

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

Recorded in Deed Book 560.
Page 91 for Phase I
PROTECTIVE COVENANTS

THIS DECLARATION OF PROTECTIVE CONVENANTS, made and published this 27th day of August, 1990, by COTTAGE FARM PARTNERSHIP, hereinafter referred to as the "Developers", and the COTTAGE FARM PROPERTY OWNERS ASSOCIATION, INC., a non-profit corporation under the laws of the State of South Carolina, hereinafter referred to as "the Association"

WITNESSETH:

That whereas, the Developers are the owners and developers of:

ALL that certain place, parcel or tract of land, situate, lying and being in the City of Beaufort, County of Beaufort, State of South Carolina, as will be more fully shown and depicted on that certain plat entitled "Cottage Farm Subdivision", dated August 16, 1990, prepared by Johnson-Trogdon Surveyors, David L. Gasque, R.L.S., consisting of two (2) pages, a copy of which is recorded in the RMC Office for Beaufort County, South Carolina, in Plat Book 39 at Page 87. Said property consists of numbered lots 1 through 71, inclusive, all streets, roads, open spaces and recreation areas depicted on said plat and which shall hereafter be known as "Phase I" of Cottage Farm.

WHEREAS, the Developers desire to develop on said property a residential community to be known as Cottage Farm and hereinafter referred to as Cottage Farm, and have deemed it desirable for the preservation of the value of said property to create an organization to which shall be delegated and assigned, as hereinafter set forth, the power of maintaining and administering the community properties, and the rights of way hereinafter described and of administering and enforcing the terms and conditions hereinafter set forth in this agreement and also to perform any other functions that may be desirable to improve the enjoyment of living in Cottage Farm and

WHEREAS, the Developers have caused the Association to be incorporated under the laws of the State of South Carolina for the purposes of exercising the powers and functions aforesaid, and

WHEREAS, it is to the interest, benefit and advantage of the Developers, the Association and to each and every person who shall hereafter purchase a lot in said subdivision, that certain protective covenants governing and regulating the use and occupancy of the same, and certain easements, reservations, and servitudes be imposed upon said property, and the same be established, set forth and declared to be covenants running with the land,

NOW, THEREFORE, for and in consideration of the premises and the benefits to be derived by the Developers, the Association, and each and every subsequent owner of any of the lots of said subdivision, the Developers do hereby set up establish, promulgate and declare the following protective covenants to apply to all of said lots and to all persons owning said lots, or any of them hereafter:

ARTICLE I

RESIDENTIAL USE, BUILDINGS AND LOCATION OF STRUCTURES

1. Size of Structures.

It is understood that additional land may be added to Phase I of Cottage Farm and that this land may be developed according to the **P.U.D.** Plan which it is zoned. Some of the areas in the **P.U.D.** are designed for higher density use.

All of the above described lots shall be used for residential purposes only for the erection of one detached single family dwelling, not exceeding two stories in height. In determining whether a house exceeds two stories in height, a basement or an attic will not be counted as a story. In approving any two-story, one and one-half story, or split-level

structure, the Architectural Control Committee, as hereafter described, shall require that the top stories of such structure be constructed in accordance with normal design practices and the top floor area not be proportionally smaller than is customary in residences of its type. The Architectural Control Committee, recognizing that the quantity of square footage does not alone necessarily determine design and construction quality in monetary value of a residential structure, shall not be bound by a minimum square footage requirement for a residence; however, it is expected that all houses on the cottage lots exceed 1,200 square feet of heated space and that all houses on the full size lots exceed 1,650 square feet of heated space. It is the intention, rather, of the parties hereto that the sole criteria governing the nature of such improvements to be constructed in Cottage Farm shall be those of good taste, high quality, both as to workmanship and materials, and harmony and suitability of such improvements to their environment and surroundings

2. Sleeping Quarters in Attic, Garage, or Outbuilding Prohibited.

No attic, shack, garage, barn or detached outbuilding shall be used for sleeping quarters except the servant or guest quarters may be provided as a part of or accessory to a main residential building and shall conform to it in exterior design and quality. This provision shall not prohibit the conversion of a garage into sleeping quarters which are incorporated as part of the main residual building.

3. Altering Lot Boundaries.

No lot shall be subdivided, or its boundary lines changed, nor shall application for same be made to The City of Beaufort, except with the written consent of the Developers. However, the Developer hereby expressly reserve unto themselves, their successors and assigns or heirs and assigns, as the case may be, the right to re-plat and change the boundary lines or subdivide any lot or lots owned by them in order to create a modified building lot or lots; and to take such other steps as are reasonably necessary to make such re-platted lot suitable and fit as a building site including but not limited to, the relocation of easements, walkways, rights of way, private roads, and other amenities to conform to the new boundaries of said re-platted lots; provided, however, no lot originally shown on a recorded plat shall be reduced to a size more than ten percent (10%) smaller than the smallest lot shown on the first recorded plat showing the lot to be altered. The provisions of this paragraph shall not prohibit the combining of two (2) or more contiguous lots into one (1) larger lot. Following the combination of two (2) or more lots into (1) larger lot, only the exterior boundary lines of the resulting larger lot shall be considered in the interpretation of this Declaration.

4. Location of Building on Lot.

The Architectural Control Committee as hereafter described, in its approval of the location of structures to be erected on any lot in Cottage Farm, shall not be required to adhere to a standard minimum building line. Rather, it is the intention of the parties hereto that the Architectural Control Committee allow the construction of said structures in such a location on each lot as will more fully enhance the natural harmony and aesthetic appeal of Cottage Farm. However, no building of any kind or character shall be erected on a lot within ten (10) feet of any side property line of a lot. Swimming pools, other recreational amenities, and auxiliary buildings not to be used as sleeping quarters may be constructed within ten (10) feet of a rear lot line. If any lot is re-subdivided or enlarged pursuant to the provisions of Paragraph 5 of Article I hereof, side and rear line restrictions shall be applicable only to the side and rear lines of the lot as altered or re-subdivided. All boundary lines between corner lots and contiguous lots shall be considered as side boundary lines.

5. Special Restrictions for Certain Lots.

Those lots with frontage on Cottage Farm Drive and rear lot lines along the South Carolina Ports Authority Railroad are required to keep a strip of land twenty-five (25) feet in width located on the railroad side as a natural

buffer. The trees and shrubbery located thereon should be left intact. Landscaping on and improvement of said strip may be performed with the prior written approval of the Architectural Control Committee. The Developers reserve, however, for themselves and their successors or assigns, or heirs and assigns, as the case may be, the right to locate fencing along said twenty-five foot strip. The design, character, and location of said fence to be at their sole discretion. This right may be assigned to owner of lots.

6. Main Dwelling Built First.

No building or structure shall be constructed prior to construction of the main dwelling on the lot. The provisions of this Declaration shall not prohibit the Developers from using a house or other dwelling unit constructed on lots as models.

7. Zoning Restrictions.

Zoning ordinances, restrictions and regulations of the City of Beaufort and its various agencies applicable to the subject property shall be observed. In the event of any conflict between any provision of these Declarations and such ordinances, restrictions or regulations, the more restrictive provision shall apply.

8. Street Lights and Monthly Charges.

The developers of Cottage Farm have installed street light for the safety and convenience of the residents. Each Cottage Farm resident shall be assessed a proportional monthly charge for street lighting service by the power company, as prescribed by the South Carolina Public Service Commission.

ARTICLE II
ARCHITECTURAL CONTROL COMMITTEE

1. Submission of Plans, etc.

An Architectural Control Committee, hereinafter called the "ACC", has been duly set up and appointed by the Developers to exercise such jurisdiction and functions with respect to all lots in Cottage Farm or as may be delegated to it under the charter and by-laws of the Association and such as may now or hereafter by amendment be additionally bestowed upon it by terms of this agreement. Plans and specifications for all proposed improvements and landscaping upon the lots must be submitted in writing to the ACC, which is hereby vested with the full power and authority to approve or disapprove the same in whole or in part, or require the modification of the same as it may, in its discretion, deem proper. No construction, landscaping, or improvements of any kind may be undertaken without its prior written approval. No approval of plans, location or specifications, and no publication or architectural standards bulletins shall ever be construed as representing or implying that such plans, specifications or standards will, if followed, result in a properly designed residence. Such approvals and standards shall in no event be construed as representing or guaranteeing that any residence or improvement thereto will be built in a good and workman like manner. Neither the Company nor the Review Board shall be responsible or liable for any defects in any plans or specifications submitted, revised or approved under these Covenants nor for any defects in construction pursuant to such plans and specifications. The Owner shall have sole responsibility for compliance with approved plans and does hereby, by acceptance of title to property subject to these Covenants, agree to hold the Review Board and the Company

harmless for any failure thereof caused by the Owner's architect or builder. The Company reserves the right to prohibit the Owner's builder and/or general contractor from going to or upon the site in the event it is determined that failure to comply with approved plans is intentional or due to gross negligence under the above mentioned circumstances. The Owner hereby agrees that the exercise of these rights shall not constitute a denial of Owner's property rights and shall not give rise to a cause of action for damages by the Owner. The ACC shall have the right to refuse to approve any building plans, specifications, site plans, or grading plans which are not suitable or desirable in its sole opinion for any reason, including purely aesthetic reasons. In so passing upon building plans, specifications, site plans or grading plans, the ACC shall take into consideration the suitability of the proposed building, the materials of which it is to be built, the location on the lot of the proposed building and any other improvements, the harmony of the building in its location with its surroundings, and the effect of the building as planned on the outlook from adjacent or neighboring portions of the subject property. All fences, walls, barbecue pits, detached garages, and other accessory building or recreational facilities shall be constructed in general conformity with the architecture of the main dwelling and out of materials which conform to the materials used in such main building. Building plans and specifications submitted to the ACC shall consist of not less than the following:

Foundation plans, section details, floor plans of all floor, elevation drawing of all exterior walls, roof plans, material specifications and site plans showing locations and orientations of buildings on the lot, with all setbacks indicated, in such detail as may be required by the ACC in its sole discretion. Plans and specifications shall show driveways, service courts or areas, parking or other buildings, improvements or facilities to be constructed.

Neither the main residential building nor accessory buildings may be constructed on any lot without the full and active supervision of an architect or building contractor.

2. Preservation of Trees and Vegetation.

Since living trees, shrubs and other vegetation contribute to the aesthetic value of the lots in Cottage Farm, no tree more than six (6) inches in diameter, measured at two (2) feet above ground, may be removed from a lot at any time without the prior written approval of the ACC. Approval for the removal of trees, shrubs and vegetation located within ten (10) feet of a main dwelling or accessory building or within ten (10) feet of the approved site for such building will be granted unless removal will substantially decrease the beauty of the property. In order to obtain approval for the clearing of a building site, the owner must stake on the lot the proposed location of the planned improvements for inspection by the ACC.

3. Garages and Carports.

Garages and carports may open to the front of the residence; however, it is recommended that garages and carports open to the side when feasible. When garages are constructed which open to the front, it is recommended that an automatic garage door opener be installed and that the garage doors be kept down whenever possible.

4. Completion of Construction Within One Year.

The exterior of all buildings or other structures must be completed within one (1) year after the construction of the same shall have been commenced, except where such completion is impossible or would result in great hardship to the owner or builder due to strikes, fire, national emergency, or natural calamity.

5. Fences and Hedges.

No fence, hedge, wall, shrub, bush, tree or other similar structure, natural or artificial, shall be placed, maintained or permitted to remain on any lot or area if the location of such structure obstructs the vision of the motorists on any adjacent street or lane and creates a traffic hazard. No fence, wall, hedge, or similar structure on any lot shall be constructed or maintained which is either more than seven (7) feet in height or higher than that allowed by ordinance currently enforced by the City of Beaufort, whichever is less, or which is nearer the street boundary line of the lot than the front line of the main residential building as extended to the side lot lines. Nevertheless, low decorative walls or hedges may be erected beyond the front line of the main residential structure with the written approval of the ACC. (The use of a fence made of chain link is discouraged; however, if approved, the fence must be screened with suitable planting.)

6. Membership in the Architectural Control Committee.

Membership in the ACC shall be solely by appointment of the Developers until all of the lots which are now or may hereafter be made subject to these Declarations shall have been improved by the construction of a residential building unless said Developers shall in their sole discretion earlier assign their rights of appointment to the Association. Thereafter, right of membership appointment shall be assigned by the Developers to the Association.

ARTICLE III

LAND USE RESTRICTIONS

1. Animals.

No poultry, swine, cows, goats, horses, mules or other farm animals or fowls or bait farms shall be maintained on an lot. No more than a total of two (2) cats, dogs or similar domestic pets, or a combination thereof, may be kept on any lot except with the written permission of the ACC.

2. Vegetable Gardens.

No vegetable garden may be planted on a lot except behind the line of the rear of the main dwelling structure as the same is extended to a point of intersection with the side lot lines.

3. Screened Areas for Unsightly Items.

No garbage receptacle, fuel tanks or similar storage receptacles, electric and gas meters, air conditioning equipment clotheslines, and other unsightly objects may be maintained, except in screened areas which conceal them from view from streets and adjacent portions of the subject land. Plans for such screened areas delineating the design, size, appearance and location must be approved by the ACC prior to their construction. Garbage receptacles and fuel tanks may be located outside of such screened areas only if located completely underground.

4. No Dumping or Rubbish.

No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall be

kept in sanitary containers screened from view, as provided in Paragraph 3 of this Article III. It shall be the responsibility of each owner to prevent the development of any unclean, unsightly or unkempt conditions of buildings or grounds on his lot which tend substantially to detract from the beauty of the subject land as a whole or his lot in particular. No outside burning of trash, garbage or other refuse shall be permitted on any lot.

5. Trucks, Trailers, Mobile Homes.

No parking of trucks, trailers, or mobile homes shall be permitted on the streets, lots or other portions of Cottage Farm except during construction and, thereafter, except for delivery and pickup or remodeling and repair of buildings on the subject property. Campers, motorcycles, motorbikes, motor homes, vans, traveler trailers, panel or pickup trucks, with advertisement displayed, boats and boat trailers not over twenty five (25) feet in length may be kept on a lot if parked in a closed garage at all times. Special exception to this restriction may be granted an owner provided prior written permission from the ACC and all the owners of contiguous lots is obtained, and such campers, motorcycles, motorbikes, motor homes, vans, travel trailers, panel or pickup trucks, boats and boat trailers are parked in the rear yard so that they are not visible from any street or adjacent lot.

6. Hobbies.

Hobbies or other activities, including without limiting the generality hereof, the assembly and disassembly of motor vehicles and other mechanical devices, which might lead to disordered, unsightly or unkempt conditions, shall not be pursued or undertaken on any lot. No permanent type of sports equipment such as basketball hoops shall be located on any lot where such equipment would be visible from any street without the prior written approval of the ACC.

7. Driveways and Walks.

No breaks shall be made in any curb or gutter on or adjacent to the right of way of any street for the purpose of constructing any driveway, walk or other means of ingress to and egress from a lot, unless the apron of such driveway or walk shall be constructed of a permanent paving material, such as asphalt or concrete which is structurally and aesthetically compatible with the curb or gutter being broken and the adjacent street. Such driveway or walk shall tie in with the street curb and/or gutter in such a manner that a hazardous condition is not created.

8. Noxious or Offensive Activity.

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 Cottage Farm residents. There shall not be maintained on any lot 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 such a nature as may diminish or destroy the enjoyment of other portions of Cottage Farm. "Offensive or Noxious" activity or behavior shall include but not be limited to a public nuisance or nuisance per se, and shall also include any behavior or activity which is inconsistent with both the reasonable pleasurable use of the Property area by substantial number of residents and overnight guests and their reasonable expectations of permanent habitation, vacationing, studying, meeting, working, recreating, or enjoying sports, music, food, natural surroundings, and entertainment, free of excessively noisy behavior (grossly disrespecting the rights of others, flashing or excessively bright lights, racing vehicles, offensive displays of public sexuality, significantly loud radio, hi-fi, electronic music distractions or other similar unreasonable behavior curtailing the reasonable pleasure and use of the facilities within the Property. Public musical or other entertainment, parades, concerts, festivals, carnivals, competitions or shows conducted under permit from the Company shall not constitute offensive or noxious activity or behavior unless such permit is withdrawn by the Company, or its terms and conditions violated.

9. Signs and Mailboxes.

Except as otherwise provided in these Declarations, no sign shall be erected or maintained on any portion of Cottage Farm by anyone including, but not limited to, an owner or realtor a contractor or subcontractor, except with the written permission of the Association or except as may be required by legal proceedings. If such permission is granted, the Association reserves the right to restrict design, color and content of such a sign. One sign of not more than four (4) square feet used by a contractor during the construction period of the main dwelling structure or accessory structure is permissible and only one (1) usual "For Sale" realtor sign may be erected during the sales period without the permission of the Association. The mailbox and its stand as well as any property identification sign for each lot may not be erected unless they have received the prior written approval of the ACC. A uniform mailbox shall be used for all lots in Cottage Farm. The ACC shall establish the design and specifications of each mailbox, subject to the right of the ACC to modify such design and specifications in its sole discretion at any time and from time to time because of the influence or effect of topography, availability or quality of building materials, lot or overall development aesthetics, safety and other such considerations. Lot owners shall be responsible for the cost of said mailbox, which will be provided by the developer at cost.

10. No Interference with streams.

No owner shall obstruct, alter or interfere with the flow or natural course of the waters of any creek, stream, lake or pond in the subject property without first obtaining the written consent of the ACC.

11. Use of Ponds and streams.

No owner, whether or not his property is bounded by the waters of a lake, pond, stream or creek, shall by virtue of his ownership of any lot, acquire any right, title or interest in or to the lakes, ponds, streams; or creek within Cottage Farm or the beds, waters or surfaces thereof, unless specifically referred to in deed.

12. Placement and Approval of Docks.

The developers of Cottage Farm have filed a master dock plan with the South Carolina Coastal Council. Any dock constructed within Cottage Farm must be approved by the South Carolina Coastal Council and should conform to this master dock plan. This plan, as drawn by George A. Z. Johnson, Jr., Inc., is retained in the office of the developer. This master dock plan does not constitute an approval for dock construction. Before any dock can be constructed, dock plans and specifications must be submitted to the Architectural Control Committee of Cottage Farm and South Carolina Coastal Council. The only changes allowed in the master plan shall be those changes which may be required by the South Carolina Coastal Council for dock approval and construction.

13. Use of Docks.

All docks located within Cottage Farm (whether owned by the Cottage Farm Homeowners Association or an individual lot owner) are to be kept in good repair. All docks must be kept clean and orderly in appearance at all times with no litter or trash allowed. All docks are to be kept in good repair and in an attractive manner with paint or preservatives being used on all wood or metal located above the high water mark, exclusive of pilings. Fueling or mechanical repairs shall not be allowed at dock areas. Prior to construction of any private docks, the property owner

shall submit, in writing, complete plans and specifications to the Architectural Control Committee for approval.

13a Additional Restrictions on Community Dock.

The community dock is solely for the private use and enjoyment of Cottage Farm property owners and their guests. Guests must be accompanied by a Cottage Farm property owner and said property owner is responsible for their guest's conduct. Live aboards are not allowed. The community dock is not to be used as a permanent storage facility. Docking privileges are on a first-come, first-serve basis where boats may not be moored more than three days at a time. Personal property such as coolers and fishing equipment should not be left on the community dock unattended.

ARTICLE IV

RESERVATIONS OF EASEMENTS

1. Easements.

Easements for the installation and maintenance of utilities and drainage facilities are reserved by the developer over the rear ten (10) feet of each lot and over five (5) feet from each side lot line, and over all areas designated as easements upon the aforesaid plat, and upon the easement plat of Cottage Farm recorded therewith; provided, that in the event of re-subdivision of any of the said lots under the provisions of Paragraph 3 of Article I hereof, such side easements shall apply to the side lot lines of the lots as re-subdivided in lieu of the side lot line of the lots as shown on the original plat referred to above, unless the installation of utilities and drainage facilities shall have been substantially completed, in which event the easement originally reserved shall apply. Where an easement with larger dimensions is shown on said plats, the larger easement shall apply instead of the easement herein reserved.

ARTICLE V

MEMBERSHIP IN THE ASSOCIATION AND VOTING RIGHTS OF ITS MEMBER

1. Membership.

All owners of a single-family residential building lot or lots in Cottage Farm shall thereby become members of the Association for so long as such ownership continues. Provided, however, that no person or corporation in taking title as security for the payment of money or for the performance of any obligations shall thereby so become entitled to membership. Ownership of property as qualification for membership is defined herein as follows: ownership of any such lot under recorded deed, whether the owner is occupant or not, or ownership under a bond for title or contract of purchase, if the same be accompanied by an actual occupancy of the lot in question. Ownership within the meaning and intention hereof shall cease upon the sale of any such lot of another by the owner thereof. Sale of any such lot within the meaning hereof shall mean and shall be effective upon the recording of any deed conveying such lot to another, or the termination of occupancy of the property by the owner thereof accompanied by the giving of such owner to another of a bond for title or contract of sale with respect to such lot.

The developers shall be members of the Association so long as they are owners of one or more residential lots as shown on the aforesaid plat, or of any additional lots made subject to these Declarations under Article IX hereof.

Members of the Association shall consist of two classes, Class A members and Class B members, who respectively shall have the rights, voting privileges, and duties as set forth in the corporate charter or bylaws of the Association and as hereinafter set forth, to-wit:

- (a) Class A members shall initially consist of the developers, who shall be entitled to voting privileges, in the amount of one (1) vote for each residential lot owned by them in Cottage Farm, or an additional real estate made subject to these Declarations pursuant to Article IX hereof.
- (b) Class B members shall consist of all other owners of residential lots in Cottage Farm other than the Developers. Class B members shall not have voting privileges until the Developers shall have conveyed eighty percent (80%) -of the residential lots as shown on the aforementioned plat, at which time Class B members shall automatically become Class A members. In the event that a Class B member shall own more than one contiguous lot upon which only one residence is constructed, such member, upon becoming a Class A member, shall be entitled to only one (1) vote and shall likewise only be subject to the imposition of dues and assessments calculated for a single lot pursuant to Article VI of these Declarations, provided said residence is partially physically located on each such contiguous lot. A corporation owning one or more lots in Cottage Farm shall have one (1) vote for each such lot owned, but no member, stockholder, director, employee or officer of such corporation shall acquire thereby any rights individually to become a member of the Association.

2. Duties of the Association.

It shall be the duty of the Association to impose and collect such dues, assessments, and other charges as it may deem necessary in accordance with Article VI hereof, and to landscape and maintain the beautification of all entrances to and medians and street islands of Cottage Farm as well as the green areas and creeks shown on the plat thereof. The Association shall also maintain any grounds and improvements associated with any amenity in Cottage Farm. The Association shall also maintain whatever security is required by the association. The Association may, in its discretion, have the additional duty of requiring all lot owners to maintain their property in accordance with the standards set forth herein.

ARTICLE VI

COVENANTS AND ASSESSMENTS IN FAVOR OF THE ASSOCIATION

1. Imposition of Assessment.

Each member of the Association, as defined in Article V of these Declarations, obligates himself, herself, or itself, and by the ownership of a residential lot in Cottage Farm shall be deemed to covenant and agree to pay the Association when due the annual or special assessment for any dues or charges established hereby or by its Board of Governors from time to time hereinafter provided. In no event shall ownership by the Developers of any residential lot in Cottage Farm including any additional area or areas added in the future, pursuant to Article IX herein, be constructed as imposing upon the Developers the duty or obligation of paying any dues, assessments, or other charges in the Association for such lots or areas. Each residential building on the aforementioned plat of Cottage Farm shall be made subject to a continuing lien to secure the payment for each annual or special assessment or charge when due.

2. Amount of the Assessment.

Such annual or special assessment or special assessment or charge shall be in an amount to be fixed from year to year by the Board of Governors of the Association; provided, however, that the amount of each annual special assessment shall be made in equal amounts with respect to each lot subject to such charge or assessment under the terms of these Declarations. Such annual assessment is presently fixed by said Board of Governors at \$240.00 per lot, subject to be changed by majority vote at the annual meeting of the Association. Also, special assessments may be imposed by majority vote at an annual meeting or special meeting of the Association called in accordance with its bylaws

Each such annual assessment shall be due and payable in advance of January first of each year. The \$240.00 annual assessment shall be prorated for the calendar year at the closing of any lot or property. Special assessments imposed in accordance with these Declarations and the bylaws of the Association shall be due and payable at such time as the Association designates. All such assessments shall constitute a lien (subordinate to any first mortgage from a lending institution) upon the respective lots so assessed and such lean may be enforceable at law or in equity by foreclosure.

3. Use of the Assessment.

The amount so paid to the Association shall be administered by the Association and may be used for the payment of expenses incurred for the following purposes:

- (1) maintenance and cleaning of landscaped islands,
- (2) maintenance of entrance sites, entrance ways, median, and green areas of Cottage Farm.
- (3) maintenance of any dock and other improvements and grounds associated with the Cottage Farm Homeowners Association,
- (4) the assessments collected by the Association are not to be used for repair and maintenance of any private dock belonging to an individual lot owner,
- (5) maintenance of any storm water drainage in the common area,
- (6) for such purposes as set forth in the corporate charter or bylaws of the Association as they now exist or as the same may be hereafter amended,
- (7) for such other lawful purposes as the Board of Governors of the Association shall determine.

4. Dedication of Common Areas to the Association.

The Developers shall convey title to the common areas of Cottage Farm to the Association at such time as they, in their sole discretion, deem proper but not later than such time as eighty percent (80%) of the residential building lots located in Cottage Farm such have been conveyed or made subject to a contract of sale from the Developers. Regulations for usage of the common areas are to be determined by the Cottage Farm Homeowners Association and shall not conflict with these restrictive covenants.

ARTICLE VII

REMEDIES FOR VIOLATIONS OF THESE DECLARATIONS

1. Remedies.

In the event of a violation of breach of any of the Declarations and restrictions contained herein by any owner, or agent of such owner, the owners of the lots in Cottage Farm or the Association or any of them jointly or severally shall have the right to proceed at law or equity to compel the compliance to the terms hereof or to prevent the violation or breach of the covenants herein contained or recover damages for such violation. In addition to the foregoing, the Developers or the Association have the right, whenever there shall have been built on any lot in the Subdivision any structure or other condition created which is in violation of these restrictions, to enter upon the property where such violation exists and summarily abate or remove the same at the expense of the owner, if after 30 days written notice of such violation, it shall not have been corrected by the lot owner. Any such entry and abatement or removal shall not be deemed a trespass. The failure to enforce any rights, reservations, restrictions or conditions contained in this Declaration, however long continued, shall not be deemed a waiver of the right to do so hereafter as to the same breach or as to a breach occurring prior or subsequent thereto and shall not bar or affect its enforcement. Provided, however, that a violation of such covenant or restriction shall not constitute a forfeiture or reversion of title hereunder.

ARTICLE VIII

COMMON EASEMENTS

1. Each and every owner of a lot or lots in Cottage Farm is hereby granted a nonexclusive easement for the use of the streets and ways in Cottage Farm for purposes of ingress and egress, as the same are shown on the aforementioned plat of said subdivision.

ARTICLE IX

ADDITIONAL PROPERTY SUBJECT TO THESE DECLARATIONS

1. Subject to any limitation contained in the corporate charter of the Association, additional contiguous real estate which the Developers may decide to add to the scheme of the Development herein set forth, may be subjected to and placed within the jurisdiction of the Association upon the written designation of the Developers, at the sole option of the Developers, extending the terms of these Declarations to such other property, and the same shall be effective upon the filing for same for record in the Office of the Register of Mesne Conveyance, County of Beaufort, State of South Carolina. Such supplementary declarations or agreements may contain such modifications of the terms of these Declarations as may be deemed necessary or appropriate by the Developers to reflect the different character, if any, of said additional real estate. In no event, however, shall said supplementary Declarations be construed so as to revoke or modify the terms hereof with respect to the property described on the aforementioned plat of Cottage Farm.

2. Right to Extend street, etc.

The Developers reserve for themselves, and for their successors and assigns, or heirs and assigns, as the case may be, the right to extend street, utilities, storm drainage systems, and water and sanitary sewer systems to such additional real estate as may be added to the scheme of the development as herein set forth, and further reserve

the right to cause water, whether surface or otherwise, and whether concentrated and collected or not, to flow into the creeks as shown on the aforementioned plat from said additional real estate.

ARTICLE X

SEVERABILITY CLAUSE

1. The invalidation of anyone or other paragraphs or portions of these Declarations and Agreements by judgment or decree of court of competent jurisdiction shall in no way effect any of the other provisions, which shall remain in force and effect.

ARTICLE XI

EFFECTIVE PERIOD

1. These Declarations and agreements and shall be effective immediately upon the filing of the same for record in the Office of the Registrar of the Mesne Conveyance, Beaufort County, South Carolina; shall thereupon run with the land and be binding upon all persons or parties and as successors or assigns claiming title under or through the Developers, until January 1, 2010 and shall be continued automatically and without further notice from that time for a ten (10) years thereafter for successive periods of ten (10) years each without limitation, unless within six (6) months prior to the expiration of any such successive period of ten (10) years thereafter, a written agreement executed by the then record owners of not less than 50% of the lots then subject to these Declarations shall be placed on record in the Office of the Registrar of Mesne Conveyance, County of Beaufort, State of South Carolina, in which agreement any of the aforementioned covenants, restrictions, reservations, servitudes and easements may be changed, modified, waived, or extinguished in whole or in whole or in part, as to all or any part of the property then subject thereto in the manner and to the extent therein provided.

In the event any such written agreement of change or modification be fully executed and recorded, the original covenants, restrictions, reservations, servitudes, and easements as therein modified shall continue in force for successive periods of ten (10) years each, unless other further changed, modified, or extinguished, in the manner herein provided.

So long as the Developers shall hold title to any portion of the hereinbefore described property, or to any additional real estate added to the scheme of the development herein set forth in accordance with Article IX of these Declarations, the Developers as well as their successors and assigns, or heirs and assigns, as the case may be, shall have, and are hereby granted, the exclusive right, exercisable at any time and from time to time, to amend or to grant exceptions to these Declarations and to waive, repeal or vary these Declarations in anyone or more respects wherein the sole and controlled opinion of the Developers, such waiver, repeat or variance shall not be materially detrimental to the general nature in development of Cottage Farm as a residential area.

IN WITNESS WHEREOF, the Developers and the Association have respectively caused these presents to be executed by their duly authorized corporate officers and their corporate seals affixed, or hereunder set their hands and seals, as the case may be the day and year first above written as the date of these presents.

COTTAGE FARM PARTNERSHIP

By: _____
As Its: _____

By: _____
As Its: _____

PALMETTO SERVICE CORPORATION as General Partner of
Cottage Farm Partnership

_____ By: _____

_____ Its: _____

COTTAGE FARM PROPERTY OWNERS ASSOCIATION, INC.

_____ By: _____

_____ Its: _____

TERRA DEVELOPMENT GROUP, INC.

_____ By: _____

_____ Its: _____

STATE OF SOUTH CAROLINA)
)
)
COUNTY OF BEAUFORT)

P R O B A T E

PERSONALLY appeared before me, the undersigned witness, and made oath that s/he saw the above named P. Merritt Patterson, as general partner of Cottage Farm Partnership, sign, seal, and as its corporate act and deed, deliver the within written Instrument, and that s/he with the other witness whose signature appears above, witnessed the execution.

SWORN TO before me this _____ day of January, 1993

Notary Public for South Carolina
My Commission Expires _____

STATE OF SOUTH CAROLINA)
)
)
COUNTY OF BEAUFORT)

P R O B A T E

PERSONALLY appeared before me, the undersigned witness and made oath that s/he saw the above named Palmetto Service Corporation, as general partner of Cottage Farm Partnership, sign, seal, and as its corporate act and deed, deliver the within written Instrument, and that s/he, with the other witness whose signature appears above, witnessed the execution.

SWORN TO before me this _____ day of January, 1993

COTTAGE FARM PROPERTY OWNERS ASSOCIATION
PROTECTIVE COVENANTS
ORIGINAL WORDING
1/13/2005 LJH

Notary Public for South Carolina
My Commission Expires _____

STATE OF SOUTH CAROLINA)
)
) P R O B A T E
COUNTY OF BEAUFORT

PERSONALLY appeared before me, the undersigned witness, and made oath that s/he saw the above named appropriate officer of Cottage Farm Property Owners Association, Inc., sign, seal, and as its corporate act and deed, deliver the within written Instrument, and that s/he with the other witness whose signature appears above, witnessed the execution.

SWORN TO before me this _____ day of January, 1993

Notary Public for South Carolina
My Commission Expires _____

STATE OF SOUTH CAROLINA)
)
) P R O B A T E
COUNTY OF BEAUFORT

PERSONALLY appeared before me, the undersigned witness and made oath that s/he saw the above named appropriate officer of Terra Development Group, Inc., sign, seal, and as its corporate act and deed, deliver the within written Instrument, and that s/he, with the other witness whose signature appears above, witnessed the execution.

SWORN TO before me this _____ day of January, 1993

Notary Public for South Carolina
My Commission Expires _____

EXHIBIT "A-1"
REAL ESTATE PROPERTY DESCRIPTION

1. COTTAGE FARM, FHASE II (Part 2) (16.80 ACRES)

ALL that certain piece, parcel or tract of land, situate, lying and being in the City of Beaufort, County of Beaufort, State of South Carolina, containing 16.60 acres, more or less, and designated as Phase II, Part 2, Cottage Farm, on a plat entitled "Boundary Survey of 77.18 Acres for Palmetto Federal, prepared by Nivens Engineering, Inc., Kirk N. Nivens, Jr., S.C.R.L.S. # 5771, dated May, 1989, last revised July, 1989 and recorded in the Office of the Register of Mesne Conveyance for Beaufort County, South Carolina in Plat Book 39 at Page 103.

This is a portion of the property conveyed by Palmetto Federal Savings Bank of South Carolina to Terra Development Group, Inc. under deed dated September 30, 1992 and recorded in the Office of the Register of Means Conveyances for Beaufort County, South Carolina on October 1, 1992 in Deed Book 608 at Page 1532.

, more or less, and shown as Parcel C, on a plat entitled "Plat Showing 3 Parcels of Land Prepared at Trogdon Surveyors, David E. Gasque, S.C.R.L.S. #10506, Dated August 28, 1990, and recorded in the Office of the Register of Mesne Conveyance for Beaufort County, South Carolina in plat Book 39 at Page 103.

This is a portion of the property conveyed by Palmetto Federal Savings Bank of South Carolina to Terra Development Group, Inc. under deed date September 30, 1992 and recorded in the Office of the Register of Mesne Conveyances for Beaufort County, South Carolina on October 1, 1992 in Deed Book 608 at Page 1532.

TOGETHER WITH ALL the Grator's right, title and interest in the area containing 9.2 acres, more or less, and shown as the land and/or marshes seaward of the South Carolina Coastal Council Critical Line, as shown on the aforesaid plat.

IV. FIVE MINOR PARCELS - PHASE II COTTAGE FARM

ALSO, ALL that certain piece parcel or tract of land, situate, lying and being in the City of Beaufort, County of Beaufort, State of South Carolina, reflected as Parcels 1, 3, 5, 7, and 10 on a plat entitled "Plat Showing 10 Parcels of Land Prepared at the Request of Merritt Patterson," prepared by Gasque & Associates, Inc., David E. Gasque, S. C. R. L. S. # 10506, dated November 12, 1992, and recorded in the Office of the Register of Mesne Conveyances for Beaufort County in Plat Book at Page _____.

This is a portion of the property conveyed by Palmetto Federal Savings Bank of South Carolina to Terra Development Group, Inc. under deed date December 2, 1992 and recorded in the Office of the Register of Mesne Conveyances for Beaufort County in Deed Book _____ at Page _____.