

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)
DECLARATION OF RIGHTS, RESTRICTIONS,
AFFIRMATIVE OBLIGATIONS, CONDITIONS,
ETC., which constitute covenants
running with certain lands of
Hilton Head Plantation Company, Inc.

CLASS "B" COVENANTS OF ^{EDH} December 6, 1974 225/203
FOR MULTI-FAMILY RESIDENTIAL AREAS IN
HILTON HEAD PLANTATION

WHEREAS, HILTON HEAD PLANTATION COMPANY, INC., a corporation organized and existing under the laws of the State of South Carolina is the owner of certain lands located within Hilton Head Plantation in Beaufort County, South Carolina; and

WHEREAS, HILTON HEAD PLANTATION COMPANY, INC., in accordance with a resolution of its Board of Directors adopted at a duly held meeting, wherein the Officers of Hilton Head Plantation Company, Inc. were authorized to make this Declaration and to execute the same on behalf of said Company, now wishes to declare certain restrictive covenants affecting certain lands in Hilton Head Plantation and nearby areas now owned or subsequently acquired by the Company.

NOW THEREFORE, HILTON HEAD PLANTATION COMPANY, INC., does hereby declare that the covenants contained herein shall be covenants running with the land and shall apply to lands conveyed in Hilton Head Plantation and nearby areas by deeds hereafter made which make reference to this Declaration of Covenants. The Company reserves in each instance the right to add additional restrictive covenants in respect to said properties to be conveyed, or to limit therein the application of the consolidated uniform covenants contained herein.

DEFINITIONS

1. Whenever used herein, the term "Company" or "the Company" shall refer to Hilton Head Plantation Company, Inc., its successors and assigns.
2. Whenever used herein, the term "lot" or "residential lot" shall mean a tract or parcel of subdivided and platted land in Hilton Head Plantation intended for multi-family residential use and which has been subjected to the provisions of these restrictions and covenants by reference in deeds to property issued by the Company.
3. Whenever used herein, the term "lot owner" shall mean the original owner, builder or developer of the lot, as well as any subsequent owner of such lot or a portion thereof, and the owner, lessee or occupant of any dwelling unit constructed on said lot.
4. Whenever used herein, the term "Class B Limited Residential Area" shall mean those tracts or blocks of land intended for use as sites designated for the construction of multi-family dwellings, including, but not limited to, condominiums, villas, townhouses, cooperatives and apartments.
5. Whenever used herein, the term "dwelling unit" means any portion of any building situated on a lot designed and intended for use and occupancy by a single family, including, but not limited to, each apartment in any multi-family structure, each villa or townhouse when two or more are located on a single lot, and each unit in a residential condominium.

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6. Whenever used herein, the term "Association" shall refer to Hilton Head Plantation Property Owners' Association, Inc., its successors and assigns and any other community or owners' association within Hilton Head Plantation organized by the Company or by others with the consent of the Company.

7. "Hilton Head Plantation" when used herein shall refer to the lands in Beaufort County, South Carolina and nearby areas which are shown as a part of Hilton Head Plantation on the Company's Master Development Plan as revised from time to time.

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8. The Covenants and Restrictions below will be referred to as the Class "B" Covenants for Hilton Head Plantation of December 6, 1974, and will be recorded in the Office of the Clerk of Court for Beaufort County, South Carolina, and may be incorporated by reference in deeds to residential property issued by the Company by reference to the Book and Page of recording in the realty records in the Office of the Clerk of Court for Beaufort County, South Carolina.

PART I

COVENANTS, RESTRICTIONS AND AFFIRMATIVE OBLIGATIONS APPLICABLE TO ALL CLASS "B" MULTI-FAMILY RESIDENTIAL AREAS

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

1. No building, fence or other structure shall be erected, placed or altered on any lot in such Class "B" Limited Residential Area until the proposed building plans, specifications, exterior color or finish, plot plan (showing the proposed location of such building or structure, drives and parking areas), and construction schedule shall have been approved in writing by Hilton Head Plantation Company, Inc., its successors or assigns. Refusal of approval of plans, location or specification may be based by the Company upon any ground, including purely aesthetic conditions, which in the sole and uncontrolled discretion of the Company shall seem sufficient. No alteration in the exterior appearance of any building or structure shall be made without like approval by the Company. One (1) copy of all plans and related data shall be furnished the Company for its records. In the event approval of such plans is neither granted nor denied within sixty (60) days following receipt by Company of written demand for approval, the provisions of this paragraph shall be thereby waived.

2. No plans will be approved unless the proposed dwelling unit will have the minimum required square footage of enclosed dwelling area. Such minimum requirements of each lot will normally be specified in each sales contract, and expressly stipulated in each deed. The term "enclosed dwelling area" as used in these minimum size requirements shall mean that total enclosed area within a dwelling unit; provided, however, that

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such term does not include garages, terraces, decks, open porches, and the like; provided further, that shed-type porches, even though attached to the multi-family dwelling structure are specifically excluded from the definition of the aforesaid term "enclosed dwelling area". The term does include, however, screen porches, if the roof of such porches forms an integral part of the roof line of the main multi-family dwelling structure or if they are on the ground floor of a two-story multi-family dwelling structure.

3. In order to protect the natural beauty of the vegetation and topography of the shoreline, marsh and lagoon edges located throughout Hilton Head Plantation, written approval of the Company is hereby required for the removal, reduction, cutting down, excavation or alteration of topographic and vegetation characteristics. Written approval will be granted for the minimum amount of earth movement required in plans and specifications approved pursuant to the provisions of paragraph 1 of this Part I.

4. Since the establishment of standard inflexible building setback lines for the location of multi-family dwelling structures on lots tend to force construction of such buildings both directly behind and directly to the side of each other with detrimental effects on privacy, view of the sound and other waterways, preservation of important trees, etc., no specific setback lines are established by these covenants. In order to assure, however, that location of multi-family dwelling structures will be staggered where practical and appropriate so that the maximum amount of view and breeze will be available to each dwelling unit, that the structures will be located with regard to the ecological constraints and topography of each individual lot, taking into consideration the elevations of each lot, the location of large trees and similar considerations, the Company reserves unto itself, its successors and assigns, the right to control absolutely and solely to decide the precise site and location of any building or other structure upon all lots and every lot within the Class "B" Limited Residential Areas. Provided, however, that such location shall be determined only after reasonable opportunity is afforded the lot owner to recommend a specific site, and provided further, that in the event an agreed location is stipulated in writing in the contract of purchase, the Company shall approve automatically such location for residence.

5. The exterior of all buildings and other structures must be completed within two (2) years after the construction of same shall have commenced, except where such completion is impossible or would result in great hardship to the owner or builder due to strikes, fires, national emergency or natural calamities. Multi-family dwelling structures may not be temporarily or permanently occupied until the exterior thereof has been completed.

6. All lots in said Class "B" Limited Residential Areas shall be used for residential purposes exclusively; provided, however that use of a dwelling unit for meetings, seminars, or conferences of less than fifty (50) persons shall not be considered a non-residential purpose. No structure or structures shall be erected, altered, placed or permitted to remain on any lot or subdivision of lots except as provided for in these covenants and restrictions, or except as provided for in each deed of conveyance, and the said deed shall, in the discretion of the Company, expressly determine and limit the number of condominiums, villas, townhouses, cooperatives, apartments or other residence units or group of such units to a given tract, area or lot of land, to include height of any and all such structures, and maximum occupancy of both individual units as well as total maximum occupancy or density of all units combined within a given lot subdivision or complex.

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7. It shall be the responsibility of each lot owner to prevent the development of any unclean, unsightly or unkept conditions of buildings or ground on such lot which shall tend to substantially decrease the beauty of the neighborhood as a whole or the specific area.

8. No noxious or offensive activity shall be carried on upon any lot, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. There shall not be maintained any plants or animals, or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the enjoyment of other property in the neighborhood by the owners thereof.

9. In order to implement effective insect, reptile and woods fire control, the Company, the Association and their agents have the right to enter upon any residential lot on which improvements have not been constructed and upon which no landscaping plan has been implemented (with prior written approval of the Company for such plan), such entry to be made by personnel with tractors or other suitable devices for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds, or other unsightly growth, which in the opinion of the Company or the Association detracts from the overall beauty, setting and safety for the Hilton Head Plantation. The cost of this vegetation control shall be paid by the owner of the lot. Such entrance for the purpose of mowing, cutting, clearing or pruning shall not be deemed a trespass. The Company or the Association and their agents may likewise enter upon such land to remove any trash which has collected on such lot without such entrance and removal being deemed a trespass. The provisions in this paragraph shall not be construed as an obligation on the part of the Company or the Association, to mow, clear, cut or prune any lot nor to provide garbage or trash removal services.

10. In the event the lot owner desires to sell a lot, any portion thereof or any improvements constructed thereon within Hilton Head Plantation, then said property shall be offered for sale to the Company at the same price at which the highest bona fide offer has been made for the property, and the said Company shall have thirty (30) days from the latter of (a) the date of such offer, or (b) the date upon which all assessments owed to the Association by the owners are paid, within which to exercise its right of first refusal to purchase said property at the offered price, then the lot owner shall have the right to sell said property to third parties subject, however, to all covenants and limitations herein contained, at a price not lower than that at which it was offered to the Company.

Should, however, such sale not be consummated within six (6) months of the date of the offer transmitted to the Company, the terms and limitation of this paragraph shall again be imposed upon any sale by the lot owner.

If the Company shall elect to purchase such property, the transaction shall be consummated within thirty (30) days following delivery of notice by Company to the lot owner of its decision to purchase.

The provisions of this paragraph shall not apply to sales under powers contained in Mortgages, and similar security instruments.

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11. No commercial sign, including "for rent", or "for sale", and other similar signs, shall be erected or maintained on any lot by anyone including but not limited to the lot owner, a realtor, a contractor or subcontractor, except with the written permission of the Company or except as may be required by legal proceedings, it being understood that the Company will not grant permission for said signs unless their erection is reasonably necessary to avert serious hardship to the property owner. If such permission is granted, the Company reserves the right to restrict size, color and content of such signs. Property identification and like signs exceeding a combined total of more than two (2) square feet may not be erected without the written permission of the Company.

12. Each lot owner shall provide space off the street for parking of at least one (1) or more automobiles for each dwelling unit constructed on the lot prior to the occupancy of any dwelling constructed on said lot in accordance with reasonable standards established by the Company.

13. Prior to the occupancy of a dwelling unit on any lot, proper and suitable provisions shall be made for the disposal of sewage by connection with the sewer mains of the Company, its licensee, successor or assigns, or if no such main has been constructed in the vicinity of such lot, then such disposal shall be made by means of a septic tank or tanks constructed on such lot for the disposal of all sewage and all sewage shall be emptied or discharged into such main or tanks. No sewage or other waste material shall be emptied or discharged into the ocean, any creek, marsh, river, sound, any waterway or beach or shorelines thereof. No sewage disposal system shall be permitted on any lot nor may any sewage disposal system be used unless such system is designed, located, constructed and maintained in accordance with the requirements, standards and recommendations of the appropriate public health authority. Approval of such system shall be obtained from such authority prior to the use of the system.

14. The Company reserves unto itself, its successors and assigns, a perpetual, alienable and releasable easement and right on, over and under the lot to erect, maintain and use poles, wires, cables, conduits, sewers, water mains and other suitable equipment for the conveyance and use of electricity, telephone equipment, community antenna television service, gas, sewer, water or other public conveniences or utilities on, in or over those portions of each lot, parcel or tract of land as may be reasonably required for utility line purposes, provided however, that no such utility easement shall be applicable to any portion of such lot, parcel or tract as may (a) have been used prior to the installation of such utilities for construction of a building whose plans were approved pursuant to these covenants by the Company, or (b) such portion of the lot, parcel or tract as may be designated as the site for a building on a plot plan for erection of a building which has been filed with the Company and which has been approved in writing by the Company. These easements and rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. Such rights may be exercised by any licensee of the Company, but this reservation shall not be considered an obligation of the Company to provide or maintain any such utility or service.

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15. In addition, the Company reserves unto itself, its successors and assigns a perpetual, alienable and releasable easement and right on and over and under the lot to dispense pesticides and take other action which in the opinion of the Company is necessary or desirable to control insects and vermin, to cut fire breaks and other activities which in the opinion of the Company are necessary or desirable to control fires on the lot, or any improvements thereon.

16. The Company further reserves the right to locate wells, pumping stations and tanks within any portion of the lot; provided, however, that should the Owner of any portion of the lot upon which such pumping station, well or tank shall be located be one other than the Company, or the Association, and the applicable recorded plat of such lot does not designate such property for use as aforesaid, then such pumping station, tank or well shall not be located upon such lot without the permission of such lot owner. Such rights may be exercised by any licensee of the Company, but this reservation shall not be considered an obligation of the Company to provide or maintain any such utility or service.

17. No television antenna, radio receiver or sender or other similar device shall be attached to or installed on the exterior portion of any dwelling unit or on the lot; provided, however, that the provisions of this paragraph shall not apply to the Company and/or the Association for the installation of equipment necessary for a master antenna system, CATV and mobile radio systems or other similar systems within Hilton Head Plantation.

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

19. No trailer, camper, recreational vehicle, utility trailer, tent, barn, treehouse, or other similar outbuilding or structure shall be placed on any lot at any time, either temporarily or permanently; provided, however, that the Company reserves the right to grant approval in writing for temporary construction facilities to be placed on a lot.

20. Each lot owner shall provide a screened area not generally visible from the road to serve as a service yard and an area for the storage of garbage receptacles and fuel tanks or similar storage receptacles. Plans for such fence delineating the size, design, texture, appearance and location must be approved by the Company prior to construction. Garbage receptacles and fuel tanks may be located outside of such screened area only if located underground.

21. No private water wells may be drilled or maintained on any residential lot so long as the Company, its licensee, agents, successors or assigns, plans a water distribution line within one hundred (100) feet of such lot with an average daily water pressure in such line adequate for normal household use in dwellings served by such distribution line; provided further that such water distribution line must be completed within the time specified in the Contract of Sale on the lot.

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22. No trees measuring six (6) inches or more in diameter at a point two (2) feet above ground level may be removed without the written approval of the Company.

23. No lot shall be subdivided, or its boundary lines changed, except with the written consent of the Company.

24. The Company expressly reserves to itself, its agents or assigns, any other provisions in this Declaration notwithstanding, the right to build bridges, walkways, or fixed spans across any or all natural or man-made canals, creeks or lagoons in Hilton Head Plantation. Nothing in this paragraph shall be construed as placing an affirmative obligation on the Company to provide or construct any bridge, walkway or fixed span.

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

PART II

SPECIAL RESTRICTIONS AFFECTING GOLF FAIRWAY RESIDENTIAL AREAS

1. "Golf Fairway Residential Areas" are defined as all those residential lots of land located adjacent to any golf course located in Hilton Head Plantation.

2. That portion of any Golf Fairway Residential lot within thirty (30) feet of the lot line bordering the golf course shall be in general conformity with the overall landscaping pattern for the golf course fairway area established by the golf course architect. All individual lot landscaping plans must be approved by the Company, before the implementation.

3. There is reserved to the Company and the Association a "Golf Course Maintenance Easement Area" on each lot adjacent to any golf course located in Hilton Head Plantation. This reserved easement shall permit the Company or the Association, at its election, to go onto any Golf Course Maintenance Easement Area for the purpose of maintenance and landscaping. Such maintenance and landscaping may include regular removal of underbrush, trees less than six (6) inches in diameter, stumps, trash or debris, planting of grass, watering, application of fertilizer, and mowing the Easement Area. This Golf Course Maintenance Easement Area shall be limited to the portion of such lots within thirty (30) feet of the lot line(s) bordering the golf course, or such lesser area as may be shown as a "Golf Course Maintenance Area" on the recorded plat of such lot; provided, however, that the above described maintenance and landscaping rights shall apply to the entire lot until there has been filed with the Company a landscaping plan for such lot by the Owner thereof, or alternatively, a residence constructed on the lot.

4. Until such time as a multi-family dwelling structure is constructed on a lot, the Company and the Association reserves an easement to permit and authorize registered golf course players and their caddies to enter upon a lot to recover a ball or play a ball, subject to the official rules of the course, without such entering and playing being deemed a trespass. After a multi-family residential area is constructed, such easement shall be limited to that portion of the lot included in the Golf Course Maintenance Easement Area, and recovery of balls only, not play, shall be permitted in such Easement Area. Golfers or their caddies shall not be entitled to enter on any such lot with a golf cart or other

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vehicle, nor spend unreasonable time on such lot, or in any way commit a nuisance while on such lot. After construction of a multi-family residential structure on a Golf Fairway lot, "Out of Bounds" markers may be placed on said lot at the expense of the Company.

5. Lot owners of Golf Fairway lots shall be obligated to refrain from any actions which would detract from the playing qualities of the golf course or the development of an attractive overall landscaping plan for the entire golf course area. Such prohibited actions shall include, but are not limited to, such activities as burning trash on a lot when the smoke would cross onto the fairway, and the maintenance of unfenced dogs or other pets on the lot under conditions interfering with play due to their loud barking, running on the fairways, picking up balls or other like interference with play.

6. Notwithstanding the provisions of Paragraph Three (3) of this Part II, the Company hereby reserves the right to allow a lot owner to construct a dwelling over a portion of the "Golf Course Maintenance Easement Area" in those cases where it, in its uncontrolled discretion, determines that such construction will not materially lessen the beauty or playing qualities of the adjacent golf course.

PART III

SPECIAL RESTRICTIONS AFFECTING ALL WATERFRONT AND WOODLAND AREAS

1. In order to preserve the natural appearance and scenic beauty of Hilton Head Plantation and to provide a "cover" for animals which habitually move along the marsh edges, there is hereby established a construction and clearing restricted zone on all lots fronting on marshlands. That portion of any marshland lot located within thirty (30) feet of the average high water mark shall be preserved substantially in its present natural state except for moderate clearing for view and breeze. Construction of improvements and major clearing of trees and underbrush is hereby restricted. For the purpose of this paragraph "marshland lot" is defined as any lot fronting on the salt marshland located between the highlands of Hilton Head Plantation and the water of Port Royal Sound or Skull Creek, one of the four sides of which is within twenty (20) feet of the mean high tide line. Notwithstanding the foregoing, the Company hereby reserves the right to exempt lots or portions of lots from said construction and clearing restrictions in those cases where it, in its uncontrolled discretion, determines that such exemption will not materially lessen the natural appearance and scenic beauty of Hilton Head Plantation or is necessary to protect the shoreline from erosion.

2. The provisions of Paragraph 1 of this Part III shall not prohibit the construction of docks and decks over the marsh in compliance with Paragraph 3 of this Part III.

3. Owners of lots fronting on the navigable water may erect docks (and boathouses where appropriate) which are approved by the Company upon the property located between the outer boundary of their lots and contiguous to same and the low water mark upon complying with the following terms and conditions:

- (a) Complete plans and specifications including site, color or finish must be submitted to the Company in writing;

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(b) Written approval of the Company to such plans and specifications must be secured, the Company reserving the right in its uncontrolled discretion to disapprove such plans and specifications on any grounds, including purely aesthetic reasons;

(c) Written approval of any local, state or federal governmental departments of agencies which have jurisdiction over construction in or near salt marshlands must be secured.

Any alterations of the plans and specifications or of the completed structure must also be submitted to the Company in writing and the Company's approval in writing must be similarly secured prior to construction, the Company reserving the same rights to disapprove alterations as it retains for disapproving the original structures.

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

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

PART IV

SPECIAL RESTRICTIONS AFFECTING OPEN SPACE AREAS

1. It is the intent of the Hilton Head Plantation Company, Inc. to maintain and enhance (or to convey subject to open space restrictions to the Hilton Head Plantation Community Association, Inc.) certain areas which the Company designates as "Open Space Areas" or "Private Open Space Areas" on plats hereafter filed for record in the Office of the Clerk of Court of Beaufort County, South Carolina, by the Company. It is the further intent and purpose of these restrictions and covenants to protect the salt marshes and sound bluffs, to maintain and enhance the conservation of natural and scenic resources, to promote the conservation of soils, wet lands, sound bluffs, tidal marshlands, wildlife, game and migratory birds, enhance the value of abutting and neighboring residential areas adjacent to such forests,

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wildlife preserves, natural reservations or sanctuaries or other open areas and open spaces, and to afford and enhance recreation opportunities, preserve historical sites and implement generally the Hilton Head Plantation Master Plan for development as revised from time to time.

2. To insure that land designated as Open Space Area will remain as undeveloped and natural woodland, shoreline or tidal marshlands, an Open Space Easement is hereby granted to lot owners in Hilton Head Plantation, their guests and tenants. The Open Space Easement granted hereby shall entitle such owners, their guests and tenants to enjoy the Open Space Areas subject to the rules and regulations of the Company or the Association.

3. Land designated as "Private Open Space Areas" shall be subject to the easement granted in Paragraph Two of this Part IV in every respect except that the enjoyment thereof shall and is hereby limited to lot owners (their guests and tenants) of property immediately contiguous and adjacent to such land. The "Private Open Space Easement" hereby granted shall not extend to any area not shown on the plat referenced in the lot owners deed, nor to areas on such plat not clearly designated as "Private Open Space Areas".

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

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

6. The Company and the Association shall have the right to protect from erosion the land described as Open Space Area or Private Open Space Area by planting trees, plants, and shrubs where and to the extent necessary or by such mechanical means as bulkheading, or other means deemed expedient or necessary by the Company. The right is likewise reserved to the Company and to the Association to take necessary steps to provide and insure adequate drainage ways, canals or lagoons in Open Space, to cut fire breaks, remove diseased, dead, or dangerous trees and carry out other similar activities.

7. The Company reserves unto itself, its successors and assigns the right to go on, over and under the ground to erect, maintain and use poles, wire cables, conduits, sewers, water mains, and other suitable equipment for the conveyance and use of electricity, telephone equipment, gas, sewer, water or other public conveniences or utilities in said Open Space Areas and Private Open Space Areas. These reservations and rights expressly include the right to cut any trees, bushes, or shrubbery, rights to make any gradings of the soil, or take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety and appearance. The Company further reserves the right to

locate wells, pumping stations and tanks and any other facilities which will improve general environmental, health, or sanitary conditions within such Open Space Areas and Private Open Space Areas. Such rights may be exercised by any licensee of the Company, but this reservation shall not be considered an obligation of the Company to provide or maintain any such utility or service.

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

9. The granting of this easement does in no way grant to the public or to the owners of any surrounding or adjacent land, the right to enter such Open Space without the express permission of the Company.

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

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

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

PART V

ADDITIONS, LIMITATION, DURATION AND VIOLATIONS OF COVENANTS TOGETHER WITH AFTERWORD

1. All covenants, restrictions, and affirmative obligations set forth in this Declaration shall run with the land and shall be binding on all parties and persons claiming under them to specifically include, but not be limited to, the successors and assigns, if any, of the Hilton Head Plantation Company, Inc. for a period of twenty-five (25) years from the execution date of this Declaration except the special restrictions and covenants affecting Open Space Areas, and they shall differ in no particular save they shall run for a period of fifty (50) years from the date the relevant and applicable plat is recorded on the Real Estate Records of Beaufort County, South Carolina, after which time, all said covenants shall be automatically extended for an unlimited number of successive periods of ten (10) years, unless an instrument signed by a majority of the then lot owners substantially affected by such change in covenants, has been recorded, agreeing to change said covenants in whole or in part. Unless the contrary shall be determined by a court of equity jurisdiction, "substantially affected" shall mean those lots shown on (a) the plat showing the lots to be modified in permitted use by the change, and (b) the plats which subdivided the property immediately abutting the plat described in (a).

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2. In the event of a violation or breach of any of the restrictions contained herein by any lot owner, or agent of such owner, the owners of lots in the neighborhood or subdivision, or any of them, jointly or severally, shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event. In addition to the foregoing, the Company and/or the Association shall have the right to proceed at law or in equity to compel a compliance to the terms hereof or to prevent the violation or breach in any event. In addition to the foregoing the Company and/or the Association shall have the right, whenever there shall have been built on any lot in the subdivision any structure which is in violation of these restrictions, to enter upon such property where such violation exists and summarily abate or remove the same at the expense of the owner, if after thirty (30) days' written notice of such violation it shall not have been corrected by the owner. Any person entitled to file a legal action for the violation of these covenants shall be entitled to recover reasonable attorneys' fees as a part of such action. Any such entry and abatement or removal shall not be deemed a trespass. The failure to enforce any rights, reservations, restrictions, or condition contained in this Declaration, however long continued, shall not be deemed a waiver of this right to do so hereafter as to the same breach, or as to a breach occurring prior to or subsequent thereto and shall not bar or affect its enforcement. The invalidation by any court of any restrictions of these covenants shall in no way affect any of the other restrictions, but they shall remain in full force and effect.

3. The Company reserves in each instance the right to add additional restrictive covenants in respect to lands conveyed in the future in Hilton Head Plantation, or to limit therein the application of these covenants, provided that no limitations shall be made applicable to a portion of the lots in a platted subdivision, with any limitations to this Declaration of Covenants to be applicable only as to subdivisions in which no parcels have been previously conveyed subject to this prior Declaration of Covenants.

4. The Company reserves the right to assign to the Association its right reserved in these covenants to approve (or disapprove) improvements proposed in Hilton Head Plantation and nearby areas, including but not limited to the right to approve (or disapprove) plans, specifications, color, finish, plot plans and construction schedules.

5. Hilton Head Plantation Property Owners' Association, Inc. has established and published certain covenants and land use restrictions affecting properties in Hilton Head Plantation. Said covenants have been recorded in the Realty Records in the Office of the Clerk of Court of Beaufort County, South Carolina, on July 11, 1973, in Book 211 at Page 1487. These Class "B" Covenants of Hilton Head Plantation shall also be subject to the provisions of the said covenants established by Hilton Head Property Owners' Association, Inc. EDH

DATED this 6th day of December 1974.

Witnesses:

HILTON HEAD PLANTATION COMPANY, INC.

Philip E. Ordway

By Lee C. W. [Signature]
AS ITS Vice President

Linda H. [Signature]

Attest [Signature]
AS ITS Ass't Sec'y

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

PROBATE

2015

PERSONALLY appeared before me Philip E. Ordway,
who being duly sworn, says that he saw the corporate seal of the
HILTON HEAD PLANTATION COMPANY affixed to the foregoing instrument
and that he also saw Paul H. Williams
and William H. Jones of said HILTON
HEAD PLANTATION COMPANY, sign and attest the same, and that he
with Paul H. Jones witnessed the execution and
delivery thereof as the act and deed of the said HILTON HEAD
PLANTATION COMPANY.

Philip E. Ordway

Sworn before me this 15th
day of February, 1974.

Philip E. Ordway
Notary Public for South Carolina
My Commission Expires: 8/22/84

1005-11

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| FILED | BEAUFORT | RECORDED |
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W. Anita H. Tuttle
CLERK OF COURT OF COMMON PLEAS

NOW, THEREFORE, HILTON HEAD PLANTATION COMPANY, INC., hereafter referred to as "Company" does hereby declare that the provisions contained in Paragraph Twenty-two (22) of the above described Class B Covenants of April 18, 1974, to be limited by amending said provision to read after amendment as follows:

"22. No trees measuring three (3) inches or more in diameter at a point two (2) feet above the ground level may be removed without the written approval of the Company."

All other provisions contained in the Restrictive Covenants above described are hereby reaffirmed except as may be changed, modified or amended or added to herein.

Dated this 16th day of September, 1974.

WITNESSES: HILTON HEAD PLANTATION COMPANY, INC. (SEAL)

By: Lyn M. Hurlbutt Vice President
Attest: Jean A. Solan Asst. Secretary

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT) PROBATE

PERSONALLY appeared before me Lyn M. Hurlbutt who being duly sworn, says that he saw the corporate seal of the HILTON HEAD PLANTATION COMPANY affixed to the foregoing instrument and that he also saw H. Richard Werth, Vice President, and Charles A. Spangnuch, Assistant Secretary of said HILTON HEAD PLANTATION COMPANY, sign and attest the same, and that she with Jean A. Solan, witnessed the execution and delivery thereof as the act and deed of the said HILTON HEAD PLANTATION COMPANY.

Sworn before me this 16th day of September, 1974 Lyn M. Hurlbutt

Notary Public for South Carolina
My Commission Expires: 12/31/78

FILED AT BEAUFORT COUNTY S.C. SEP 23 1974
RECORDED IN BOOK 23 PAGE 2057