

review authority to the Board of Directors of the Association or to the Toler's Cove Homeowners Association, Inc. Board of Directors or any Architectural Review Board presently or hereinafter established by Toler's Cove Homeowners Association, Inc. Even if such architectural review authority is transferred to the Board of Directors of the Association, the approval, as set forth herein, shall be in addition to that presently required by the Toler's Cove Homeowners Association, Inc. Board of Directors.

## Article VIII

### USE RESTRICTIONS

Section 8.1 Residential Use of Lots. All Lots shall be used for single-family residential purposes exclusively. No structures, except as hereinafter provided, shall be erected, altered, placed or permitted to remain on any Lot other than One (1) detached single-family dwelling, provided, however, that nothing contained herein shall be construed to prevent the Developer from maintaining one or more model homes and/or sales offices in the Subdivision. No accessory structures or outbuildings, whether or not attached to the principal residence (including, but not necessarily limited to carports, storage shed, dog houses, awnings, breezeways, covered swimming pools, and the like) shall be constructed or allowed to remain on any Lot.

Section 8.2 Prohibition Against Business Activity and "Time Sharing" Use. No business activity, including but not limited to, a rooming house, boarding house, gift shop, antique shop, professional office or beauty/barber shop or the like or any trade of any kind whatsoever shall be carried on upon or in any Lot. Provided, however, that nothing contained herein shall be construed so as to prohibit home occupations (i.e., any occupation on a Lot and clearly incidental thereto, carried on by a member of the family resident of the premises is employed, so long as no stock in trade is kept or commodities sold, no mechanical equipment is used except such that is normally used for family, domestic, or household purposes, and there is no exterior indicating that the building is being used for any purpose other than a dwelling), or the construction of houses to be sold on said Lots or the showing of said Lot for the purpose of selling Lots in the Subdivision. Nothing herein shall be construed to prevent the Developer from erecting, placing or maintaining signs, structures and offices as it may deem necessary for its operation and sales or lease or management of Lots in the Subdivision. Provided, however, that nothing herein contained shall prevent the Developer from erecting and maintaining sales and marketing signs in Common Areas or on other property owned by the Developer.

No Lot or structure shall be "Time Shared," nor shall any Lot or structure be owned, used or operated in violation of the statutory provisions regulating Vacation Time Sharing Plans, S. C.

Code Ann. Sections 27-32-10 et seq. (1986 Supp.), as the same may be amended from time to time, nor shall any Lot or structure be owned, used or operated so as to constitute such Lot or structure as a "time sharing unit" within the meaning of such statutory provisions.

Section 8.3 Temporary Structures. No structure of a temporary character shall be placed upon any Lot at any time, provided, however, that this prohibition shall not apply to shelters approved by the Developer and used by the contractor during construction of a house, it being clearly understood that the latter temporary shelters may not, at any time, be used for residence or permitted to remain on the Lot after completion of construction. No trailer, mobile home, double-wide, park model trailer, motor home, tent, barn, camper, bus, tree house or other similar vehicle, out-building or structure shall be placed on any Lot or on any portion of the Common Areas at any time either temporarily or permanently.

Section 8.4 Mining and Drilling Prohibition. No oil or natural gas drilling, refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot, and no derrick or other structure designed for use in boring for oil or natural gas shall be stored, erected, maintained or permitted in the Subdivision.

Section 8.5 Use and Height of Restrictions. No structure shall be erected, placed or permitted to remain on any Lot other than one detached single-family residential dwelling with two stories, not to exceed forty-five feet (45') in height. For purpose of this Section, the first parking level or deck underneath a building built at or above grade shall not be considered a story.

Section 8.6 Setbacks and Building Lines. Each dwelling which shall be erected on any Lot shall be situated on such Lot in accordance with the Plot Plan pre-approved by Developer. In accordance with P.U.D., approval for these Lots by the Town of Mt. Pleasant, County of Charleston, South Carolina, the front, rear, and side setbacks are five feet (5') minimum. However, in each case, individual setbacks and sidelines must be approved by the Developer for its aesthetic value and the Developer may require a more stringent setback. The Developer shall have the power and authority to promulgate and publish setback requirements for each Lot.

Section 8.7 Developer's Right to Repurchase; Timely Construction Progress. Owner agrees to obtain building permits and to start construction of an approved single family residence on the lot within one hundred twenty (120) days after the date of closing. The Developer reserves the exclusive right to repurchase the lot for the sum of seventy-five percent (75%) of the total purchase price paid by the Owner to Developer in the event the Owner fails

to start construction within the said one hundred twenty (120) day period. Developer may exercise its right to repurchase at any time after the one hundred twenty (120) days have expired and prior to the date one hundred eighty (180) days after the closing by sending ten (10) day written notice to Owner. Should the Developer fail to exercise its right prior to the end of one hundred eighty days (180), and such failure is not caused by Owner, Developer shall be deemed to have automatically waived its right to repurchase the Lot. Should Developer be required to retain legal counsel to enforce the provisions of this right to repurchase, Owner hereby agrees to be responsible for payment of all Developer's legal fees, costs and expenses of enforcement.

Once construction of improvements on a residence is started on any Lot, the improvements must be substantially completed within twelve (12) months from the date of closing on the Lot by Owner and all landscaping must be completed within ninety (90) days after completion of the improvements or residence. All construction sites must be maintained in an orderly fashion and all construction debris must be placed in a trash container or removed within forty eight (48) hours.

Section 8.8 Material Restriction. All structures constructed or placed on any Lot shall be built of substantially new material and no used structures shall be relocated or placed on any such Lot.

Section 8.9 Re-Building Requirement. Any dwelling or out-building on any Lot which may be destroyed in whole or in part by fire, windstorm or for any other cause or act of God must be rebuilt or all debris removed and the Lot restored to a natural condition with reasonable promptness, provided, however, that in no event shall such debris remain longer than three (3) months.

Section 8.10 Elevation and Drainage Changes. No changes in the elevations, topography or drainage characteristics of the Subdivision shall be made on the premises without the prior written approval of the Board of Directors nor shall any fill be used to extend any property beyond any boundary line of any waterfront property.

Section 8.11 Landscaping, Plants and Trees. Plants, trees, shrubs and ground cover must be planted and installed as required by Developer. No additional plants, trees, or shrubs may be planted upon any Lot without written approval of the Developer and the Board of Directors.

Section 8.12 Clothesline and Clothes Drying. No Clothesline or drying yards shall be located upon the premises so as to be visible from any Common Area or other dwellings. No drying or airing of any clothing or bedding including beach towels,

shall be permitted outdoors on any Lot or over the decks or deck railings of any dwelling.

Section 8.13 Sewer System. No surface toilets or septic tanks are permitted in the Subdivision (other than those utilized during construction by the Developer). A Purchaser of a Dwelling assumes responsibility for attaching to public sewer system including all fees associated therewith. All plumbing fixtures, dishwashers, toilets or sewage disposal system shall be connected to the central sewer system of the Subdivision.

Section 8.14 Garbage Disposal. Each Owner shall provide garbage receptacles or similar facilities in accordance with reasonable standards established by the Board of Directors, which shall be visible from the streets on garbage pick up days only. No garbage or trash incinerator shall be permitted upon the premises. No burning, burying or other disposal of garbage or trash on any Lot or within the Subdivision shall be permitted. Provided, however, that Owner shall be permitted to modify the requirements of this Section where necessary to comply with orders of governing bodies or their franchisees.

Section 8.15 Sign Controls. No signs of any character shall be erected on any Lot or displayed to the public on any Lot except "For Sale" signs or signs indicating the name of one contractor only (not subcontractors) during the period of sale or construction only, provided said signs, (a) shall not exceed six square feet in size, (b) shall only refer to the premises on which displayed, (c) shall be located within fifteen feet (15') of the main structure, but no less than fifteen feet (15') from the front street right-of-way, and (d) shall not exceed more than one per Lot. This restriction shall not apply to signs used to identify and advertise the Subdivision as a whole, nor to signs for selling and/or houses during the development and construction period, which period shall not exceed ten (10) years from the date hereof, provided such signs are approved by the Toler's Cove Homeowners Association, Inc. Board of Directors.

Section 8.16 Exclusion of Above Ground Utilities. All electrical service, wires, pipes, lines, telephone, cable television (CATV) lines and utility services of any type shall be placed in appropriate conduit underground and no outside electrical lines shall be placed overhead. No exposed or exterior radio or television transmission or receiving antenna shall be erected, placed or maintained on any part of the Subdivision except those master facilities approved by the Developer. Provided, however, that the normal service pedestals, etc., used in conjunction with such underground utilities shall be permitted within the Subdivision. Overhead utilities shall be permitted during the construction period and until utility companies can place them underground.

Section 8.17 Communication System. There shall not be permitted or maintained any type of radio or communications system antenna (other than normal receive-only radio antennae) or satellite disc on any exterior portion of a dwelling or on any Lot, nor shall any such antenna or satellite disc be maintained inside a dwelling.

Section 8.18 Certain Vehicles Prohibited From Lots. No travel trailers or mobile homes, campers or other habitable motor vehicles of any kind, whether self-propelled or not, school buses, motorcycles, trucks, or commercial vehicles, or boat trailers or boats shall be kept, stored or parked overnight, either on any Common Area, specifically including streets and guest parking areas, or any Lot.

Section 8.19 Junk or Disabled Vehicles. No stripped, partially wrecked, unlicensed or invalidly licensed, disabled or junk motor vehicle, or part hereof, shall be permitted to be parked or kept in the Subdivision.

Section 8.20 Motorcycles. The Association shall have the authority to prohibit the use, maintenance or storage of motorcycles in the Subdivision.

Section 8.21 Pets. No animals, livestock, birds, or fowl shall be kept or maintained on any part of the Subdivision except dogs, cats, pet fish and birds which may be kept thereon in reasonable numbers (not to exceed three) as pets for the pleasure and use of the property Owner but not for any commercial use or purpose. All animals must be kept on a leash when they are outside the Owner's dwellings on a Lot and must not become a nuisance to other residents by barking or other acts. Non-owners (e.g. lessees) may not keep any pets on any part of the Property, without prior written approval of the Owner, said approval to be filed with the Association.

Section 8.22 Perimeter Access. There shall be no access to any Lot on the perimeter of the Subdivision except from designated roads or access easements within the Subdivision; provided, however, that Developer reserves the right to construct and operate temporary construction roads during the construction and development period.

Section 8.23 Prohibition of Open Outdoor Storage. No junk, debris or materials of any kind shall be stored on a Lot other than in an approved enclosed structure, which shall be attached to the principal dwelling or in a manner that is visible from any other Lot, Common Area, street, easement or amenity area. Firewood and bicycles may be stored outside in side or rear yards only, provided they are not visible from any Common Area, easement, street or amenity area.

Section 8.24 Prohibition of Accessory Structures. No dog houses, garages, carports, or any other accessory structure shall be constructed upon any Lot, except an attached storage compartment, accessory building, porch, swimming pool, swing set and similar recreational structure which has been approved in writing by the Board of Directors prior to installation or construction.

Section 8.25 Nuisances. No noxious or offensive activity shall be carried on upon any Lot or in any Dwelling, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or a nuisance to the neighborhood, including Common Areas, other homesites, easement areas or residences. No trash, leaves or rubbish may be burned on any Lot or within the Subdivision nor shall there be maintained any plants, poultry, animals (other than household pets) or device or thing of any sort, the normal activities or existence of which 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 Owner thereof.

Section 8.26 Fences. No fences whatsoever shall be erected or allowed to remain in the Subdivision except an approved picket fence in street side yards only not exceeding three feet (3') in height, and set back from Lot lines at such distance as the Developer or Board in its sole discretion may require, or except those erected by the Developer in Common Areas. Said fences and patio fences shall be allowed only after obtaining prior written approval of the Board. Said fences shall be treated wood and stained or painted white.

Section 8.27 Special Hazards. Each Owner accepts and assumes all the risks and hazards of ownership or occupancy attendant to the ownership of such Lot, including, but not limited to its proximity to any recreational facility or Common Area or the marsh and other bodies of water. Specifically, the Developer does hereby disclaim any and all liability for any property damage or personal injury resulting from erosion along all ditches, streams, wetlands, lagoons or other bodies of water or watercourses located in the Subdivision.

Section 8.28 Traffic Regulations. A speed limit of 25 MPH is established on all roads and streets and all traffic control signs, including but not limited to speed limit, stop, directional and no parking signs will be enforced.

Section 8.29 Encroachments. No Owner or individual shall alter in any way the Common Areas except with the written permission of the Association provided that such activity is required for the benefit of the Association or the Subdivision as a whole.

Section 8.30 Subdivision of Lot: Easements and Encroachments. No Lot shall be subdivided except as hereinafter provided and no building or residence, including porches or projections of any kind, shall be erected so as to extend over or across any of the building lines as hereinafter established. Provided, however, if any portion of any Common Area unintentionally encroaches upon a Lot or any part thereof, whether by settlement or otherwise, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. If any portion of improvements to a Lot or Lots encroaches upon the Common Area or any portion thereof, whether by settlement or otherwise, a valid easement for the encroachment and for the maintenance of same, so long as it stands, shall and does exist. In the event any improvement or part thereof is partially or totally destroyed and then rebuilt, any encroachment of any Common Area upon a Lot or Lots or encroachment upon an adjoining Lot or Lots resulting because of such rebuilding, shall be permitted, and a valid easement shall exist for the maintenance of such encroachments so long as the same stand. Such encroachments and easements shall not be considered or determined to be encumbrances either on any Common Area or any Lot or Lots, and no Owner shall be entitled to damages or injunctive relief because of the construction, re-construction or maintenance thereof.

Section 8.31 Alteration of Building Lines in the Best Interest of Development. Where because of size, natural terrain, or any other reason in the sole opinion of the Association, it should be to the best interest of the Development of this Subdivision that the building lines of any Lot should be altered or changed, then the Association reserves unto itself, its successors and assigns, and no other, the right to change said lines to meet such conditions.

Section 8.32 Replatting of Lots. No Lot shall be subdivided by an Owner, or its boundary liens changed, except as herein provided. However, the Developer hereby expressly reserves to itself, its successors and assigns, the right to replat any one or more Lots owned by the Developer shown on the plat of said Subdivision prior to delivery of the deed therefor in order to create a modified building Lot or Lots, provided that such replatting results in only minor modifications to the building Lot or Lots, or where such replatting is necessitated by topographic or site planning considerations, and such replatting is approved by the applicable authority. The restrictions and covenants herein apply to each such building Lot so created or recreated.

Section 8.33 Building Requirements. Developer has approved conceptual design plans and has or will select exterior colors for all homes to be constructed on the Lots. The design plans were prepared by Stephen A. Russell, AIA. Detailed construction plans may be purchased directly from the Architect. The front and rear elevation drawings for the design plan approved

for each Lot was attached to the Agreement of Sale between Owner and Developer. The design plan must be constructed or placed within the footprint shown on the Plot Plan for the Lot which was attached to the Agreement of Sale between Owner and Developer. Upon completion of the construction of the home, Buyer must install appropriate landscaping as required by the Developer. A landscape plan indicating the minimum landscaping plan approved by the Developer was attached to the Agreement of Sale between Owner and Developer.

Subject to review and approval by the Developer and the Board of Directors, the Owner may construct a single family residence with the following minimum specifications; Minimum one thousand eight hundred (1,800) square feet of heated space; building footprint of twenty-five feet (25') by forty feet (40') with two stories; pitched roof; of wood frame construction with stucco foundations and garage doors; with porches ten feet (10') by twenty feet (20') on the water side for both floors; with access from the street side.

## Article IX

### GENERAL PROVISIONS

Section 9.1 Enforcement. The Association, or any Owner, (including the Developer) shall have the right to enforce, by any proceedings at law or in equity, all of the Restrictions, conditions, covenants, easements, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure of the Association, or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed as a waiver of right to do so thereafter. The Association shall have the right to establish, assess and collect reasonable fines and penalties for violations of this Declaration, which shall be liens against Dwellings as provided herein. Such fines shall not exceed Fifty Dollars (\$50.00) per violation per day.

Section 9.2 Severability. Invalidation of any covenants or restrictions or any term, phrase or clause of this Declaration by the adjudication of any court or tribunal shall in no way effect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

Section 9.3 Duration. The Covenants and Restrictions of this Declaration shall run with and bind the property constituting the Subdivision, and shall inure to the benefit of and be enforceable by the Developer, the Association or any Owner for a period of twenty (20) years from the date hereof and thereafter shall continue automatically in effect for additional periods of twenty (20) years, unless otherwise agreed to in writing by the then Owners of at least seventy five percent (75%) of the Lots.