

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR PINERIDGE POINTE**

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR PINERIDGE POINTE (“Declaration”) is revised and restated as of the 27th day of November, 2012, by PINERIDGE POINTE OWNERS ASSOCIATION, Inc. (PPOA), a South Carolina non-profit corporation.

STATEMENT OF PURPOSE

PPOA desires to insure the attractiveness of the Development, to prevent any future impairment thereof, to prevent nuisances and enhance the value and amenities of all properties within the Development. Furthermore, PPOA desires to provide for the construction, maintenance and upkeep of any Common Areas and related easements within the Development, all for the common use and benefit of all, including, but not limited to, Street Lights, the Public Roads, Entrance Monument, and any medians located thereon.

PPOA desires to provide for a system whereby all Owners will pay for the maintenance and upkeep of any Common Areas, in accordance with an established budget set by the Board of Directors.

PPOA desires to subject the Property to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of the Property and each Owner.

PPOA further desires to create an organization to which will be delegated and assigned the powers of owning, maintaining and administering the Common Areas, administering and enforcing the covenants and restrictions contained herein, and collecting and disbursing the assessments and charges hereinafter created, in order to efficiently preserve, protect and enhance the values and amenities in the Development, to ensure the residents' benefit of the specific rights, privileges and easements in the Common Areas, and to provide for the maintenance and upkeep of the Common Areas, as provided in the Declaration and the Bylaws.

To that end, Pineridge Pointe Owners Association, Inc., has been incorporated under South Carolina law, pursuant to the Articles of Incorporation attached as Exhibit “A” and incorporated herein by reference, PINERIDGE POINTE OWNERS ASSOCIATION, INC., as a non-profit corporation for the purpose of exercising and performing the aforesaid functions, said corporation to be governed by the Bylaws attached as Exhibit “B” and incorporated herein by reference.

NOW, THEREFORE, PPOA, by this Declaration, does declare that all of the Property described herein is and shall be held, transferred, sold, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens set forth in this Declaration, which shall run with the Property and be binding on all parties owning any right, title or interest in the Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I DEFINITIONS

All capitalized terms used herein shall have the meanings set forth in Article I, or elsewhere in this Declaration.

Section 1.1. “Additional Property” shall mean and refer to any additional real estate adjacent or contiguous to the Property shown on the Map recorded in Map Book A 843 at page(s) 5 & 6 in the Office of the Register of Deeds for Oconee County, South Carolina, and any property located within four thousand (4,000) feet of any boundary of the Property shown on the above-referenced Map, all or a portion of which may be made subject to the terms of this Declaration in accordance with the provisions of Section 2.2 of this Declaration.

Section 1.2. “Articles of Incorporation” shall mean and refer to the Articles of Incorporation for the Association attached hereto as Exhibit “A” and incorporated herein by reference.

Section 1.3. “Association” shall mean and refer to PINERIDGE POINTE OWNERS ASSOCIATION, INC., a South Carolina non-profit corporation, its successors and assigns.

Section 1.4. “Board of Directors” shall mean and refer to the Board of Directors of the Association, which shall be elected and shall serve pursuant to the Bylaws.

Section 1.5. “Bylaws” shall mean and refer to the Bylaws for the Association, substantially in the form attached as Exhibit “B” and incorporated herein by reference.

Section 1.6. “Common Area” or “Common Areas” shall mean and refer to the Entrance Monument, Street Lights (to be leased), and Public Roads, collectively, and any other property designated on the Map as “Common Area,” “Common Open Area,” “Common Open Space,” “COS,” or other similar designation. The Common Areas shall be owned by the Association (except as otherwise provided herein) for the common use and benefit of all Owners.

Section 1.7. “Developer” shall mean and refer to Crescent Communities, S.C., LLC, and such of its successors and assigns to whom the rights of Developer are transferred by written instrument recorded in the Office of the Register of Deeds for Oconee County, South Carolina.

Section 1.8. “Development” shall mean and refer to PineRidge Pointe, a single-family residential development.

Section 1.9. “Entrance Monument(s)” shall mean and refer to the easement areas reserved and granted by Developer in Section 7.9 of this Declaration, over a portion of the Common Area, as shown on the Map, and any monuments and entrance sign located on such easements together with lighting, an irrigation system, landscaping and other Improvements which may be constructed on such easement area, to be used as an entryway for the Subdivision, and for the purposes set forth in Section 7.9.

Section 1.10. “Improvement” or “Improvements” shall mean and include any and all man-made changes or additions to a Lot, including, but not limited to, the location, materials, size and design of all dwellings and buildings (including any exterior devices attached to or separate from dwellings or buildings, such as heating and air conditioning equipment, solar heating devices, antennae, satellite dishes, etc.); storage sheds or areas; piers, docks and boat slips; tennis courts, pools, or other recreational amenities; gazebos, pergolas, roofed structures; parking areas; fences; statuary and fountains; pet “runs,” lines and similar tethers or enclosures; landscaping (including cutting trees); hedges; mass plantings; irrigation equipment, apparatus and systems; driveways; signs; site preparation; changes in grade or slope; exterior

illumination; and changes in any exterior color or shape.

Section 1.11. “Lake Buffer Area” shall be the 25-foot minimum distance setback from the full pond contour elevation along the entire shoreline of Lake Keowee, as shown on the Map in accordance with the Oconee County shoreline guidelines as of this writing.

Section 1.12. “Lot” or “Lots” shall mean and refer to the separately numbered parcels depicted on the Map.

Section 1.13. “Map” shall mean and refer to (i) the map of PineRidge Pointe Subdivision recorded in Map Book A 843, Page(s) 5 & 6, in the Office of the Register of Deeds for Oconee County, South Carolina, (ii) any maps of any portions of the Additional Property which are subjected to this Declaration, and (iii) any revisions of such map or maps recorded in the Office of the Register of Deeds for Oconee County, South Carolina.

Section 1.14. “Member” shall mean and refer to every person or entity that holds membership in the Association.

Section 1.15. “Mortgage” shall mean any mortgage constituting a first lien on a Lot.

Section 1.16. “Mortgagee” shall mean the owner and holder of a Mortgage at the time such term is being applied.

Section 1.17. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot within the Development, but excluding those having such interest merely as security for the performance of an obligation.

Section 1.18. “Pier Zones” shall mean and refer to the portions of the Waterfront Lot designated as “Pier Zone” (or a similar term) on the Map, to be used for purposes of constructing a dock or Pier, as set forth in Section 7.22 of this Declaration.

Section 1.19. “Property” shall mean and refer to the Property shown on the Map, including the Lots and Common Areas, together with any leasehold interest or easement which the Association has or may hereafter acquire in any property adjacent to the Development (including, but not limited to, any leases of any submerged land lying within the bed of Lake Keowee).

Section 1.20. “Public Roads” shall mean and refer to all roads and cul-de-sacs in the Subdivision and shown on the Map, all to be maintained by the Oconee County Public Works Department or other governmental entity.

Section 1.21. “Street Lights” shall mean and refer to those certain street lights that have been constructed upon and over the rights-of-way of the Public Roads.

Section 1.22. “Subdivision” shall mean and refer to PineRidge Pointe Subdivision, as the same is shown on the Map.

Section 1.23. “Waterfront Lots” shall mean and refer to Lots 1-24 as shown on the Map. Lots 25 and 26 shall be considered Waterfront Lots for all purposes set forth in the Declaration, with the exception of Section 7.21 and Section 7.22.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION AND WITHIN THE JURISDICTION OF THE ASSOCIATION

Section 2.1. Property. The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, and which is and shall be within the jurisdiction of the Association, is located in Oconee County, South Carolina, and is the Property as defined above and as more particularly described and shown on the Map.

Section 2.2. Additions to the Property.

2.2.1 PPOA may cause Additional Property to be made subject to the terms and scheme of this Declaration by filing one or more Supplemental Declarations in the Office of the Register of Deeds for Oconee County, South Carolina, containing a description of the Additional Property and a statement by the PPOA of its intent to extend the operation and effect of this Declaration to the Additional Property. PPOA may, but is not obligated to, also cause common areas and recreational facilities adjacent to the Property, or within, or adjacent to, any Additional Property, to be constructed and made subject to the terms and scheme of this Declaration by the filing of one or more Supplemental Declarations describing the common area and recreational facilities to be added, and a statement by PPOA of its intent to extend the operation and effect of this Declaration to such common area and recreational facilities; and PPOA may in any such Supplemental Declaration provide for such common areas and recreational facilities to be owned, operated, repaired, replaced and maintained by the Association for the use and benefit of the Owners, or for the use and benefit of certain Owners to the exclusion of other Owners, and for the expense thereof to be paid by the Owners or such group or groups of Owners as shall be entitled to use such common area and recreational facilities. Notwithstanding the foregoing, the covenants and restrictions established herein as applied to, or imposed upon, the Additional Property may be altered or modified by the filing of one or more Supplemental Declarations as provided in Section 2.2.2.

2.2.2 Any Supplemental Declaration may contain complementary additions to the covenants and restrictions contained herein as may be necessary in the judgment of the PPOA to reflect the different character of the Additional Property. In no event, however, shall any Supplemental Declaration revoke or modify the covenants and restrictions contained herein with respect to the Property, nor revoke or modify the covenants and restrictions established by previously filed Supplemental Declarations, without meeting the requirements for Amendment set forth in Section 11.3 of this Declaration, except as may be otherwise specifically set forth herein. Notwithstanding the foregoing, the Association shall have the right, without meeting the requirements for Amendment set forth in Section 11.3 of this Declaration, to amend this Declaration to reconfigure any proposed piers, boat slips, or Common Areas to reflect the actual final configuration of such areas and the “as-built” construction of such amenities.

ARTICLE III

PROPERTY RIGHTS

Section 3.1. Ownership of Common Areas. All Common Areas shall remain private property and shall not be considered as dedicated to the use and benefit of the public (with the exception of the Public Roads, which have been accepted for public dedication and maintenance by the Oconee County Public Works Department or other governmental entity).

Section 3.2. Owners' Rights to Use and Enjoy Common Areas. Each Owner shall have the non-exclusive easement and right to use and enjoy the Common Areas, and such right shall be appurtenant to and conveyed with title to such Owner's Lot, subject to the following:

3.2.1 the right of the Association to promulgate and enforce reasonable regulations governing the use of the Common Areas to insure the availability of the right to use the Common Areas to the Owners and the safety of all Owners on the Common Areas;

3.2.2 the right of the Association to suspend the voting rights of an Owner in the Association and the right of the Association to suspend the right to use certain or all of the Common Areas by an Owner for any period during which any Assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

3.2.3 the right of the Association to grant utility, drainage and other easements across the Common Areas;

3.2.4 the right of the Association to restrict the use of certain Common Areas to certain designated Owners as shall be described in this Declaration or any amendments or supplements; and

3.2.5 the provisions of Article VII of this Declaration.

Section 3.3. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, the Owner's right of enjoyment to the Common Areas and facilities located thereon to the members of the Owner's family, his guests, his tenants, or his invitees.

Section 3.4. Rights in the Public Roads. Each Owner and the Association shall further have and are hereby granted a perpetual, non-exclusive right, in common with the general public, to use the Public Roads for the purpose of providing access to and from each Lot and the Common Areas.

ARTICLE IV

THE ASSOCIATION

Section 4.1. Membership. Every Owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot, and shall be governed by the Bylaws, attached as Exhibit "B" and incorporated by this reference.

Section 4.2. Classes of Lots and Voting Rights. The voting rights of the Membership shall be appurtenant to the ownership of Lots. There shall be one (1) class of Lots with respect to voting rights:

4.2.1 Class A Lots. Class A Lots shall be all Lots. Each Class A Lot shall entitle the Owner(s) of the Lot to one (1) vote for each Class A Lot owned. When more than one person owns an interest (other than a leasehold or security interest) in any Lot, all such persons shall be Members and the voting rights appurtenant to said Lot shall be exercised as they, among themselves, determine, but in no event shall more than one (1) vote be cast with respect to any Class A Lot.

Section 4.3. Period of Developer Control. The Developer (Crescent Resources, LLC) relinquished all rights and connection to the Lots in the subdivision in 2004 once all 27 lots had been sold to private parties. The Common Areas (COS) were deeded to PPOA on September 15, 2006 as registered with the Oconee County Register of Deeds. The Developer no longer has any legal interest in any part of the subdivision.

Section 4.4 Availability of Documents. The Association shall maintain current copies of the Declaration, the Bylaws and other rules concerning the Development, as well as its own books, records, and financial statements, which will be available for inspection by all Owners, Mortgagees, and insurers and guarantors of Mortgages that are secured by Lots. All such documents shall be available upon reasonable notice and during normal business hours. In addition, any Mortgagee may, at its own expense, have an audited statement prepared with respect to the finances of the Association.

Section 4.5. Management Contracts. The Association is authorized to engage the services of any person, firm or corporation to act as managing agent of the Association at a compensation level to be established by the Board of Directors and to perform any or all of the powers and duties of the Association. Provided, however, that the term of any such agreement with a managing agent shall not exceed one (1) year and shall only be renewed by agreement of the parties for successive one (1) year terms. Any such contract shall be terminable by the Association, with or without cause, upon ninety (90) days prior written notice to the manager, without payment of a termination fee.

Section 4.6. Maintenance. The Common Areas shall be maintained as more particularly described below:

4.6.1 Maintenance of the Entrance Monument(s) shall include maintenance, repair and reconstruction, when necessary, of the monuments, signage, irrigation, planters and lighting located thereon, and providing and paying for landscaping and utility charges for irrigation and lighting of the monuments and signage located thereon (if any).

4.6.2 All Common Areas (and all Improvements located thereon) shall be clean and free from debris and maintained in an orderly condition, together with the landscaping thereon (if any) in accordance with the highest standards for private parks, including any removal and replacement of any landscaping, utilities, or Improvements located thereon.

4.6.3 Maintenance of the Public Roads will be undertaken by the Oconee County Public Works.

4.6.4 The Association shall not be responsible for the maintenance of any Lot or any portion of any Lot or the

Improvements within the boundaries thereof, with the exception of the Entrance Monument(s) if located on any Lot. The Owners of such Lots shall be responsible for same.

Section 4.7. Reserve Fund. The Association shall establish and maintain an adequate reserve fund (the "Reserve Fund") for the following purposes:

4.7.1 the periodic maintenance, repair, reconstruction and replacement of the Common Areas and any Improvements located on such Common Areas which the Association is obligated to maintain;

4.7.2 to fund unanticipated expenses of the Association; and/or

4.7.3 to acquire equipment or services deemed necessary or desirable by the Board of Directors, from time to time, in its discretion.

The Reserve Fund shall be collected and maintained out of the Annual Assessment as hereinafter defined, and as set forth in Section 5.2.

ARTICLE V

COVENANT FOR ANNUAL AND SPECIAL ASSESSMENTS

Section 5.1. Creation of the Lien and Personal Obligation for Annual, Supplemental Annual, Special and Special Individual Assessments. Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association the Annual Assessments, Supplemental Annual Assessments, Special Assessments and Special Individual Assessments, as hereinafter defined (collectively, "Assessments"), and established and collected as hereinafter provided. Any such Assessment or charge, together with interest, costs, and reasonable attorneys' fees, shall be a charge and a continuing lien upon the Lot against which each such Assessment or charge is made. Each such Assessment or charge, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the Owner of such Lot at the time when the Assessment fell due. The personal obligation for delinquent Assessments or charges shall not pass to an Owner's successors in title unless expressly assumed by them.

Section 5.2. Purpose of Annual Assessment. The Assessment to be levied annually by the Association against each Lot ("Annual Assessment") shall be used as follows:

5.2.1 to repair, maintain, reconstruct (when necessary), keep clean and free from debris, the Common Areas, including but not limited to the Street Lights and the Entrance Monument(s), and to maintain the landscaping thereon in accordance with the highest standards for private parks, including any necessary removal or replacement of landscaping, as more particularly set forth in Section 4.6 of this Declaration;

5.2.2 to pay all costs associated with the lease of the Street Lights, including but not limited to, monthly lease payments and utility costs;

5.2.3 to pay the premiums on all insurance carried by the Association pursuant hereto or pursuant to the Bylaws;

5.2.4 to pay all legal, accounting and other professional fees incurred by the Association in carrying out its

duties as set forth herein or in the Bylaws; and

5.2.5 to maintain contingency reserves in the Reserve Fund for the purposes set forth in Section 4.7 in amounts as determined by the Board of Directors.

Section 5.3. Payment of Annual Assessment; Due Dates. The Annual Assessment provided for herein shall commence as to each Lot on January 1, 2002. The initial Annual Assessment, and the Annual Assessment for the calendar year beginning January 1, 2002 shall be Four Hundred Fifty Dollars (\$450.00) per Lot, which amount shall be due and payable in full no later than January 31, 2002, and pro-rated on a calendar year basis. The Annual Assessment for each and every year beginning January 1st thereafter shall be in an amount set by the Board of Directors, in accordance with Section 5.4, and shall be due and payable in one (1) annual installment, such installment being due and payable no later than January 31st of each such year. The Board of Directors shall fix the amount of the Annual Assessment as to each Lot for any calendar year at least thirty (30) days prior to January 1st of such calendar year, and the Association shall send written notice of the amount of the Annual Assessment, as well as the amount of the installment due, to each Owner on or before January 1st of such calendar year. However, the failure of the Association to send, or of an Owner to receive, such notice shall not relieve any Owner of its obligation to pay the Annual Assessment. Notwithstanding the foregoing, the Board of Directors may alter the dates of the fiscal year for setting the Annual Assessment and may increase or decrease the frequency of collection of Annual Assessment installments in any reasonable manner.

Section 5.4. Maximum Annual Assessment.

5.4.1 For years following the first year of the Annual Assessment and thereafter, the Board of Directors, by a vote in accordance with the Bylaws, without a vote of the Members, may increase the Annual Assessment each year by a maximum amount equal to the previous year's Annual Assessment times the greater of (i) ten percent (10%) or (ii) the annual percentage increase in the Consumer Price Index, All Urban Consumers, United States, All Items (1982-84 = 100) ("CPI") issued by the U.S. Bureau of Labor Statistics for the most recent 12- month period for which the CPI is available. If the CPI is discontinued, then there shall be used the index most similar to the CPI that is published by the United States Government indicating changes in the cost of living. If the Annual Assessment is not increased by the maximum amount permitted under the terms of this provision, the difference between any actual increase which is made and the maximum increase permitted for that year shall be computed and the Annual Assessment may be increased by that amount in a future year, in addition to the maximum increase permitted under the terms of the preceding sentence for such future year, by a vote of the Board of Directors, without a vote of the Members.

5.4.2 From and after the first year of the Annual Assessment, the maximum annual assessment may be increased above the maximum amount set forth in Section 5.4.1 by a vote of no less than two-thirds (2/3) of the eligible Members who are voting in person or by proxy, or at the annual meeting or at a meeting duly called for this purpose, in accordance with the Bylaws.

5.4.3 The Board of Directors may fix the Annual Assessment at an amount not in excess of the maximum set forth in Section (the "Maximum Annual Assessment"). If the Board of Directors shall levy less than the Maximum Annual Assessment for any calendar year and thereafter, during such calendar year, determine that the important and essential functions of the Association cannot be funded by such lesser Assessment, the Board of Directors may, without a vote of the Members, but in accordance with the Bylaws, levy a Supplemental Annual Assessment ("Supplemental Annual Assessment"). In no event shall the sum of the Annual Assessment and Supplemental Annual Assessment for any year exceed the applicable Maximum Annual Assessment for such year other than as set forth in Section 6.3.

Section 5.5. Special Assessment for Capital Improvements. In addition to the Annual Assessment and Supplemental Annual Assessment authorized above, the Association may levy, in any calendar year, a special assessment (“Special Assessment”) applicable to that year only for the purpose of defraying, in whole or in part, the cost of (i) the construction of any Common Area Improvements which are not originally constructed by Developer; or (ii) the reconstruction, repair or replacement of the Common Areas, including but not limited to the Entrance Monument, and Street Lights, including all Improvements located thereon, and including fixtures and personal property related thereto. Provided, however, that any such Special Assessment must be approved by a vote of no less than two-thirds (2/3) of the votes of Members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5.6. Special Individual Assessment. In addition to the Annual Assessments, Supplemental Assessments, and Special Assessments authorized above, the Board of Directors shall have the power to levy a special assessment applicable to any particular Lot Owner (“Special Individual Assessment”) (i) for the purpose of paying for the cost of any construction, reconstruction, repair or replacement of any damaged component of the Common Areas, including the Public Roads, Entrance Monument, and all Improvements located thereon, whether occasioned by any act or omission of such Owner(s), members of such Owner’s family, or such Owner’s agents, guests, tenants, employees, or invitees and not the result of ordinary wear and tear; or (ii) for payment of fines, penalties or other charges imposed against any particular Owner relative to such Owner’s failure to comply with the terms and provisions of this Declaration, the Bylaws or any rules or regulations promulgated by the Association pursuant to this Declaration or the Bylaws. The due date of any Special Individual Assessment levied pursuant to this Section 5.6 shall be fixed in the Board of Directors’ resolution authorizing such Special Individual Assessment. Upon the establishment of a Special Individual Assessment, the Board shall send written notice of the amount and due date of such Special Individual Assessment to the affected Owner(s) at least thirty (30) days prior to the date such Special Individual Assessment is due.

Section 5.7. Assessment Rate. The Annual Assessments, Supplemental Annual Assessments, and Special Assessments must be fixed at a uniform rate for all Lots.

ARTICLE VI

GENERAL ASSESSMENT PROVISIONS

Section 6.1. Certificate Regarding Assessments. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of Assessments on a Lot is binding upon the Association as of the date of its issuance.

Section 6.2. Effect of Nonpayment of Assessments; Remedies of the Association. Any Assessment (or installment thereof) not paid by its due date, shall bear interest from such due date at the rate of eighteen percent (18%) per annum or the highest rate then permitted by law, whichever is less. In addition to such interest charge, the delinquent Owner shall also pay such late charge as may have been established by the Board of Directors to defray the costs arising because of late payment. The Association may bring an action at law against the delinquent Owner or foreclose the lien against the Lot and the right to use the Common Areas, and interest, late payment charges, costs and reasonable attorneys’ fees related to such action or foreclosure shall be added to the amount of such Assessment and shall be secured by the lien against the Lot. No Owner may waive or otherwise escape liability for the Assessments provided for herein by not using the Common Areas, or by abandoning his Lot.

Section 6.3. Subordination of the Lien to Mortgages. The lien of the Assessments provided for in Articles V and VI of this Declaration shall be subordinate to the lien of any first Mortgage on a Lot. Sale or transfer of any Lot shall not affect the Assessment lien. The sale or transfer of any Lot pursuant to mortgage foreclosure, or any proceeding in lieu thereof, however, shall extinguish the lien of such Assessments as to payments that became due prior to such sale or transfer. Provided, however, that the Board of Directors may in its sole discretion determine such unpaid Assessments to be collectable pro rata from all Owners, including the foreclosure sale purchaser. Such pro rata portions are payable by all Owners, notwithstanding the fact that such pro rata portions may cause the applicable Assessment, to be in excess of the applicable Maximum Assessment amount permitted hereunder. No sale or transfer shall relieve the purchaser of such Lot from liability for any Assessments thereafter becoming due or from the lien thereof, but the lien provided for herein shall continue to be subordinate to the lien of any Mortgage as above provided.

ARTICLE VI-A

COVENANT FOR SEPTIC SYSTEM INSPECTIONS

[Text of Amendment passed by previous PPOA vote inserted here as follows...]

Section 6A-1. Documentation of Initial Septic System Installation. Each owner will be responsible upon receiving a Certificate of Occupancy to provide to PINERIDGE POINTE OWNERS ASSOCIATION a copy of the following documents:

1. South Carolina Department of Health and Environmental Control Permit to Construct – Certificate of Final Approval Individual Sewage Treatment and Disposal System.
2. Name and Address of Septic System Installer.
3. Sketch of location of Septic System (tank & field) showing placement in reference to house.

Section 6A-2. Type of Inspection Required. Each system will be inspected and pumped out by a licensed and insured contractor at owner's expense.

Section 6A-3. Frequency of Inspection. Each system will be required to be inspected and pumped out (if conditions warrant pumping out) at a five year interval starting from the date the Certificate of Occupancy is issued by Oconee County.

ARTICLE

VII RESTRICTIONS

Section 7.1. Land Use, Building Type and Residential Restriction. All Lots in the Subdivision shall be known and described as residential lots and shall be used only for private residential and recreational purposes. No structure shall be erected, altered, placed or permitted to remain on any Lot other than for use as a single family residential dwelling, unless otherwise provided herein, and only one single-family residential dwelling not exceeding 2-1/2 stories in height above ground shall be erected or permitted to remain upon any Lot. No log cabin (or structure resembling a log cabin, or having the architectural characteristics of a log cabin), mobile home, modular home or shell home may be erected or permitted to remain on any Lot. A private garage (not exceeding three (3) car capacity), outbuildings, fixed piers and floating boat dock facilities incidental to the residential use of the Lot are expressly permitted upon the condition that they are not rented, leased nor otherwise used for remuneration, subject to the other covenants and restrictions contained herein. No detached garage or outbuildings shall at any time be used as a residence, or to house pets or animals. Dog houses are not allowed. Any ownership or leasing arrangement for a Lot having the characteristics of a vacation time-sharing ownership plan, a vacation time-sharing lease plan or other form of shared or interval ownership is expressly prohibited. Furthermore, no boat (including a houseboat), whether existing on a Lot or docked at a fixed pier or floating boat dock that is appurtenant to any Property in the Subdivision, may at any time be used as a residence.

Section 7.2. Dwelling Size. The square footage requirements refer to enclosed heated floor area and are exclusive of the area in unfinished basements, unheated porches of any type, attached or detached garages, carports, any type of porte cochere, and unheated storage areas, decks or patios. Any one (1) story dwelling erected upon any Lot shall contain not less than one thousand six hundred (1,600) square feet; any multi-story dwelling shall contain not less than one thousand eight hundred (1,800) square feet and the first floor shall contain not less than one thousand (1,000) square feet.

Section 7.3. Building Construction, Quality and Appearance. All buildings and outbuildings erected upon any Lot shall be constructed of new material of good grade, quality and appearance and shall be constructed in a proper, workmanlike manner.

7.3.1 Dwelling Value. No single-family residential dwelling with a construction cost of less than Three Hundred Thousand Dollars (\$300,000.00) (in terms of 2012 dollar value), exclusive of the cost of the Lot, shall be permitted on any Lot, unless approved in advance in writing by the Board of Directors.

7.3.2 Materials. No building shall be erected unless it is completely underpinned with a solid brick, brick or stone-covered block or stucco foundation. The exterior surface of any building shall not be of asbestos shingle siding, imitation brick or stoneroll siding, or exposed concrete or cement blocks. Vinyl siding is prohibited except where used under gables. The exterior surface of any garage, outbuilding or appurtenant structure or building erected on or located on any Lot shall be architecturally compatible with, and of material and construction comparable in cost and design to, the exterior surface of the dwelling located on the Lot.

7.3.3 Roofs. All buildings shall have roofs (except for dormers, porches and bay windows) of not less than six (6) vertical by twelve (12) horizontal pitch, and not less than twelve (12) inch overhang, covered with slate, cedar shakes, tile, composition (fiberglass), or architectural (sculpted) shingles. Metal roofing material is not permitted, except when applied over dormers, porches and bay windows.

7.3.4 Color Choices. When painting the exterior surfaces of structures, earth-tones or muted colors are to be chosen. Primary colors, and bright, garish colors (i.e. orange, purple, etc.) are not allowed. Lot owners must obtain approval from the Board of Directors prior to painting. If the Board denies a Lot Owner's choice of color, the Lot Owner may ask for a community-wide vote on their color choice, with a simple majority vote determining

the outcome. Any existing home in the neighborhood may be re-painted without permission if the existing color(s) as of the date of adoption of this restriction -- February 25, 2012 -- will be used.

7.3.5 Term of Completion. The exterior of all houses and other structures on the Lot must be completed within one (1) year after the commencement of construction, except where such completion is impossible due to strikes, fires, national emergency or natural calamities or other similar “force majeure” events beyond the control of the Owner.

Section 7.4. Temporary Structures; Structure Materials. No residence or building of a temporary nature shall be erected or allowed to remain on any Lot, and no metal, fiberglass, plastic, vinyl or canvas tent, barn, carport, garage, utility building, storage building or other metal, fiberglass, plastic, vinyl or canvas structure shall be placed or effected on any Lot or attached to any residence

Section 7.5. Building Setback Lines. No building on any Lot (including any stoops, porches, or decks) shall be erected or permitted to remain within the front (street right-of-way) or side abutting right-of-way (for a corner Lot) building setback lines as noted on the Map. Notwithstanding any rear setback restrictions noted on the Map, no building, including stoops, porches or decks (whether attached or unattached) shall be erected or permitted to remain within fifty (50) feet of the 800-foot contour of the Lake. Boathouses, piers and dock facilities are exempt from the rear setback restrictions provided they comply with the provisions set forth in Section 7.22. The foregoing notwithstanding, gazebos or similar minor aesthetic Improvements may encroach within the rear setback, including the Lake Buffer Area, provided that they: (i) are single story; (ii) contain less than one hundred fifty (150) square feet; and (iii) are not enclosed by walls or other surfaces unless such surfaces meet the openness test established for perimeter fencing in Section 7.11.

Similarly, front, side or rear entryways which (i) are connected to the residence and (ii) are not covered or enclosed in any manner, may encroach within the front, side, rear, or fifty-foot waterside setback.

In the event any zoning or subdivision ordinance, floodway regulations or other ordinance, law or regulation applicable to a Lot shall prescribe greater setbacks, then all buildings erected during the pendency of that zoning or subdivision ordinance, floodway regulations or other ordinance, law or regulation shall conform to said requirements

The Association shall have the authority but not the obligation, in its sole discretion, to bring a Special Individual Assessment against an Owner who fails to abide by the terms of this Section 7.5, and shall be subject to the Association’s Assessment collection remedies as specified in Article VI of the Declaration.

Section 7.6. Minor Setback Violations. In the event of the unintentional violation of any of the building setback covenants set forth above, in the amount of ten percent (10%) or less of the setback covenant in question, PPOA reserves the right to waive in writing such violation of the setback covenants upon agreement of the Owner of the Lot upon which the violation occurs and the Owner(s) of any Lot adjoining the violated setback, provided that such change is not in violation of any zoning or subdivision ordinance or other applicable law or regulation or, if in violation, provided that a variance or other similar approval has been received from the appropriate governmental authority.

Section 7.7. Combination or Subdivision of Lots. Except as otherwise set forth herein, no Lot shall be subdivided by sale or otherwise so as to reduce the Lot area shown on the Map. However, a Lot Owner may combine with a portion or all of another contiguous Lot so long as the parcel or parcels which result from such combination do not violate any applicable zoning ordinance or other applicable law or regulation. In the event that two or more Lots are completely combined so as to create one parcel, the resulting parcel shall be considered as one Lot for the purposes of this Article VII, but shall continue to be considered as two Lots for all other purposes (including voting and Assessments). Furthermore, the Owner of any Lot

which combines with all or a portion of a contiguous Lot shall be solely responsible for any costs which may result from such combination, including the costs of relocating any existing easements.

Section 7.8. Utility Easements. PPOA reserves easements for the installation and maintenance of utilities (electricity, septic system, water, gas, telephone, cable T.V., etc.) and drainage facilities over the front and rear ten (10) feet of each Lot (with the exception of the Lots along the waters of Lake Keowee, which will not have a ten [10] foot easement over the rear of each such Lot [i.e., waterside]) and seven and five-tenths (7.5) feet in width along each side lot line of each Lot. Additional drainage easements and utility easements are reserved as more particularly shown and delineated on the Map and in other recorded easement documents. Within such easements, no structure, planting or other materials shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities or which may interfere with drainage and the flow of water within the easement areas. The Owner of each Lot shall maintain that portion of the Lot lying within the easement areas as defined herein and shall maintain any Improvements located thereon, except those Improvements installed and maintained by a public authority or utility company. All transformers and meters must be located at the rear, or sides, of the dwellings.

Section 7.9. Entrance Monument Easement. PPOA hereby grants, establishes, creates and reserves for the benefit the Association, and their successors and assigns, non-exclusive perpetual easements (the "Entrance Monument Easements"), for the purpose of landscaping and maintaining the entryway and erecting and maintaining the Entrance Monument for the Subdivision over the portion of the Common Area identified as "Entrance Monument Easement" on the Map (the "Easement Area").

The Association shall have the right to enter, landscape and maintain the Easement Area as an entryway to the Subdivision. Further, the Association may erect and maintain one or more stone monuments, with an entrance sign thereon (collectively, the "Entrance Sign") bearing the name of the Subdivision, which Entrance Sign may be built to the applicable governmental standards for signs; and may erect and maintain lighting for the Entrance Sign, planters and other Improvements typically used for an entryway (the Easement Area, the Entrance Sign, lighting, landscaping, irrigation and other Improvements to be constructed on the Easement Area are collectively referred to as the "Entrance Monument").

Section 7.10. Storm water Drainage Easement. PPOA reserves over the Common Areas and Lots an easement for drainage of storm water runoff from the Lots and Public Roads within the Subdivision.

Section 7.11. Fences and Walls. No wooden fence, or brick or stone wall may be erected nearer the front lot line of a Lot than the front face of the dwelling located on such Lot. In the case of a corner Lot, no sideyard fence shall be located nearer than the side of the house facing the side street line. No wooden fences, or brick or stone walls, greater than six (6) feet in height are permitted. Chain link or other metal fencing is not permitted, except that 2" x 4" metal mesh may be used with split rail fencing to contain animals or children within rear or side yards. Perimeter fencing shall not have more than fifty percent (50%) of any of its surface closed as viewed from a point on a line of sight perpendicular to the line of the fence. A wall constructed of brick or stone and used in lieu of a fence is exempt from the openness test. Provided, however, that the restrictions described in this Section 7.11 shall not apply to any Improvements originally installed by Developer on any Common Area.

Section 7.12. Signs. No signs of any kind may be displayed to the public view on any Common Area, other than the Entrance Monuments as set forth in Section 7.9. No signs of any kind may be displayed to the public view on any Lot with the following exceptions which may not exceed five (5) square feet in size:

- 7.12.1 (a) one sign within the lot along the county road, and one similar sign within the lake buffer area for Waterfront Lots advertising the Property for sale or rent;
- (b) one sign on the Lot only used by a builder to

advertise the Lot during the construction and sales period; and (c) temporary political signs which may be displayed no more than one (1) month prior to the intended election, and removed within three (3) days following that election.

7.12.2 A House number sign (with street name and/or occupant's name if desired) less than two (2) square feet in size may be placed by driveways near the county road.

7.12.3 A Security System sign less than two (2) square feet in size may be placed on a Lot where it may be seen by visitors entering the property from the street, and one similar sign within the lake buffer area for Waterfront Lots that may be seen as boaters approach from the lake.

7.12.4 Piers and Docks are subject to these same rules as they apply to Lots with two exceptions: (a) one sign less than three (3) square feet in size stating "Boat For Sale" or "Dock For Sale" may be temporarily displayed; and (b) a Name Placard less than two (2) square feet in size may be permanently attached to an owner's Dock.

Section 7.13. Antennas; Satellite Dishes or Discs. No radio or television transmission or reception towers, antenna, satellite dishes or discs shall be erected or maintained on any Lot, except that one (1) dish or disc not exceeding five (5) feet in diameter or diagonal measurement for receiving direct broadcast satellite service ("DBS") or multi-point distribution services ("MDS") may be erected and maintained on each Lot. No antenna or related structures may be mounted on masts exceeding three (3) feet in height above the highest roof line ridge of the house. Any dish, disc, or antenna (with associated mast) shall be reasonably camouflaged and screened from view from the Public Roads, and shall not be located in the area between the street right-of-way line and the minimum building setback lines applicable to the Lot.

Section 7.14. Lot Maintenance; Trash Disposal. Each Owner shall keep his Lot in a clean and orderly condition and shall keep the Improvements thereon in a suitable state of painting and repair, promptly repairing any damage thereto by fire or other casualty. No clothes line may be erected or maintained on any Lot. No Lot shall be used in whole or in part for storage of trash of any character whatsoever and no trash, rubbish, stored materials or similar unsightly items shall be allowed to remain on any Lot outside of an enclosed structure, except when temporarily placed in closed, sanitary containers pending collection by trash collection authorities or companies.

Section 7.15. Off-Road Parking; Off-Water Boat Storage. Each Lot Owner shall provide a concrete or asphalt driveway prior to the occupancy of any dwelling constructed on the Lot that provides space for parking two automobiles off the Public Roads. No truck or commercial vehicle in excess of one-ton load capacity, or any vehicle under repair, wrecked or junked motor vehicle shall be parked upon or permitted to remain on any Lot or Common Area, or other portion of the Property. No trailer, mobile home, recreational vehicle, camper or boat shall be used as a residence, either temporarily or permanently. No trailer, mobile home, recreational vehicle, camper or boat shall be parked upon or be permitted to remain on any Lot for a period exceeding twenty-four (24) hours, unless it is parked off the Public Roads and not within the front or side yard of the Lot. All trucks, trailers, campers, motor homes and recreational vehicles must have a current license plate affixed. All automobiles must have a current license plate affixed and must be parked in a carport, enclosed garage, or on a concrete or asphalt driveway.

Section 7.16. Sewage Disposal. Every dwelling erected on any Lot shall be served by an approved Septic System for the disposal of sewage, or connected to a private or public sewage disposal system. All Septic Systems or other private sewage disposal systems shall be approved by, and constructed and maintained in accordance with all the regulations and requirements of all applicable governmental authorities and regulatory agencies.

Section 7.17. Public Water System: No Wells. All water mains and pipes and other equipment necessary for the

operation and maintenance of the Water System shall be located within the Utility Easements described in Section 7.8, or within public road rights-of-way. The Water System and all mains, pipes, equipment and other personal property which is part thereof, is the property of Seneca Light and Water Plant, a public utility company duly licensed and operating under the authority granted by the South Carolina Department of Health and Environmental Control. The Water System shall be the sole source of potable water for the Subdivision, and no well may be dug or constructed on any Lot for the purpose of providing domestic water supply.

Section 7.18. Nuisances. No noxious or offensive trade or activity shall be carried on or upon any Lot or in any residential dwelling or outbuilding, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No substance, thing or material shall be kept upon any Lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace and quiet of the occupants of surrounding property. No animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Lot or in any residential dwelling or outbuilding with the exception of dogs, cats, or other household pets, which may be kept or maintained provided they are not kept, bred, or maintained for commercial purposes. No more than three (3) of any species (i.e. cats, dogs, etc.) to a total of six (6) animals shall be kept or maintained per lot, except for newborn offspring of such household pets that are under nine (9) months in age. Pet fish or any small animals permanently housed in an indoor enclosure are not subject to these rules.

Dogs must be accompanied by their owner when not on their property. Owners must maintain control of their pets in public, and clean up after them.

Section 7.19. Diligent Construction. All construction, landscaping or other work which has been commenced on any Lot must be continued with reasonable diligence to completion and no partially completed houses or other Improvements shall be permitted to exist on any Lot or Common Area, except during such reasonable time period as is necessary for completion. The exterior of all houses and other structures must be completed within one (1) year from the date of commencement of construction, except where such completion is impossible due to strikes, fires, national emergency or natural calamities. Once construction begins on a Lot, if construction activity stops for more than sixty (60) days, the Board of Directors shall receive written notice concerning the reason(s) that construction has stopped and written assurances from the Owner as to when construction shall resume and be completed. No construction materials of any kind may be stored within forty-five (45) feet of any Public Road curbs on any Lot. Any damage to any Public Roads, curb or sidewalk or any part of any Common Area or any utility system caused by an Owner or any builder shall be repaired by such responsible party. If such responsible party fails to repair such damage, the Association may make or provide for such repairs, and the responsible Owner shall immediately reimburse the repairing party for its out of pocket expenses in making such repairs. The Owner of each Lot and any builders shall at all times keep contiguous public and private areas free from any dirt, mud, garbage, trash or other debris which is occasioned by construction of Improvements on the Lots, Public Roads, and any Common Areas. The Association may provide for the cleaning of public and private areas due to the activities of the responsible party and may assess the responsible party a reasonable charge not to exceed the actual cost for such cleaning. Each Owner or builder shall, consistent with standard construction practices, keep all portions of the Lots, Public Roads, and Common Areas free of unsightly construction debris and shall at all times during construction either provide dumpsters for the containment of garbage, trash or other debris which is occasioned by construction of Improvements on a Lot or Common Areas, or take other measures consistent with standard construction practices necessary to keep the Lot, Public Roads, and all Common Areas free of such garbage, trash, or other debris. Each Owner and any Owner's builder and each Owner shall be responsible for erosion control protection during any earth-disturbing operation.

Section 7.20. Removal of Trees and Other Vegetation. All trees, shrubs and ground cover within the Lake Buffer Area are considered to be "protected" vegetation in that cutting and clearing generally is not permitted therein without the prior written consent of Duke Energy and the Board of Directors. The practical exceptions to this rule are that dead or diseased trees may be removed, poisonous plants may be removed, underbrush may be selectively cleared, understory may

be thinned to provide better views, individual trees may be limbed up, and ground covers may be planted.

“Mature trees” inside the Lake Buffer Area may not be cut down or otherwise removed without the specific written approval of Duke Energy and the Association. For purposes of this Declaration, “Mature trees” shall mean all evergreen or deciduous trees with a diameter of four (4) inches or greater when measured four (4) feet up from the ground.

Furthermore, in the event that trees, shrubs or ground cover are completely removed (as opposed to thinned) in connection with the improvement of any Lot, such cleared portions of the Lot shall be covered with grass (see note in the following paragraph), or shall be landscaped with plants, shrubs, trees, mulch, wood chips, pine needles and/or similar landscaping Improvements.

Oconee County and Duke Energy have specific guidelines for the maintenance of the Lake Buffer Area that may take precedence over Lake Buffer Area regulations stated in this document. The Association, in accordance with Duke Energy’s Shoreline Management Guidelines, discourages the planting of turf grasses within the Lake Buffer Area. If grass has been planted inside the Lake Buffer Area, fertilizing that grass with fertilizers containing PHOSPHATES is STRICTLY PROHIBITED.

PPOA hereby reserves the right and easement benefiting the Association to go upon any Lot or other portion of the property to replant or order the replanting of any trees, shrubs or other vegetation removed within the Subdivision in violation of the terms of this Section 7.20. If the Association exercises its easement rights pursuant to the terms of this Section 7.20, the Owner of the nonconforming Lot shall reimburse the Association (as applicable) within five (5) business days following the submission of an invoice for any costs or expenses incurred by the Association. The exercise or nonexercise of the easement rights contained in this Section 7.20 shall be subject to the discretion of the Association, and the Association shall have no obligation to exercise such rights.

The Association shall have the authority but not the obligation, in their sole discretion, to levy a Special Individual Assessment against an Owner who cuts, damages, or removes any trees, shrubs or other vegetation on any part of the Common Areas, the Lake Buffer Area of their Lot or any other Lot contrary to the above provisions.

The penalties authorized by this Section 7.20, as well as all related expenses to be reimbursed, shall be considered a Special Individual Assessment against the respective Owner’s Lot, entitling the Association to the Assessment collection remedies specified in Article VI of this Declaration.

Section 7.21. Marine Toilets. No watercraft equipped with a marine toilet having a fixed or portable holding tank, or a through hull or overboard discharge toilet, shall be permitted to empty or discharge such devices at any Waterfront Lot Owner’s docks or piers. Waste disposal must be performed at a commercial marina or landing equipped for such tasks.

Section 7.22. Docks, Piers and Boat Houses. Duke Energy Corporation controls access to, use of, and water levels in Lake Keowee. Any Owner and the Association must receive permission from Duke Energy Corporation (or a successor manager of Lake Keowee under authority from the Federal Energy Regulatory Commission [“FERC”]) prior to placing or constructing any pier, structure or other Improvement within or upon, or conducting any activity altering the topography of, the hydroelectric project surrounding and encompassing the waters of Lake Keowee.

Subject to the foregoing and to the other provisions of this Declaration, the Owner of any Waterfront Lot (Lots 1-24) may construct one (1) pier, provided that such Waterfront Lot is not located in an area where the narrowness of a cove precludes construction of a dock or pier as determined by Duke Energy Corporation and/or any governmental entity having jurisdiction at the time such Improvements are to be constructed. Accordingly, the Owner(s) of Lots 25 and 26 may not construct a dock or pier because of the narrowness of the cove upon which these two Lots front. Any waterfront Improvement shall have a low profile and open design to minimize obstruction of neighbors’ views. Enclosed docks or boat houses will not

be allowed either on the water or within the Lake Buffer Area. Roof-covered docks are allowed provided that such docks are one level, do not exceed more than twenty-five (25) feet in height and are not enclosed. Two-level or multi-level docks are not permitted.

The placement, construction, or use of the piers, boat slips, and of any other pier, dock, boat slip structures or other Improvements within or upon, or the conducting of any activity altering the topography of, the hydroelectric project surrounding and encompassing the waters of Lake Keowee, is and shall be subject to each of the following:

7.22.1 easements, restrictions, rules and regulations for construction and use promulgated by the Association;

7.22.2 all laws, statutes, ordinances and regulations of all Federal, State and local governmental bodies having jurisdiction thereof, including without limitation, FERC; and

7.22.3 rules and regulations, privileges and easements affecting the Property and the waters and submerged land of Lake Keowee established by Duke Energy Corporation, its successors and assigns. Duke Energy Corporation is the manager of Lake Keowee under authority granted by FERC; its current management plan runs through August 31, 2016. As manager of Lake Keowee, Duke Energy Corporation controls access to, and the use and level of, the waters of Lake Keowee. All Owners, the Association, and any builders must receive permission from Duke Energy Corporation [or a successor manager of Lake Keowee, under authority from FERC] prior to any alterations therein, including the construction and continued use and maintenance of any dock, pier, or boat slip.

No Owner of any Waterfront Lot shall construct a pier of any kind, boat mooring or any other structure outside the pier zone designated on the Map applicable to such Lot.

Section 7.23. Boat Ramps. No boat ramps of any kind shall be permitted on any Lot, and no boat shall be placed in (or removed from) the waters of Lake Keowee from any Lot, provided however, small watercraft such as canoes, dinghies, jet skis and personal watercraft may be launched from any Lot if launched without a ramp. All other watercraft shall be launched from a public boat ramp outside the Subdivision.

Section 7.24. Rights of Duke Energy Corporation. Duke Energy Corporation has certain privileges and easements affecting the Development which include the right, privilege and easement of backing, ponding, raising, flooding or diverting the waters of Lake Keowee and its tributaries upon and over the Development, as more specifically described in the deed from Duke Energy Corporation to Developer.

Section 7.25. Non-waiver. No delay or failure on the part of an aggrieved party to invoke an available remedy in respect to a violation of any provision contained herein or referred to herein shall be held to be a waiver by that party of any right available to the party upon the recurrence or continuance of said violation or the occurrence of a different violation.

ARTICLE

VIII INSURANCE

Section 8.1. Board of Directors. The Board of Directors shall obtain and maintain at all times insurance of the type and kind and in no less than the amounts set forth below:

8.1.1 Fire and Casualty. All Improvements and all fixtures included in any Common Areas, including but not limited to the Entrance Monument, and all personal property and supplies belonging to the specified in the insurance policy (exclusive of land, foundation, excavation and other normally excluded items) as determined annually by the Board of Directors with the assistance of the insurance company providing coverage. The Board of Directors shall, at least annually, review the insurance coverage required herein and determine 100% of the current replacement cost of such Improvements and fixtures and personal property and supplies. Such coverage shall provide protection against loss or damage by fire, windstorm, vandalism and malicious damage and all perils covered by a standard "all risk" insurance policy. All such policies shall provide that the Board of Directors and the insurance company shall approve adjustment of loss. In addition to the provisions and endorsements set forth in Section 8.4, the fire and casualty insurance policies described herein shall contain the following provisions:

8.1.1.1 a waiver of subrogation by the insurer as to any claims against the Association, any officer, Director, agent or employee of the Association, the Owners and their employees, agents, tenants and invitees; and

8.1.1.2 a provision that the coverage will not be prejudiced by act or neglect of one or more Owners when said act or neglect is not within the control of the Association or by any failure of the Association to comply with any warranty or condition regarding any portion of the Property over which the Association has no control.

8.1.2 Public Liability. The Board of Directors shall also be required to obtain and maintain to the extent obtainable, public liability insurance in such limits as the Board of Directors may, from time to time, determine to be customary for projects similar in construction, location and use to any Common Areas, and customary for the activities and obligations of property owners' associations for projects similar to the Development, covering each member of the Board of Directors, the managing agent, if any, and each Owner with respect to his liability arising out of the ownership, maintenance, or repair of the Common Areas and out of the activities of the Association; provided, however, that in no event shall the amounts of such public liability insurance ever be less than \$1,000,000 per occurrence against liability for bodily injury, including death resulting therefrom, and damage to Property, including loss of use thereof, occurring upon, in or about, or arising from or relating to, the property or any portion thereof. Such insurance shall include endorsements covering cross-liability claims of one insured against another, including the liability of the Owners as a group to a single Owner. The Board of Directors shall review such limits annually.

8.1.3 Fidelity Coverage. The Board of Directors shall also be required to obtain fidelity coverage against dishonest acts on the part of all persons, whether officers, Directors, trustees, employees, agents or independent contractors, responsible for handling funds belonging to or administered by the Association, in an amount determined by the Board of Directors in its discretion. An appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

8.1.4 Such other insurance coverages, including flood insurance and worker's compensation, as the Board of Directors shall determine from time to time desirable.

Section 8.2. Premium Expense. Premiums upon insurance policies purchased by the Board of Directors shall be paid by the Board of Directors and charged as a common expense to be collected from the Owners pursuant to Article V.

Section 8.3. Special Endorsements. The Board of Directors shall make diligent effort to secure insurance policies that will provide for the following:

8.3.1 recognition of any insurance trust agreement entered into by the Association;

8.3.2 coverage that may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least forty-five (45) days prior written notice to the named insured, any additional insured(s), any insurance trustee and all Mortgagees; and

8.3.3 coverage that cannot be canceled, invalidated or suspended on account of the conduct of any officer or employee of the Board of Directors without prior demand in writing that the Board of Directors cure the defect and the allowance of a reasonable time thereafter within which the defect may be cured by the Association, any Owner or any Mortgagee.

Section 8.4. General Guidelines. All insurance policies purchased by the Board of Directors shall be with a company or companies licensed to do business in the State of South Carolina and holding a rating of "A" or better and a financial size of "X" or better according to the current issue of A.M. Best's Insurance Reports. All insurance policies shall be written for the benefit of the Association and shall be issued in the name of, and provide that all proceeds thereof shall be payable to, the Association. Notwithstanding any of the foregoing provisions and requirements relating to insurance, there may be named as an insured, on behalf of the Association, the Association's authorized representative, who shall have exclusive authority to negotiate losses under any policy providing such insurance.

The property and public liability insurance policies shall not contain (and the insurance shall not be placed with companies whose charters or bylaws contain) provisions whereby: (1) contributions or assessments may be made against the Association, the Owners or the Mortgagees; (2) loss payments are contingent upon action by the carriers, Directors, policy holders or Members; and (3) there are limiting clauses (other than insurance conditions) which could prevent Owners or Mortgagees from collecting the proceeds.

Section 8.5. Owner's Personal Property. The Association shall not be liable in any manner for the safekeeping or conditions of any boat or other personal property belonging to or used by any Owner or his family, guests or invitees, located on or used at the Common Areas. Further, the Association shall not be responsible or liable for any damage or loss to or of any boat, its tackle, gear, equipment or other property located thereon, or any other personal property of any Owner, his family, guests or invitees located on or used at the Common Areas. Each Owner shall be solely responsible for all such boats and other personal property and for any damage thereto or loss thereof, and shall be responsible for the purchase, at such Owner's sole cost and expense, of any liability insurance or other insurance for damage to or loss of such property.

ARTICLE IX

RIGHTS OF MORTGAGEES

Section 9.1. Approval of Mortgagees. Unless at least seventy-five percent (75%) of the Mortgagees holding Mortgages on Lots located within the Development then subject to the full application of this Declaration have given their prior written approval, the Association shall not:

9.1.1 except as otherwise specifically provided herein, by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer any real estate or Improvements thereon which are owned, directly or indirectly, by the Association (the granting of easements for utilities or other purposes pursuant to the terms of the Declaration shall not be deemed a transfer within the meaning of this clause);

9.1.2 except as otherwise specifically provided herein, change the method of determining the obligations, Assessments, dues or other charges which may be levied against an Owner;

9.1.3 fail to maintain fire and extended coverage insurance on insurable Improvements in any Common Areas in the Subdivision (with the exception of Public Roads) on a current replacement cost basis in an amount not less than 100% of the insurable value as set forth in Article VIII; or

9.1.4 use the proceeds of any hazard insurance policy covering losses to any part of any Common Area for other than the repair, replacement or reconstruction of the damaged Common Areas or other common amenities.

Section 9.2. Additional Rights. Any Mortgagee shall have the following rights:

9.2.1 to be furnished at least one copy of the annual financial statement and report of the Association, such annual statement and report to be furnished within ninety (90) days following the end of each fiscal year;

9.2.2 to be given notice by the Association of the call of any meeting of the Association's membership, and to designate a representative to attend all such meetings;

9.2.3 to be given prompt written notice of default under the Declaration, the Bylaws or any rules and regulations promulgated by the Association by any Owner owning a Lot encumbered by a Mortgage held by the Mortgagee, such notice to be sent to the principal office of such Mortgagee or the place which it may designate in writing;

9.2.4 to be given prompt written notice of any casualty loss to the Common Areas, or loss by eminent domain or other taking of (i) the Common Areas or (ii) any Lot encumbered by a Mortgage held by the Mortgagee;

9.2.5 to be given prompt written notice of any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

9.2.6 to be given prompt written notice of any eminent domain or condemnation proceeding affecting the Property; and

9.2.7 to be given prompt written notice of any action which requires the consent of all or any portion of the Mortgagees as specified herein.

Whenever any Mortgagee desires the provisions of this Section 9.2 to be applicable to it, it shall serve or cause to be served written notice of such fact upon the Association by certified mail, return receipt requested, addressed to the Association and sent to its address stated herein, identifying the Lot or Lots upon which any such Mortgagee holds any Mortgage or identifying any Lot owned by it, together with sufficient pertinent facts to identify any mortgage which may be held by it and which notice shall designate the place to which notices are to be given by the Association to such Mortgagee.

Section 9.3. Books and Records. Any Mortgagee will have the right to examine the books and records of the Association during any reasonable business hours.

Section 9.4. Payment of Taxes and Insurance Premiums. The Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge or lien against the Common Areas and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage upon the lapse of a policy for property owned by the Association and the persons, firms or corporations making such payments shall be owed immediate reimbursement from the Association.

ARTICLE X

CONDEMNATION

Section 10.1. Partial Taking: Without Direct Effect on Lots. If part of the Property shall be taken or condemned by any authority having the power of eminent domain, such that no Lot is taken, all compensation and damages for and on account of the taking of the Common Areas, exclusive of compensation for consequential damages to certain affected Lots, shall be paid to the Board of Directors in trust for all Owners and their Mortgagees according to the loss or damages to their respective interests in such Common Areas. The Association, acting through the Board of Directors, shall have the right to act on behalf of the Owners with respect to the negotiation and litigation of the issues with respect to the taking and compensation affecting the Common Areas, without limitation on the right of the Owners to represent their own interests. Each Owner, by his acceptance of a deed to a Lot, hereby appoints the Association as his attorney-in-fact to negotiate, litigate or settle on his behalf all claims arising from the condemnation of the Common Areas. Such proceeds shall be used to restore the Common Areas with the excess, if any, to be retained by the Association and applied to future operating expenses by the Board of Directors, in its sole discretion. Nothing herein is to prevent Owners whose Lots are specifically affected by the taking or condemnation from joining in the condemnation proceedings and petitioning on their own behalf for consequential damage relating to loss of value of the affected Lots, or Improvements, fixtures or personal property thereon, exclusive of damages relating to the Common Areas. In the event that the condemnation award does not allocate consequential damages to specific Owners, but by its terms includes an award for reduction in value of Lots without such allocation, the award shall be divided between affected Owners and the Association, as their interests may appear, by the Board of Directors, in its sole discretion.

Section 10.2. Partial or Total Taking: Directly Affecting Lots. If part or all of the Property shall be taken or condemned by any authority having the power of eminent domain, such that any Lot or a part thereof (including specific easements assigned to any Lot) is taken, the Association shall have the right to act on behalf of the Owners with respect to Common Area as provided in Section 10.1 and the proceeds shall be payable as outlined therein. The Owners directly affected by such taking shall represent and negotiate for themselves with respect to the damages affecting their respective Lots. All compensation and damages for and on account of the taking of anyone or more of the Lots or Improvements, fixtures or personal property thereon, shall be paid to the Owners of the affected Lots and their Mortgagees, as their interests may appear. If all of the Property shall be taken such that the Association no longer has reason to exist and shall

thereafter be dissolved and/or liquidated, all compensation and damages for and on account of the taking of the Common Areas shall be distributed with the other assets of the Association in accordance with the Articles of Incorporation.

Section 10.3. Notice to Mortgagees. A notice of any eminent domain or condemnation proceeding shall be sent to all Mortgagees who have served written notice upon the Association in accordance with Section 9.2.

ARTICLE XI

GENERAL PROVISIONS

Section 11.1. Enforcement. PPOA wishes to maintain a high standard in the appearance and quality of the Subdivision. Though damages would be difficult to measure, the failure of the Owners or the Association to abide by the terms, covenants and restrictions contained in this Declaration would result in irreparable damage to the Association and its reputation. Accordingly, PPOA as well as any Owner or Owners, shall have the right, but not the obligation, to enforce all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration by proceeding at law or in equity against any person or persons violating or attempting to violate any such restriction, condition, covenant, reservation, lien or charge, either to restrain violation thereof or to recover damages therefor. Each Owner shall have all appropriate remedies at law or in equity to enforce the provisions of this Declaration and the Bylaws and any duly authorized rules and regulations governing the Development against the Association.

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 11.2. Severability. Invalidation of any of these covenants or restrictions by judgment or court order shall not affect the balance of this Declaration, which shall remain in full force and effect.

Section 11.3. Amendment. The covenants, conditions, and restrictions of this Declaration may be amended at any time and from time to time by an agreement signed by Owners holding a majority of votes appurtenant to the Lots which are then subject to this Declaration. Any such amendment shall not become effective until the instrument evidencing such change has been filed of record. Notwithstanding the foregoing, the consent of a majority of the Owners of Lots shall be required to reduce the land in the Development, to withdraw any portion of the Property from the requirements of this Declaration, or to restrict or revoke PPOA's right of enforcement as provided for in Section 11.1 of the Declaration.

Section 11.4. Term. The covenants and restrictions of this Declaration are to run with the land (unless otherwise specified herein) and shall be binding upon all parties and all persons claiming under them for a period of ten (10) years from the date this revised and restated Declaration is recorded; after which time the covenants and restrictions of this Declaration shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the then Owners of the Lots has been recorded, agreeing to terminate the covenants and restrictions in whole or in part. Provided, however, that the residential use restrictions set forth in Section 7.1 of this Declaration shall run with the land and shall be binding upon all parties and all persons claiming under them in perpetuity.

IN WITNESS WHEREOF, PPOA has caused this Declaration to be executed by its duly authorized officer as of the day and year first above written.

WITNESSES:

_____ First Witness

Name: THOMAS M. FLAHERTY, PPOA Vice-President of the Board of Directors

_____ Second Witness

Name: WILLIAM K. KOEPNICK, PPOA Secretary / Treasurer of the Board of Directors

STATE OF SOUTH CAROLINA

COUNTY OF OCONEE

PINERIDGE POINTE OWNERS ASSOCIATION, Inc., a South Carolina Non-Profit Corporation

By: _____

Name: JAMES M. PEES, PPOA President of the Board of Directors

Personally appeared before me, _____ and made oath that he/she saw the within named Pineridge Pointe Owners Association, Inc., by JAMES M PEES, its President of the Board of Directors, sign, seal, and deliver the within written instrument; and that he/she with

THOMAS M. FLAHERTY (First Witness) witnessed the execution thereof.

Sworn to before me this _____ day of _____, 20____

_____ Notary Public for South Carolina

My Commission Expires [SEAL]