

DECLARATION

OF COVENANTS CONDITIONS AND RESTRICTIONS

THIS DECLARATION, made on the date hereinafter set forth by HOUNDSLAKE CORPORATION, hereinafter referred to as "Declarant."

W I T N E S S E T H :

WHEREAS, Declarant is the owner of certain property in the City of Aiken, County of Aiken, State of South Carolina, which is more particularly described as:

ALL of the certain parcels or tracts of land which are situate, lying and being in the City and County of Aiken, S. C., and, which -are designated as Section I, II, III and IV of Phase I of Houndslake Villas as shown on a site plan plat prepared for Houndslake Corporation and made by Ayer, Barker, Graham and Associates, Inc. under the date of October, 1978, reference being had to the plat for a complete description. Phase I of this property is shown on the plat recorded in Plat Book 10, at page 167; Phase I. Section II is shown an the plat recorded in Plat Book 10, at page 83; and Section IV is shown on the plat recorded in Plat Book 11, at page 6, Office of the RMC for Aiken County, South Carolina.

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

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to HOUNDSLAKE VILLAS ASSOCIATION, INC., a corporation organized to

manage and control the common area created out of the development of the above property.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Property" shall mean and refer to that certain real property hereinabove described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association, subject, however, to provisions of Article VI, Section A.

Section 4. "Lot" shall mean and refer to any plot of land shown upon the recorded subdivision map of the properties with the exception of the common area.

Section 5. "Common Area" shall mean all real property under the control of the Association for the common use and enjoyment of the owners.

Section 6. "Declarant" shall mean the owner of the property which is presently Houndalake Corporation.

ARTICLE II

PROPERTY RIGHTS

Section 1. Every owner shall have a right and easement of enjoyment in and to the common area which shall be appurtenant to and shall pass with the title to every lot subject to the following provisions:

(a) The right of the Declarant or its successor, the Association, to dedicate or transfer any part of the common area required for the installation of utilities.

Section 2. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the common area and facilities to the members of his family, his tenants or contract purchasers who reside on the property.

Section 3. A valid easement does and shall continue to exist as to, upon and in favor of, each lot for the purpose of installation, maintenance, repair and replacement of sewer, water, power, TV cable and telephone lines, pipes, mains, conduits, wires, poles, transformers and any and all other equipment or machinery necessary to the proper functioning of any utilities.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot, which is subject to assessment, shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment.

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

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

Class B. The Class B member shall be the Declarant and be entitled to three votes for each lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events:

- (a) When the total votes outstanding in Class A membership equal the total votes outstanding in Class B.
- (b) At any time that Declarant should decide to convert Class B membership into Class A membership.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to .pay to the Association monthly assessments of charges for the upkeep and maintenance of the common ground. The monthly assessments shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each delinquent assessment, together with interest, costs and reasonable attorneys fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the Assessment fell due.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of maintaining the common ground.

Section 3. Monthly Assessments shall be fixed immediately following the conveyance of the first lot to an owner.

(a) The Board of Directors of the Association shall fix the monthly assessment at an amount necessary to maintain the common area.

Section 4. After the Directors have fixed the monthly assessment against the lot owners, the same shall not be increased without notice of the intention to so increase the assessment is mailed to each owner at least thirty (30) days prior to the meeting, at which said meeting, increase shall be considered. At the first such meeting called, the presence of members or of proxies entitled to sixty per cent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5. The monthly assessments provided herein shall commence as to all lots on the first day of the month following the purchase and conveyance of said lot to the Owner. The lots liable for this assessment shall be composed of all lots conveyed and all lots held by the Declarant on which improvements have been completed and the common area around said lots properly landscaped. The Association shall, upon demand, furnish a certificate signed by an Officer of the Association setting forth whether the assessments, on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 6. Any assessment not paid within thirty (30) days after the due date shall bear interest from the date at the rate of Eight per cent (8%) per annum. The Association may bring

an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability from the assessments provided for herein by non-use of the common area or abandonment of his Lot,

Section 7. The Lien of Assessment provided for herein shall be subordinate to the lien of the first mortgage. Sale or transfer of any lot shall not effect the assessment lien; however, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the common grounds except as installed by .the developer in the initial phase of construction. No changes or alterations to the exterior of any building or buildings shall be made until the plans and specifications of such changes or alterations shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within" thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE VI

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This declaration may be amended during the first twenty (20) year period by an instrument signed by not less than ninety per cent (90%) of the lot owners, and thereafter by an instrument signed by not less than seventy-five per cent (75%) of the Lot owners. Any amendment must be recorded.

Section 4. Annexation. Additional residential property and common grounds may be added to the properties covered by this instrument if the developer so desires, provided, however, that no additional property shall be added until improvements thereon have been completed and such properties is subject to assessment similar to the other properties in the Association.

ARTICLE VII

PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall or part of a wall which is built as a part of the original construction of the homes upon the Properties and placed on the dividing line between the lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligence or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements,

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors in title.

Section 6. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision shall be by a majority of all the arbitrators.

ARTICLE VIII

UPKEEP OF PROPERTY

It is agreed by the Declarant and all purchasers of properties in the area controlled by the Association that each owner will keep the improvements on his property in a first class state of repair so as to add to the value of his property and all of the other properties in the Association. That on his failure to promptly repair or improve his property, the Directors of the Association shall have the right to require him so to do so that the physical appearance of all improvements in this area shall be in harmony with each other. That in the event a property owner decides to substantially change the outside exterior appearance of his property by painting or staining with an entirely different color or colors, such a plan must be submitted to the Board of Directors of the Association or to the architectural control committee of three (3) members appointed by the Board for approval.. That in the event of a refusal on the part of a property owner to conform to the requirements, the Association, through its Directors, shall have the right to resort to an action in court to require him so to do.

ARTICLE IX

In the event that the Declarant sells a vacant lot or lots to an individual or a corporation for the purpose of constructing a home thereon, the design, together with the plans and specifications of the home must be submitted to the Board of Directors of Houndslake Villas Association, Inc. or to its architectural control committee for approval prior to the commencement of construction of the unit or units contemplated.

ARTICLE X

RESTRICTIVE COVENANTS

That in addition to the requirements of this Declaration and Agreement, each building lot in the area covered by this Declaration shall be subject to the following restrictive covenants which shall likewise apply to any other area brought under the jurisdiction of this Association.

(1) All buildings in the area in question shall be for residential purposes only and no commercial business of any type shall be permitted on any lot in this area.

(2) That the home in each unit of this property shall be for single family occupancy.

(3) No camping trailers, boats or recreational vehicles shall be parked on any of the lots in this development unless stored in a garage and out of public view.

(4) No fences or other structures shall be erected on any of the common ground of this development, except as installed by the developer in the initial construction.

(5) Any trellis area may be screened if the owner so desires. Otherwise, there shall be erected no alterations to the

house, patio or trellis area without specific approval in writing from the Directors of the Association or the architectural control committee appointed by the Directors. Any plans for alterations must be submitted to the committee prior to any improvements or changes being made to the housing unit. Permission will be deemed granted for such changes unless specifically disapproved by the committee within thirty (30) days from the date of submission.

(6) No pets or livestock of any kind shall be allowed to run loose in the development at any time, but are permitted to use the common property provided -such pet is on a controlled leash.

(7) No clothes lines shall be installed or permitted in any location within public view.

(8) The Declarant reserves unto itself the right to use certain property for a "Sales Office" to promote the business of the Developer of this property and any other properties taken into the same area for similar development or other sales business of the Developer.. Such use shall not be construed to be in violation of Paragraph 1 of these restrictions prohibiting commercial use of the property or properties.

(9) No antennas shall be installed or maintained where Cablevision is available unless the type and installation of said antenna is approved by the architectural control committee.

EXECUTED at Aiken, South Carolina this 4th day of April, 1979.

WITNESS:
James A. Green
Richard J. Smith

HOUNDSLAKE CORPORATION
By Robert E. Penland
President

STATE OF SOUTH CAROLINA)
)
COUNTY OF AIKEN)

PERSONALLY appeared before me Lonnie A. Garvin
who first being duly sworn, says that he saw the within named
Houndslake Corporation by Robert E. Penland, its President, sign,
seal and as its act and deed, deliver the within-written Declaration
of Covenants, Conditions and Restrictions for the uses and purposes
therein mentioned and that he with Ruth T. Golding
witnessed the execution thereof.

Lonnie A. Garvin
Lonnie A. Garvin

SWORN to before me this 4th
day of April, 1979.

Ruth T. Golding
Notary Public for South Carolina
My Commission Expires: 6-8-81.

RETURNED TO: D. & W.

RECORDED 4-16-79 at 12:30 P.M.
Virginia R. Eagle
R.M.C. AIKEN COUNTY

WITNESS:

James A. Gormin
Robert Gormin

HOUNDSLAKE CORPORATION

By Robert E. Penland
President