

MOSS CREEK OWNERS ASSOCIATION, INC.

AMENDED AND RESTATED DECLARATION
OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
MOSS CREEK

Of

January 1, 2022

After recording return to:
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- (5) 'Declaration' shall mean and refer to this document and any amendments or supplements hereto which are adopted in accordance with the terms hereof.
- (6) 'Family Dwelling Unit' shall mean and refer to any improved property intended for use as a single family dwelling, including any single family detached dwelling, patio home, condominium unit, or townhouse unit.
- (7) 'Golf Fairway Residential Lot' shall mean and refer to any lot which is adjacent to a golf course.
- (8) 'Master Plan' shall mean and refer to the drawing which represents the conceptual plan for the development of Moss Creek, which is on file with Beaufort County. References to the 'Master Plan' shall be deemed to refer to the latest revision thereof.
- (9) 'Member' shall refer to the holder of a Membership Certificate (which is more fully described in Article VIII of this Declaration), as designated by the Owner of the particular property in question, together with the Member's spouse, as more fully set forth in Article III, Section 1 below.
- (10) 'Membership Certificate' shall mean and refer to the certificate issued by the Association in accordance with the provisions of Article VIII, Section 1 of this Declaration.
- (11) 'Membership Common Properties' shall mean and refer to those tracts of land and any improvements thereon, including but not limited to, golf courses, clubhouses, pool and tennis facilities, and marina facilities, which are owned by the Association or deeded or leased to the Association to be operated as membership recreational facilities, with membership criteria, user costs, and operating rules to be established by the Board of Directors of the Association.
- (12) 'Multi-Family' or 'Multi-Family Developments' shall refer to the two parcels of land upon which the Moss Creek Golf Cottages Horizontal Property Regime and the Salt Marsh Cottages Horizontal Property Regime have been established, which tracts are more fully shown on the plats recorded in Plat Book 25 at Page 79 (Golf Cottages survey), and in Plat Book 26 at Page 178, Plat Book 27 at Page 123, and Plat Book 28 at Page 1 (three phases of Salt Marsh Cottages).
- (13) 'Neighborhood Area' shall mean and refer to a parcel or tract of land which is intended for, and has been subdivided for use as a Site for Family Dwelling Units, whether single-family or multi-family, and so designated for such use on a recorded subdivision plat of 'Residential Lots' or 'Multi-Family Tracts'. The 'Neighborhood Area' shall be comprised of the total number of Residential Lots or Multi-Family dwelling unit sites within such subdivision or group of such subdivisions.
- (14) 'Occupant' shall mean anyone who resides in a Family Dwelling Unit as a lessee, tenant, or as a guest of the Owner.
- (15) 'Owner' shall refer to the record owner of a property located within Moss Creek as determined by the records in the Office of the Register of Deeds for Beaufort County.
- (16) 'Patio Lot' shall refer to a lot upon which a detached single family dwelling is to be constructed, which is ordinarily smaller in size than a full size single family lot and which is subject to special building requirements hereinafter set forth.
- (17) 'Private Utility' shall mean and refer to Water Oak Utility, a division of Moss Creek Owners Association, Inc., and any assignee or successor which provides water and sewer service primarily to Moss Creek.
- (18) 'Properties' shall mean and refer to the properties within the bounds of Moss Creek, as shown on a plats recorded in the Office of Register of Deeds for Beaufort County, South Carolina in Plat Book 37 at Page 176, Plat Book 34 at Page 95, and Plat Book 34 at Page 28, together with any additions thereto pursuant to the Governmental Covenants, as amended.

- (19) 'Public', 'Commercial Site', or 'Commercial Area' shall mean only those parcels of land known at this time as 'The Administration Building', 'The Stables' and the 'Village at Moss Creek', which parcels are designated as Exhibits 'A1,' 'A2,' and 'A3' respectively on the plat recorded in Plat Book 37 at Page 176.
- (20) 'Referendum' shall mean and refer to the power of all or some specific portion of the Members to vote by mailed or electronic ballots on certain actions proposed by the membership or by the Board of Directors of the Association more particularly set forth herein, including, without limitation, the levy of any Special Assessment, and the addition or deletion of functions or services which the Association is authorized to perform. In the event more than fifty (50%) percent of the votes actually returned to the Association or to the independent third party administering the vote, within the specified time shall be in favor of such action, the Referendum shall be deemed to 'pass' and the action voted upon will be deemed to have been authorized by the Members; provided, however, that if a higher percentage required to 'pass' shall be specifically expressed herein, that higher Percentage shall control in that instance.
- (21) 'Reserve Fund' shall mean either a segregated or non-segregated account, as determined by the Board of Directors, into which a portion of the annual revenues of the Association will be deposited and thereafter held for future expenditures which may be required to repair, maintain, re-construct or modify the Common Properties, the Restricted Common Properties, as well as for such other capital expenditures as may be authorized by the Board of Directors.
- (22) 'Residential Lot' shall mean any unimproved parcel of land in Moss Creek upon which it is intended that a Family Dwelling Unit be constructed.
- (23) 'Restricted Common Properties' shall mean and refer to those tracts of land and any improvements thereon which are owned and so designated by the Association or are designated in a deed or lease as 'Restricted Common Properties' or 'Restricted Common Property.' All areas which are designated as 'Limited Open Space Areas' on recorded plats are deemed to be 'Restricted Common Properties,' use of which is limited to Owners of property which is contiguous with and adjacent to such Limited Open Space Area. Properties which become 'Restricted Common Properties' shall be for the use and benefit of less than all of the Members of the Association and their guests. In accordance with agreements entered into with the Association, the swimming pool areas of Stable Gate and of Royal Pointe are Restricted Common Properties, with the use of such amenity areas being limited to Owners and Members of properties within such developments, and their tenants and guests.
- (24) 'Special Member' shall mean and refer to a person or family who is not an 'Owner' and who attains such Special Membership status; together with the right to use certain of the amenities of the Membership Common Properties, by paying initiation and annual fees as established from time-to-time by the Board of Directors. Special Members shall have no votes in the affairs of the Association and no property interests in its assets.
- (25) 'Timesharing' or 'Interval Ownership' shall mean property which has been subjected to the *Vacation Time Sharing Plans Act* presently designated as Chapter 32 of Title 27 of the *1976 Code of Laws of South Carolina and Acts Amendatory* thereof, or concerning which an attempt to so subject it has been made, which use of any portion of the Properties is prohibited in Article XIV below.
- (26) 'Unsubdivided Land' shall mean and refer to all land in the Property described in Article II hereof, and additions thereto, as are subjected to this Declaration or any supplemental declaration under the provisions of Article II hereof which has not been subdivided into Residential Lots, Multi-Family Residential Tracts, or the three (3) Public or Commercial Sites by recorded plats. For the purpose of this Declaration, the following classifications of Property shall not be deemed 'Unsubdivided Land' and shall be expressly accepted from the definition thereof.
- (a) All lands owned by the Association.
 - (b) All lands designated on the Master Plan or any publication of the Association for intended use, or by actual use if applicable, for outdoor recreation facilities; operating farms and/or animal pastures; or woodland, marsh and swamp conservancies.

- (c) All lands below the mean high water mark.
- (d) All lands designated, in any way, as Common Properties or Restricted Common Properties.
- (e) All lands designated as 'Open Space' areas or 'Private Open Space' areas as shown on recorded plats.

(27) 'Voting Member' shall mean and refer to the holder of the Membership Certificate in accordance with the provisions of Article VIII, Section 1, and the designee of the Certificate Holder to whom one or both of the Certificate Holder's votes are assigned in accordance with Article III, Section 2.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Affected Property. The real property which is and shall be held, transferred, sold, conveyed, given, donated, leased and occupied subject to this Declaration is described as follows:

All lands within Moss Creek and any additions thereto, including but not limited to the lands shown on the plats recorded in Plat Book 37 at Page 176; Plat Book 34 at Page 95 (Royal Pointe); and Plat Book 34 at Page 28 (The Peninsula).

Section 2. Additions to Existing Property. Additional lands may become subject to, but not limited to, this Declaration in the following manner:

Upon approval in writing of the Association pursuant to more than two-thirds (2/3) of the vote of those present in person or by proxy at a duly called meeting, the owner of any property who desires to add it to the plan of these Covenants and to subject it to the jurisdiction of the Association, may file or record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complementary additions and/or modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient, in the sole judgment of the Association, to reflect the different character, if any, of the added properties and as are not inconsistent with the plan of this Declaration.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. Owners of Public or Commercial Sites and Owners of Public or Commercial Units shall have no membership rights hereunder, nor shall they have any access to Common Properties, Restricted Common Properties, or Membership Common Properties, except that, of course, they shall have access through the road system to and from their sites if such access is not possible by some other means. Members of the public may enter Public and Commercial Units located along U.S. Highway 278 but shall not have further access to Moss Creek, except as authorized by the Board of Directors in accordance with Article IV, Section 4(l). Owners of Residential Lots or Family Dwelling Units are required to designate one (1) individual to have the rights of Membership in the Association, and such individual will be issued the Membership Certificate described in Article VIII, Section 1 below, and be known as the Certificate Holder. The Certificate Holder's spouse is automatically a Member, and their family members under the age of twenty-five (25) who reside with the Certificate Holder or are away at school or in the military will have the same rights of access to the Common Properties, Restricted Common Properties, and Membership Common Properties as do Members. In the event that the Certificate Holder is not married, the Certificate Holder may designate, as a Member, one (1) adult individual of legal age who resides with the Certificate Holder to have such rights of access, and such individual's family members under the age of twenty-five (25) residing with them shall also have all such access rights.

Section 2. Voting Rights. The voting rights of the Members are as follows:

- (a) Family Dwelling Units. Members to whom a Membership Certificate for a Family Dwelling Unit has been issued by the Association are entitled to two (2) votes per Family Dwelling Unit. The Certificate Holder may designate in writing, filed with the Association in accordance with the Association's policies that his or her spouse is to cast one (1) or both of the votes. If the Certificate Holder does not have a spouse, the Certificate Holder may designate one (1) or both of the votes to an adult Member of legal age occupying the Family Dwelling Unit with the Certificate Holder.
- (b) Residential Lots. Members to whom a Membership Certificate for a Residential Lot has been issued by the Association are entitled to one (1) vote per Residential Lot. A parcel of land shall be deemed to be a Residential Lot (and not a Family Dwelling Unit) until the roof and windows have been installed, and the Annual Assessment at the rate applicable to Family Dwelling Units has begun on the next January 1st thereafter as stated in Article V, Section 3(e).
- (c) Multi-Family Tract and Unsubdivided Land. Members to whom a Membership Certificate for the Multi-Family Tract (the remaining portion of the Royal Pointe parcel) or for Unsubdivided Land has been issued by the Association are entitled to one (1) vote for each one-fourth (0.25) acre of unimproved land owned by such Member, rounded off to the nearest 0.25 of an acre. The votes held by Members in this category of membership may not be transferred.

Section 3. Board of Directors. The Association shall be governed by a Board of Directors consisting of nine (9) Voting Members, except in the event of vacancies on the Board, in which case Article III, Section 3 of the Bylaws controls. In October of each year on a date set by the Board, three (3) members of the Board shall be elected for a term of three (3) years beginning the following January first and expiring at the end of the third calendar year. All members of the Board of Directors shall be elected by the Members of the Association as herein provided. In the election of directors, each Member shall be entitled to that number of votes established pursuant to the provisions of Section 2 of this Article III for each such director to be elected, and such voting shall not be cumulative.

Section 4. Members to have Power of Referendum. Where specifically provided for herein, the Voting Members, or some specific portion thereof, shall have the power to initiate, approve or reject, by mailed or electronic ballot, actions proposed to be taken by the Association by Referendum. The Board of Directors may not take action for which a Referendum is required, including without limitation the levy of a Special Assessment or the addition or deletion of functions or services which the Association is authorized to perform. In the event more than fifty (50%) percent of the votes actually returned to the Association or the independent third party administering the vote, within the specified time shall be in favor of such action, the Referendum shall be deemed to have 'passed' and the action voted upon will be deemed to have been authorized by the Voting Members. To validate the action of a Referendum, the initial Referendum ballot must receive votes of at least thirty percent (30%) of the total eligible votes of the Association. A second ballot will validate the action of the Referendum upon receipt of the vote of at least fifteen percent (15%) of the eligible votes of the Association.

(a) Repeal of Board of Director Actions. If the Board of Directors takes an action which the Voting Members feel, in their sole discretion, requires a Referendum, such Members have the right to submit a petition signed by not less than twenty five percent (25%) of the Association's eligible votes, calling for the repeal of the Board of Directors action and/or requesting that the Board of Directors take some new action with respect thereto, subject to the following:

- (1) the petition must be submitted to the Secretary of the Association within sixty (60) days after the receipt of the Board of Director's written notice of the action, and
- (2) the petition must specifically request the repeal of the Board of Directors' action or that the action be submitted to a Referendum vote by the Voting Members.

Within Thirty (30) days after receipt of such petition by the Secretary, the Board of Directors shall either repeal the subject action or shall implement a Referendum vote.

(b) Board of Directors Required Action. The Voting Members of the Association, in order to have the Board of Directors take a proposed action, may file a petition with the Secretary clearly describing the action requested by the Voting Members, which petition must be signed by Voting Members representing not less than twenty-five percent (25%) of the Association's eligible votes. Upon receipt of such petition, the Board of Directors shall comply with the petition or shall implement a Referendum vote within 30 days after receipt of such petition.

Section 5. Quorum Required for any Action Authorized at Regular or Special Meetings of the Association. The quorum required for any action which is subject to a vote of the Members at an open meeting of the Association (as distinguished from the Referendum) shall be as follows:

The first time a meeting of the Voting Members of the Association is called to vote on a particular action proposed to be taken by the Association, the presence at the meeting of Voting Members or proxies entitled to cast thirty (30%) percent of the total vote of the Voting Membership shall constitute a quorum. If the required quorum is not forthcoming at any such meeting, a second meeting may be called subject to the giving of proper notice and the required quorum at such meeting shall be the presence of Voting Members or proxies entitled to cast fifteen (15%) percent of the total vote of the Membership of the Association. In the event the required quorum is not forthcoming at the second meeting, a third meeting may be called subject to the giving of proper notice and there shall be no quorum requirement for such third meeting. Unless otherwise provided, any reference hereafter to 'votes cast at a duly called meeting' shall be construed to be subject to the quorum requirements established by this Article III, Section 5, and any other requirements for such 'duly called meeting' which may be established by the Bylaws of the Association. For the purpose of this section, 'proper notice' shall be deemed to be given when given each Voting Member not less than 30 days prior to the date of the meeting at which any proposed action is to be considered.

Section 6. Proxies. All Voting Members of the Association may vote and transact business at any meeting of the Association by Proxy authorized in writing, provided, however, that Proxies shall not be used for any action which is subject to a Referendum, in which case the votes of all the Members polled shall be made by specially provided ballots.

Section 7. Right of Members to Call Special Meetings. The Board of Directors shall notice a special meeting of the membership within thirty (30) days after one or more written demands requesting such a meeting are delivered to a corporate officer, which written demand or demands must be signed by not less than five (5%) percent of the eligible votes in the Association and which must specify with reasonable certainty the purposes for which the meeting will be held. Any such meeting shall be held within sixty (60) days of the notice.

ARTICLE IV

PROPERTY RIGHTS IN THE COMMON PROPERTIES

Section 1. Member's Easements of Enjoyment in Common Properties. Subject to the provisions of these covenants, the rules and regulations of the Association, and any fees or charges established by the Association, every Member and every tenant and guest of such Member shall have a right of easement of enjoyment in and to the Common Properties, and such easement shall be appurtenant to land and shall pass with the title of every Residential Lot, Family Dwelling Unit, Multi-Family Tract, or Parcel of Undivided Land. The privilege granted to guests and tenants of nine (9) months or less to use and enjoy the Common Properties (but not the right and easement to use the roads belonging to the Association subject to the rules, regulations and fees, if any, established by the Association for such use) may be denied to or withdrawn from such guests or tenants of nine (9) months or less by an affirmative vote of ninety percent (90%) of the votes cast at a meeting of the Association for the purpose of voting on such denial or withdrawal. Owners of Public and Commercial Sites and Owners of Public and Commercial Units and their business invitees shall have only access easements to the areas described in Article III, Section 1 hereof.

Section 2. Members' Easements of Enjoyment in Restricted Common Properties. Rights in, and easements of enjoyment to, Restricted Common Properties shall exist in less than all of the Members of the Association and their guests. These rights shall be set forth in either covenants and restrictions placed on such property or in the deed or lease of such property to the Association. Private Open Space Areas are an example of property of this type. Owners benefiting from Private Open Space Areas will not be subject to any special

assessment of the Association on that account; however, if Restricted Common Properties of other types are conveyed to the Association which will require additional maintenance expense then the form of conveyance shall set forth not only the group of Members gaining rights in the property but the amount and form of assessment to be levied for the maintenance of that property. Evidence will also be provided to the Association as to the assent of such group of Members to be assessed. Upon such a conveyance, the Association shall assume the maintenance of such Restricted Common Properties from assessments from the benefited Members pursuant to the terms of the conveyance.

Section 3. Membership Common Properties. Subject to the provisions of this Declaration, the rules and regulations of the Association, and any charges established by the Association, every Member and their guests and tenants shall have a right of easement of enjoyment in and to the Membership Common Properties.

Section 4. Extent of Member's Easements. The rights and easements of enjoyment created hereby are subject to the following:

(a) The right of the Board of Directors of the Association, in accordance with its Bylaws, to borrow money for the purpose of improving and/or maintaining the Common Properties, Restricted Common Properties and Membership Common Properties, and providing services authorized herein and in aid thereof to mortgage said properties; and

(b) The right of the Association to assume and pay any liens or encumbrances against the Membership Common Property at the time of conveyance; and

(c) The right of the Board of Directors of the Association to take such steps as are reasonably necessary to protect the above-described properties against foreclosures; and

(d) The right of the Association, to suspend the rights and easements of enjoyment of any Member or tenant or guest of any Member for: (i) any period during which the payment of any assessment against property owned or occupied by such Member remains delinquent, and (ii) a period of time not in excess of sixty (60) days for an infraction of the Association's rules and regulations. Any such suspension shall not constitute a waiver or discharge of the Member's obligation to pay assessments, and the Association shall not suspend the right to use the roads belonging to the Association but may enforce the rules, regulations and fees (if any) established by the Association for use of such roads; and,

(e) The right of the Association to charge reasonable admission and other fees for the use of the Common Properties, Restricted Common Properties and Membership Common Properties, and any facilities included therein, including the right of the Association to charge a reasonable fee for the use of the roadways belonging to the Association, provided, however, that such rights of the Association shall not be construed to impair or qualify an Owner's or Member's rights of ingress and egress to his property; and

(f) The Board of Directors of the Association shall have full discretion to determine the amount of the fee for use of said roadways; provided, however, that such fee or toll shall be limited to an amount which generates sufficient sums to the Association to cover the cost of the operation of entry control security stations; to repair, rehabilitate, resurface and otherwise maintain said roadways; to provide for the maintenance and clean-up of right-of-ways; to provide drainage along said roadways; and to provide for motorized security patrols. The Board of Directors of the Association shall further have the power to place any reasonable restrictions upon the use of the Association's roadways, subject to Owners' and Members' rights of ingress and egress, including but not limited to the types and sizes of vehicles permitted to use said roads, the maximum and minimum speeds of vehicles using said road, all other necessary traffic and parking regulations, and the maximum noise levels of vehicles using said roads. The fact that such restrictions on the use of the roads shall be more restrictive than the laws of any state or local government having jurisdiction over the Properties shall not make such restrictions unreasonable. This paragraph establishes a maximum charge restriction on fees which may be charged for road entry and use of roads. The Board of Directors of the Association may supplement, with an allocation of a portion of the receipts from the Annual Assessments on the Membership property, the funds (if any) received from road use fees or tolls, to carry out the functions and activities as described in this paragraph; and

(g) The right of the Association by its Board of Directors to dedicate or transfer to any public or private utility, utility easements on any part of the Common Properties, Restricted Common Properties and Membership Common Properties; and

(h) The right of the Association to give or sell all or any part of the Common Properties and Restricted Common Properties, including leasehold interests, to any public agency, authority, public service district, utility or private concern for such purposes and subject to such conditions as may be agreed to by the Members, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedication, transfers and determinations as to purposes and conditions shall be authorized by the affirmative vote of two-thirds (2/3) of the votes cast at a duly called meeting of the Association, subject to the quorum requirements established by Article III, Section 5; and

(i) The right of the Board of Directors to permit the occasional use of Membership Common Properties by non-Members who are not guests of a Member in order to promote the Association's image and standing in the community and in keeping with the traditions of similar private facilities, provided that such use does not have a material adverse impact on the regular, daily enjoyment of such properties by the Members.

ARTICLE V

COVENANTS FOR ASSESSMENTS AND OTHER CHARGES

Section 1. Creation of the lien and Personal Obligations of Assessments. The Association covenants, and each Owner of any Residential Lot, Family Dwelling Unit, Multi-Family Tract, or Unsubdivided Land, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to all the terms and provisions of this Declaration and to pay to the Association: (1) Annual Assessments or charges; (2) Special Assessment or charges for the purposes set forth in this Article, such assessments to be fixed, established and collected from time-to-time as hereinafter provided, and which shall be a charge and continuing lien on the real property and improvements thereon against which each such assessment is made; and (3) charges and fees due to the Association and/or the Association's subsidiaries and affiliates, including but not limited to Water Oak Utility charges and fees. Each such assessment, charge or fee, together with interest thereon and cost of collection, including but not limited to attorney fees, as hereinafter provided, shall also be the personal obligation of the person who was the Owner of such real property at the time when the assessment, charge or fee first became due and payable. In the case of co-ownership of a Residential Lot, Family Dwelling Unit, Multi-Family Tract, or any Unsubdivided Land, all of such co-owners shall be jointly and severally liable for the entire amount of the assessment, charge or fee, with interest thereon and all costs of collection.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used for the improvement, maintenance, enhancement, enlargement, and operation of the Common Properties, Restricted Common Properties, and the Membership Common Properties, and to provide services which the Association is authorized to provide. In carrying out these duties, the Association may make payment of taxes and insurance and make improvements and repairs on Common Properties, Restricted Common Properties, and on Membership Common Properties, pay the cost of labor, equipment, materials, management, supervision, accounting, and Member information services, maintain offices and equipment, repay any loans made to the Association, and take such other action as is necessary to carry out its authorized functions.

Section 3. Amount of Annual Assessments. The Annual Assessment, as hereinafter set forth, shall be levied by the Association. The Board may, but is not required to raise the amount of the previous year's Annual Assessment by an amount not in excess of Ten (10%) Percent per year, or the percentage increase between the first month and last month of the preceding annual assessment period in the Consumer Price Index for All Urban Consumers (1967=100) (hereinafter 'C.P.I.') issued by the United State Department of Labor, Bureau of Labor Statistics, whichever of these two percentage figures is larger, (the larger being hereinafter referred to as the 'Maximum Annual Assessment' and the smaller being hereinafter referred to as the 'Minimum Annual Assessment'). The Members may, by a vote of more than two-thirds (2/3) of the votes cast at a duly called meeting of the Association, subject to the quorum requirement established by Article III, Section 5 hereof, vote against such increase or vote to increase said Annual Assessment by a greater amount. In the event that the C.P.I. referred to above shall be discontinued, then there shall be used the most similar index published by the United States Government that may be procured indicating changes in the cost of living.

If the Board of Directors fixes the Annual Assessment at an amount less than the higher of ten (10%) percent or the percentage increase in the C.P.I., that is the Maximum Annual Assessment, and it subsequently is determined by the Board of Directors that the amount assessed will not be sufficient, the Board shall have the power to make a supplemental Annual Assessment, but in no event shall the sum of the initial and supplement Annual Assessments in any one year exceed the applicable Maximum Annual Assessment.

Any increase or decrease in the fixed amount of the Annual Assessment shall be made in such a manner that the proportionate increase or decrease in such Maximum or Minimum Assessment is the same for Owners of Residential Lots, Family Dwelling Units, Multi-Family Tracts, or Unsubdivided Land, and likewise any time the actual assessment levied by the Board of Directors of the Association is less than the Minimum Annual Assessment, such decrease shall be apportioned among the Owners of Residential Lots, Family Dwelling Units, Multi-Family Tracts and Unsubdivided Land, such that the proportionate decrease received by each class of Owners of the various classes of the property may be altered only by the favorable vote of ninety (90%) percent of the votes cast at a duly called meeting of the Association, subject to the quorum requirements established by Article III, Section 5 hereof, and by ninety (90%) percent of the votes cast at said meeting by the Members of the classes whose proportionate share is being altered.

Beginning with the calendar year 1999, the assessment rates shall be as herein below set forth, and it shall be based upon these figures that any increase or decrease shall be determined for a year subsequent to 1999.

- (a) Residential Lots: \$1,848.00
- (b) Family Dwelling Unit: \$2,232.00
- (c) Multi-Family Tracts: One-Half of one percent (0.5%) of the purchase price.
- (d) Unsubdivided Land: \$200.00 per acre.
- (e) For purposes of these assessments and voting rights hereunder, a property will be classified as a Residential Lot, and not as a Family Dwelling Unit, until the roof and windows have been installed, and the Annual Assessment at the rate applicable to Family Dwelling Units shall begin on the next January 1st thereafter.
- (f) All assessments charged by the Association shall be rounded off to the nearest dollar.

Section 4. Special Assessments. In addition to the Annual Assessments authorized by Section 3 hereof, the Association may levy Special Assessments for the purpose of construction, reconstruction, repair or replacement of capital improvements upon the Common Properties, Restricted Common Properties and Membership Common Properties, including the necessary fixtures and personal property related thereto, or for additions to the Common Properties or Restricted Common Properties, or to provide for the necessary facilities and equipment to offer the services authorized herein, and to repay any loan made to the Association to enable it to perform the duties and functions authorized herein, provided that such assessment is approved by more than fifty percent (50%) of the votes of the Members responding to a mail or electronic Referendum within thirty (30) days of mailing or electronic notice, with such mail or electronic Referendum to include a statement prepared by the Directors of the Association favoring such assessments stating the reason therefore together with a statement prepared by those Directors dissenting from such assessment neither of which statements shall exceed a maximum length of five pages on each proposed assessment. This provision shall be interpreted to mean that the Association may make in any one year Annual Assessments up to the maximum set forth in Section 3 of this Article, plus an additional Special Assessment. The fact that the Association has made an Annual Assessment for an amount up to the maximum allowed shall not affect its right to make a Special Assessment during the year.

The Special Assessment to be paid by an Owner of assessable property shall be a percentage of the total of such Special Assessment which equals the percentage of the total Annual Assessment paid by such Owner for the assessment year in which the Special Assessment is made. Such Special Assessment in any

one year may not exceed a sum equal to the amount of the maximum Annual Assessment for such year, except for emergency and other repairs required as a result of storms, fires, natural disasters or other casualty losses.

Section 5. Neighborhood Special Assessment. Upon receipt of a petition signed by sixty percent (60%) of all Owners within a particular Neighborhood Area or Street, as such may be designated on a recorded subdivision plat, the Board of Directors of the Association may levy a Neighborhood Special Assessment (within the total maximum limits applicable to Special Assessments as set forth above) applicable only to the Owners within that Neighborhood Area or Street, which may be used only to undertake special neighborhood rehabilitation, construction, or neighborhood maintenance. If such assessment is proposed by the Board of Directors of the Association rather than by petition as provided for herein above, then such proposal shall be submitted to a Referendum of all Owners within the particular Neighborhood Area, or Street, and such special assessment shall be levied only upon a favorable response to such Referendum as shall be indicated by not less than two-thirds (2/3) of the votes cast voting in favor of such special assessment.

In the event of such affirmative vote by the Owners within a Neighborhood Area or Street to be assessed by the Association for special improvements, construction, or maintenance within that Area, the Association is authorized to borrow money to fund such special improvements, construction, or maintenance and to repay any such loan with the receipts from such Neighborhood Special Assessment authorized therefore.

Section 6. Date of Commencement and Proration of Annual Assessments. Due Date. Notwithstanding anything in the foregoing to the contrary, the Annual Assessments provided for herein shall commence no earlier than January 1, 1999. Unless otherwise provided herein, property shall be assessed according to its character as of January 1 of the assessment year, i.e., Residential Lot, Family Dwelling Unit, etc.

Annual Assessments shall be made for the calendar year and shall become due and payable thirty (30) days after the day fixed for the commencement. The Board of Directors of the Association shall have the power to change the date upon which annual assessments become due and payable and also to determine the method of payment of Annual Assessments, i.e., lump sum, monthly installments, etc., provided, however, that the Annual Assessment shall be due and payable at least annually.

Section 7. Duties of the Board of Directors. The Board of Directors of the Association shall fix the amount of the Annual Assessment against each Residential Lot, Family Dwelling Unit, Multi-Family Tract, or Unsubdivided Land, within the Maximum and Minimum Annual Assessment range as provided herein above, and shall, at that time, direct the preparation of an index of the properties and assessments applicable thereto which shall be kept in the office of the Association and which shall be open to inspection by any Owner. Written notice of assessment shall thereupon be sent to every Owner subject thereto.

The Board of Directors shall not have authority to levy a Special Assessment above the Maximum Annual Assessment unless such Special Assessment is approved by a Referendum relating thereto as herein provided or meets the emergency conditions set forth in Section 4 of this Article.

The Association shall upon demand at any time furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence against all but the Owner of payment of any assessment therein stated to have been paid.

Section 8. Effect of Non-Payment of Assessment: The Personal Obligation of the Owner; the Lien; Remedies of Association. If the assessment is not paid on or before the past-due date specified in Section 7 hereof, then such assessment shall become delinquent and shall, together with interest thereon at a rate established from time-to-time by the Board of Directors of the Association and costs of collection, including but not limited to legal fees and court costs, thereupon become a charge and continuing lien on the land and all improvements thereon, against which each such assessment is made, in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the Owner at the time when the assessment first became due and payable to pay such assessment, however, shall remain his personal obligation and shall not pass as a personal obligation to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the past due date, the Association may bring an action to foreclose the lien of such assessments (in which a deficiency judgment may be sought), or it may bring an action at law against all responsible parties to collect the amounts due. The Association's legal fees and court costs incurred in such actions (including but not limited to the expenses of publication, title abstracts, and similar charges) shall be added to the amount of the assessments due to the Association. In the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the property subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure or any other proceeding or a deed in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments accruing thereafter.

Section 10. Exempt Property. The following property, individuals, partnerships or corporations subject to this Declaration shall be exempted from the assessments, charges and liens created herein:

- (a) Grantees in conveyances made for the purpose of granting utility easements;
- (b) All Common Properties (including Membership Common Properties) and Restricted Common Properties as defined in Article I, Section 1 hereof or properties committed to be conveyed to the Association as Common Properties or Restricted Common Properties;
- (c) Property which is used for any of the following purposes:
 1. In the maintenance and service of facilities within the properties;
 2. All lands below the mean high water mark; and
- (d) Any Family Dwelling Units and Golf Fairway Residential Lots acquired by the Association as the result of the foreclosure of the Association's assessment lien or by deed in lieu thereof.

Section 11. Treasurer's Reports. The Treasurer shall keep proper books of account. He shall provide the following annual reports: a) budget report for the current year, b) audited balance sheet for preceding year, and c) audited profit and loss statement for preceding year. The Treasurer shall cause these reports to be mailed to the Members with notice of the annual meeting.

ARTICLE VI

FUNCTIONS OF THE ASSOCIATION

Section 1. Ownership and Maintenance of Common Properties and Restricted Common Properties. The Association shall be authorized to and its Board of Directors empowered to take any and all such action necessary subject to the limitations set forth, to own and maintain Common Properties and Restricted Common Properties, equipment, furnishings, and improvements devoted to the following uses:

- (a) for roads or roadways, and parkways along said roads or roadways throughout the Properties;
- (b) for sidewalks, walking paths or trails, bicycle paths, and bridle paths throughout the properties;
- (c) for transportation facilities throughout the Properties other than privately owned automobiles, e.g. buses, electric vehicles, etc., paid for by special assessment as provided for in Article V, Section 4 hereof;

- (d) for police and fire protection including police stations, maintenance building and/or guardhouses, police equipment, and fire stations and fire fighting equipment; and buildings used in maintenance functions;
- (e) for emergency health care including ambulances and emergency care medical facilities and equipment necessary to operate such facilities;
- (f) for providing any of the services which the Association is authorized to offer under Section 2 of this Article;
- (g) for purposes set out in deeds or long-term leases by which Common Properties and Restricted Common Properties are conveyed or leased to the Association, provided that such purposes shall be approved by the Members of the Association;
- (h) for lakes, play fields, tennis and golf facilities, historic parks, wildlife areas, fishing facilities, and other recreational facilities of any nature; community meeting facilities serving the Properties; and
- (i) for water and sewage facilities and any other utilities, if not provided by a private utility or public service district.

Section 2. Ownership and Maintenance of Membership Common Properties. The Association shall be authorized to purchase, own, operate and maintain membership-type recreational facilities and all things necessary to support such facilities. The Association shall be authorized to expend revenues derived from the assessments described in Article V for maintenance purposes. In addition, the Association shall be authorized to require the payment of membership fees, user fees and annual user dues to cover the remaining operational and maintenance expenses relating to such recreational facilities. The Association shall provide all Members with equal opportunity to use the recreational facilities subject, of course, to applicable rules and regulations and, to such Members paying the requisite assessments, fees and charges imposed by Association with respect thereto.

Section 3. Special Membership. The Association shall be authorized to establish a category of membership designated as a 'Special Membership,' by which the Association may offer the regular use of certain of the Moss Creek amenities to non-property owners upon payment of the initiation fees and annual dues and upon such terms and conditions of membership as may be established from time to time by the Board of Directors. Upon payment of the initiation fee and acceptance by the Board of Directors, each such Special Member shall be issued a certificate of Special Membership, signed by the appropriate officers of the Association, signifying the holder's status as a 'Special Member' of the Association.

Special Members have no votes in the affairs of the Association and no interest in its assets.

The revenues so derived shall be available for the general purposes of the Association.

The number of Special Memberships active at any one time shall not exceed one hundred (100).

Section 4. Services. The Association shall be authorized but not required to provide the following services:

- (a) cleanup and maintenance of all roads, roadways, parkways, lakes and other Common Properties and Restricted Common Properties, within the Properties and also all public properties which are located within or in a reasonable proximity to the Properties such that their deteriorations would affect the appearance of the Properties as a whole;
- (b) landscaping of roads and parkways, sidewalks and walking paths and any other Common Properties or Restricted Common Properties;
- (c) transportation facilities;

- (d) lighting of roads, sidewalks and walking paths throughout the Properties;
- (e) police protection and security, including but not limited to the employment of police and security guards, maintenance of electronics and other security devices and control centers for the protection of persons and property within the Existing Property, and assistance in the apprehension and prosecution of persons who violate the laws of South Carolina within the Properties;
- (f) fire protection and prevention;
- (g) garbage and trash collection and disposal;
- (h) insect and pest control to the extent that is necessary or desirable in the judgment of the Board of Directors of the Association to supplement the service provided by the state and local governments;
- (i) the services necessary or desirable in the judgment of the Board of Directors of the Association to carry out the Association's obligations and business under the terms of this document;
- (j) maintenance of all lakes and lagoons located within the Properties, including the stocking of such lakes and lagoons;
- (k) to take any and all actions necessary to enforce all covenants and restrictions affecting the Properties and to perform any of the functions or services delegated to the Association in any covenants or restrictions applicable to the Properties;
- (l) operate an Architectural Review Board pursuant to Article VII hereof;
- (m) improvement of fresh and salt water fishing available to Members within the Properties;
- (n) to conduct recreational, sport, craft, and cultural programs of interest to Members, their children and guests;
- (o) to provide legal and scientific resources for the improvement of air and water quality within the Properties;
- (p) to maintain water search and rescue boats for the protection and safety of those in the water located on or adjacent to the Properties;
- (q) to provide safety equipment for storm emergencies;
- (r) to support the operation of transportation services between key points of Properties and the airports, other public transportation terminals and public centers serving the area surrounding the Properties;
- (s) to construct improvements on Common Properties, or Restricted Common Properties, for use for any of the purposes or as may be required to provide the services as authorized in this Article;
- (t) to provide administrative services including but not limited to: legal; accounting and financial; and communication services informing Members of Activities, Notice of Meetings, Referendum, etc., incident to the above listed services;
- (u) to provide liability and hazard insurance covering improvements and activities on the Common Properties; Restricted Common Properties, and Membership Common Properties;
- (v) to provide water, sewage and any necessary utility services;
- (w) to provide, conduct, or maintain shoreline erosion abatement measures including, without limitation, maintenance and repair of shore revetments and groins, nourishment of beaches with sand

reclaimed from drift deposits from the beach or adjacent areas of other sources, and the employment of consultants who are specialists in that field, as may be needed, in the judgment of the Board of Directors; and,

- (x) any other services which are reasonably consistent with the purposes of the Association.

Section 5. Obligations of the Association. The Association shall not be obligated to carry out or offer any of the functions and services specified by the provisions of this Article. The functions and services to be carried out or offered by the Association at any particular time shall be determined by the Board of Directors of the Association taking into consideration the funds available to the Association and the needs of the Members of the Association. Special assessments shall be submitted for Referendum as herein provided. The functions and services which the Association is authorized to carry out or to provide may be added or reduced at any time upon the affirmative vote of more than fifty (50%) percent of the votes cast in a Referendum.

Section 6. Mortgage and Pledge. The Board of Directors of the Association shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association which loans shall be used by the Association in performing its authorized functions. The aggregate amount of such loans may not exceed two-thirds (2/3) of the "Members" Equity as shown on the Association's Balance Sheet in its most current audited annual financial statements, except for short-term reconstruction needs in the event of hurricane damage or some similar natural disaster.

Section 7. Financial Administration. In exercising the powers and performing the functions described in these covenants, the Board of Directors is authorized to establish a system or systems for the administration of Members' accounts and to establish the terms and conditions applicable to the establishment and collection of such accounts, including the imposition of appropriate interest charges for late payments and attorney's fees for collection. Any such account which remains unpaid for a period of thirty (30) days after the date upon which it becomes due shall become delinquent and may, together with interest at the rate established from time to time by the Board of Directors and costs of collection, become a charge and continuing lien upon all land and improvements thereon owned by the Member or Owner responsible for payment of the account. Such lien shall be subordinated to mortgages involved in foreclosure proceedings as set forth in Article V, Section 10.

Section 8. Rules & Regulations. In carrying out the functions and exercising the powers and authority of these covenants the Board of Directors shall establish rules and regulations which will implement and fulfill all of the purposes and intent of these covenants. In addition to the powers granted to the Board of Directors elsewhere in these Covenants, the Board of Directors is authorized to establish rules and regulations governing access to and use of all property in Moss Creek, including but not limited to all matters pertaining to roadways, vehicles, piers, docks, ponds, lagoons, marshes, buildings owned by the Association, and all recreation and service facilities.

For violation of any such duly adopted and published rule or regulation, or of any provision of this Declaration, the Bylaws of the Association, or of the rules and regulations of the Architectural Review Board, the Board of Directors is hereby empowered to suspend the violator's right of access to and use of the Common Properties, Restricted Common Properties and Membership Common Properties, excepting only the roadways, the use of which may not be denied to any Owner. In addition to or in lieu of such suspension, fines may be imposed against violators in such amounts as established by the Board and modified from time to time, which fine shall be charged upon and paid with the Member's account and, if not timely paid, shall become a lien upon the Member's or Owner's property pursuant to Article VI, Section 7. The Member or Owner shall also reimburse the Association for any expenses incurred by the Association in the correction of any conditions resulting from violations as described above, including but not limited to attorneys fees and court costs.

In the event action is taken against an Owner or other party pursuant to the above provisions, an Owner or other aggrieved party (such as a tenant) who intends to appeal such action or otherwise to contest such action must give written notice to the Board of Directors requesting a hearing before the Board and must attend such hearing to discuss amicable resolution of the dispute before the Owner or aggrieved party files any litigation against the Board, the Association, any member of the Board, or any agent of the Association. The Owner or aggrieved party shall, in such notice and at the hearing, make a good faith effort to explain the grievance to the Board and to resolve the dispute in an amicable fashion, and shall give the Board a reasonable

opportunity to address the grievance before legal action may be filed. The Board shall give notice of the date, place and time of the hearing to the party requesting the hearing, not less than ten (10) days after receipt of the request for such hearing, and the hearing shall be scheduled not less than seven (7) nor more than twenty-one (21) days after the date on which such notice is given by the Board. If the Board determines that use of a mediator may help resolve the dispute, the Board may have a certified mediator attend the hearing, and the party requesting the hearing agrees to cooperate in a mediation of the dispute.

Section 9. Reserve Fund. The Board of Directors of the Association shall have the power and authority to establish and maintain a Reserve Fund into which a portion of the annual revenues of the Association can be transferred and held for future expenditures which may be required to repair, maintain, re-construct, renovate, expand, or modify the Common Properties, the Restricted Common Properties, as well as for such other capital expenditures as may be authorized by the Board of Directors.

ARTICLE VII **ARCHITECTURAL CONTROL**

Section 1. Review and Approval Process. No building, wall, fence, swimming pool, or other structure shall be commenced, erected, or maintained upon the Common Properties, Restricted Common Properties or Membership Common Properties nor shall any landscaping be done, nor shall any exterior addition to any such existing structure or change or alteration therein, be made until the plans and specifications therefore showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to the harmony and compatibility of its external design and location, with the surrounding structures and topography, by the Association or its duly appointed agents.

Section 2. Architectural Review Board. The Association has the right to review and control the location, design, construction, alteration, exterior appearance, demolition and construction scheduling of all structures and other improvements erected or to be erected in Moss Creek, which right, as set forth below, is vested in an Architectural Review Board appointed by the Board of Directors of the Moss Creek Owners Association, Inc., upon terms and conditions and subject to rules and regulations adopted by said Board of Directors. Such Architectural Review Board shall, from time to time, publish guidelines for the information and guidance of property owners, builders and other contractors and to aid in the enforcement of all covenants and restrictions applicable to the use of all areas and to the location, design, construction and alteration of structures of all types. In addition to the measures set forth below in Article IX applicable to the Residential areas, the guidelines so published by the Architectural Review Board shall have the force and effect of rules and regulations duly adopted by the Board of Directors of the Association and shall be subject to approval by said Board of Directors.

ARTICLE VIII **MEMBERSHIP CERTIFICATES**

Section 1. Owners Must Purchase. Unless the seller furnishes such a certificate, every purchaser of each Residential Lot or Family Dwelling Unit within Moss Creek shall pay a sum, to the Association to be known as the Moss Creek Membership Certificate Fee. The amount of such fee shall be determined from time to time by the Board of Directors. Payment shall be made at the closing of each sale and the purchaser shall be issued a non-transferable membership certificate. Only one individual per Residential Lot or Dwelling Unit may hold a certificate. Each certificate must be surrendered to the Association upon the sale of the lot or dwelling unit. Membership certificates were previously called 'amenity certificates.'

Transfer of fifty percent (50%) or more of the stock of a corporate owner or of a partnership interest shall be deemed a sale necessitating the surrender of the certificate and the payment for another.

The surviving spouse of a Certificate Holder who succeeds to the title of a lot or dwelling unit will also succeed to the ownership of the certificate issued for the property without payment.

Notwithstanding anything contained herein to the contrary, in addition to the powers granted to the Board of Directors elsewhere in these Covenants, the Board of Directors is authorized to exempt certain types or

categories of transfers of Residential Lots and Family Dwelling Units from the Moss Creek Membership Certificate Fee pursuant to such terms and conditions as established by the Board of Directors.

Section 2. Liens. Unless a certificate has been furnished or the fee paid after each sale, the membership fee shall be a charge and continuing lien on the property and any improvements thereon. The membership fee, together with interest established by the Board of Directors and costs of collection (including but not limited to reasonable attorneys fees), shall be the personal obligation of the Owner or Owners, jointly and severally, of the property involved in the sale.

ARTICLE IX
COVENANTS, CONDITIONS, RESTRICTIONS AND AFFIRMATIVE
OBLIGATIONS APPLICABLE TO
RESIDENTIAL AREAS

The primary purpose of these covenants, conditions, and restrictions, and the foremost consideration in the origin of same, has been the creation of a residential community which is aesthetically pleasing and functionally convenient. The establishment of objective standards relating to design, size and location of dwellings and other structures makes it impossible to take full advantage of the individual characteristics of each lot. For this reason such standards are not established hereby.

Section 1. No Buildings, Fences or Other Structures. No buildings, fences or other structures may be erected, placed or altered on any lot in Residential Areas until the proposed building plans, specifications, exterior color or finish, plot plan (showing the proposed location of such building or structure, drives and parking areas), and construction schedule shall have been approved in writing by the Association, its successors or assigns. Refusal of approval of plans, location or specifications may be based by the Association upon any ground, including purely aesthetic conditions, which the Association in its sole and uncontrolled discretion shall deem sufficient. No alteration in the exterior appearance of any building or structure shall be made without like approval by the Association. One (1) copy of all plans and related data shall be furnished the Association for its records. In the event approval of such plans is neither granted nor denied within thirty (30) days following receipt by the Association of written demand for approval, the provisions of this paragraph shall be thereby waived.

Section 2. Minimum Required Square Footage. No plans will be approved unless the proposed house will have a minimum required square footage of enclosed dwelling area. Such minimum requirements of each lot will normally be specified in a deed in the chain of title. If not so specified, the square footage shall be in accordance with the ARB Guidelines then in effect.

The term 'enclosed dwelling area' as used in these minimum size requirements shall mean that total enclosed area within a dwelling; provided, however, that such term does not include garages, terraces, decks, open porches, and the like; provided further, that shed-type porches, even though attached to the house are specifically excluded from the definition of the aforesaid term 'enclosed dwelling area'. The term includes screened porches if the roof of such porches forms an integral part of the roof line of the main dwelling or if they are on the ground floor of a two-story structure; however, such screened porches shall not account for more than one third of the total enclosed dwelling area.

Section 3. Approval for Removal, Reduction, Cutting Down of Topography or Vegetation. In order to protect the natural beauty of the vegetation and topography of Moss Creek, written approval of the Association is hereby required for the removal, reduction, cutting down, excavation or alteration of topographic and vegetation characteristics of lots subject to these restrictions, except under emergency conditions due to hurricanes and similar natural disasters which result in damage to trees, etc. Written approval will be required for the minimum amount of earth movement required in plans and specifications approved pursuant to the provisions of paragraph 1 of this Article II.

Section 4. No Specific Set-back Lines. Because the establishment of standard inflexible building setback lines for location of houses on lots tend to force construction of houses both directly behind and directly to the side of other homes with detrimental effects on privacy, view of the waterways, preservation of specimen trees, etc., no specific setback lines are established by these Covenants (with the exception of Patio Lots).

In order to assure that the location of houses will be staggered where practical and appropriate so that the maximum amount of view and breeze will be available to each house and that the structures will be located with regard to the ecological constraints and topography of each individual lot, taking into consideration the elevation of each lot, the location of specimen trees and similar considerations, the Association reserves unto itself, its successors and assigns, the right to control absolutely and solely the precise site and location of any house or other structure upon all lots within the Residential Areas. Such location shall be determined only after reasonable opportunity is afforded the lot owner to recommend a specific site.

The Association has published and established Guidelines as to desirable setback lines for the various types of residential lots within Moss Creek, which Guidelines (as amended from time to time by the Board of Directors) are hereby incorporated herein by reference.

Section 5. Exteriors Must be Completed Within One (1) Year. The exterior of all houses and other structures must be completed within one (1) year after the construction thereof has commenced, except where completion is impossible or would result in great hardship to the owner or builder due to strikes, fires, national emergency or natural calamities. Houses and other dwelling structures may not be temporarily or permanently occupied until the issuance of a certificate of occupancy by the appropriate governmental authority.

Section 6. Lots Exclusively for Residential Purposes. All lots in Residential Areas, including Multi-Family areas, shall be exclusively used for residential purposes. Except as hereinafter provided, no structure may be erected, altered, placed or permitted to remain on any lot other than one (1) detached single family dwelling and one (1) small one-story accessory building which may include a detached private garage and/or servant's quarter, provided the use of such dwelling or accessory building does not over-crowd the site and provided further, that such building is not used for any activity normally conducted as a business. Such accessory building may not be constructed prior to the construction of the main building.

Section 7. Guest Suites. A guest suite or like facility without a kitchen may be included as part of the main dwelling or accessory building, but such suite may not be rented or leased except as part of the entire premises, including the main dwelling.

Section 8. Unclean or Unkempt Conditions. It shall be the responsibility of each lot owner to prevent the development of any unclean, unsightly or unkempt conditions of the buildings or grounds on such lot which shall tend to substantially decrease the beauty of the neighborhood as a whole or of the specific area.

Section 9. Noxious or Offensive Activity. No noxious or offensive activity shall be carried upon any lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. No plants or animals, or devices or things of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property in the neighborhood by the owners thereof are allowed within the Properties.

Section 10. Lot Maintenance. In order to implement effective insect, reptile and woods fire control, the Association and its agents have the right to enter upon any residential lot on which a residence has not been completed and landscaped to remove, clear, cut or prune underbrush, weeds or other unsightly growth, which in the opinion of the Association detracts from the overall beauty, setting and safety of Moss Creek. The cost of such services shall be paid by the Owner of the lot requiring such services. Entry upon the lot for the limited purpose of mowing, cutting, clearing or pruning shall not be deemed a trespass. The Association and its agents may likewise enter upon such land to remove any trash which has collected on such lot without such entrance and removal being deemed a trespass. In addition, the Association reserves unto itself, its successors and assigns a perpetual, alienable and releasable easement and right on and over and under the Properties: to dispense pesticides; to take other action which in the opinion of the Association is necessary or desirable to control insects and vermin; to cut fire breaks and take other action necessary or desirable to control fires on the Properties. The provisions of this paragraph shall not be construed as an obligation on the part of the Association to provide any of the foregoing services.

Section 11. Signs. Except in accordance with the ARB Guidelines and except as required in connection with legal proceedings, no signs, including but not limited to 'for rent', 'for sale,' and other similar signs, may

be erected, placed, or maintained on any lot by anyone, including, but not limited to the Owner, a realtor, a contractor or subcontractor. The Board of Directors may allow certain signs if necessary to prevent serious hardship to the Owner requesting the right to have a sign. If such permission is granted in the case of a hardship, the Association reserves the right to restrict size, color and content of such signs.

Section 12. Parking. Each Owner must provide space for parking two (2) automobiles off the street prior to the occupancy of any dwelling constructed on said lot in accordance with the standards contained in the ARB Guidelines.

Section 13. Sewage Disposal Required: No Septic Tanks Allowed. Prior to the occupancy of a residence on any lot, proper and suitable provisions shall be made for the disposal of sewage by connection with the sewer mains of the Private Utility. No septic tanks are allowed within the Properties.

Section 14. Reservation of Easements. The Association and the Private Utility reserve unto themselves and their successors and assigns, a perpetual, alienable and releasable easement and right on, over, across and under the ground to erect, maintain and use poles, wires, cables, conduits, sewers, water mains, and other suitable equipment for the conveyance and use of electricity, cable television, security cable equipment, telephone equipment, gas, sewer, water or other private or public convenience or utilities, on, in or over the rear or street side ten (10) feet of each lot, and ten (10) feet along one side of each lot, and such other areas as are shown on recorded plats. Also, the Association and the Private Utility may cut, at their own expense, drain ways for surface water wherever and whenever such action may appear to be necessary in order to maintain reasonable standards of health, safety and appearance. These easements and rights expressly include the right to cut any trees, bushes, or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installations and to maintain reasonable standards of health, safety and appearance.

Section 15. Wells, Pumping Stations and Tanks. The Association and the Private Utility further reserve the right to locate wells, pumping stations and tanks within any portion of the Properties. However, if the portion of the Properties upon which such pumping station, well or tank is to be located is other than the Association or the Private utility, and the applicable recorded plat of such Owner's property does not designate it for such use as aforesaid, then the property shall not be used for such purpose without the written permission of the Owner thereof. Such rights may be exercised by any licensee or assignee of the Association or the Private Utility, but this reservation shall not be considered an obligation of the Association or Private Utility to provide or maintain any such utility or service.

Section 16. Satellite Dishes. Satellite dishes and similar receiving devices, television antennae, radio receivers and transmitters, and other similar devices may be installed upon an Owner's property only in accordance with ARB Guidelines and FCC Regulations. The provisions of this Paragraph shall not apply to the Association or the Private Utility in connection with the installation of equipment for a master antenna system, master satellite receiver, cable television lines, mobile radio systems or other similar systems.

Section 17. Temporary Structures. No structure of a temporary character shall be placed upon any lot at any time, provided, however, that this prohibition shall not apply to shelters or temporary structures used by the contractor during the construction of the main dwelling house, it being clearly understood that these latter temporary shelters may not, at any time, be used as residences or permitted to remain on the lot after completion of construction. The design and color of structures temporarily placed on a lot by a contractor shall be subject to reasonable aesthetic control by the Association.

Section 18. Service Yards Required. A fenced area not generally visible from the road shall be provided on each lot to serve as a service yard and storage area, the design of which must be approved by the ARB.

Section 19. Private Water Wells Prohibited. No private water wells may be drilled or maintained on any Residential Lot; provided, however, an owner may apply to the Association for permission to drill and maintain as a closed system, a well for heating and cooling, provided further, however, that the owner has and maintains in full force and effect at all times all proper governmental permits and approvals. Under no circumstances shall such well be used to obtain water for any purpose other than the heating and cooling of said residence.

The Association or the Private Utility has the right to enter upon each lot to inspect for compliance with this restriction, and such entry shall not constitute a trespass.

Section 20. Subdivision of Lots. No lot shall be subdivided, or its boundary lines changed, except with the written consent of the Association. However, the Association hereby expressly reserves to itself, its successors, or assigns, the right to replat any lot or lots shown on the plat of any said subdivision in order to create a modified building lot or lots; and to take such other steps as are reasonably necessary to make such replatted lot suitable and fit as a building site to include, but not be limited to, the relocation of easements, walkways, rights of way, roads, bridges, parks, recreational facilities and other amenities to conform to the new boundaries of said replatted lots, provided that no lot originally shown on a recorded plat is reduced to a size more than ten (10) percent smaller than the smallest lot shown on the first plat of the subdivision section recorded in the public records.

Section 21. Reservation of Right to Build Bridges, Walkways, Canals. The Association expressly reserves to itself, its agents or assigns, any other provisions in this Declaration notwithstanding, the right to build bridges, walkways, fixed spans across any or all natural or man-made canals, creeks or lagoons in Moss Creek. Nothing in this paragraph shall be construed as placing an affirmative obligation on the Association to provide or construct any bridge, walkway or fixed span unless such bridge, walkway or fixed span shall be shown and specifically designated on the recorded plat of the subdivision or section of lots referred to and incorporated in the deed of conveyance to the grantee lot owner asserting such affirmative obligations to the grantor Association.

Section 22. Entering Property Not Trespass. Whenever the Association is permitted by these covenants (including all Articles) to correct, repair, clean, preserve, clear out or do any action on the property of any lot owner or on the easement areas adjacent thereto, entering the property and taking such action shall not be deemed a trespass.

Section 23. Prohibited Structures and Vehicles. No barn, shed, tree house, outbuilding, tent, or similar structure shall be placed on any residential lot or area either permanently or temporarily. Except as expressly provided below, no trailer, camper, recreational vehicle, boat, boat trailer, commercial van, commercial pick-up trucks, panel truck, or commercial vehicle shall be parked over night in any residential area unless such vehicle is kept entirely within a garage. 'Recreational vehicle' shall mean and refer to a vehicle designed for or containing sleeping, cooking or toilet facilities of any kind. An Owner may request in advance an exception for overnight parking of a recreational vehicle from the General Manager or his/her designee for the night before a morning departure and/or the night after an evening return from a multi-day trip. Rules and regulations pertaining to all matters herein may be promulgated by the Association as provided in Article VI, Section 8 hereof.

Notwithstanding anything herein to the contrary, motor driven cycles of any nature whatsoever are hereby prohibited from being operated upon any portion of Moss Creek. Such motor driven cycles may be parked in the available parking spaces adjacent to the Administration Building and at such other places as may be designated by the Board of Directors. For the purpose of this Section 23, "Motor Driven Cycles" shall not include "electric-assist bicycles", and "bicycles with helper motors" which are defined under S.C. Code Section 56-1-10 (29) as low-speed electrically assisted bicycles with two or three wheels, each having fully operable pedals and an electric motor of no more than 750 watts, or one horsepower, and a top motor-powered speed of less than twenty miles an hour when operated by a rider weighing one hundred seventy pounds on a paved level surface, that meets the requirements of the Federal Consumer Product Code provided in 16 C.F.R., Part 1512, and that operate in a manner such that the electric motor disengages or ceases to function when their brakes are applied or the rider stops pedaling; and that has a label that is affixed permanently, in a prominent location, to each electric-assist bicycle, indicating its wattage and maximum electrically assisted speed.

ARTICLE X
SPECIAL RESTRICTIONS AFFECTING
GOLF FAIRWAY RESIDENTIAL AREAS

Section 1. Landscaping Approval Required. That portion of any Golf Fairway lot within thirty (30) feet of the lot line bordering the golf course (except in the case of the Patio Home Sites, such distance shall be twenty (20) feet) shall be in general conformity with the overall landscaping plan for the golf course fairway area established by the golf course architect. All lot landscaping plans must be approved by the Association before implementation.

Section 2. Golf Course Maintenance Easement. There is reserved to the Association a Golf Course Maintenance Easement measuring thirty feet (30') in width along and within the rear of each lot adjacent to any golf course located in Moss Creek, except that such easement shall only measure twenty feet (20') in width as to Patio Lots. Such easement allows the Association's employees to perform maintenance and landscaping within the easement area, including but not limited to: regular removal of underbrush; cutting/pruning of trees less than six (6) inches in diameter; removal of stumps, trash and debris; planting of grass; watering; application of fertilizer and pesticides; and mowing. Such easement shall apply to the entire lot until there has been filed with the Association a landscaping plan for such lot by the Owner thereof, or alternatively, a residence constructed on the lot.

Section 3. Easement Over Unimproved Lots. Until such time as a residence is constructed on a lot, the Association reserves an easement to permit and authorize registered golf course players and their caddies to enter upon a lot to recover a ball or play a ball, subject to the official rules of the course, without such entering and playing being deemed a trespass. After a residence is constructed, such easement shall be limited to that portion of the lot included in the Golf Course Maintenance Easement Area, and recovery of balls only, not play, shall be permitted in such Easement Area. Golfers or their caddies shall not be entitled to enter on any such lot with a golf cart or other vehicle, nor spend unreasonable time on such lot, or in any way commit a nuisance while on such lot. After construction of a residence on a Golf Fairway lot, Out of Bounds markers may be placed on said lot at the expense of the Association.

Section 4. Prohibited Actions. Owners of Golf Fairway lots shall be obligated to refrain from any actions which would detract from the playing qualities of the golf course or the development of an attractive overall landscaping plan for the entire golf course area. Such prohibited actions shall include but are not limited to burning trash on a lot, depositing trash, tree limbs, etc. at the rear of a lot for removal by golf course maintenance personnel, and allowing dogs or other pets on the lot under conditions interfering with play due to their loud barking, running on the fairways, picking up balls or other similar interference with play, and any unapproved planting that impedes play of a ball that is not out of bounds.

Section 5. Construction Over Golf Course Maintenance Easement. Notwithstanding the provisions of Paragraph Two (2) of this Article X, the Association hereby reserves the right to allow an Owner to construct a dwelling over a portion of the Golf Course Maintenance Easement in limited cases in which Association, in its sole discretion, determines that such construction will not materially lessen the beauty or playing qualities of the adjacent golf course.

ARTICLE XI

SPECIAL RESTRICTIONS AFFECTING ALL WATER FRONT AND MARSH FRONT AREAS

Section 1. Preservation of Natural State. In order to preserve the natural appearance and scenic beauty of Moss Creek and to provide 'cover' for animals which habitually move along the marsh edges, a zone in which construction and clearing are restricted on all lots fronting the marshlands is hereby created. That portion of any marshland lot located within thirty feet (30') of marshlands (20' for Patio Lots) shall be preserved substantially in its present natural state, except for moderate clearing for view and breeze. Construction of improvements and major clearing of trees and underbrush within said zone are hereby prohibited, except with ARB approval. For purposes of this Paragraph, 'marshland lot' is defined as any lot in Moss Creek fronting on any salt marshland.

Section 2. Construction of Docks and Decks not Prohibited. The provisions of Paragraph 1 of this Article shall not prohibit the construction of docks and decks over the marsh in compliance with Paragraph 3 of this Article.

Section 3. Construction of Docks. Owners of lots fronting within fifty (50) feet of navigable tidal creeks may erect docks (and boathouses where appropriate and in the sole discretion of the Association) upon the property located between the outer boundary of their lots and contiguous to same and the low water mark upon complying with the following terms and conditions:

- (a) complete plans and specifications including site, color and finish must be submitted to the Association in writing;
- (b) written approval of the Association to such plans and specifications must be secured, the Association reserving the right in its sole discretion to disapprove such plans and specifications on any ground, including purely aesthetic reasons;
- (c) written approval of any local, state, federal governmental departments or agencies with jurisdiction over construction or near salt marshlands must be secured.

Any alterations of the plans and specifications or of the completed structure must also be submitted to the Association in writing and the Association reserves the same right to disapprove alterations as it retains for disapproving the original structures.

Section 4. Maintenance of Docks. All Owners who construct or cause to be constructed said docks and or boat houses, must maintain said structures in good repair and keep them safe, clean and orderly in appearance at all times, and must paint or otherwise treat with preservatives all wood or metal located above the high water mark, exclusive of pilings, and to maintain such paint or preservatives in an attractive manner. The Association shall be the sole judge as to whether the docks and or boat houses are safe, clean, orderly in appearance, and properly painted or preserved in accordance with reasonable standards. If the Association notifies the particular lot Owner in writing that said dock and or boat house fails to meet acceptable standards, said lot owner shall thereupon remedy such conditions within thirty (30) days to the satisfaction of the Association, and that failing to so remedy such conditions, the lot Owners hereby covenant and agree that the Association may make the necessary repairs (but is not obligated to make such repairs) or take such actions as will bring the said dock and or boathouse up to acceptable standards, all such repairs and actions to be solely at the expense of the Owner in question.

Section 5. Entering Property not Trespass. Whenever the Association is permitted by these covenants to correct, repair, clean, preserve, clear out or do any action on the property of any lot owner, or on the easement areas adjacent thereto, entering the property and taking such action shall not be deemed a trespass by the Association or any assignee of the Association.

Section 6. Maximum Distance from Lot Line. Docks or boathouse structures will be permitted when the distance from the lot line is not more than fifty (50) feet from the nearest navigable tidal creek. At any distance greater than fifty (50) feet, the Association may decline to approve any such structure.

Section 7. Adjacent Lots not Allowed to Construct Docks. Unless otherwise authorized in writing by the Association, an Owner of a lot adjacent to any interior lake or pond area is not allowed to construct any dock or docking structure between the boundary of such lot and such lake or pond area.

ARTICLE XII
SPECIAL RESTRICTIONS AFFECTING LOTS
WITH SURVEY CONTROL LINES

Section 1. Applicability. After August 12, 1974, all lots in Moss Creek conveyed by reference to plats of record in the Office of the Register of Deeds for Beaufort County, South Carolina, containing a platted line identified as 'Survey Control Line' were and hereby are conveyed subject to the within restrictive covenants and limitations for the portions of said lots lying and being between the Survey Control Line and lagoons, water bodies, creeks, ponds, marshes, swamps, or any other natural elements (hereinafter referred to as 'natural elements') as may be shown on said plats. The restrictions and limitations applicable to said portion of said lots are as follows, to-wit:

- a. The Owner of a lot conveyed by reference to a recorded plat indicating a 'Survey Control Line' shall not be permitted to construct a structure, or make any improvement whatsoever to the portion of the lot lying between the Survey Control Line and the natural elements, except with specific written permission of the Association, which permission shall not generally be allowed except for landscaping, and the Association hereby reserves unto itself, and its successors or assigns, the right to approve any such structure or improvement but nothing herein shall be deemed to require the Association to so approve any such structure or improvement. Without limiting the foregoing right of the Association, it is hereby the expressed intention of the Association to allow only approved landscaping and beautification of the said portion of the property without construction of substantial structures upon the subject property, but nothing herein shall be deemed to require the Association to grant such approval.
- b. The Association hereby reserves unto itself and its successors and assigns, the right, and by acceptance of a deed to said lots, the Grantee(s) and their heirs, successors, or assigns, hereby grant to the Association an easement of ingress and egress over the areas between the Survey Control Line and the natural element. Nothing herein shall be deemed to require the Association to maintain, construct or repair such areas and it is understood that this right by the Association may only be used for reasonable purposes at reasonable times and with minimum inconvenience to the occupation of the property by the Owner. If the property is affected by the Association, it shall restore the property to substantially the same appearance as existed before it entered upon the property.
- c. In the case of any setback requirements or utility easements heretofore or hereafter established pursuant to the provisions of this Declaration, the Survey Control Line shall be deemed to be the rear lot line for purposes of determining the location of such setback requirement or utility easement.

ARTICLE XIII
SPECIAL RESTRICTIONS AFFECTING
CONSTRUCTION OF PATIO HOMES SITES
(Zero Lot Line Provisions)

Section 1. Patio Home Sites Affected. Dwelling units constructed on Patio Home Sites must be constructed pursuant to these special restrictions in addition to the other applicable restrictions set forth in this Declaration.

Section 2. Side Exterior Wall or Patio Wall Set Back. Each Patio Home Site owner shall construct a side exterior wall or Patio Wall set back one (1) foot from the lot line designated on such plats as the Patio Wall Lot Line. Such exterior side wall or Patio Wall shall extend for a minimum length of fifty-five (55) feet, and shall have a minimum height of eight (8) feet, and shall extend at least ten (10) feet in front of and twenty (20) feet to the rear of any dwelling unit constructed on the lot. The other side exterior wall of each Patio home shall be set back at least three (3) feet from the lot line opposite to the Patio Wall lot line. The Association reserves the right, in its sole discretion, to reduce or increase the above length, height and/or setback requirement for such walls based on design or other considerations. Owners of Patio Home Sites on which the Patio Wall lot line falls on the end of a row of Patio Home Sites may be permitted to not construct such an exterior side wall and Patio Wall at the option of the Association.

Section 3. Front Exterior Wall Set Back. The front exterior wall of each Patio Home (excluding garages or carports) shall be set back at least fifteen (15) feet from the front lot line. The 'front lot line' is defined herein as that lot line which faces the automobile access drive to each Patio Home Site. A space at least twenty (20) feet deep and twenty (20) feet wide adjacent to the front lot line of each Patio Home Site whether it is open or enclosed shall be provided for automobile parking. The rear exterior wall of each Patio Home shall be set back at least (20) feet from the rear lot line. The Association reserves the right, in its sole discretion, to vary these setback requirements based on design or other considerations.

Section 4. Multi-Story Dwelling Setback Requirements. Owners shall be permitted to construct dwelling units of more than one story on Patio Home Sites. Such additional story or stories shall be permitted to be constructed in the area of each Patio Home Site bounded by a line one (1) foot from the Patio Wall lot line, a

line thirteen (13) feet from the opposite side lot line, and within front and back setback requirements set forth in paragraph 3 hereof.

Section 5. Free-Standing Privacy Walls. Free-standing privacy walls with a maximum height of six (6) feet may be constructed within the boundaries of Patio Home Sites. In cases where such walls abut the exterior side wall, or a free standing Patio Wall, of an adjacent Patio Home, a gate with an opening of at least three (3) feet shall be provided. A support for such a gate may be placed within the one (1) foot setback area of an adjacent Patio Home Site.

Section 6. Exterior Side Wall or Patio Wall Windows, Access Ways, Entrances. No exterior side wall or free standing Patio Wall shall have any window or view openings looking into or over viewing adjacent lots and shall not contain any access way or entry way into said adjacent lot.

Section 7. Alternative Location Approval Process. Should an owner of a Patio Home Site desire to locate his Patio Home on his site in a manner that does not conform with the side setback requirements set forth in paragraphs 2 and 4 hereof, he may apply to the Association for approval of the alternative location. A site plan showing the proposed alternative location shall accompany such application. Approval or disapproval of an application for alternative location of a Patio Home may be based by the Association on purely aesthetic considerations. In the event the Association approves an alternate location the owner shall construct a free standing Patio Wall, meeting the requirements in paragraphs 6 and 2 hereof for exterior side walls, one (1) foot from the lot line designated as the Patio Wall lot line on the plat of such Patio Home Sites.

Section 8. Enclosed Area Shall Not Cover More than Fifty Percent (50%) of Patio Home Site. The first floor enclosed area of a Patio Home may not be constructed so as to cover or occupy in excess of fifty percent (50%) of the entire area of the Patio Home Site.

Section 9. Maintenance of Side Wall, Patio Wall, Privacy Wall. The cost of maintaining the exterior appearance of an exterior side wall, a free-standing patio wall, or a privacy wall shall be borne by the owner of such wall, and shall be maintained in such condition and appearance as may be reasonably required by the Association. The owner of such wall shall have a reasonable easement on the adjacent lot to make structural repairs or to perform necessary maintenance activities. Said easement shall not exceed a reasonable period of time for such repairs or maintenance and any damage or alteration to the adjacent lot shall be repaired or replaced at the expense of the property owner making repairs. Owners of lots adjacent to the one (1) foot setback abutting an exterior side wall, a free standing Patio Wall, or a privacy wall shall have a reasonable aesthetic easement to plant and mow grass, cultivate a garden, and in general be responsible for the maintenance, use and enjoyment of that property, and shall hold the Patio Wall or exterior side wall owners harmless from any claim of damages to persons or premises resulting from the use, occupancy and possession thereof by the adjoining lot owners.

Section 10. Rainwater Runoff. All runoff of water from the roof of each Patio Home shall be directed to the front and/or rear of the Patio Home with no runoff allowed to fall on any adjacent lot.

Section 11. Additional Easement Reserved Along Lot Lines. Notwithstanding the provisions of Paragraph 15 of Article IX above, in which the Association and the Private Utility reserve a perpetual, alienable and releasable easement along the periphery of each lot, and such other areas as are shown on the applicable plats, the Association (and the Private Utility by the consent hereto) hereby consent and agree that an owner may construct a dwelling over a portion of the utility easement, provided only that such dwelling is constructed in compliance with the length and setback requirements contained in this Article, as such requirements may be amended from time to time. Neither the Association nor the Private Utility will exercise any rights to abate an encroachment in said easement, nor seek monetary damages for such, created by the construction of a dwelling in accordance with length and setback requirements of this Article.

ARTICLE XIV

PROHIBITION OF TIMESHARING AND SHORT-TERM RENTALS

Section 1. Residential Community. Moss Creek has been developed as a private residential community consisting primarily of single family lots and dwelling units and it is the intent of these covenants to preserve such atmosphere.

Section 2. Timesharing Expressly Prohibited. Ownership or lease of any of the Properties (and any interest therein) under any form of Timesharing, Interval Ownership, fractional ownership, or any similar program whereby the right to exclusive use of a dwelling unit rotates among participants in the program on a fixed or floating time schedule is expressly prohibited.

Section 3. Short-Term Rentals Prohibited. Rentals of Family Dwelling Units of less than one month in duration are prohibited; provided, however, that Owner(s) of Family Dwelling Units who as of October 18, 2016, have previously established a practice of permitting their Family Dwelling Unit to be used for residential rentals for a term of less than a month during calendar year 2016 shall be permitted to rent their Family Dwelling Unit for a term of less than one month for so long as they retain title to their Family Dwelling Unit provided they submit satisfactory proof of such rental activities to the Board; provided, however, that once such Owner(s) occupy said Family Dwelling Unit as their full time residence, such privilege of permitting short-term rentals for less than one month shall terminate.

Section 4. Rental Registration. Owners of Family Dwelling Units who engage in the practice of permitting their Family Dwelling Unit to be rented shall advise the Association of such practice by registering their Family Dwelling Unit with the Association as a rental property and shall pay the Association an annual rental registration fee as determined by the Board of Directors from time to time. Further such Owners shall provide the Association with the name(s) of their tenants or lessee(s) and the duration of such rentals.

ARTICLE XV COVENANTS FOR COMMERCIAL AREA

Section 1. Commercial Uses. The use of the property designated as 'The Village at Moss Creek' shown on the plat recorded in Plat Book 37 at Page 176, which is Exhibit 'A' to the Residential Covenants of 1989 recorded in Deed Book 545 at Page 62, is restricted to Commercial Uses. 'Commercial Uses' include but are not limited to the following: business and professional offices, health care facilities, convalescent and nursing homes, restaurants, lounges, facilities for the retail sale of goods and services, banks and other financial institutions, hotels and motels. No residential dwelling or any structure intended for residential or semi-residential uses may be erected or placed on such property or any portion thereof, unless such use conforms with the above definition of 'Commercial Use.' For the purposes of this provision, 'residential' or 'semi-residential' shall mean and refer to use of any portion of any structure as a dwelling place, home or place of abode, or for temporary or permanent living accommodations 'Industrial use' of any portion of the Property is prohibited. 'Industrial Use' shall mean and refer to the manufacturing, extraction, alteration or warehousing of goods or the shipping or distribution of goods for sale or resale at locations not within the property.

Section 2. Commercial Declaration Applicable. In addition to the foregoing restrictions, the above referenced property designated as The Village at Moss Creek, which is more fully shown on the plat recorded in Plat Book 34 at Page 96, has been made subject to that certain 'Declaration of Covenants, Conditions and Restrictions for Moss Creek Commercial Tract' (the 'Commercial Declaration'), dated December 29, 1986, which is recorded in Deed Book 467 at Page 150. As successor by merger to Full Circle Corporation of Moss Creek, which was the Declarant of the Commercial Declaration, the Association has the right to enforce the Commercial Declaration pursuant to the provisions of Article IV thereof.

ARTICLE XVI COVENANTS FOR MULTI-FAMILY RESIDENTIAL AREAS

Section 1. Multi-Family Residential Areas. There are two (2) areas within the Properties that have been developed with Multi-Family dwelling units, which are the Moss Creek Golf Cottages, Horizontal Property Regime I, as shown on the plat recorded in Plat Book 25 at Page 179, and the Salt Marsh Cottages Horizontal Property Regime II, as shown on the plats recorded in Plat Book 26 at Page 178, Plat Book 27 at Page 123, and Plat Book 28 at Page 1 (hereinafter collectively referred to as the 'Multi-Family Developments').

Section 2. All other Properties Subject to Article IX. Other than said two (2) Multi-Family Developments, and the Public and Commercial Sites shown on the plat recorded in Plat Book 37 at Page 176 (Exhibit 'A' to the Residential Covenants of 1989 recorded in Deed Book 545 at Page 62), all of the properties in Moss Creek shall be used, developed and built upon in conformity with the covenants contained in Article IX above.

Section 3. Master Deed Termination. If a Master Deed for either of such Multi-Family Developments is waived and the apartments are merged with the principal property under the provisions of Section 27-31-130 of the *Horizontal Property Act, South Carolina Code of Laws, 1976, as amended*, then the property formerly subject to the Master Deed shall be subject to the residential covenants contained in Article IX above. If said residential covenants become applicable to said property, then the Council of Co-Owners or its successor shall submit a proposed subdivision plan for the property to the Association for approval, which plan must be in conformity with Article IX above.

Section 4. Satellite Dishes. Satellite dishes and similar receiving devices, television antennae, radio receivers and transmitters, and other similar devices may be installed upon the common elements of a Horizontal Property Regime or upon an Owner's condominium only in accordance with the ARB Guidelines.

ARTICLE XVII
SPECIAL RESTRICTIONS
AFFECTING OPEN SPACE AREAS

Section 1. Open Space. It is the intent of the Association to maintain and enhance certain areas which have been designated or may hereafter be designated by the Association as 'Open Space' or 'Restricted Open Space' on recorded plats. It is also the further intent and purpose of these restrictions and covenants to: protect the salt marshes and certain wooded areas; maintain and enhance the conservation of natural and scenic resources; promote the conservation of soils, wetlands, tidal marshlands, wildlife, game and migratory birds; enhance the value of abutting and neighboring residential areas adjacent to such forests, wildlife preserves, natural reservations or sanctuaries or other open areas and open spaces; provide and enhance recreation opportunities; preserve historical sites; and generally to implement the Moss Creek Master Plan.

Section 2. Open Space Easement. To insure that land designated as 'Open Space' on recorded plats will remain as undeveloped and natural woodlands, shoreline or tidal marshlands, an Open Space Easement is hereby granted to Owners. The Open Space Easement granted hereby shall entitle such Owners, their guests and tenants, to enjoy the Open Space areas, subject to the rules and regulations of the Association.

Section 3. Private Open Space Easement. Land designated as 'Private Open Space' shall be subject to the easement granted in Paragraph Two of this Article X in every respect, except that the enjoyment thereof shall be and is hereby limited to Owners (their guests and tenants) of property immediately contiguous and adjacent to such land. The 'Private Open Space Easement' hereby granted shall not extend to any area not shown on a recorded plat clearly designating an area as a 'Private Open Space Area'.

Section 4. Prohibited Structures and Vehicles. It is expressly understood and agreed that no building, tent, trailer, camper, recreational vehicle, or other structure (whether temporary or permanent), except as noted elsewhere herein, shall be erected or caused to be placed on any lands shown and set aside on a recorded subdivision plat as Open Space Area.

Section 5. Use of Open Space by Association. Pursuant to its overall program of wildlife conservation and nature study, the right is expressly reserved to the Association to erect wildlife feeding stations, to plant small patches of cover and food crops for quail, turkeys and other wildlife, to make access trails or paths or boardwalks through said Open Space Areas and Private Open Space Areas for the purpose of permitting observation and study of wildlife, hiking, and riding, to erect small signs throughout the Open Space Areas and Private Open Space Areas designating points of particular interest and attraction, and to take such other steps as are reasonable, necessary and proper to further the aims and purposes of the Open Space and community use and enjoyment thereof.

Section 6. Erosion Protection. The Association shall have the right to protect from erosion the land described as Open Space Area or Private Open Space Area by planting trees, plants, and shrubs where and

to the extent necessary or by such mechanical means as bulkheading, or other means deemed expedient or necessary by the Association. The right is likewise reserved to the Association to take necessary steps to provide and insure adequate drainage ways, canals or lagoons in Open Space, to cut fire breaks, remove diseased, dead, or dangerous trees and carry out other similar activities.

Section 7. Reservation of Easements. The Association reserves unto itself, its successors and assigns, an easement on, over and under the ground to erect, maintain and use wire, cables, conduits, sewers, water mains, and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, water or other public conveniences or utilities in said Open Space Areas and Private Open Space Areas. These reservations and rights expressly include the right to cut any trees, bushes, or shrubbery, rights to make any gradings of the soil, or take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. The Association further reserves the right to locate wells, pumping stations and tanks within such Open Space Areas and Private Open Space Areas. Such rights may be exercised by any licensee of the Association, but this reservation shall not be considered an obligation of the Association to provide or maintain any such utility or service.

Section 8. Dumping Prohibited. No dumping of trash, garbage, sewage, saw-dust or any unsightly or offensive material shall be placed upon such Open Space Areas or Private Open Space Areas, except as is temporary and incidental to the bona fide improvement of the area in a manner consistent with its classification as Open Space.

Section 9. Entry Subject to Express Permission of the Association. The granting of this easement does in no way grant to the public or to the owners of any surrounding or adjacent land the right to enter such Open Space without the express permission of the Association.

Section 10. Use and Enjoyment of Open Space. The Association expressly reserves to itself, its successors and assigns, every reasonable use and enjoyment of said Open Space, in a manner not inconsistent with the provisions of this Declaration.

Section 11. Entry not a Breach of Covenants. Where the Association is permitted by these covenants to correct, repair, clean, preserve, clear out or do any action on the restricted property, entering the property and taking such action shall not be deemed a breach of these covenants.

Section 12. No Action Required. It is expressly understood and agreed that the granting of this easement does in no way place a burden of affirmative action on the Association, that the Association is not bound to make any of the improvements noted herein, or extend to any lot owner any service of any kind, except as such may be voluntarily undertaken by the Association.

ARTICLE XVIII
DURATION, AMENDMENTS, ENFORCEMENT,
DISPUTE RESOLUTION, TERMINATION OF ASSOCIATION

Section 1. Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association and Owners of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a period of twenty-five (25) years from the date this Declaration is recorded. Upon the expiration of said twenty-five (25) year period this Declaration shall be automatically renewed and extended for successive ten (10) year periods. The number of ten (10) year renewal periods hereunder shall be unlimited with this Declaration being automatically renewed and extended upon the expiration of each ten (10) year renewal period for an additional ten (10) year period; provided, however, notwithstanding anything herein above contained, this Declaration may be terminated at any time if two-thirds (2/3) of the votes cast at duly held meeting of the Association vote in favor of terminating this Declaration. It shall be required that written notice of any meeting at which such a proposal to terminate this Declaration is to be considered, setting forth the fact that such a proposal will be considered, shall be given to each Member at least thirty (30) days in advance of said meeting. In the event that the Association votes to terminate this Declaration, the president and secretary of the Association shall execute a certificate which shall set forth the resolution of termination adopted by the Association, the date of the meeting of the Association at

which such resolution was adopted, the date that notice of such meeting was given, the total number of votes of Members of the Association, the total number of votes required to constitute a quorum at a meeting of the Association, the number of votes necessary to adopt a resolution terminating this Declaration, the total number of votes cast in favor of such resolution, and the total number of votes cast against such resolution. Said certificate shall be recorded in Official Real Estate Records for Beaufort County, South Carolina and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

Section 2. Amendments. All proposed amendments to these covenants shall be submitted to a vote of the Members at a duly called meeting or a referendum of the Association and any such proposed amendment shall be deemed approved if two-thirds (2/3) of the votes cast are in favor of such proposed amendment. Notice shall be given each Member at least thirty (30) days prior to the date of the meeting or referendum at which such proposed amendment is to be considered. If any proposed amendment is approved by the Members as set forth above, the President and Secretary of the Association shall execute an Addendum which shall set forth the amendment, the effective date of the amendment [which in no event shall be less than sixty (60) days after the date of the meeting of the Association at which such amendment was adopted], the date of the meeting of the Association at which such amendment was adopted, the date that notice of such meeting was given, the total number of votes necessary to adopt the amendment, and the total number of votes cast against the amendment. Such Addendum shall be recorded in the Office of the Register of Deeds for Beaufort County, South Carolina.

The quorum required for any action authorized to be taken by the Association under this Section 2 shall be as follows:

In the case of a Referendum vote, the minimum number of ballots required is defined in Article III, Section 4. In the case of a vote at a meeting, a quorum is defined in Article III, Section 5.

The Board of Directors has adopted Bylaws in connection with the day-to-day operation of the Association. Such Bylaws may only be amended by a vote of more than fifty percent (50%) of the Voting Members present in person or by proxy at a regular or special meeting or by referendum of the Voting Members, provided that the minimum number of votes required for any such action, including reconvened meetings held due to a lack of a quorum at a previous meeting, shall be at least thirty percent (30%) of the total vote of the membership in the Association.

Section 3. Enforcement. Enforcement of the covenants, conditions and restrictions contained in this Declaration shall be by the Association or any Owner in a proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any such covenant, condition or restriction, either to restrain violation or to recover damages against the alleged violator and his land and to enforce any lien created by this Declaration. Failure by the Association or any Owner to enforce any covenant, condition, or restriction herein contained for any period of time shall not be deemed a waiver or estoppel of the right to enforce same thereafter. The prevailing party in any such action shall be entitled to all costs of enforcement, including attorney fees. Notwithstanding the foregoing, if the Association or an Owner believes that a violation has occurred, they must give written notice to the party which has allegedly violated this Declaration and to the Board of Directors requesting a hearing before the Board to discuss amicable resolution of the dispute before any litigation is filed with regard to such alleged violation, unless irreparable harm will otherwise occur. The Board shall give notice of the date, place and time of the hearing to the party requesting the hearing, and the hearing shall be scheduled as expeditiously as possible. If the Board determines that use of a mediator may help resolve the dispute, the Board may have a certified mediator attend the hearing, and the parties involved in the dispute must cooperate in a mediation of the dispute.

Section 4. Notices. Any notices required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, with proper postage affixed, or by first-class mail to any addresses outside of the Moss Creek zip code area, to the last known address of the person or entity who appears as the Member in the records of the Association as of the first day of the calendar month in which said notice is mailed. Notice to one of two or more Members in connection with a Residential Lot, Family Dwelling Unit, Multi-Family Tract, Public and Commercial Site, Development Unit Parcel or Unsubdivided Land shall constitute notice to all Members. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address. Any person who

becomes an Owner or Member following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice is given to his predecessor in title.

Section 5. Severability. Should any covenant, condition, or restriction contained herein, or any Article, Section, Subsection, sentence, clause, phrase or term of the 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 not affect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

Section 6. Interpretation. The Board of Directors of the Association shall have the right to determine all questions arising in connection with this Declaration and to construe and interpret its provisions, and the Board's determination, construction or interpretation shall be final and binding. In all cases, the provisions of this Declaration shall be given that interpretation or construction that will best tend toward the consummation of the general plan of improvements.

Section 7. Authorized Action. All actions which the Association is allowed to take under this instrument shall be authorized actions of the Association if approved by the Board of Directors of the Association in the manner provided for in the Bylaws of the Association, unless this Declaration states otherwise.

Section 8. Termination of the Association. In the event that this Declaration is declared to be void, invalid, illegal, or unenforceable in its entirety, or in such a significant manner that the Association is not able to function substantially as contemplated by the terms hereof, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, all Common Properties, Restricted Common Properties, and Membership Common Properties belonging to the Association at the time of such adjudication shall be transferred to a Trustee to be appointed by the Court of Common Pleas for Beaufort County, and the Trustee shall own and operate said Common Properties, Restricted Common Properties, and Membership Common Properties for use and benefit of Owners within the Properties as set forth below. If said adjudication shall occur because the Members of the Association have voted not to renew and extend this Declaration as provided in Section 1, all Common Properties, Restricted Common Properties, and Membership Common Properties owned by the Association at such time shall be transferred to a Trustee appointed by the Court of Common Pleas of Beaufort County, South Carolina, which Trustee shall own and operate said Common Properties and Restricted Common Properties for the use and benefit of Owners within the Properties as set forth below:

- (a) Each lot or parcel of land located within the Properties shall be subject to an annual assessment which shall be paid by the Owner of such lot or parcel to the Trustee which becomes the successor in the title to the Association. The amount of such annual assessment and its due date shall be determined solely by the Trustee, as the case may be, but the amount of such annual assessment on any particular lot or parcel shall not exceed the amount actually assessed against that lot in the last year that assessments were levied by the Association, subject to the adjustments set forth in subparagraph (b) immediately below.
- (b) The amount of the minimum and maximum annual assessment which may be charged by the Trustee hereunder on any particular lot or parcel shall be automatically increased each year by either five (5%) percent or the percentage increase between the first month and the last month of the annual assessment period in the Consumer Price Index, U.S. City Average, all Items (1967-100) (hereafter "C.P.I.") issued by the U.S. Bureau of Labor Statistics in its monthly report entitled, 'The Consumer Price Index, U.S. City Average and Selected Areas', whichever of these two percentage figures is larger. The actual amount of such increase in the regular and minimum and maximum annual assessment on a lot or parcel shall equal the regular minimum and maximum assessment on such parcel for the previous year each multiplied by the larger of the two percentage factors set forth above. If the C.P.I. is discontinued, then there shall be used the most similar index published by the United State Government that may be procured indicating changes in the cost of living.
- (c) Any past due annual assessments together with interest thereon at the lawful rate from the due date and all costs of collection including reasonable attorney's fees shall be a personal obligation

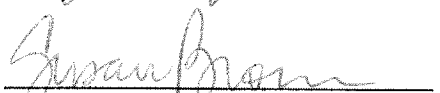
of the Owner at the time the annual assessment became past due, and it shall also constitute and become a charge and continuing lien on the lot or parcel of land and all improvements thereon, against which the assessment has been made, in the hands of the then Owner, his heirs, devisees, personal representative and assigns.

- (d) The Association, or the Trustee, as the case may be, shall be required to use the funds collected as annual assessments for the operation, maintenance, repair and upkeep of the Properties, Restricted Common Properties and Membership Common Properties. The Trustee may charge as part of the cost of such functions the reasonable value of its services in carrying out the duties herein provided for. The Trustee shall have the obligation to provide for operation, maintenance, repair and upkeep of the Common Properties, Restricted Common Properties, or Membership Common Properties, once the funds provided by the annual assessment have been exhausted.
- (e) The Trustee shall have the power to dispose of the Common Properties, Restricted Common Properties, and Membership Common Properties free and clear of the limitations imposed hereby; provided, however, that such disposition shall first be approved in writing by more than fifty (50%) percent of the Owners of property within the Properties or be found to be in the best interest of the Owners of property within the Properties by the Court of Common Pleas of Beaufort County, South Carolina. The proceeds of such a sale shall first be used for the payment of any debts or obligations constituting a lien on the common Properties, Restricted Common Properties, or Membership Common Properties, then for the payment of any obligations incurred by the Trustee including Trustee fees in the operation, maintenance, repair and upkeep of such properties, then for the payment to the Owners of property within the Properties, exclusive of the Trustee, in a proportion equal to the portion that the maximum annual assessment on property owned by a particular Owner bears to the total maximum annual assessment for all property located within Moss Creek.

IN WITNESS WHEREOF, the Association has caused these presents to be executed on the day and year first above written.

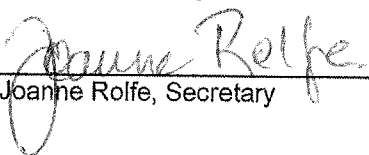
WITNESS:


Suzanna Johnston


Susan Brown

MOSS CREEK OWNERS ASSOCIATION, INC.

By: 
Title: Jennie Johnson, President

Attest: 
Title: Joanne Rolfe, Secretary

SOUTH OF CAROLINA)
)
COUNTY OF BEAUFORT)


ACKNOWLEDGMENT

PERSONALLY appeared before me the undersigned witness who, being duly sworn, deposes and says that she saw Jennie Johnson as President and Joanne Rolfe as Secretary of MOSS CREEK OWNERS ASSOCIATION, INC., sign, seal and as their act and deed deliver the foregoing Amended and Restated Declaration of Covenants, Conditions and Restrictions for Moss Creek of January 1, 2022, now referred to as Moss Creek Covenants, and that she, together with the other witness witnessed the execution thereof.

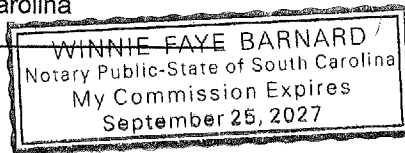


Suzanna Johnston

SWORN to and subscribed before me
this 9 day of November, 2021.



Notary Public for South Carolina
My Commission Expires:



STATE OF SOUTH CAROLINA)
)
 COUNTY OF BEAUFORT) ADDENDUM TO THE AMENDED AND RESTATED
) DECLARATION OF COVENANTS, CONDITIONS,
) AND RESTRICTIONS FOR MOSS CREEK

Pursuant to Article XVIII, Section 2 of the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Moss Creek of May 1, 2018, recorded in Book 3657 at Page 1029 and, Article IX, Section 2 of the Declaration of Covenants and Restrictions of the Moss Creek Owners Association, Inc. and the Bluff Corporation, originally recorded in Deed Book 223 at Page 1302, and later amended, and the Declaration of Rights Restrictions Affirmative Obligations, Conditions, etc., which constitute covenants running with certain lands of the Bluff Corporation originally recorded in Deed Book 223 at page 1282, and later amended, we, the President and Secretary of the Moss Creek Owners Association, Inc. do hereby certify as follows:

"That the attached Covenants and Exhibits called the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Moss Creek of January 1, 2022 restate all of the original covenants and amendments thereto of Moss Creek as set forth in the Amended and Restated Declaration of Covenants, Conditions and Restrictions of May 1, 2018 recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Official Record Book 3657 at Page 1029 including the Amendments adopted by referendum vote of the Moss Creek Owners Association, Inc. held on October 26, 2021 and shall be effective on January 1, 2022. Notice of said referendum was mailed to each Member of the Association on September 23, 2021. The total number of votes necessary to adopt the Amendments and the total number of votes cast for and against the Covenant Amendments are shown below."

Issue	Total Votes Cast	# of Votes Required to Amend Covenants	Votes Cast for Gov. Amendments	Votes Against Amendments	Votes Left Blank
Amend Article III, Section 7 regarding percentage of eligible votes and time frame for Special Meeting Notice to be in compliance with South Carolina Nonprofit Corporation Act	1207	804	986	221	0
Amend Article VI, Section 8 to allow the Board to set and modify fines for Member violations	1207	804	896	311	0
Amend Article IX to allow General Manager or his/her designee to allow a one night overnight exemption for a recreational vehicle prior to and/or upon return from multi-day trip	1207	804	1021	186	0
Amend Article IX, Section 23 to clarify that "electric-assist bicycles" and "bicycles with helper motors" as defined under S.C. Code §36-1-10 (29) are not prohibited as "motor driven cycles"	1207	804	854	353	0

IN WITNESS WHEREOF, the Association has caused these presents to be executed on this 9 day of November, 2021.

WITNESSES:

[Signature]
Suzanna Johnston

[Signature]
Susan Brown

MOSS CREEK OWNERS ASSOCIATION, INC.

By: [Signature]
Name: Jennie Johnson
Title: President

Attest: [Signature]
Name: Joanne Rolfe
Title: Secretary

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

ACKNOWLEDGMENT

PERSONALLY appeared before me the undersigned witness who, being duly sworn, deposes and says the she saw Jennie Johnson as President and Joanne Rolfe as Secretary, of MOSS CREEK OWNERS ASSOCIATION, INC., sign, seal and as their act and deed deliver the foregoing Addendum To The Amended and Restated Declaration of Covenants, Conditions and Restrictions for Moss Creek of January 1, 2022, now referred to as Moss Creek Covenants, and that she, together with the other witness witnessed the execution thereof.

[Signature]
Suzanna Johnston

SWORN to and subscribed before me
this 9 day of November, ~~2018~~ ²⁰²¹

[Signature]
Notary Public for South Carolina
My Commission Expires:

