, destruction, cutting, trimming, mowing or other disturbance or change in the natural habitat in any manner, other than as specifically allowed herein. The 15′ Habitat Area measured from the Coastal Council critical line must be preserved substantially in its present natural state except for approved clearing for views and breezes. At no time shall more than 25% of the understory be cleared or 25% of the tree canopy be pruned within this Habitat Area. In addition, the Declarant, its successors and assigns, shall have the reasonable discretion to grant variances to said restrictions; provided, however, that any such variance shall not materially lessen the wildlife habitat, natural appearance, and scenic beauty of the Property.

(b) Other than footpaths, nature walks, and other structures permitted by the South Carolina Coastal Council (such as docks), no other construction will be allowed, and there will be no operation of any motorized vehicle within a Habitat Area. In addition, there shall be no hunting by any means or discharge of firearms or fireworks at any

time within a Habitat Area. All activities within the SCCC critical line are subject to SCCC jurisdiction.

The Declarant, its successors or assigns, shall have the right, but not the obligation, to designate in the future other areas as Habitat Areas.

Section 4. Entry by Golfers. Each property subject to this Declaration adjacent to a golf fairway, tee or green shall be subject to the right and easement on the part of registered golf course players to enter upon the unimproved portions of such property to remove a ball or to play a ball, subject to the official rules of the golf course, with such entering and playing not being deemed to be a trespass, provided that after a Dwelling is constructed thereon, such easement shall be limited to the recovering of balls only, and not play. Notwithstanding the foregoing, golf course players shall not be entitled to enter on any such property with a golf cart or other vehicle, nor to spend an unreasonable amount of time on any such property, or in any way commit a nuisance while on any such property.

Section 5. Golf Course Maintenance. There is hereby reserved for the benefit and use of the owner of the Club, and its agents, employees, successors, and assigns, the perpetual, non-exclusive right and easement over and across all unimproved portions of properties subject to this Declaration which are adjacent to the fairways, tees and greens of the golf course or courses located within the Property. This reserved right and easement shall permit, but shall not obligate, the owner of the Club and its agents, employees, successors, and assigns to go upon any such

property to maintain or landscape the area encumbered by such easement. Such maintenance and landscaping shall include planting of grass, watering, application of fertilizer, mowing, and the removal of underbrush, stumps, trash or debris, and trees of less than six (6) inches in diameter at a level of four and one half (4-1/2) feet above ground level. The area encumbered by this easement shall be limited to the portion of such properties within thirty (30) feet of those boundary lines of such properties which are adjacent to such fairways, tees or greens; provided, however, the entire unimproved portions of each such property shall be subject to such easement until the landscaping plan for such property has been approved and implemented pursuant to Article V, Section 2.

ARTICLE IX

PLAN OF DEVELOPMENT OF THE CLUB

Section 1. The Charleston National Country Club. All Persons, including all Owners, hereby acknowledge that the Club Property may not be owned by the Declarant and will not be owned by the Association, and that the Club Property does not constitute Common Areas hereunder. All Owners are hereby advised that no representations or warranties have been or are made by the Declarant or any other person, including the owner of the Club, with regard to the continuing ownership or operation of the golf course and related facilities (including, but not limited to, swimming pools, tennis courts, clubhouse and parking facilities) as depicted upon any master land use plan, or marketing display or plat of the Club. No purported representation or warranty, written

or oral, in such regard shall ever be effective without an amendment hereto executed or joined into by the Declarant and the then current owner of the Club. Further, the ownership or operational duties of and as to the Club may change at any time and from time to time by virtue of, but without limitation, (a) the sale or assumption of operations of the Club to/by any person or entity, or (b) the operation thereof on a private, semi-private or public basis. As to any of the foregoing or any other alternative, no consent of the Association or any Owner shall be required to effectuate any transfer, for or without consideration and subject or not subject to any mortgage, covenant, lien or other encumbrance on the applicable land and other property. No Owner shall have any ownership interest in the Club Property solely by virtue of his membership in the Association.

Section 2. Rights of Club Access and Parking. The owner of the Club and, in the event it is operated as a private or semi-private club or equity club, its members (regardless of whether such members are Owners hereunder), members of the public using Club facilities with the permission of its owner, employees, agents, contractors, invitees and designees shall at all times have a right and nonexclusive easement of access and use over all roadways located within the Property reasonably necessary to travel to or from the entrance within the Property to or from the Club and, further, over those portions of the Property (including Common Areas as reasonably necessary to the use, operation, maintenance, repair, and replacement of the Club. Without limiting the

generality of the foregoing, and anything contained herein to the contrary notwithstanding, members of the Club, if any, and permitted members of the public shall have the right to park their vehicles on the roadways located within the Property at reasonable times before, during, and after golf and/or tennis tournaments and other special functions held at the Club.

Section 3. Assessments Against The Club. In consideration of the fact that owner of the Club will perform certain functions within the Property that will be of benefit to the Development at large, neither the owner of the Club nor any of its property shall be subject to assessment hereunder. The foregoing shall not, however, prohibit the Association from entering into a contractual arrangement or covenant to share costs with the owner of the Club whereby the owner of the Club will contribute funds for, among other things, a higher level of Common Area maintenance, but neither the Association nor the owner of the Club shall be required or obligated to do so.

Section 4. Declarant's Reserved Rights for Club. The Declarant expressly reserves unto itself, its successors and assigns, and unto the Association, the right to lease or grant easements over, across or under any Common Areas to the owner of the Club for use as a portion of the Club if such Common Areas are adjacent to the Club Property.

Section 5. Jurisdiction and Cooperation. It is Declarant's intention that the Association and the owner of the Club shall cooperate to the maximum extent possible in the operation of the

Property and the Club. Each shall reasonably assist the other in upholding the community-wide standards herein provided as it pertains to maintenance and the architectural standards under Article V.

ARTICLE X

GENERAL PROVISIONS

Section 1. Enforcement. Each Owner shall comply with the covenants, restrictions and easements set forth herein. In the event of a violation or breach, or threatened violation or breach, of any of the same, the Declarant, the Association, the Architectural Control Committee or any Owner, jointly or severally, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration and for the recovery of damages, or for injunctive relief, or both. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Procedure. Except with respect to the failure to pay assessments, the Board shall not impose a fine, suspend voting rights, or infringe upon or suspend any other rights of an Owner or other occupant of the Development for violations of the Declaration, By-Laws, or any rules and regulations of the Association, unless and until the following procedure is followed:

(a) Written demand to cease and desist from an alleged violation shall be served upon the Owner responsible for such violation specifying:

(i) the alleged violation;

(ii) the action required to abate the violation; and

(iii) a time period of not less than ten (10) days during which the violation may be abated without further sanction, if such violation is a continuing one, a statement that any further violation of the same provision of this Declaration, the By-Laws, or of the rules and regulations of the Association may result in the imposition of sanctions after notice and hearing.

(b) At any time prior to the expiration of twelve (12) months from the date of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same violation subsequently occurs, the Board may serve such Owner with written notice of a hearing to be held by the Board in executive session. The notice shall contain:

(i) the nature of the alleged violation;

(ii) the time and place of the hearing, which time shall be not less than ten (10) days from the giving of the notice;

(iii) an invitation to attend the hearing and produce any statement, evidence, and witnesses on his behalf; and

(iv) the proposed sanction to be imposed.

(c) The hearing shall be held in executive session of the Board of Directors pursuant to the notice and shall afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer, director, or other individual who delivered such notice. The notice requirement shall be deemed satisfied if an alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction imposed, if any.

<u>Section 3</u>. <u>Severability</u>. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

<u>Section 4</u>. <u>Duration</u>. The covenants and restrictions of this Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years.

<u>Section 5</u>. <u>Amendment</u>. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety (90%) percent of the Owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Owners; provided, however, Declarant reserves the right, at any time, to amend the covenants and restrictions specifically required by the U.S. Department of Housing and Urban Development, Federal Housing Administration and/or the Veterans Administration to meet its requirements.

<u>Section 6</u>. <u>Annexation</u>. Declarant reserves the right to annex additional properties and subject it to the within Declaration without the consent of the members within ten (10) years of the date of this instrument.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set his hand and seal this 13th day of November, 1992.

WITNESSES:

Walter J. Mueller

Helen L. White

DECLARANT:

East Cooper Golf Co., Inc.

BY: Leonard K. Nave

ITS: President

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within named EAST COOPER GOLF CO., INC. by Leonard K. Nave its President sign, seal and as its act and deed deliver the within instrument; and that (s)he, with the other witness, witnessed the proper execution thereof.

Walter J. Mueller

SWORN to before me this 13th day of November 1992.

Kristy H. MacBride (L.S.)
NOTARY PUBLIC FOR SOUTH CAROLINA
My Commission expires:
NOTARY PUBLIC FOR SOUTH CAROLINA
My commission expires June 23, 2002

E^COOP.DEC(9/21/92)rr

EXHIBIT A

ALL those pieces, parcels, or lots of land, situate, lying and being in the Town of Mount Pleasant, Charleston County, State of South Carolina, shown and designated as "TRACT D 67.303 AC" and "TRACT E 19.376 AC." on a plat entitled, "A SUBDIVISION PLAT OF TRACTS D THRU G AND 2 NATURAL BUFFERS CHARLESTON NATIONAL COUNTRY CLUB OWNED BY EAST COOPER GOLF CO., INC. LOCATED IN THE TOWN OF MOUNT PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA" prepared by Southeastern Surveying, Inc. dated February 25, 1992, and last revised April 27, 1992, and recorded April 29, 1992, in Plat Book CG, Page 168, in the R.M.C. Office for Charleston County, South Carolina.

TMS# 599-00-00-026 (TRACT D)
599-00-00-027 (TRACT E)

ALSO

ALL those certain pieces, parcels and tracts of land, lying and being in the Town of Mount Pleasant, Charleston County, State of South Carolina, shown and designated as Lots 33-39 on a plat entitled, "A FINAL PLAT OF LOTS 1 THRU 24 AND LOTS 33 THRU 39 TRACT 1 AND TRACTS J AND K CHARLESTON NATIONAL COUNTRY CLUB OWNED BY EAST COOPER GOLF CO., INC. LOCATED IN THE TOWN OF MOUNT PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA" by Southeastern Surveying, Inc., dated March 18, 1992, and last revised April 20, 1992, and recorded in Plat Book CG, Page 156, in the R.M.C. Office for Charleston County, South Carolina.

TMS Numbers:

Lot 33	599-00-00-001
Lot 34	599-00-00-002
Lot 35	599-00-00-003
Lot 36	599-00-00-004
Lot 37	599-00-00-005
Lot 38	599-00-00-006
Lot 39	599-00-00-007

TO

DECLARATION OF COVENANTS, CONDITIONS & RESTRICTIONS

FOR CHARLESTON NATIONAL

Centex Real Estate Corporation, a Nevada Corporation, hereby joins in the execution of the within Declaration to evidence that its property as shown on Exhibit "A" as Parcels D & E are subjected to the Declaration.

WITNESSES:

Sandra C Vincent

[illegible]

CENTEX REAL ESTATE CORPORATION,
A NEVADA CORPORATION

BY: John D Carpenter

ITS: Div Pres

STATE OF SOUTH CAROLINA)
) PROBATE
COUNTY OF CHARLESTON)

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within named CENTEX REAL ESTATE CORPORATION, A NEVADA CORPORATION by John D. Carpenter its Div. Pres. sign, seal and as its act and deed, deliver the within written instrument, and that (s)he with the other witness above subscribed, witnessed the execution thereof.

Sandra C. Vincent

SWORN to before me this

17 day of Nov 1992.

Sue Brewington
Notary Public for South Carolina

My commission expires: My Commission Expires May 7, 2000

BK R 220 PG 657

FILED

R220-629

92 NOV 23 PM 3:51

ROBERT N. KING
REGISTER
CHARLESTON COUNTY SC

Rest/cws
35 00

STATE OF SOUTH CAROLINA)
) AMENDMENT TO DECLARATION OF
) RESTRICTIONS AND EASEMENTS
COUNTY OF CHARLESTON)

WHEREAS, Centex Real Estate Corporation, as owner of certain properties in Charleston National Country Club, has caused to be placed upon the records of the RMC Office for Charleston County certain Declarations of Restrictions and Easements, the same being recorded in Book R220, Page 658, and

WHEREAS, the said Centex Real Estate Corporation is now desirous for recording an amendment to said Declarations of Restrictions and Easements for the purpose of making the same applicable to additional property in Charleston National Country Club,

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that for valuable consideration, Centex Real Estate Corporation does hereby subject the property depicted on the plat entitled "A Final Subdivision Plat of The Orchard Subdivision, Phase 1, Charleston National" by Southeastern Surveying, Inc., dated September 3, 1992, revised March 8, and March 22, 1993, recorded in the RMC Office for Charleston County in Plat Book CL, Pages 172, 173, and 174, to the Declarations of Restrictions and Easements dated November 12, 1992, and recorded in the Office of the RMC for Charleston County in Book R220, Page 658.

In addition said property is currently subject to the Declaration of Covenants, Conditions and Restrictions for Charleston National dated November 13, 1992, recorded in the RMC Office for Charleston County in Book R220, Page 629.

IN WITNESS WHEREOF, Centex Real Estate Corporation has caused these presents to be executed in its name this 8th day of April, 1993.

WITNESSES:

Scott Davis [signature]

Brenda M. Moore [signature]

CENTEX REAL ESTATE CORPORATION

BY: John D Carpenter [signature]

ITS: Div Pres.

STATE OF SOUTH CAROLINA)
) PROBATE
COUNTY OF CHARLESTON)

PERSONALLY APPEARED before me the undersigned witness and made oath that (s)he saw the within named Centex Real Estate Corporation, by John D. Carpenter, its Division President sign, seal and as its act and deed, deliver the within written Amendment to Declaration of Restrictions and Easements, and that (s)he with the other witness witnessed the execution thereof.

Scott Davis

SWORN TO before me this 8th day

of April, 1993.

Sue Brewington
Notary Public for South Carolina
My Commission Expires: My Commission Expires May 7, 2000