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SOUTH CAROLINA

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS FOR
IRONGATE FARM

YORK COUNTY

THIS DECLARATION, made on this 23rd day of April, 2008, by **IRONGATE FARMS, LLC**, hereinafter collectively referred to as the "Declarant".

WITNESSETH:

WHEREAS, the Declarant is the owner of certain Real Estate lying within York County, South Carolina, more particularly described in attached Exhibit A; and

WHEREAS, Declarant will convey all or portions of the Real Estate described on Exhibit A and such Additional Properties as may be annexed to the Planned Community created hereunder pursuant to Sections 4.1 and 4.2, below, subject to certain declarations, conditions, restrictions, reservations, liens and charges as hereinafter set forth;

NOW, THEREFORE, Declarant hereby declares that all of the Real Estate described as follows:

All those certain pieces, parcels or lots of land lying, being and situate in York County, South Carolina, being shown and designated on maps of IRONGATE SUBDIVISION recorded in Plat Book D308, Page 10 and in Plat Book D309, Page 1 in the office of the Clerk of Court for York County, South Carolina.

TOGETHER WITH AND INCLUDING all rights of the Grantee in, to and under the terms of that Grant of Right-of-Way/Easement recorded in Book 8738, page 246 in the office of the Clerk of Court for York County, South Carolina.

and such Additional Properties as may be annexed to the Planned Community created hereunder pursuant to Sections 4.1 and 4.2, below, shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the Planned Community. These easements, covenants, restrictions, and conditions shall run with the Real Estate and shall be binding on all parties having or acquiring any right, title or interest in the Real Estate or any part thereof, and shall inure to the benefit of each Lot Owner thereof.

1. **DEFINITIONS.** The following terms shall have the following definitions throughout this Declaration:

1.1. **"Additional Properties"** shall mean all or any portion of such additional Real Estate as may be annexed to this Declaration in accordance with its terms.

1.2. **"Amenities"** means the facilities, if any, constructed, erected or installed on the Common Areas.

1.3. **"Association"** shall mean to IronGate Farm Homeowners Association, Inc., its successors and assigns.

1.4. **"Common Areas"** shall mean all Real Estate owned by the Association and the easements granted thereto for the common use and enjoyment of the Lot Owners. The Common Areas to be owned by the Association shall be described in deeds to the Association and designated as such on each recorded map of the Real Estate.

1.5. **"Common Expenses"** means:

- (a) All sums lawfully assessed by the Association against its Members;
- (b) Expenses of administration, lighting, landscaping, maintenance, irrigation, repair or replacement of the Common Areas or of improvements located within easements reserved or granted in Favor of the Association;
- (c) Expenses of maintaining equestrian and pedestrian trails and related amenities located on Common Area and/or within easements reserved therefor on Plat(s) of the Planned Community and setting aside reserves for the same;
- (d) Expenses of maintaining and resurfacing private roads and pedestrian walkways within the Planned Community and setting aside reserves for the same;
- (e) Expenses of maintaining entrance booths, entrance gates and entrance monuments within the Planned Community and setting aside reserves for the same;
- (f) Expenses declared to be Common Expenses by the provisions of this Declaration or the ByLaws;
- (g) Expenses agreed by the Members to be Common Expenses of the Association;
- (h) Hazard, liability or such other insurance premiums as the Declaration or the ByLaws may require or authorize the Association to purchase;
- (i) Ad valorem taxes and public assessment charges lawfully levied against Common Areas; and

(j) Expenses of maintaining easements reserved in favor of the Declarant and/or the Association as set forth in Section 7, below.

(k) Accounting, legal and other professional services, including professional management, retained by the Association; and

(l) Unpaid assessments resulting from the purchase of a Lot at a foreclosure sale (such assessment shall be collectible from all members of the Association, including the purchaser at the foreclosure sale, his successors and assigns).

1.6. "**Common Expense Liability**" means the liability for Common Expenses allocated to each Lot as permitted by the Declaration or otherwise by law.

1.6.1 "**Community-Wide Standard**": The standard of conduct, maintenance, or other activity generally prevailing in IronGate Farm, taking into its its character as an equestrian friendly community, or the minimum standards established pursuant to the Architectural Guidelines, Restrictions and Rules, and Board resolutions, whichever is the highest standard. The Community-Wide Standard may evolve as development progresses and as the needs and desires within Morningside Village change.

COMMUNITY-WIDE STANDARD	
The higher of:	
MINIMUM STANDARDS <i>Equestrian Friendly</i> <i>Architectural Guidelines</i> <i>Restrictions and Rules</i> <i>Resolutions of Board</i> <i>Example set by Declarant, Board</i>	PREVAILING STANDARD
OR	

1.7. "**Declarant**" shall mean and refer to **IRONGATE FARMS, LLC**, a South Carolina **limited liability company**, its successors and assigns.

1.8. "**Declaration**" means this Declaration of Covenants, Conditions and Restrictions

1.9. "**Director**" means any person elected or appointed to the Executive Board.

1.10. "**Dwelling**" means a residential structure, constructed or erected on any Lot within the Planned Community.

1.11. "**Executive Board**" means those persons elected or appointed and acting collectively as the Directors of the Association.

1.12. "**Limited Common Areas**" shall mean any portion of the Common Areas allocated by this Declaration or by any recorded maps of all or any portion of the Real Estate made subject to this Declaration or by operation of law for the exclusive use of one or more, but fewer than all, of the Lots and the respective Lot Owner(s) of such Lots(s).

1.13. "**Lot**" shall mean any physical portion of the Real Estate within the Planned Community designated for separate ownership or occupancy by a Lot Owner.

1.14. "**Lot in Use**" shall mean any Lot owned by any person other than Declarant or a builder, and as to those Lots owned by a builder, any Lot on which a dwelling unit has been fully constructed and for which a certificate of occupancy has been issued by the appropriate governmental agency and has been in effect for no less than ninety (90) days. In no event shall it mean a Lot owned by the Declarant, or a Lot owned by a builder for which a certificate of occupancy has been issued with respect to a dwelling unit constructed thereon for a period of less than ninety (90) days.

1.15. "**Lot Owner**" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Planned Community, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. All Lot Owners shall be Members, as that term is defined herein, and the terms Lot Owner and Member may be used hereafter interchangeably where the sense requires.

1.16. "**Member**" shall mean and refer to every person or entity who holds membership in the Association. There shall be two classes of voting membership in the Association. All Members shall be Lot Owners, as that term is defined herein, and the terms Member and Lot Owner may be used hereafter interchangeably where the sense requires.

A. "**Class A Members**" shall be all those Lot Owners as defined in Article III herein, with the exception of the Declarant. Declarant may, however, be a Class A member upon termination of Class B membership.

B. "**Class B Member**" shall be the Declarant as defined herein.

1.17. "**Person**" means any individual, corporation, partnership, association, trustee, or other legal entity.

1.18. "**Planned Community**" shall mean that Real Estate development to be named **IronGate FARM** to be developed on that certain Real Estate described herein and on such Additional Properties as may be hereafter annexed to this Declaration and brought within the jurisdiction of the Association in accordance with the terms and conditions hereof.

1.19. "**Special Declarant Rights**" shall have the same meaning as defined in the Declaration, and, without limiting the foregoing, shall include those rights reserved unto the Declarant under this Declaration, the Association's Articles of Incorporation and the Association's ByLaws.

2. **PROPERTY RIGHTS.**

2.1. **Title to Common Areas.** The Declarant shall convey fee simple title in the Common Areas to the Association, subject to this Declaration, current and subsequent years ad valorem taxes, and rights-of-way, restrictive covenants and easements of record. Conveyance of title to the Common Areas to the Association shall be done promptly after the recording of the plat reflecting that particular Common Areas and, in any event, prior to the sale by the Declarant of the first Lot included in that plat.

2.2. **Lot Owners' Easement of Enjoyment.** Every Lot Owner shall have a right and easement of use and enjoyment in and to the Common Areas (the "Lot Owners' Easement"), including specifically an easement for access, ingress and egress from and to public streets, private streets, common parking, and walkways. The Lot Owners' Easement shall be appurtenant to and shall pass with the title to every Lot subject to the following provisions:

A. **Conveyance or Encumbrance of Common Areas:** Subject to all applicable governmental ordinances, the Association's right to convey or encumber by mortgage title to all or any part of the Common Areas in compliance with the terms of this Declaration and South Carolina law. No such conveyance or encumbrance shall be effective unless an instrument signed by at least Two Thirds (2/3) of each Class of Members agreeing to the conveyance or encumbrance has been recorded in the appropriate County Registry. In addition, any conveyance or encumbrance of all or any portion of a Limited Common Area must be agreed to in writing by all Lot Owners to which such Limited Common Area is allocated. Any conveyance or encumbrance shall be made subject to that portion of the Lot Owners' Easement providing for access, ingress and egress to public streets, private streets, parking, and walkways.

B. **Borrowing for Improvements:** The Association's right, in accordance with its Articles and ByLaws, to borrow money for the purpose of improving the Common Areas and facilities and to mortgage those properties to secure those borrowings in accordance with 2.2A, above, provided the mortgage is subordinate to the Lot Owners' Easement.

C. **Rules and Regulations.** The Association's right to impose and enforce rules and regulations which may restrict the use and enjoyment of the Common Areas and/or Amenities.

D. **Additional Easements.** The Association and the Declarant shall have the authority to grant and/or establish upon, over, under and across the Common Areas further easements (including, but not limited to those provided in this Declaration) as are required for the convenient use and enjoyment of the Planned Community.

E. **Admission and Other Fees.** Subject to all applicable governmental ordinances, the right of the Association to charge reasonable admission and other fees for the use of any Amenities.

F. **Suspension of Privileges or Services.** The right of the Association as provided in this Declaration or in to suspend privileges or services of any Lot Owner who violates the terms and conditions of this Declaration, the Association's ByLaws or Rules or Regulations adopted by the Association.

2.3. **Delegation of Use.** Any Lot Owner may delegate, in accordance with the ByLaws, his right of enjoyment to the Common Areas and facilities to his members of his family and tenants who reside at his Lot and to his guests.

3. MEMBERSHIP AND VOTING RIGHTS.

3.1. Lot Ownership of a Lot shall be the sole qualification for membership in the Association. The Association's Board may make reasonable rules relating to the proof of Lot Ownership of a Lot. Membership shall be appurtenant to and may not be separated from Lot Ownership of any Lot.

3.2. The Association shall have two classes of voting membership:

(a) Class A Members shall be all Lot Owners with the exception of the Declarant. Declarant may, however, be a Class A Member upon the termination of Class B Membership. Class A Members shall be entitled to one (1) vote for each Lot owned. When more than one Person holds an interest in any one Lot, all such Persons shall be Members. The vote of that 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 Lot. Fractional voting is prohibited.

(b) The Class B Member shall be the Declarant. Class B Members shall be entitled to three (3) votes for each Lot owned. The Class B Membership shall cease and be converted to Class A Membership upon the earlier of:

(i) the date the total votes outstanding in the Class A Membership equal the total votes outstanding in the Class B Membership; provided that the Class B Membership shall be reinstated with all rights, privileges, responsibilities and voting power if, after conversion of the Class B Membership to Class A Membership, additional lands are annexed to the Planned Community by the Declarant as provided in the Declaration; or

(ii) December 31, 2018; or

(iii) the effective date of the Declarant's 's written consent to termination.

(c) The Declarant's rights as a Class B Member are Special Declarant Rights which may be transferred (as may all Special Declarant Rights) in a manner expressly manifesting the intent to make such transfer.

4. ANNEXATION OF ADDITIONAL PROPERTIES.

4.1. **Annexation by Members:** Except as provided in 4.2, Additional Properties may be added and annexed to the Planned Community only if sixty-seven percent (67%) of each class of all the votes entitled to vote be cast in such class by Members are cast in favor of annexation.

4.2. **Annexation by Declarant:** Prior to December 31, 2017, the Declarant may, from time to time, annex Additional Properties to the Planned Community without the consent of the Members, if the Declarant should develop an additional tract or tracts of Real Estate within the real property more

particularly described on Exhibit A, attached hereto, or on Real Estate contiguous to or within close proximity of such Real Estate or the Planned Community. The annexation will be accomplished by recording with the office of the Register of Deeds for the County in which the Planned Community is located, a Supplementary Declaration, approved by any local or municipal authority having jurisdiction thereof, if required, duly executed by Declarant, describing the Additional Properties annexed and incorporating the provisions of this Declaration. No other action or consent shall be necessary. Subsequent to recordation of the Supplementary Declaration, the Declarant shall deliver to the Association one or more deeds conveying any Real Estate that will be designated as Common Areas within the Additional Properties as such Additional Properties are developed. Title to these Common Areas shall be conveyed subject to the same exceptions noted in Section 2. 1. Upon annexation, the Additional Properties shall be deemed part of the Planned Community and shall be subject to this Declaration.

4.3. **Additional Special Declarant Rights.** Subject to all applicable governmental ordinances, as long as Class B membership exists, the Declarant reserves the following development rights (which shall be deemed Special Declarant Rights, as defined herein and in): (i) to add Real Estate to the Planned Community in accordance with Section 4.2 of this Declaration; (ii) to add Common Areas; (iii) to designate portions of the Common Areas as Limited Common Areas; (iv) to relocate and reconfigure Lots within the Planned Community; and (v) prior to a conveyance of all or any portion of the Real Estate made subject to this Declaration to a Lot Owner, to withdraw all or any portion of such Real Estate from the Planned Community.

5. COVENANT FOR MAINTENANCE ASSESSMENTS.

5.1. **Lien of Assessments:**

5.1.1. The Declarant, for each Lot, covenants, and each Lot Owner of any Lot by acceptance of a deed therefore (whether or not it shall be so expressed in such deed) is deemed to covenant and agrees to pay the Association Annual Assessments, Special Assessments, and Initial Assessment, all as described below, (together the "Assessments"). The Association shall also have the authority, through the Association's Board, to establish, fix and levy an individual assessment on any Lot to secure the liability of that Lot Owner to the Association arising from Lot Owner's breach of any of the provisions of this Declaration.

5.1.2. The Assessments shall be set on a calendar year basis (the "Annual Assessment Period") by the Executive Board and may be collected on a monthly or yearly basis as determined by the Executive Board. Annual Assessments shall be charged to each Lot Owner of a Lot in Use. Special Assessments shall be charged to each Lot without regard as to whether or not it is a Lot in Use. Assessments, including fees, charges, late charges, fines, interest and other charges imposed by or permitted under this Declaration shall, upon the filing of a claim of lien in the office(s) of the Clerk(s) of Court for the county or counties within which the Planned Community is located be a lien on the applicable Lot continuing until paid in full, as well as a personal obligation of the Person who was the Lot Owner of the Lot at the time the Assessment became due. While any unpaid amounts shall remain a lien on the applicable Lot, the personal obligation shall not pass to that Lot Owner's successors in title unless expressly assumed by the successor(s).

5.2. **Purpose of Assessments:** The Assessments shall be used exclusively for the purposes of this Declaration as described in the Recitals, the payment of Common Expenses, the health, safety and welfare of the Lot Owners, and the improvement and maintenance of the Common Areas. The Association shall maintain a reserve fund for periodic maintenance, repair, and replacement of improvements to the Common Areas.

5.3. **Annual Assessments:**

5.3.1. On or before December 1st of each year preceding an Annual Assessment Period, the Association's Executive Board shall adopt the Budget (as defined below) for the upcoming Fiscal Year. The annual budget for the Association shall include all anticipated revenues (including revenues from Annual Assessments to be charged in the next Annual Assessment Period (the "Anticipated Annual Assessments") and anticipated costs for the Association for the upcoming Fiscal Year (together the "Budget"). Within thirty (30) days after adoption of any proposed Budget for the Planned Community, the Executive Board shall provide to all of the Lot Owners a summary of the Budget and a notice of the meeting to consider ratification of the budget, including a statement that the Budget may be ratified without a quorum. The Executive Board shall set a date for a meeting of the Lot Owners to consider ratification of the Budget, such meeting to be held not less than ten (10) nor more than sixty (60) days after mailing of the summary and notice. A quorum need not be present at the meeting. The Budget shall be ratified unless at that meeting seventy-five (75%) percent of all Lot Owners reject the Budget. In the event the proposed Budget is rejected at that meeting, the Budget for the previous Annual Assessment Period shall be continued until a subsequent Budget proposed by the Executive Board is ratified by the Lot Owners in the manner set forth above. The Annual Assessments for all Lots served by a private drive, if any, shall contain an extra component for maintenance and replacement or resurfacing reserves for the private drives. The Anticipated Annual Assessments for the approved Budget shall be the basis for calculating the Annual Assessment to be charged each Lot Owner for the upcoming Annual Assessment Period.

5.3.2. Notwithstanding the above to the contrary, until January 1 of the year immediately following the conveyance of the first Lot to a Lot Owner, the maximum Annual Assessment shall be \$300.00 per calendar Quarter, payable in advance the 1st day of each calendar quarter.

5.3.3. As long as Declarant has a majority of the total votes, Declarant may loan the Association monies to the extent that Annual Assessments paid by the Lot Owners are inadequate. This advance shall be to the Association and on terms generally available to Declarant from its lending institution.

5.4. **Special Assessments:** In addition to the Annual Assessments, the Association may levy in any Annual Assessment Period a special assessment applicable to that Annual Assessment Period only (the "Special Assessment") for the purpose of defraying in whole or in part the cost of any expenditures (including capital improvements and Real Estate acquisition costs) not otherwise included in the Budget. A Special Assessment shall require the assent of sixty-seven percent (67%) of the votes of the Members who are voting in person or by proxy at a meeting duly called for this purpose.

5.5. **Fines and Suspension of Privileges or Services.** In the event any Lot Owner should be in default for a period of thirty (30) days or longer with respect to the payment of any Assessment(s)

due the Association under this Declaration, the Association may, after giving such Lot Owner notice and an opportunity to be heard, suspend privileges (including, but not limited to, such Lot Owner's rights to vote as a Member of the Association) or services (except rights of access to such Lot Owner's Lot) provided by the Association to such Lot Owner. In addition, in the event any Lot Owner should violate any of the terms and conditions of the Declaration or of the Association's ByLaws or any Rules and Regulations adopted by the Association, the Association may, after giving such Lot Owner notice and an opportunity to be heard, impose a reasonable fine upon such Lot Owner or suspend privileges or services (except rights of access to such Lot Owner's Lot). Prior to imposing a fine upon any Lot Owner or suspending any privileges or services provided to such Lot Owner by the Association, the Executive Board shall give the Lot Owner notice of the charged violation, notice of a hearing and an opportunity to be heard and to present evidence at such hearing. Such hearing shall be scheduled before an adjudicatory panel appointed by the Executive Board to hear such matters, or if the Executive Board fails to appoint such an adjudicatory panel, before the Executive Board itself. After rendering a decision, the adjudicatory panel or Executive Board, as the case may be, shall give the affected Lot Owner notice of its decision. If it is decided that a fine should be imposed, a fine not to exceed One Hundred Fifty Dollars (\$100.00) may be imposed for the violation and, without further hearing, for each day after notice of the decision is given to the Lot Owner that the violation continues to occur. Such fine(s) shall be Assessment(s) secured by liens under this Declaration. If it is decided that a suspension of privileges or services should be imposed, the suspension may be continued without further hearing until the violation or delinquency is cured.

5.6. **Uniform-Rate of Assessment.** Both Annual Assessments and Special Assessments must be fixed at a uniform rate for all Lots in Use, as the case may be. Provided, however, that the Association shall also have the authority, through the Executive Board, to establish, fix and levy a Special Assessment on any Lot to secure the liability of that Lot Owner to the Association arising from that Lot Owner's breach of any of the provisions of this Declaration.

5.7. **Date of Commencement of Annual Assessment/Due Dates.** The Annual Assessments shall commence as to all then existing Lots in Use on the first day of the month following the conveyance of the Common Areas shown on the map(s) on which such Lots in Use are shown to the Association. Thereafter, the Annual Assessments shall commence as to a Lot on the first day of the month following the date it becomes a Lot in Use. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. Written notice of the Annual Assessment shall be sent to every Lot Owner subject thereto at least fifteen (15) days in advance of each Annual Assessment Period. The due date shall be established by the Executive Board. The Association shall, upon demand at any time, furnish a certificate in writing signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. These certificates shall be conclusive evidence of payment of any Assessment as to third parties acting in reliance on the statement.

5.8. **Non-Payment of Assessment; Remedies of the Association.** Any Assessments which are not paid when due shall be delinquent. The Association shall have the option to declare the outstanding balance of any Assessment due and payable if any installment thereof becomes delinquent. If the Assessment is not paid within thirty (30) days after the due date, the assessment shall incur a late charge of \$25.00 and bear interest from the date of delinquency at the maximum rate allowed by law. The Association may bring an action at law against the responsible Lot Owner and/or foreclose the lien

against the applicable Lot. Interest, costs, and reasonable attorney fees of any such action shall be added to the amount of the delinquent Assessment. Each Lot Owner, by the acceptance of a deed to a Lot, expressly vests in the Association, its agents or assigns, the right and power to bring all actions against the Lot Owner personally liable for the collection of a debt and to enforce the lien by all methods available for the enforcement of such liens, including foreclosure by an action brought in the name of the Association in any manner permitted under South Carolina law, including the manner for foreclosing mortgages. Each Lot Owner also expressly grants to the Association a power of sale in connection with foreclosure of a lien for Assessments. The lien provided for in this Article shall be in favor of the Association acting on behalf of the Lot Owners, which shall have the power to bid in at foreclosure and to acquire and hold, lease, mortgage and convey the foreclosed Lot. No Lot Owner may waive or otherwise escape liability for Assessments by non-use of the Common Areas or abandonment of his Lot.

5.9. **Subordination of the Lien.** The lien of the Assessments shall be subordinated to the lien of the first mortgage on a Lot. Except in those instances described below, the sale or transfer of a Lot shall not release or otherwise affect the lien of delinquent Assessments. Provided the Association is given prior written notice of such, the sale or transfer of a Lot pursuant to the foreclosure of a first mortgage or deed of trust or pursuant to a deed in lieu given in satisfaction of a first mortgage or deed of trust shall extinguish the lien of the delinquent Assessments for that Lot. In no event, however, shall a sale or transfer relieve the Lot from liability for any Assessments subsequently becoming due or from the lien thereof

5.10. **Exempt Real Estate.** All Lots dedicated to and accepted by a local public authority and the Common Areas shall be exempt from the Assessments.

6. INSURANCE.

6.1. **Authority to Purchase Insurance.** Insurance policies upon the Real Estate and improvements located within the Planned Community (except title insurance policies insuring Lot Owners and/or their Lenders) shall be purchased by the Association in the name of the Executive Board of the Association, as Trustees for the Lot Owners, for the benefit of the Lot Owners and their respective mortgagees as their interests may appear, and shall provide for the issuance of certificates or mortgage endorsements to the holders of first mortgages or deeds of trust on the Lots or any of them, and if the companies writing such policies will agree, the policies shall provide that the insurer waives its rights of subrogation as to any claims against Lot Owners, the Association and their respective servants, agents or guests.

6.2. **Insurance Coverage to be maintained; Use and Distribution of Insurance Proceeds.** The following insurance coverage shall be maintained in full force and effect by the Association covering the operation and management of the Lots and Common Areas:

6.2.1. Commencing not later than the time of the first conveyance of a Lot to a person other than the Declarant, the Association shall maintain:

- (a) Property insurance on the Common Areas insuring all risks of direct physical loss commonly insured against including fire and extended coverage perils. The

total amount of such insurance after application of any deductibles shall not be less than eighty percent (80%) of the replacement costs of the insured property at the time the insurance is purchased and at each renewal date, exclusive of land, excavations, foundations and other items normally excluded from property policies; and

- (b) Liability insurance in reasonable amounts covering all occurrences commonly insured against for death, bodily injury and property damage arising out of or in connection with the use, ownership, or maintenance of the Common Areas.

6.2.2. The following provisions apply to insurance coverage to be maintained by the Association pursuant to Sections 6.2.1, above:

- (a) If any insurance described in Sections 6.2.1, above, is not available, the Association promptly shall cause notice of that fact to be hand-delivered or sent prepaid by United States mail to all Lot Owners.

- (b) Insurance policies carried pursuant to Sections 6.2.1 shall provide that:

- (1) Each Lot Owner is an insured person under the policy to the extent of such Lot Owner's insurable interest;

- (2) The insurer waives its right to subrogation under the policy against any Lot Owner or member of the Lot Owner's household;

- (3) No act or omission by any Lot Owner, unless acting within the scope of the Owner's authority on behalf of the Association, will preclude recovery under the policy; and

- (4) If, at the time of a loss under the policy, there is other insurance in the name of a Lot owner covering the same risk covered by the policy, the Association's policy provides primary insurance coverage.

- (c) Any loss covered by the property policies provided for in Sections 6.2.1 shall be adjusted with the Association, but the insurance proceeds for that loss are payable to any trustee designated by the Association for that purpose, or otherwise to the Association, and not to any mortgagee or beneficiary under a deed of trust. The insurance trustee or the Association shall hold any insurance proceeds in trust for Lot Owners and lienholders as their interests may appear. Property insurance proceeds shall be disbursed first for the repair or restoration of the damaged property, and Lot Owners and lienholders are not entitled to receive payment of any portion of the proceeds unless there is a surplus of proceeds after the property has been completely repaired or restored, or the Planned Community is terminated.

- (d) Any portion of the Planned Community for which insurance is required under Section 6.2.1, above, which is damaged or destroyed shall be repaired or replaced promptly by the Association unless (i) the Planned Community is terminated, (ii) repair or replacement would

be illegal under any State or local health or safety statute or ordinance, or (iii) the Lot Owners decide by an eighty (80%) percent vote not to rebuild, repair or restore the damaged property, including one hundred (100%) percent approval of the Lot Owners assigned to any Limited Common Areas not to be rebuilt, repaired or restored. The cost of repair or replacement in excess of insurance proceeds and reserves is a Common Expense. If any portion of the Common Areas is not repaired or replaced, (i) the insurance proceeds attributable to Limited Common Areas which are not rebuilt shall be distributed to the Lot Owners of the Lots to which those Limited Common Areas were allocated, or to lienholders, as their interests may appear, and (ii) the remainder of the proceeds shall be distributed to all of the Lot Owners or lien holders, as their interests may appear, in proportion to the Common Expense Liabilities of all the Lots.

6.2.3. Fidelity Coverage protecting against dishonest acts by Association officers, directors, trustees, and employees and all others who are responsible for handling funds of the Association in the amount of one year's operating budget, plus projected reserve balance during the budget year. If professional management is obtained by the Association and it has this coverage and it handles the funds, then this requirement will be satisfied.

6.2.4. In the event a mortgagee endorsement has been issued as to a Lot, the share of the Lot Owner shall be held for the mortgagee and the Lot Owner as their interest may appear, but no mortgagee shall have the right to participate in the determination of reconstruction or repair.

6.2.5. Each Lot Owner at his expense, may obtain such additional insurance coverage on his Lot, personal property and personal liability and any additional insurance shall contain waiver of subrogation clause.

6.2.6. Immediately after the casualty causing damage to property, the Association shall obtain reliable and detailed estimates of the cost to place the damaged real property in condition as good as that before the casualty. Such costs may include professional fees and premiums for such bonds as the Executive Board of the Association deems appropriate.

6.2.7. Each Lot Owner delegates to the Executive Board of the Association his right to adjust with insurance companies all losses under policies purchased by the Association.

6.3. **Repair/Reconstruction.** Any reconstruction or repair of any improvements damaged by fire or other casualty shall be substantially in accordance with the original plans and specifications.

6.4. **Premiums.** Premiums for contracts of insurance purchased by the Association shall be paid by the Association and shall be a Common Expense.

6.5. **Prohibited Acts.** No Lot Owner shall do or keep anything within the Planned Community which shall cause an increase in the premiums for or the cancellation of any insurance maintained by the Association.

7. **EASEMENTS.**

7.1. **Blanket Utility Easement.** A blanket easement upon, across, over, and under all of the Common Areas, and, to the extent reasonably necessary the portions of the Lots on which no portion of any Dwelling is or is to be constructed, is reserved for ingress and egress, installation, replacing, repairing and maintaining all utilities, including, but not limited to water, sewer, gas, telephones, electricity, and a master antenna system. Notwithstanding such, no sewers, electrical lines, water lines, or other utility equipment or facilities may be installed or relocated in the Common Areas except as approved by the Declarant or, after the termination of Class B membership, the Association. Should any utility furnishing a service covered by this general easement request a specific easement by separate recordable documents, Declarant or, after the termination of Class B membership, the Association will have the right and authority to grant such easement. The easement provided for in this Article shall in no way affect other recorded easements within the Planned Community.

7.2. **Association Easements.** An easement is granted to the Association, its officers, agents, employees, and to any management company retained by the Association to enter in or to cross over the Common Areas. An easement is also granted to the Association over such portion(s) of additional Real Estate owned by the Declarant on which improvements, including utilities, are located, which serve the Planned Community and over such portion(s) of such Real Estate which provide access to such improvements, subject to Declarant's right to designate the exact location of such easements. Every Lot shall be subject to an easement for entry by the Association (and the Persons described above) for the purpose of correcting, repairing, or alleviating any emergency condition which arises upon any Lot and that endangers any improvement or portion of the Common Areas. The Association may reserve Easements as shown on recorded maps of the Real Estate made subject to this Declaration for the location and maintenance of entry monuments, landscaping and lighting.

7.3. **Temporary Construction Access and Disturbance Easement.** An easement over, through and to the Common Areas is reserved and established in favor of Declarant and all Lot Owners for purposes of ingress, egress, regress, conduct of construction activity, storage of construction materials and the necessary disturbance of land for construction on any Lot. This easement shall be used only as and when necessary to facilitate the construction of improvements at any time on a Lot by Declarant or Lot Owner as well as the extension of driveways, sidewalks, underground drainage and utility conduit and hookups to any dwelling structure situated on a Lot. In each instance, the Person exercising these easement rights shall use its best efforts to minimize any soil or land disturbance activities and shall restore the land to a condition which is graded smooth and in harmony with surrounding areas. Should that Person fail to restore the disturbed land as required, the Association may restore the land to the required condition and that Person shall indemnify the Association for the reasonable expense incurred in performing that restoration. This easement shall be restricted to that Common Areas which shall be reasonably servient and proximate to the Lot(s) upon which the construction is taking place.

7.4. **Drainage Easement.** For a period of eighteen (18) months following the last conveyance of a Lot to an Lot Owner by the Declarant, that Lot shall be subject to an easement for entry and encroachment by the Declarant for the purpose of correcting any grading or drainage problems with respect to that Lot or adjoining Lots. After such an entry, the Declarant, at its expense, shall, to the extent reasonably practicable, restore the affected Lot(s) to their original condition.

7.4.1 **Easements for Maintenance of Water Bodies.** The Declarant reserves for itself, the Association, and their successors, assigns, and designees, a perpetual, non-exclusive right and easement of access over the lakes, streams, detention ponds, water courses or other bodies of water and wetlands (collectively "Water Bodies") within the Planned Community, and over the Common Area and Lots (but not the dwellings thereon) adjacent to or within 25 feet of such Water Bodies, in order to perform such maintenance and repair as the Executive Board may deem appropriate, which may include maintenance of shorelines, bulkheads, and water quality, algae control, removal of silt and debris, breaching of dams, removal of dead or diseased trees, shrubs, and plants, all subject to the conditions of any conservation easement applicable to the property. All persons entitled to exercise this easement shall use reasonable care in and repair any damage resulting from the intentional exercise of such easement. Nothing in this Section shall be construed to make the Declarant, the Association, or any other Person responsible for maintaining any dam, lake, or pond or liable for any damage resulting from flooding due to weather events or other natural occurrences.

7.5. **Governmental Easements.**

7.5.1. Declarant reserves an easement for the benefit of the appropriate governmental entity over all Common Areas and over an area five (5) feet behind the curb line of any street or roadway in the Real Estate existing now or in the future for the setting, removal, and reading of water meters, the maintenance and replacement of water, sewage, and drainage facilities and the collection of garbage.

7.5.2. An easement is also granted to all police, fire protection, garbage, mail delivery, ambulance, and all similar persons to enter upon the Subdivision's streets and the Common Areas in the performance of their duties.

7.6. **Access, Parking and /or Utility Easements.** All Lots and the Common Areas shall be subject to all such access, drainage and/or utility easements as are shown on any recorded plats of Real Estate located within the Planned Community, and any such access easements shall be considered part of the Common Areas, whether or not owned in fee simple by the Association, and the costs of maintenance, repair and upkeep of the areas within such access easements shall be Common Expenses.

8. **ARCHITECTURAL COMMITTEE.**

8.1. **Architectural Control.** No building, fence sign (including unit identification signs) wall or other structure shall be commenced, constructed, erected or maintained upon such Lot, nor shall any exterior addition to or change or alteration thereof be made, nor shall a building permit for such improvement or change be made, nor shall any major landscaping or relandscaping be commenced or made (such construction, alteration and landscaping are hereinafter referred to as the "Improvements") until plans and specifications showing the nature, kind, shape, heights, materials, color and location of same shall have been submitted to and approved in writing by the Declarant. If the Declarant fails to approve or disapprove such proposed Improvements within thirty (30) days after the plans and specifications have been received by it, approval will not be required, and this Article shall be deemed to have been complied with. Declarant shall have the right to charge a reasonable fee, not to exceed \$125.00, for receiving and processing each application. Declarant shall have the right (but not the obligation) to promulgate and from time to time amend written architectural standards and construction

specifications (hereinafter the "Architectural Guidelines") which may establish, define and expressly limit the standards and specifications which will be approved, including, but not limited to, architectural style, exterior color or finish, roofing material, siding material, driveway material, landscape design and construction technique. Declarant shall not approve any Improvements which it determines, in its discretion, not to be in harmony of external design, construction and/or location in relation to the surrounding structures, topography or the general plan of development of the Planned Community.

8.2. **Architectural Committee.** Declarant may, at any time, delegate the review and approval authority contained in Section 8.1 of this declaration to the Executive Board of Directors of the Association, which, in turn, may delegate such authority, to an Architectural Committee composed of three (3) or more persons appointed by the Board. Such delegation shall be made by the Declarant by recording in the office of the Register of Deeds for York County an Assignment of Declarant's Rights. Declarant shall delegate such authority no later than the date upon which Declarant no longer owns any Lots within the Properties, and no termination of Special Declarant Rights shall be deemed a termination or assignment of the rights reserved to Declarant in Section 8. Any use of the term "Declarant" in this Section 8 shall be deemed to apply to Declarant and, when appropriate, to the Board of Directors of the Association or the Architectural Committee. Nothing herein shall be construed to permit interference with the development of the Lots by Declarant in accordance with its general plan of development.

8.3. **Liability.** Neither Declarant nor the Association, nor any officer, director, manager, member or employee of either, nor any member of the Architectural Committee shall be liable for damages to any person by reason of mistaken judgment, negligence, or nonfeasance in connection with the approval or disapproval or failure to approve or disapprove any plans, specifications and/or Improvements.

9. USE RESTRICTIONS.

9.1. **Land Use and Building Type.** All Lots except Lot _____ (the "Equestrian Lot") shall be used for residential purposes. No structure shall be erected, altered, placed or permitted to remain on any residential Lot other than one detached, single-family dwelling, not to exceed two and one-half (2-1/2) stories in height, a private garage for not more than three (3) cars, and other outbuildings incidental to residential use of the Lot. Nothing herein shall be deemed to prohibit conversion of a Lot to a street.

9.1.1 **Equestrian Lot.** The Equestrian Lot may be used as a barn and equestrian center, which may be operated as commercial enterprise, equestrian center and the owner thereof, and such owner's invitees, shall be entitled to use of all roads and common areas and facilities within the Planned Community's Common Areas, including, without limitation all equestrian trails.

9.2. **Dwelling Size.** The minimum heated square footage of a dwelling located on a residential Lot shall be 3,000 square feet.

9.3. **Building setbacks, house location.** No dwelling shall be erected or maintained on any residential Lot outside of the building envelope shown on the recorded plat of the Planned Community or as otherwise required or permitted by applicable local zoning ordinances (the "Zoning Ordinance").

For purposes of these building setback requirements, decks, porches, patios, stoops, eaves, overhangs, bay windows, chimneys, carports and other similar projections shall be deemed to be part of the dwelling only to the extent that the same are deemed to be part of the dwelling under the Zoning Ordinance as it exists as of the date of issuance of a certificate of occupancy for such dwelling. Any dwelling erected on a residential Lot other than a corner lot shall face the street on which the Lot abuts. On corner lots, a dwelling may be erected so as to face the intersection of the two streets on which the Lot abuts.

9.4. **Fences.** No fence or wall shall be erected on any residential Lot closer to any street than the front or side building setback line. Chain-link fencing is not permitted unless expressly approved by the Declarant or the Architectural Committee. Any fence or wall installed within the Planned Community must meet all requirements of the Zoning Ordinance and must be approved as provided in Section 8, above. Nothing in this paragraph shall be deemed to apply to or regulate retaining walls made necessary by the slope or grade of any Lot or Lots nor to any fence installed by the Declarant within the Equestrian Lot or at any entrance to or along any street within the Planned Community.

9.5. **Temporary Structures.** No residence of a temporary nature shall be erected or allowed to remain on any Lot, and no trailer, basement, shack, tent, garage, barn, or any other building of a similar nature shall be used as a residence on any Lot, either temporarily or permanently.

9.6. **Parking: Driveways and Parking Pads: Abandoned Vehicles.** Vehicles may be parked or stored only on portions of a Lot improved for that purpose, i.e., garage, driveway, carport or parking pad. No unenclosed parking shall be constructed or maintained on any Lot except a paved driveway and an attached paved parking pad, which pad shall be designed for the parking of not more than two (2) vehicles. Any driveway or parking pad constructed upon any Lot shall have a concrete or asphalt surface.

No mobile house trailer (whether on or off wheels), vehicle or enclosed body of the type which may be placed on or attached to a vehicle (known generally as "campers"), tractor trailer trucks or cabs, or commercial vehicle of any kind shall be parked on any street or any Lot within the Planned Community. No boat or trailer of any kind shall be parked on any street within the Planned Community. A boat and/or a trailer may be parked or kept on a Lot if it is parked or kept in such a manner that they are screened from the street. Screening may be either by fence or plantings, but in any case, the screening must comply with the Zoning Ordinance and be approved pursuant to Section 8, above.

No motorized vehicles of any kind, other than golf carts, may be operated on pathways or trails maintained by the Association.

No vehicle of any type which is abandoned or inoperative shall be stored or kept on any Lot in such manner as to be seen from any other Lot, any street within the Planned Community or the common area, and no automobiles or mechanical equipment may be dismantled or allowed to accumulate on any lot.

9.7. **Animals.** No animals, livestock or poultry of any kind shall be kept or maintained on any residential Lot or in any dwelling, except that horses may be allowed to graze within fenced in areas, and

dogs, cats, or other household pets may be kept or maintained, provided that they are not kept or maintained for commercial purposes. All pets shall be leashed or contained within their owner's Lot(s) at all times and shall be registered, licensed and inoculated as required by law. Any pets which make objectionable noises, endanger the health or safety of or constitute a nuisance of any resident or guest within the Planned Community shall be removed at the request of the Executive Board.

9.7.1 **Hunting and Firearms.** Neither hunting nor the discharge of firearms shall be permitted within the Planned Community.

9.8. **Nuisances: Business Activity.** No noxious or offensive trade or activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No business trade or activity may be conducted on any residential Lot unless permitted by the Zoning Ordinance.

9.9. **Signs.** Except as otherwise required by applicable local ordinances, no sign of any kind shall be displayed to the public view on any residential Lot except signs used to advertise Lots for sale during the construction and sales period, one sign of not more than ten (10) square feet advertising the property for sale or rent, and signs of not more than ten (10) square feet expressing support of or opposition to political candidates or other issues which will appear on the ballot of a primary, general or special election, provided that such political signs shall not be placed on a Lot earlier than sixty (60) days before such election and shall be removed within two (2) days after such election.

9.10. **Antennae: Satellite Dishes or Discs.** No radio or television transmission or reception towers or antennas shall be erected on a Lot other than a customary television or radio reception antenna, which shall not extend more than ten (10) feet above the top roof ridge of the house. However, a satellite antenna receiver or disc will be permitted on a Lot if: (i) the receiver or disc is not larger than two (2) feet in diameter; (ii) the receiver or disc is located on the side of the house away from the street and within the building setback lines applicable to that Lot; and (iii) the receiver or disc is located or screened in such a way that it cannot be seen from any street within the Planned Community. Any such screening must be approved as provided in Section 8 above. In no event shall any free-standing transmission or receiving tower be permitted on any Lot.

All Lot Owners, residents, invitees and guests shall strictly observe all traffic, safety and speed signs posted throughout the Planned Community.

9.11. **Swimming Pools.** No above ground swimming pools shall be permitted in the Planned Community, except that small, inflatable wading pools shall be permitted.

9.1.2. **Ponds and Streams.** No swimming shall be permitted in any pond, stream or water course within the Planned Community unless certain areas are approved for swimming by the Executive Board, and then only at the sole risk of the swimmer and only within such approved areas. Children shall not be permitted to swim in any event unless supervised by an adult swimmer(s). Use of kayaks, canoes and non motorized watercraft shall be permitted by adult residents and their guests at the sole risk of the user provided the user wears coast guard approved life preservers and flotation devices. Fishing may be regulated by the Executive Board. Any use of the Planned Community's ponds, streams and other water courses shall be at the sole risk of the user, and no use by children unsupervised by

adults shall be permitted. The Association will not provide lifeguards or supervision of the use of such water courses.

9.12. **Mailboxes**. No mailbox shall be placed or maintained on any Lot unless the same has been approved in accordance with the provisions of Section 8 above. The Declarant or the Architectural Committee may approve a uniform mailbox style, in which cases all mailboxes on residential Lots shall conform to such style.

9.13. **Maintenance of Lot; Construction**. Each owner shall keep his/her Lot in an orderly condition and shall keep the improvements thereon in a suitable state of repair in accordance with the Community-Wide Standard. In the event that any residence or structure on any Lot is destroyed or partially destroyed by fire, Act of God, or as a result of any other act or thing, the owner of such Lot shall repair the damage and reconstruct the improvement in accordance with the Community-Wide Standard within twelve (12) months after such damage or destruction; provided, however, that, if the structure damaged is not part of or attached to the residence constructed on such Lot, the owner may, at his/her option, either completely remove the damaged structure and landscape the area in accordance with the Community-Wide Standard on which the structure stood or repair or reconstruct the structure in accordance with the Community-Wide Standard.

All construction, landscaping or other work which has been commenced on any Lot shall be continued with reasonable diligence to completion and no partially completed house or other improvement shall be permitted to exist on any Lot, except during such reasonable time period as is necessary for completion. The owner of each Lot shall at all times keep contiguous public streets free from any dirt, mud, garbage, trash or other debris resulting from any such construction on his/her Lot.

9.14. **Clotheslines**. No exterior clothesline may be erected or maintained on any Lot.

9.15. **Garbage: Unsightly Storage**. All trash and rubbish shall be kept in garbage cans stored in such a manner as not to be visible from the street upon which the house fronts. No trash, rubbish, stored materials, wrecked or inoperable vehicles, or similar unsightly items shall be allowed to remain on any Lot; provided, however, that the foregoing shall not be constructed to prohibit temporary deposits of trash, rubbish, and other debris for collection by governmental or other similar garbage and trash removal units. In the event of curbside trash and/or garbage pickup, trash and/or garbage cans may be moved to the street on the night before the scheduled pickup, but all garbage cans must be returned to approved enclosure the night of the scheduled pickup.

Dumping of grass clippings, leaves, debris, petroleum products, fertilizers or other potentially hazardous or toxic substances in any drainage ditch, stream, pond or other water course which flows within or into the Planned Community is strictly prohibited, except that fertilizers may be applied to lawns and landscaping on Lots provided care is taken to minimize runoff.

9.16. **Removal of Trees**. Except in the case of an emergency situation that does not permit any delay, no living tree larger than 6" in diameter at a point measured 3' off the ground shall be removed from any Lot within the approval required by Section 8, above. The foregoing provision shall apply only to Lots which have been occupied pursuant to a certificate of occupancy issued by the local authority having jurisdiction over the same.

9.17. **Exterior Maintenance.** The owner of each Lot shall maintain the grounds and improvements on his/her Lot, including, but not limited to, plantings, landscaping and lawns, at all times in a neat and attractive manner.

9.18. **Easements.** Easements for the installation, maintenance and repair of sanitary sewer and storm water drainage facilities are reserved as shown on the recorded plats. Within such easements, no structure, planting, or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of the utilities, or which may change the direction of flow or otherwise impede or retard the flow of water through the drainage channels within such easements. Any easements located on a Lot shall be maintained continuously by the owner of such Lot, except for any such improvements for which a public authority or utility company is responsible. Declarant reserves the right to create and impose additional easements or rights-of-way over any unsold Lot or Lots by the recording of appropriate instructions in the office of the Register of Deeds for York County, and such instruments shall not be construed to invalidate any of these covenants.

Declarant reserves an easement ten (10) foot right-of-way over, under and along the rear line of each Lot for the installation and maintenance of poles, lines, conduits, pipes and other equipment necessary to or useful for furnishing electric power, gas, telephone service, Cablevision or other utilities, including water, sanitary sewage service and storm drainage facilities. Declarant also reserves an easement in and five (5) foot right-of-way over, under and along the side lines of each Lot for the aforementioned purposes.

9.19. **Subdivision of Lots.** No Lot shall be subdivided by sale or otherwise so as to reduce the total Lot area shown on the recorded map or plat, except by and with the written consent of the Declarant or 67% of the remaining Lot Owners..

9.20. **Unintentional Violations.** Declarant, or the persons or firms to whom the architectural review and approval authority has been delegated pursuant to Section 8, above, may, but shall not be obligated to, waive any violation of the designated and approved building setback lines on any Lot, provided that no waiver may be granted for a violation in excess of 25% of the applicable requirements. No such waiver shall be effective unless the Lot and all structures thereon are in full compliance with the applicable provisions of the Zoning Ordinance or a variance has been obtained for such violation. Waivers shall be effective upon recording of same in the office of the Register of Deeds for York County.

9.21. **Street Lighting.** Declarant reserves the right to subject the Planned Community to a contract with a local utility provider for installation of street lighting, which contract requires a continuing monthly payments to the local utility provider by each residential customer.

9.22. **Enforcement.** Enforcement of these Covenants shall be by proceedings at law or in equity against any person or persons violation or attempting to violate any covenant herein and enforcement shall be to either restrain violation and/or to recover damages resulting therefrom. These covenants may also be enforced by the Association, pursuant to the Declaration and the ByLaws of the Association.

9.23. **Severability**. Invalidation of any one or more of these covenants by judgment or court order shall in any way affect any of the other provisions, which shall remain in full force and effect.

9.24. **Term**. These covenants shall run with and bind the land all owners therefor for a period of 20 years from the date they are recorded, after which time, they shall automatically be extended for successive periods of 10 years unless altered or amended as set forth below.

9.25. **Declarant**. Nothing contained in these Covenants shall be construed to permit interference with the development of Lots by Declarant so long as said development follows the general plan of development previously approved by the local authority having jurisdiction over such development. The restrictions contained herein shall not be deemed to apply to any sales office, construction trailer, model home or other temporary improvement installed by or with the approval of Declarant.

10. GENERAL PROVISIONS.

10.1. **Enforcement**. The Declarant (as long as Class B Membership exists), the Association or any Lot Owner shall have the right to enforce, by a proceeding at law or in equity, the terms of the Declaration. Failure by the Association or by any Lot Owner to enforce any covenant or restriction herein shall in no event be deemed a waiver of the right to do so thereafter.

10.2. **Severability**. Invalidation of any one or more of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

10.3. **Amendment**.

10.3.1. These covenants may be amended during the first 5-year period by the Declarant, without the approval or joinder of any other person. These covenants may be amended after the first five (5) year period by an instrument signed by the then owners of not less than 67% of the Lots.

10.3.2. If an amendment is executed, each such amendment shall be delivered to the Association's Board which shall, within thirty (30) days:

- (a) Reasonably assure itself that the amendment has been executed by the Lot Owners of the required number of Lots (for this purpose, the Board may rely on its roster of Members, and shall not be required to cause the title to any Lot to be examined); and
- (b) Attach the following certification:

CERTIFICATION

By authority of its Executive Board, IronGate Farms Homeowners Association, Inc. certifies that the foregoing instrument has been duly executed by the Lot Owners of sixty-seven percent (67%) of the Lots

in the Planned Community and is therefore a valid amendment to the Declaration recorded in Book _____ Page _____ in the office of the Register of Deeds for York County, South Carolina.

IronGate Farm Homeowners Association, Inc.

BY: _____
_____ President

Within the thirty (30) day period, the Association's Board shall cause the amendment to be recorded with the appropriate Register of Deeds' office. All amendments shall be effective from the date of recordation in the appropriate Register of Deeds' office; provided, however, that no such instrument shall be valid until it has been indexed in the name of the Association.

10.4. **Disputes.** In the event of any dispute arising concerning a provision of this Declaration, such dispute shall be settled by legal proceedings or the parties may, by mutual agreement, submit the dispute to a committee appointed by the Association for this purpose, and once submitted, the parties agree to be bound by the decision of that committee.

10.5. **Voting.** Voting by Members of the Association shall be in accordance with the applicable provisions set forth in this Declaration and the ByLaws.

10.6. **Member Addresses.** Each Member agrees to keep the Association informed of his address at any time and any notice sent or delivered to that address shall be sufficient. Each new Member agrees to provide the Association with evidence of his Lot Ownership for preparation of a membership roster and the roster as so completed shall be sufficient evidence as to the Lot Ownership of each Lot.

10.7. **Gender and Grammar.** All words and phrases in this Declaration shall be construed to include the singular or plural number, and the masculine, feminine, or neuter gender, as the context requires.

10.8. **Lot Owner Responsibility.** Notwithstanding anything in this Declaration to the contrary, a Lot Owner shall be responsible for any and all violations of these Declarations by his employees, agents, tenants, guests and invitee. When a party to this Declaration consists of more than one individual or entity, such party's liability hereunder shall be joint and several.

10.9. **Construction.** This Declaration shall be construed in accordance with the laws of South Carolina without giving effect to its conflict of laws principles. In case of any conflict between the Declaration and the Articles or the ByLaws, the Declaration shall control.

10.10. **Exhibits.** All Exhibits and Schedules, if any, attached to this Declaration are hereby incorporated by reference and made a part of this Declaration. The term "Declaration" as used herein shall be deemed to include all such Exhibits and Schedules.

10.11. **Remedies.** In the event of any default in and/or breach of any of the terms, conditions and provisions of this Declaration (either actual or threatened) the party or parties who are thereby

aggrieved shall have the right to specific performance and/or injunction in addition to any and all other rights and remedies at law or in equity. The rights and remedies provided by this Declaration are distinct and cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. No delay or omission of a party to exercise any right or power arising from any default on the part of the other shall impair any such right or power, or shall be construed to be a waiver of any such default or an acquiescence therein. The rights and remedies provided herein are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

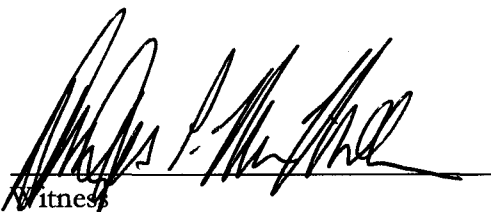
10.12. **Approval.** As long as there is a Class B membership and as long as the Planned Community has been approved for VA or FHA guaranteed loans, if applicable (but not otherwise), the following actions will require prior approval of the Veterans Administration and/or the Department of Housing and Urban Affairs: annexation of additional Properties, conveyance of Common Areas, dedication of or withdrawal of land from dedication of Common Areas, or amendment of this Declaration.

10.13 **Termination.** Any termination of the Planned Community shall be effected by a vote of no less than an eighty percent (80%) vote of each class of membership in the Association entitled to vote.

10.14 **Attorneys Fees.** In any action brought to enforce provisions of this Declaration, the Association's Articles of Incorporation or ByLaws, or rules or regulations duly adopted by the Association, the prevailing party in such action shall be entitled to collect reasonable attorneys fees awarded by the court having jurisdiction over such action.

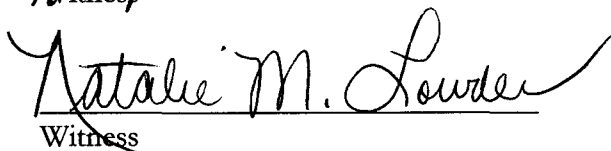
10.15 **Rules of Construction.** In the event of a conflict between the provisions of the Declaration and the Association's ByLaws, the Declaration shall prevail except to the extent it is inconsistent with . To the extent any provisions of the Declaration, the Association's Articles of Incorporation or ByLaws violate , such provisions shall be deemed amended and shall be construed to the extent necessary to comply with .

IN WITNESS WHEREOF, the Declarants have set their hands and seals the day first above written.


Witness

IRONGATE FARMS, LLC


By _____
ROBERT C. YON, SR., Member/Manager


Witness

BRANCH BANKING AND TRUST COMPANY, as owner and holder of a Promissory note secured by a Mortgage recorded in Book 9668, at Page 159, in the office of the Clerk of Court/Register of Deeds for York County, South Carolina joins in the execution of this Declaration for the purpose of making said Mortgage subject and subordinate to the terms and conditions of this Declaration.

BRANCH BANKING AND TRUST
COMPANY

Stephanie Carpenter
Witness

BY: SR JICE President

Sallie R. Gaddy
Witness

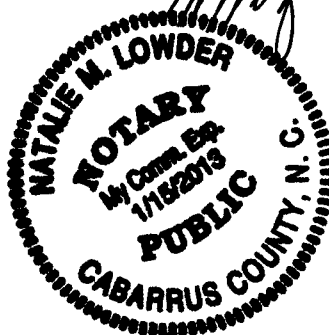
STATE OF NC

COUNTY OF Mecklenburg

PERSONALLY appeared before me the undersigned witness, who, after first being duly sworn deposes and states that (s)he saw the within named IRONGATE FARMS, LLC, by its duly authorized member/manager, sign, seal and as its act and deed deliver the within written Declaration and that (s)he with the other witness subscribed above witnessed the execution thereof.

SWORN to before me this 23 day
day of April, 2008

Natalie M. Lowder
Notary Public
My Commission Expires: 1/15/2013



STATE OF NORTH CAROLINA

COUNTY OF MECKLENBURG

PERSONALLY appeared before me the undersigned witness, who, after first being duly sworn deposes and states that (s)he saw the within named BRANCH BANKING AND TRUST COMPANY, by its duly authorized officer, sign, seal and as its act and deed deliver the within written Declaration and that (s)he with the other witness subscribed above witnessed the execution thereof.

SWORN to before me this 24th day
day of April, 2008

Sallie R. Gaddy
Notary Public, Sallie R. Gaddy
My Commission Expires: June 23, 2011

Stephanie Carpenter
Witness

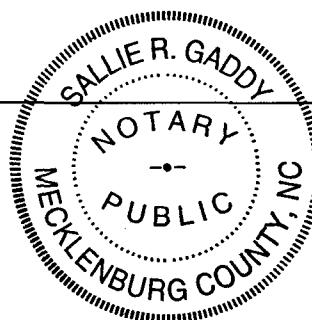


EXHIBIT "A"

Tract 1:

BEGINNING at a #4 rebar found in the northerly margin of the right-of-way of Ridge Road (S 46-27, a 75' right-of-way) and runs thence with the westerly line of the property conveyed to George B. Gann and James H. Gann by Deed recorded in Book 776 at Page 129 and as shown in Plat Book 73 at Page 150 in the office of the Clerk of Court for York County, South Carolina N. 24-29-42 E. 932.51 feet to a #5 rebar under surface by pine root 3.7degrees north of 5/8" threaded rod; thence with the westerly line of the property conveyed to Linda C. Gann as shown in Deed recorded in Book 6791 at Page 219 and as shown in Plat Book C-349 at Page 1 in aforementioned office and continuing with the line of the property conveyed to George B. Gann and James H. Gann as hereinabove described (now or formerly) N. 04-17-20 W. 970.60 feet to a #5 rebar found with 1" Pipe Guard in the southerly line of Richard M. Flanagan as described by Deed recorded in Book 985 at Page 344 and as shown in Plat Book 89 at Page 155 in aforementioned office; thence with the southerly line of Flanagan (now or formerly) six (6) courses and distances as follows: (1) N. 69-59-56 E. 186.71 feet to a #4 rebar found; (2) N. 70-20-23 E. 144.46 feet to a 1" pipe found; (3) N. 70-02-35 E. 434.31 feet to an axle at stone; (4) S. 57-46-46 E. 199.04 feet to a #4 rebar found; (5) S. 55-53-47 E. 253.04 feet to a #4 rebar found and (6) S. 57-45-34 E. 199.57 feet to an axle in stump at the southwesterly corner of the property conveyed to Rebecca L. Munsey as described by Deed recorded in Book 3291 at Page 290 and as shown in Plat Book B-274 at Page 4 in aforementioned office; thence with the southerly lines of Munsey (now or formerly) two (2) courses and distances as follows: (1) S. 57-37-18 E. 165.91 feet to a 1-1/2" pipe found and (2) S. 67-37-33 E. 763.02 feet to a 1-1/2" pipe found at the corner of the property of Charles J. Love as described by Deed recorded in Book 3291 at Page 286 and as shown in Plat Book B-274 at Page 4 in aforementioned office; thence with the westerly line of Charles J. Love (now or formerly) and one of the westerly lines of Donald M. Love as described by Deed recorded in Book 3291 at Page 281 and as shown in Plat Book B-274 at Page 4 in aforementioned office S. 01-23-41 W. 419.65 feet to a point; thence with the westerly line of the Donald M. Love property (now or formerly) two (2) courses and distances as follows: (1) S. 48-51-39 W. 173.28 feet to a 1-1/2" pipe found and (2) S. 30-35-52 W. 712.99 feet to a #5 rebar set; thence with the lines of the property of Donald M. Love as described by Deeds recorded in Book 851 at Page 181 and in Book 462 at Page 582 and as shown in Plat Book 79 at Page 101 in aforementioned office two (2) courses and distances as follows: (1) S. 28-26-08 W. 351.56 feet to an axle and (2) S. 30-09-13 W. 241.42 feet to a 1-1/2" pipe found with pinched top marking the northeasterly corner of the property conveyed to Christopher J. Rice by Deed recorded in Book 2086 at Page 340 and as shown in Plat Book B-5 at Page 98 in aforementioned office; thence with the line of Rice (now or formerly) two (2) courses and distances as follows: (1) N. 68-23-54 W. 546.19 feet to a 1-1/2" pipe with pinched top and (2) S. 32-13-47 W. 296.92 feet to a point in the center line of Ridge Road; thence with the center line of Ridge Road N. 65-58-29 W. 1086.91 feet to a point; thence N. 24-29-42 E. 33.13 feet to the point and place of BEGINNING. SAVE AND EXCEPT, HOWEVER, that parcel conveyed to Ellen Birmingham by Deed recorded in Book 6464 at Page 181 and as shown in Plat Book 90 at Page 203 in aforementioned office more particularly described as follows: TO FIND THE POINT AND PLACE OF BEGINNING proceed from a #4 rebar found in the northerly margin of the right-of-way of Ridge Road at the southwesterly corner of the property of George B. Gann and James H. Gann as described by Deed recorded in Book 776 at Page 129 and as shown in Plat Book 73 at Page 150 in aforementioned office and run thence with the property with the easterly line of said property N. 24-29-42 E. 932.51 feet to a #5 rebar under surface by pine root 3.7degrees north of 5/8" threaded rod; thence with the line of the property of Linda C. Gann as described by Deed recorded in Book 6791 at

Page 219 and as shown in Plat C-349 at Page 1 in aforesaid office and the herein above described property of George B. Gann and James H. Gann (now or formerly) N. 04-17-20 W. 867.56 feet to a #4 rebar found in the line of George B. Gann and James H. Gann (now or formerly); thence N. 85-43-49 E. 60.02 feet to a #4 rebar marking the point and place of beginning; and run thence from said point and place of beginning N. 85-44-28 E. 119.66 feet to a point; thence N. 88-49-52 E. 250.74 feet to a #5 rebar set; thence S. 11-41-37 W. 50.42 feet to a #5 rebar set; thence S. 05-20-04 W. 101.44 feet to a #5 rebar set; thence S. 88-52-27 W. 219.95 feet to a #5 rebar found; thence S. 85-43-01 W. 119.71 feet to a #4 rebar found; thence N. 04-14-03 W. 150.04 feet to the POINT AND PLACE OF BEGINNING. CONTAINING 92.361 acres (91.42 acres net of the right-of-way of Ridge Road), more or less, as shown on plat of survey for Robert Yon, prepared by Baird Engineering, Inc., Joe H. Baird, PLS, dated June 22, 2006, a copy of which is recorded in Plat Book D-134 at Page 4 in the office of the Clerk of Court for York County, South Carolina, reference to which is hereby made for a more particular and complete description.

Tract 2:

Approximately 3.88 acres located at Ridge Road, Clover, York County, South Carolina, tax parcel identifier number 3760000007 if acquired by Declarant.