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BK 1857 PG 211-253

# Keowee Key

## Declaration of Protective Covenants

The use of all property now, or to be included, within Keowee Key will be governed by this Declaration of Protective Covenants. The Declaration is written to assure that the community is developed and maintained in a consistent and complementary manner, and to protect the values of property owners' investments.

The Declaration was originally implemented by filing it in its entirety against the initial portion of the property, and adding other property, as developed, to the coverage through the use of supplemental declarations. The Declaration was originally filed by the Lake Keowee Development Corporation which was succeeded by Realtec, Inc. and, in June 1994, by the Lake Keowee Property Owners' Association, Inc. Effective January 1, 1998, the association name was changed to Keowee Key Property Owners' Association, Inc.

The original name of Lake Keowee Development has been changed to Keowee Key.

This Declaration was initially recorded in the office of the Clerk of Court of Oconee County, South Carolina in Deed Book 11J; page 275 on June 26, 1972.

Subsequent amendments approved by owners have been recorded in Deed Book 596, page 123 on November 9, 1989 and in Deed Book 650, page 269 on April 12, 1991 and in Deed Book 694, page 145 on May 29, 1992 and in Deed Book 709, page 61 on October 20, 1992 and in Deed Book 753, page 50 on November 18, 1993 and Deed Book 798, page 80 on December 13, 1994 and in Deed Book 840, page 10 on November 21, 1995 and in Deed Book 972, Page 214 on May 11, 1998 and in Deed Book 1024, Page 176 on March 31, 1999 and as amended October 30, 2000, and recorded in Deed Book 1212, Page 187 on April 15, 2002 and as amended September 24, 2001, and recorded in Deed Book 1212, Page 204 on April 15, 2002 and as amended September 2004, and recorded in Deed Book 1390, Page 142 on December 28, 2004 and as amended November 2, 2007 and recorded in Deed Book 1628, Page 120 on November 16, 2007, and as re-recorded in Deed Book 1669, Page 126 on July 1, 2008 and as amended January 1, 2010 and recorded in Deed Book 1755, Page 299 on January 14, 2010 and as amended July 1, 2011 and recorded in Deed Book 1857, Page 211 on September 26, 2011.

The revised Declaration is annotated in its text with the amendment dates.

A Supplemental Declaration of Protective Covenants has been filed in connection with each new unit developed within Keowee Key. The Supplemental Declaration incorporates the unit into Keowee Key, makes it subject to the full Declaration of Protective Covenants and defines any specifics or peculiarities affecting property in the new unit.

The Supplemental Declaration for the unit in which your property is located should have been given to you at time of purchase.

You should retain it with the full Declaration of Protective Covenants.

(Amended July 2011)

*Plot, Keowee Key POA  
1292 Stamp Creek Rd.  
env. 4900 Salem, SC 299076  
003036*

FILED FOR RECORD  
OCONEE COUNTY, S.C.  
REGISTER OF DEEDS

2011 SEP 26 A 10:31

# **AMENDED and RESTATED DECLARATION OF PROTECTIVE COVENANTS**

Oconee County, S.C.

THIS DECLARATION was originally made on June 26, 1972, by LAKE KEOWEE DEVELOPMENT CORPORATION, a South Carolina corporation, and subsequently amended and restated as provided herein, and is hereby Amended and Restated this 1st day of January, 2010. (Amended October 1994, October 1995, December 2004, and November 2007).

## RECITALS

LAKE KEOWEE DEVELOPMENT CORPORATION was the owner and Developer of that certain real property located in Oconee County, State of South Carolina, known as Lake Keowee (the "Development"), a part of which was described in the Supplemental Declaration originally attached to the Declaration as Exhibit "A" and made a part hereof.

LAKE KEOWEE DEVELOPMENT CORPORATION intended to sell and convey the Lots and Parcels situated within the Development and before doing so, desired to impose upon them mutual and beneficial restrictions, covenants, equitable servitudes and charges under a general plan or scheme of improvements for the benefit of all of the Lots and Parcels in the Development and the owners and future owners thereof.

LAKE KEOWEE DEVELOPMENT CORPORATION declared that all of the Lots and Parcels in the Development are held and shall be held, conveyed, hypothecated or encumbered, leased, rented, used, occupied and improved, subject to the provisions of this Declaration, all of which are declared and agreed to be in furtherance of a plan for the development, improvement and sale of said Lots and Parcels and are established and agreed upon for the purpose of enhancing and protecting the value, desirability and attractiveness thereof. The provisions of this Declaration are intended to create mutual equitable servitudes upon each of said Lots and Parcels in favor of each and all other Lots and Parcels; to create reciprocal rights between the respective owners of all such Lots and Parcels; to create privity of contract and estate between the grantees of such Lots, their heirs, successors and assigns; and to operate as covenants running with the land for the benefit of each and all other such Lots and Parcels in the Development and their respective owners, present and future.

NOW, THEREFORE, these DECLARATION OF PROTECTIVE COVENANTS are hereby Restated and Amended as provided herein.

I. DEFINITIONS. The following terms as used in this Declaration are defined as follows:

"Alternative Voting Procedure" shall mean the following:

- (i) Any action that may be taken at any annual, regular, or special meeting of Members may be taken without a meeting if the Association delivers a written or electronic ballot to every Member entitled to vote on the matter. All votes shall be taken by written ballot or electronic ballot and shall be kept confidential. Written or electronic notice describing the matter to be voted upon, a ballot and other material necessary to insure voting control and Member privacy (the "Voting Materials") shall be delivered to all Members eligible to vote not less than twenty (20) days, nor more than forty (40) days before the date established by the Board for counting votes. Notice and delivery of Voting Materials for Members choosing to use a written ballot shall be deemed complete and delivered when deposited in the United States Mail, first class mail, with appropriate and necessary postage affixed, addressed to the Member at his or her address as it appears on the records of the Association. Notice and delivery of Voting Materials for Members choosing to use an electronic ballot shall be deemed complete and delivered when sent to the e-mail address as it appears on the records of KKPOA. Members shall cast their votes by marking and returning the ballots as instructed therein.
- (ii) Registration for use of electronic ballot - Members choosing to vote by electronic ballot must complete a registration form and forward it to the KKPOA administration office 60 days in advance of any matter requiring a membership vote and will remain in effect until revoked by the Member. Any change made back to paper ballot must be made at least 45 days in advance of any matter requiring a membership vote.
- (iii) A written or electronic ballot shall:
  - (a) set forth each proposed action; and
  - (b) provide an opportunity to vote for or against each proposed action.
- (iv) Approval by written or electronic ballot pursuant to this section is valid only when the number of votes cast by written or electronic ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.
- (v) All requests for votes by written or electronic ballot shall:
  - (a) indicate the number of responses needed to meet the quorum requirements;
  - (b) state the percentage of approvals necessary to approve each matter other than election of directors; and
  - (c) specify the time by which a ballot must be received by the Association in order to be counted.
- (vi) A written or electronic ballot may not be revoked after it is submitted.

- (vii) Members shall cast their vote subject to their voting rights as defined herein and in Article III, Section B of the Bylaws. They shall record their vote by marking and returning the ballot as instructed thereon. Specific voting instructions and materials shall insure that only ballots from eligible voters are counted, and that the privacy of individual Members is maintained.
- (viii) Ballots marked and returned in accordance with instructions shall be counted, and totals certified, by either:
  - (a) The Nominating Committee, or a group of members selected by the Nominating Committee not currently serving on the Board. A Member may, by request, observe the counting of the ballots by Members; or
  - (b) A professional independent auditing firm.

The KKPOA Web Administrator and the Residential Informational Technology Committee (the “RIT Committee”) will oversee the counting of the electronic ballots.
- (ix) Upon request by Declarant, Declarant shall be entitled to be present at the counting of any vote, and to inspect any ballots so counted.
- (x) Voting results shall be given to the Board which will announce the results to the Membership.
- (xi) Unless otherwise required by this Declaration or applicable law, a quorum shall be represented by 10% of the votes entitled to be cast on a matter.
- (xii) In order to implement electronic voting, the Board shall have the authority to use software adapted to such purpose, implement a web-based system, use an email-based system, or otherwise determine the method of implementation, provided the Board determines that the system adopted will allow the accurate counting of votes, limit voting to authorized voters, prevent tampering, preserve confidentiality, and otherwise assure the integrity of the voting process.

“Amenity” or “Amenities” means the golf course, Fitness and Racquet Center, tennis courts, bocce ball courts, country club facilities, Leisure Trail, boat docks, marina, swimming pools and other facilities provided for the recreation and enjoyment of the Members of the Association.

“Amenity Lot” means any Unimproved Lot that the Owner has requested be designated an Amenity Lot, and which is entitled to such designation, pursuant to Article VI.E.

“Articles of Incorporation” or “Articles” means the articles of incorporation or declaration and petition for the Association.

“Association” means the Keowee Key Property Owners’ Association, Inc. (“KKPOA”), a South Carolina nonprofit corporation. The Association succeeded, as Declarant hereunder, the original Declarant which promulgated this Declaration. The terms “Association” and “Declarant” are used interchangeably throughout this Declaration.

“Board” means the Board of Directors of the Association.

“Bylaws” means the Bylaws of the Association, as the same may be amended or supplemented from time to time.

“CARE” means the Committee for Architectural Review and the Environment.

"Common Expenses" mean the actual and estimated expenses that the Association incurs, or expects to incur, in connection with the ownership, maintenance, and operation of the Reserved Area and Reserved Area facilities and otherwise for the general benefit of the Owners and/or the Development. Common Expenses include such operating reserves and reserves for capital repair and replacement of capital items within the Reserved Area or otherwise as the Board finds necessary or appropriate. The characterization of a particular expense as a "Common Expense" shall not preclude the Association from seeking reimbursement for, or a contribution toward, such expenses from other persons or entities who may be responsible for the expenses incurred or for sharing such expenses pursuant to this Declaration, the Bylaws, or any other recorded covenants or cost sharing agreement.

“Declarant” means the Keowee Key Property Owners’ Association, Inc., its successors and assigns, which has succeeded prior Declarants: Lake Keowee Development Corporation and Realtec, Inc. Keowee Key Property Owners’ Association, Inc. is not the corporate successor of Lake Keowee Development Corporation, Inc. or Realtec, Inc.

“Declaration” means this Amended and Restated Declaration of Protective Covenants for Keowee Key, recorded September 26, 2011 in the Office of the Clerk of Oconee County, South Carolina in the Book 1857, and Page 211, *et seq.*, as the same may be supplemented and amended from time to time.

“Designated Member” means, with respect to any Lot in the Development, one of the following designated individuals:

- (i) in the case of an Owner or Co-owner of the Lot who are natural persons, one person 18 years of age or older who is an Owner and is designated in writing by all Co-owners of the Lot.
- (ii) in the case of an Owner of the Lot which is a legal entity, one person 18 years of age or older whom the Owner designates in writing to the Association.
- (iii) The Designated Member for any Lot may be changed no more than once in any 12-month period, except in the event of the Designated Member's death; provided, however, that the Board may permit additional change(s) in the Designated Member during such 12 month period if the Board determines that good cause exists to permit such re-designation.
- (iv) The Owner(s) of a Lot that has multiple Owners or is owned by a corporation, partnership or other legal entity, shall notify the Secretary in writing of the name and address of a Designated Member with respect to such Lot.

- (v) If at least one natural Person is an Owner of such Lot, then the Designated Member must be a natural person who is an Owner of such Lot.
- (vi) If a Lot is owned by one or more natural persons (and no Owner is a corporation or other entity), then the Designated Member shall be presumed to be the first Owner listed on the deed(s) of conveyance whereby the Lot was conveyed to such Owner(s), unless (a) all of the Owners of such Lot file a different written designation with the Association, or (b) at least one of the Owners of such Lot files a written objection to such presumption, in which event such presumption shall not be applied, and all of the Owners of such Lot shall designate in a writing filed with the Association the name and address of the Designated Member with respect to such Lot.
- (vii) If a written designation of the Designated Owner is required for a Lot and no written designation of the Designated Member for such Lot is filed, the Board may suspend the Privileges of Membership with respect to such Lot, including the Voting Privilege, the Amenity Use Privilege and the Association Participation Privilege.

“Designated Tenant” means one person 18 years of age or older who is a tenant of the Owner with respect to the Lot and whom the Owner designates in writing to the Association. The Designated Tenant for any Lot may be changed no more than once in any 90 day period, except in the event of the Designated Tenant's death; provided, however, that the Board may permit additional change(s) in the Designated Tenant during such 90 day period if the Board determines that good cause exists to permit such re-designation.

“Developer” means Realtec, Inc. (the prior Declarant and successor to the Lake Keowee Development Corporation), its successors and assigns, which transferred ownership of common-use properties and management of the Development to the Association by that certain Asset and Sale Agreement dated June 20, 1994. The Developer retains responsibility for the completion of development type work begun or platted in the Development and for other obligations incurred which were not transferred to the Association by such Asset and Sale Agreement.

“Development” means Keowee Key (formerly referred to as Lake Keowee) as the same may be shown on the Plats from time to time.

“Dwelling Occupant”: See definition for “Single Family Residential Use”.

“Effective Date” means that date of recording of this amendment to Amended and Restated Declaration of Protective Covenants for Keowee Key in the Oconee County, South Carolina records.

“Exempt Lot” means any Lot which has been designated as an Exempt Lot by written agreement between the Owner and the Declarant wherein the Owner has agreed, with respect to such Lot, to relinquish certain rights and privileges in return for an exemption from assessments and fees. Such agreement shall contain provisions

acceptable to the Board in its sole discretion, including a requirement that the Owner replat the two lots as one lot, and record same.

“Fee and Assessment Policy” means a document entitled “Keowee Key Property Owners’ Association, Inc. Fee and Assessment Policy and Procedures” dated December 8, 2008, as the same may be subsequently amended from time to time.

“Governing Documents”: A collective term referring to this Declaration, any applicable Supplemental Declaration, the Bylaws, the Articles, and the Rules, as each may be amended or supplemented from time to time. The provisions of the Governing Documents shall apply to the Owners and to all occupants of their Lots, as well as to their respective tenants, guests, invitees, Member Households, Tenant Households, Short-term Renters and contractors.

“Guest Policy”: The written policy adopted by the Board from time to time regarding the persons, other than Members and members of the Member Households and Tenant Households, who may use the Reserved Areas and Amenities of the Development, the terms and conditions of such use, and the user fees, if any, applicable to such use.

“Improved Lot” means:

- (i) Any Lot containing a dwelling for which a certificate of occupancy has been issued by Oconee County, South Carolina; or
- (ii) Any Lot which contains a dwelling which is being occupied or used as a residence.

For the sole purpose of determining the amount of assessments due with respect to any Lot, such Lot shall be considered to be an Improved Lot if one (1) year has elapsed since the issuance of a building permit for a dwelling by CARE, regardless of whether a certificate of occupancy has been issued for the dwelling.

“Improvement” means all landscaping, tree removal and structures of any type or kind. The term “structures” includes but is not limited to, buildings, outbuildings, grading, streets, roads, driveways, parking areas, fences, retaining and other walls, hedges, exterior lighting, boat racks, docks and dock access ramps, poles, and antennas, including satellite dishes.

“Keowee Key” or the “Community” means a private residential development and community on Lake Keowee, South Carolina, as may be shown on the plats of record thereof.

“KKPOA” means Keowee Key Property Owners Association, Inc., a South Carolina non-profit corporation.

“Lot” means any separately numbered lot or condominium unit on a recorded subdivision Plat or condominium instrument, whether Improved or Unimproved, which may be independently owned or conveyed and is zoned or otherwise intended for development, use, and occupancy as an attached or detached single-family residence. The term “Lot” refers to the land as well as to any structures or other improvements on the Lot. In the case of a building within a condominium or other

structure containing multiple dwellings, each unit or dwelling therein shall be deemed to be a separate Lot.

“Major Amenities” means the Fitness and Racquet Center and the golf course and related golf facilities.

“Member”: A Person subject to membership in the Association pursuant to Article VI.C. of this Declaration.

“Member Household” means:

- a. Either
  - (i) The Designated Member; and
  - (ii) The Designated Member's spouse, or if unmarried, one Significant Other; and
  - (iii) Any persons related to the Designated Member or the designated member's spouse, or if unmarried, one Significant Other, by blood, adoption, or marriage, within the 4<sup>th</sup> degree of consanguinity, and living with the Designated Member on a fulltime basis; and
  - (iv) Any persons 18 years of age or younger in the legal custody of the Designated Member or spouse, or if unmarried, one Significant Other, who are living with the Designated Member on a fulltime basis; and
  - (v) The unmarried children of the Designated Member, or spouse, or if unmarried, one Significant Other, who are 24 years of age or younger, whether or not they are living with the Designated Member on a fulltime basis; or
- b. If the Lot is occupied as a single family residence by a group of not more than three (3) adult persons over the age of 18, all of whom reside together in the Lot on a permanent basis, and who do not otherwise have the characteristics of a Member Household, as set forth above, then those three (3) adult persons shall be considered to constitute a Member Household; and
- c. Together with his or their domestic servants maintaining a common household in a dwelling.

“Mortgage”: A mortgage, deed of trust or deed to secure debt. “Mortgagee” shall refer to a beneficiary or holder of a Mortgage. “First Mortgage” shall be a Recorded mortgage having first priority over all other Mortgages encumbering a Lot, and “First Mortgagee” shall refer to a beneficiary or holder of a First Mortgage.

“Multiple Family Dwelling” means a residential dwelling such as a duplex, apartment house, townhouse or condominium complex containing two or more individual apartments or living units and constructed on a Lot or Parcel whose use is designated in the Supplemental Declaration as multi-family residential. Unless otherwise provided in the Supplemental Declaration affecting such Multiple Family Dwelling, each separate apartment or living unit within a Multiple Family Dwelling shall be used as a Single Family Dwelling.

“Owner” means any Person who holds record title to any Lot or Parcel. However, a Person who holds title merely as security for the performance of an obligation (such as a lender holding a mortgage or similar security instrument) is not considered an Owner. If a Lot is sold under a recorded contract of sale, and the contract specifically so states, the contract purchaser (rather than the holder of fee simple title) will be considered the Owner. If a Lot has more than one Owner, all Co-owners are jointly and severally obligated to perform the responsibilities of the Owner under this Declaration.

“Parcel” means any named, lettered tract shown on a Plat, other than a Lot.

“Person” means an individual, corporation, partnership, limited liability company, limited partnership, limited partnership, trustee, or any other legal entity.

“Plat” means the maps or plats of survey of Keowee Key which may be recorded in the official public records of Oconee County, South Carolina from time to time.

“Privileges of Membership” is defined in Section VI.C.1. of this Declaration.

“Reserved Area” means all of the real property designated as such in the Supplemental Declaration or on plats of the Development filed in the Office of the Clerk of Court of Oconee County, South Carolina. Ownership of such Reserved Area shall be retained by Declarant and shall be put to such uses as it shall deem best for the common use of Owners; provided, however, that notwithstanding the foregoing, any Reserved Area or portion thereof may be conveyed, encumbered or leased by Declarant if properly authorized as provided in the Governing documents, and in such event the use of such property may be changed as otherwise authorized in the Governing Documents.

“Rules” means the rules and regulations promulgated by the Board or CARE, as otherwise authorized by the Governing Documents. All rules and regulations promulgated by CARE must be approved by the Board.

“Significant Other” means an individual who resides with an unmarried Designated Member or Designated Tenant on a fulltime basis and whom the Designated Member or Designated Tenant has designated as a "Significant Other" by written notice to the Association, which designation may be changed no more than once in any 12-month period (except in the event of the Significant Other's death); provided, however, that the Board may permit additional change(s) of a Designated Member's or Designated Tenant's Significant Other during such 12 month period if the Board determines that good cause exists to permit such re-designation.

“Single Family Dwelling” means a residential dwelling constructed for Single Family Residential Use. A Single Family Dwelling may be used only for Single Family Residential Use.

“Single Family Residential Use”: A dwelling located on a Lot which is restricted to Single Family Residential Use shall be occupied only by:

- (i) A Member Household; or

(ii) If the Lot is leased by the Owners thereof to a tenant in accordance with the provisions of this Declaration, then the Tenant Household; provided, however, that a Lot restricted to Single Family Residential Use may be owned by up to three (3) separate family units (each family unit being comprised by either one individual, or one individual and his or her spouse or Significant Other), and the use and occupancy of such residence may be rotated among such family units without violating the Single Family Residential Use restriction and without violating the timesharing proscriptions contained in Article III, Section DD hereof. Only one of such family units, together with their respective guests, may be in residence in such dwelling at a time. The Board shall have the authority to promulgate Rules to regulate the use of the Amenities by family units other than the Member Household for such Lot, to prescribe user fees to be paid by such family units and their guests, and to address any other issues which might arise. Notwithstanding the foregoing, nothing herein, in any Supplemental Covenant, or in any other Governing Document shall prevent the Association from installing or operating any Amenity (including, but not limited to, parking) on any Lot or Parcel owned by the Association, and the use by the Association of any Lot or Parcel as an Amenity or as a Reserved Area shall not violate any use restriction or limitation herein, in any such Supplemental Covenant or in any other Governing Document.

“Supplemental Declaration” means:

- (i) The recorded Supplemental Declaration of the Declarant attached to the original Declaration recorded in the Office of the Clerk of Court for Oconee County, South Carolina, in Deed Book 11-J at page 275, or
- (ii) In the case of real property being annexed to the Development, or which has been so annexed, the recorded Supplemental Declaration of Declarant which submits additional property to this Declaration and incorporates the provisions of this Declaration therein by reference.

In either event, the Supplemental Declaration shall include a description of the real property being submitted to the Declaration by such document and, subject to the provisions of this Declaration, designate the permitted uses of such property.

“Tenant Household” means:

- a. Either
  - (i) The Designated Tenant; and
  - (ii) The Designated Tenant's spouse, or if unmarried, one Significant Other; and
  - (iii) Any persons related to the Designated Tenant or the designated Tenant's spouse, or if unmarried, one Significant Other, by blood, adoption, or marriage, within the 4<sup>th</sup> degree of consanguinity, and living with the Designated Tenant on a fulltime basis; and
  - (iv) Any persons 18 years of age or younger in the legal custody of the Designated Tenant or spouse, or if unmarried, one Significant Other, who are living with the Designated Tenant on a fulltime basis; and
  - (v) The unmarried children of the Designated Tenant, or spouse, or if unmarried, one Significant Other, who are 24 years of age or younger,

- whether or not they are living with the Designated Tenant on a fulltime basis; or
- b. If the Lot is occupied as a single family residence by tenants composed of a group of not more than three (3) adult persons over the age of 18, all of whom reside together in the Lot on a permanent basis, and who do not otherwise have the characteristics of a Tenant Household, as set forth above, then those three (3) adult persons shall be considered to constitute the Tenant Household; and
  - c. Together with his or their domestic servants maintaining a common household in a dwelling.

“Transient Use Waiver” means a waiver of the transient use or rental restrictions set forth in Articles III.U. and III.X., as more specifically described in such articles.

“Unimproved Lot” means any Lot other than an Improved Lot.

“Vote of the Members” or “Vote of the Association”: Unless the context otherwise requires, means approved or ratified by the Members entitled to vote on the issue through either:

- (i) the affirmative vote of a majority of the votes of the Members represented and voting at a duly held meeting at which a quorum is present, or the affirmative vote of the greater proportion, including the votes of any required proportion of the Members of any class as this Declaration, the Bylaws or applicable law may provide for specified types of Member action; or
- (ii) a written or electronic ballot or written consent in conformity with the Alternative Voting Method defined herein.

In the event that this Declaration or the Bylaws require action or approval by a specified percentage Vote of the Members, i.e. "by a two-thirds (2/3) Vote of the Members," then such action or approval shall be deemed to have been given upon the affirmative vote of the specified percentage of those Members attending the duly called meeting and entitled to vote on the question, or upon the approval by such percentage of Members voting through the Alternative Voting Procedure, as applicable.

- II. LAND USE. Lots and Parcels in the Development shall be designated in the Supplemental Declaration as to their permissible uses and shall thereupon become subject to the restrictive or other provisions of this Declaration relating to such uses unless it is otherwise provided in the Supplemental Declaration. In such case, to the extent that there may be a conflict between the provisions of this Declaration and those of the Supplemental Declaration, the provisions of the Supplemental Declaration shall apply to those Lots or Parcels described therein. In the event a use is designated for which no such provisions are contained herein (e.g., commercial, governmental, school, etc.), the same may be set forth in such Supplemental Declaration. All Supplemental Declarations filed after October 9, 1994, must bear the prior approval of CARE.

- A. Single Family Residential. Only Single Family Dwellings and such outbuildings as are usually accessory thereto shall be permitted on any Lot designated as single family residential, and such Lots shall be restricted to Single Family Residential Use. The following restrictions shall apply specifically to such Lots unless it is otherwise provided in a Supplemental Declaration:
1. Minimum Area. Each dwelling shall have fully enclosed and heated floor area (exclusive of roofed or unroofed porches, terraces, garages, carports or other outbuilding) with not less than the number of square feet established in the Supplemental Declaration for the Unit in which the Lot is situated.
  2. Setbacks. Each such dwelling shall be at least:
    - a. Thirty (30) feet from the front Lot line;
    - b. Twenty-five (25) feet or 25% of the depth of the Lot, whichever is greater, from the rear Lot line;
    - c. Ten (10) feet from the side Lot lines;
    - d. Each dwelling (including outbuildings, considered as accessory thereto), all roofed and unroofed porches, decks, terraces, garages, carports or any other structure attached to the dwelling shall conform to the designated setbacks for that particular Lot.
    - e. In the event that CARE shall determine that application of the setbacks contained herein to a particular Lot would unreasonably limit the use thereof by the Owner and effectively deprive him of an appropriate construction site upon said Lot, or CARE shall determine that is otherwise appropriate because of the geography, shape, topography or other configuration of the Lot, or otherwise, CARE may grant a variance to the Owner of such Lot from the provisions of these setback restrictions.
- B. Multiple Family Residential. Only Multiple Family Dwellings and such outbuildings as are usually accessory thereto shall be permitted on any Lot or parcel designated as multiple family residential. The following restrictions shall apply specifically to such Lots or parcels unless it is otherwise provided in a Supplemental Declaration:
1. Zoning. If required, multiple family residential use shall be approved by the appropriate governmental authorities.
  2. Minimum Areas. There shall not be more than one dwelling unit for each 3,000 square feet of land area in such Lot and the amount of fully enclosed floor area devoted to living purposes in each such unit shall not be less than 600 square feet.
  3. Carport or Garage. A carport, garage or parking space shall be constructed for each dwelling unit constructed.
  4. Type of Construction. Subject to the approval of CARE, multiple family dwellings may be of single or multiple story construction, and may be detached or joined by common walls.
  5. Setbacks. Setbacks for multiple family dwellings shall be the same as for single family dwelling as set forth in Article II.A.2.

6. Unless otherwise specified in the Supplemental Declaration, each Lot or unit within a Multiple Family Residential parcel shall be used only for Single Family Residential Use.
- C. Reserved Areas.
1. Use. The use and enjoyment of Reserved Areas and improvements thereon, shall be subject to the rules governing the use of such property and improvements as may from time to time be adopted by the Association.
  2. Maintenance. Maintenance of Reserved Areas and/or other property owned by the Association and repairs to any improvements thereon shall be the obligation and responsibility of the Association.
  3. Reserved Areas may be used for any purpose considered appropriate by the Association.
- D. Amenity Use. Notwithstanding the foregoing, nothing herein, in any Supplemental Covenant, or in any other Governing Document shall prevent the Association from installing or operating any Amenity (including, but not limited to, parking) on any Lot or Parcel owned by the Association, and the use by the Association of any Lot or Parcel as an Amenity or as a Reserved Area shall not violate any use restriction or limitation herein, in any such Supplemental Covenant or in any other Governing Document. Setbacks for any Lot used as an Amenity or Reserved Area shall be as determined by the Board.

III. RESIDENTIAL RESTRICTIONS. The following shall be applicable to all Lots and Parcels designated as residential in character, and each Owner, as to his Lot or Parcel, covenants to observe and perform the same.

- A. Accessory Outbuildings. Without the approval of CARE, no accessory outbuildings shall be erected on any Lot or Parcel prior to the erection thereon of a dwelling. In no event shall any such accessory outbuilding, partially completed or temporary structure, ever be used for human occupancy or habitation.
- B. Completion of Construction. Construction of any improvements, once commenced, shall be completed within 12 months. Improvements not so completed or upon which construction has ceased for 90 consecutive days or which have been partially or totally destroyed and not rebuilt within 12 months shall be deemed nuisances. Declarant may remove any such nuisance or repair or complete the same, at the cost of the Owner.
- C. Prohibition Against Used Structures. Without the approval of CARE no used buildings or structures, intended for use as a dwelling, shall be placed on any Lot.
- D. Maintenance of Lots. All Lots and Parcels, including Exempt Lots, whether occupied or unoccupied, and whether or not any improvements have been placed thereon, shall at all times be maintained in such manner as to prevent them becoming unsanitary, hazardous to health, unsafe, unsightly when compared to

other similar Lots in the community, below standards established by CARE, or not in compliance with any requirement of the Declaration. Landscaping shall be maintained in a neat, attractive and orderly manner, including maintenance of grass, plants, plant beds, trees, turf and proper irrigation. In order to implement effective control, if the Owner does not properly maintain his Lot, the Declarant, its agents and assigns, after reasonable written demand for compliance to the Owner, shall have the right to enter upon any Lot for the purpose of mowing, pruning, removing, clearing or cutting underbrush, weeds or other unsightly growth and trash, which in the opinion of CARE detracts from the overall beauty or safety of the Development, or removing any dangerous condition, in accordance with the provisions of the Governing Documents. In the event that Declarant deems it necessary to enter upon any Lot to correct any unsightly, unkempt or unsafe condition, or otherwise as set forth in this subparagraph, all expenses incurred in such corrective action shall be the responsibility of the Owner, and the cost of which shall be charged to the responsible Owner and become a lien upon said Lot and shall be enforceable by Declarant in the same manner as an assessment as provided in Article VII of this Declaration. Neither the Declarant nor any of its agents, employees or contractors shall be liable for any damage which may result from any maintenance work as performed.

- E. Disposal of Sanitary Waste. No outside toilet shall be constructed on any Lot or Parcel. All plumbing fixtures, dishwashers, toilets or sewage disposal systems shall be connected to a sewage system approved by the appropriate authority; provided, however, that nothing herein shall prevent the installation or use of a septic system on property owned by the Association if the Board determines that connecting the plumbing on such property to the sewer system is not reasonably feasible, the Board approves the installation of such septic system, and the installation of such septic system meets all other legal requirements. No sewage or similar materials of any kind shall be permitted to enter Lake Keowee. Notwithstanding the foregoing, CARE may permit "porta-potties" or similar devices to be located on a Lot or parcel during construction.
- F. Fences. All property lines shall be kept free and open and no fences, hedges or walls shall be permitted thereon without CARE approval.
- G. Golf Course Lots. Owners of Lots or Parcels adjacent to golf course fairways shall permit entrance upon their Lots for retrieval of golf balls.
- H. Signs. No person, except the Declarant, shall erect or maintain upon any Lot or Parcel or Improvement any sign or advertisement, unless prior approval is obtained from CARE.
- I. Animals. Raising, breeding, or keeping animals, livestock, or poultry of any kind shall be prohibited, except that a reasonable number of dogs, cats, or other common household pets may be permitted in a Lot; however, those pets which are permitted to roam free, or, in the Board's judgment, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the

occupants of other Lots, shall be removed from the Development upon the Board's request. If the pet owner fails to honor such request, the Board may remove the pet from the Development. Dogs shall be kept on a leash or otherwise confined in a manner acceptable to the Board whenever outside the dwelling. Pets shall be registered, licensed, and inoculated as required by law. No dangerous dog or other dangerous animal may be kept or maintained within the Development. The Board shall have the right to designate a specific dog or animal as a dangerous dog or dangerous animal, and to exclude such animal from the Development. In order to preserve the aesthetic qualities of the Development, to maintain sanitary conditions on the Development, to prevent the spread of worms and infectious diseases in the Development, to maintain a proper respect for other Owners and users of the Development, and to maximize the overall use and enjoyment of the Development, each person who keeps a pet within a Lot shall abide by rules and regulations established by the Association from time to time. The breach of any of these rules and regulations shall be a noxious and offensive activity constituting a nuisance.

- J. **Objectionable Activities.** No noxious or offensive activity or nuisances shall be carried on or permitted within the Development, nor shall anything be done therein tending to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. There shall not be maintained any plants or device or thing of any sort, including excessively barking dogs, 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 the other property in the neighborhood by the Owners thereof.
- K. **Garbage and Refuse Disposal.** No person, other than Declarant or KKUS, shall burn trash, leaves, debris, garbage or other refuse. No person shall accumulate on his Lot junked vehicles or litter, refuse or garbage, except in receptacles provided for such purposes. Further, while it is understood that while the Owners will have garbage receptacles, such receptacles shall be for domestic garbage only and the Owner and those in residence under the Owner shall not be authorized to dispose of any hazardous waste materials on a Lot or within the Development. The term "hazardous waste materials" shall mean any substance, material, waste, gas or particular matter which is regulated by any local government authority, the State of South Carolina or the United States Government as a "hazardous waste", "hazardous material", "hazardous substance", or restricted "hazardous waste".
- L. **Excessive Noise.** Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound device so as to be audible to occupants of other Lots, except alarm devices used exclusively for security or safety purposes, shall be prohibited. Owners shall use reasonable efforts to avoid false alarms with respect to their security systems, and shall also set alarms so that the external, audible noise made by said alarm shall terminate automatically after 15 minutes.

- M. Dumping. No Owner or those in residence under such Owner shall dump grass clippings, leaves, or other debris in any drainage ditch, stream, pond, or lake, or elsewhere within the Development.
- N. Obstructing Drainage. Obstructing or rechanneling drainage flows after location and installation of drainage swales, storm sewers, or storm drains shall be prohibited, except that the Association shall have such right.
- O. Firearms. Discharge of firearms shall be prohibited; provided however, that the Association shall have no obligation to take action to prevent or stop such discharge.
- P. Damage to Environment. Any activities which materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within the Development are strictly prohibited, except with CARE approval.
- Q. Roadway Regulation. The Association may promulgate from time to time parking regulations with respect to common parking areas in the Development. The Association may post “no parking” signs along the streets and roadways within the Development where it, in its sole discretion, determines appropriate to do so. Violators of said “no parking” signs are subject to having their vehicles towed away and shall be required to pay the cost of such towing and storage before their vehicle may be recovered. The act of towing said vehicle shall not be deemed a trespass or a violation of the owner of such towed vehicle, because the owner shall be deemed to have consented to such action by accepting the right to use the roads and streets within the Development. The Board may delegate the authority to enforce such parking regulations to security guards or others appointed for that purpose.
- R. Minimizing Construction Disturbances. During any construction on a Lot, the owner and the contractor shall maintain the construction site in a clean and uncluttered condition. Unless specifically allowed by a rule established by CARE, construction may not commence before 7:00 a.m. or be continued after 7:00 p.m. Monday through Saturday, and construction is not permitted on Sunday. CARE may promulgate rules governing construction activities which may:
  - 1. Limit construction activities at certain times e.g. holidays, tournaments and promotional events,
  - 2. Allow construction activities during times in which they would otherwise be prohibited, if the activity is conducted indoors and (A) the existence or operation of the construction activity is not apparent or detectable by sight, sound or smell from the exterior of the Lot or Parcel; and (B) CARE determines that the activity is consistent with the residential character of the area, and does not constitute a nuisance or offensive activity, as may be determined in the sole discretion of CARE.

- S. Flags. The flying of the American flag shall be permitted, so long as it is of a reasonable size. CARE shall have the authority to promulgate and enforce rules regarding the flying of flags, which rules may prohibit certain types of flags from being flown, limit the size of flags, and limit the size and design of flagpoles or similar apparatus used in flying any flags.
- T. Concealment of Fuel Storage Tanks and Trash Receptacles. Fuel storage tanks on any Lot or Parcel shall be located and screened to the satisfaction of CARE. Every receptacle for ashes, rubbish or garbage shall be installed underground or be so placed and kept as not to be visible from any street or Reserved Area within the Development, or from Lake Keowee, except at times when refuse collections are made.
- U. Restrictions on Temporary Structures. No tent or mobile home shall be placed or erected on any Lot or Parcel, nor shall any overnight camping be permitted on any Lot or Parcel.
- V. Vehicles. Parking of commercial vehicles or equipment, mobile homes, recreational vehicles, campers, trucks, boats and other watercraft, trailers, snowmobiles, stored vehicles, or inoperable vehicles in places other than enclosed garages, shall be prohibited on any Lot; provided, however, that a travel trailer or other motor home (RV) may be parked on the driveway of a Lot or Parcel for no more than forty-eight (48) hours prior to departure and upon return from a trip, for the purpose of loading and unloading; and provided further, that construction, service, and delivery vehicles shall be exempt from this provision for such period of time as is reasonably necessary to provide service or to make a delivery to a Lot or the Reserved Area as determined by the CARE. The term "truck" as used herein is intended to refer to those vehicles of various sizes and designs for transporting goods, moving heavy articles or hauling quantities of cargo and which are normally used in a trade or business in which the truck is used because of its commercial capabilities and not merely as a means of transportation. This is not intended to include such dual-purpose vehicles as station wagons, jeeps, "scouts," "vans," "wagoneer," "Bronco," "Blazer" or land rover type vehicles and sports trucks, vans, pickup trucks, and attractive vehicles driven and maintained primarily as a means of transportation, and do not have exposed equipment, signage or supplies. No automobile or other vehicle shall be parked in any front yard or any other portion of a Lot, other than in its garage or in its driveway.
- W. Removal of Trees. No tree having a diameter of over three (3") inches (measured eight (8") above the ground) may be removed from any Lot or Parcel without the prior written consent by CARE.
- X. Limited Access. There shall be no land access to any Lot or Parcel on the perimeter of the Development except from designated streets or roads within the Development.

- Y. Ditches and Swales. Each Owner shall keep drainage ditches and swales located on his Lot or Parcel free and unobstructed and in good repair and shall provide for the installation of such culverts upon his Lot or Parcel as may be reasonably required for proper drainage.
- Z. Resubdivision of Lots. No single family residential Lot or Parcel shall be further subdivided, except as provided in Article XI.
- AA. Drilling and Mining. No drilling, refining, quarrying or mining operations of any kind shall be permitted on any Lot.
- BB. Water Services and Sewage Disposal Services. The Keowee Key Utility Systems, Inc. (KKUS), a South Carolina corporation (formerly Lake Keowee Utility Systems, Inc.), was created to provide water and sewage disposal services for all Lots in Keowee Key. In consideration thereof, the Owner of each Lot agrees to pay KKUS an availability fee and other such fees and charges as are established by KKUS and approved by the KKUS Board, commencing upon KKUS's providing such availability of water and sewage disposal services regardless of whether said Owner has applied for, and uses such water and sewage disposal services. All fees, charges and other amounts due to KKUS shall be secured by a lien on the Lot which incurred such fees, charges, which shall have the same priority as a lien in favor of the Association, except that KKUS liens shall be subordinate to the liens of the Association. The KKUS Board may establish collection policies for such fees and charges, including, at the option of KKUS, the filing of a lien on the Lots of delinquent Owners. No such filing shall be required to perfect the lien of KKUS, which shall be deemed to be perfected upon the filing of this amendment to the Declaration.
- CC. Assets previously owned by LKA. The Lake Keowee Association, Inc. (LKA), a South Carolina corporation, was created to own and manage the Keowee Key Golf and Country Club and related facilities to provide recreational and social amenities for the Owners of all Lots in Keowee Key. In 1992, Lake Keowee Property Owners' Association, Inc. (LKPOA), a South Carolina corporation, was created to own and manage facilities, equipment, and services relating to all other functions previously done by the developer (see Article VI). LKA merged into LKPOA and the name was changed to KKPOA (1998). KKPOA has become the owner and manager of the Golf and Country Club as well as other LKA assets and related recreational services. KKPOA also succeeds to the right to collect all outstanding assessments, fees and charges (collectively generally referred herein as "assessments and charges") owed to LKA, and, at KKPOA's option, to file for a lien or to foreclose on any existing liens held by LKA.
- DD. Transient Use; Timesharing. No Lot shall be made subject to or used for any hotel or transient purposes, nor for any type of timesharing, fraction-sharing, residence club, vacation club, destination club, or similar program whereby the right to exclusive use of the Lot rotates among Owners, participants, or members of the program on a fixed or floating time schedule on a reservation basis or on

such other basis as may be set forth in the terms of the program or use agreement; provided, however, that rotation of use of a Lot among no more than three (3) family units, as specified in the definition of "Single Family Residential Use" in Article I hereof, shall not be deemed to violate this subparagraph.

- EE. Corporate or Institutional Ownership. The ownership of any Lot, Parcel or Unit by a Person other than a natural person is permitted, but no activity shall be conducted upon such premises inconsistent with the designed purpose of the development as a family residential community. Notwithstanding such corporate or Institutional ownership, the Owners of such Lot shall strictly comply with all use and other restrictions applicable to such Lot, including, but not limited to, any Single Family Residential Use restriction.
- FF. Residential Use. Each Lot or Parcel designated as residential in character shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from such Lot or Parcel including business uses ancillary to a primary residential use, except that the Owner or Resident residing therein may conduct business activities so long as (i) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from the exterior of the Lot or Parcel; (ii) the business activity otherwise conforms to this Declaration and applicable Rules; (iii) the business activity does not increase the liability or casualty insurance obligation or premium of the Association or any other Lot Owner; and (iv) the business activity is consistent with the residential character of the area and does not constitute a nuisance or hazardous or offensive use, as may be determined in the sole discretion of the Board.

The terms "business" and "trade", as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis that involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) the activity is engaged in full or part-time; (ii) the activity is intended to or does generate a profit; or (iii) a license is required therefore. Notwithstanding the above, the leasing of a Lot or Parcel in accordance with this Declaration shall not be considered a trade or business within the meaning of this paragraph.

- GG. Rental Restrictions. The terms "lease" and "rent" shall refer to the regular, exclusive occupancy of a Lot by any person or entity other than the Owner for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument. All leases shall be in writing. No Unimproved Lot may be leased. Except for a Lot in a Multiple Family Dwelling, no Lot shall be leased, rented, or subleased under an agreement which provides for a term of less than ninety (90) days. A copy of any lease, together with such additional information as may be required by the Association, shall be given to the Association by the Lot Owner within ten (10) days of execution of the Lease.

The Owner must provide to the lessee copies of the Governing Documents. All Leases shall include the following notification:

The property which is subject to this lease or rental agreement is subject to the provisions of the Declaration of Protective Covenants for Keowee Key subdivision, which is recorded in the Office of the Clerk of Court for Oconee County, South Carolina, in Deed Book 11-J at page 275, as the same has been supplemented and modified (the "Declaration"). Tenant hereby agrees to comply with the all of the terms and conditions of the Declaration, and all Rules and Regulations promulgated by Keowee Key Property Owners' Association, Inc. pursuant thereto, during the term of this agreement. Copies of the Declaration and Rules and Regulations are available at the office of Keowee Key Property Owners' Association, Inc. at 1392 Stamp Creek Road, Salem, SC 29676.

Any Lot that is leased shall be leased only in its entirety; separate rooms, floors, or other areas within a Lot may not be separately leased.

Notwithstanding the foregoing, any Owner of a unit in a Multiple Family Dwelling may rent such unit for daily, weekly, or monthly rental purposes ("Short-term Rentals"), subject to rules and regulations promulgated by the Board with respect to access to the Community by such renters ("Short-term Renters"), the permitted purpose(s) of such Short-term Rentals, limitations on numbers or types of tenants permitted to occupy such units, limitations on the use of amenities and other facilities by renters, user charges with respect to amenities, and/or other matters relating to such Short Term Rentals in the discretion of the Board. In order to engage in such Short-Term Rentals, Owners of a unit in a Multiple Family Dwelling must file an application for, and obtain, a Transient Use Waiver from the Association, and establish to the satisfaction of the Association that the Multiple Family Dwelling unit is being used for such Short-term Rental Purposes and not for timesharing purposes.

#### IV. LAKE KEOWEE

- A. Ownership of Lakefront Lots. The boundary of any Lot shown on the Plat as being adjacent to Lake Keowee shall be a line running at an elevation of 804 feet above mean sea level.
- B. Limitation of Ownership Rights. No Owner of a Lot adjacent to Lake Keowee or to a stream shall have rights with respect to such lake or stream, the land thereunder, the water therein, or its or their elevation, use or conditions, nor shall such Owner have any riparian rights incident or appurtenant thereto. Further, no Owner shall have any rights with respect to any property between the shoreline of Lake Keowee and an elevation of 804 feet above mean sea level. No person shall acquire title to any land in the Development by accretion, reliction, submergence or changing water levels.

- C. Responsibility for Damages. The Declarant shall not be liable for damages caused by erosion, washing or other action of the water of Lake Keowee.
- D. Shoreline Improvements. No structure or other improvement of any type whatsoever (including, but not limited to, docks, piers, ramps, trams, decks, floats, gazebos, retaining walls, rip-rapping, or houseboats) shall be constructed or placed on or near the shoreline of Lake Keowee below an elevation of 804 feet above mean sea level without prior written approval of CARE. CARE approval for the construction of a structure or other improvement on said shoreline shall not obviate the necessity for an Owner to obtain necessary approvals from Duke Energy Company and local, state or federal agencies or authorities if applicable.

V. THE COMMITTEE FOR ARCHITECTURAL REVIEW AND THE ENVIRONMENT (CARE).

A. General Powers.

- 1. In order to preserve the natural beauty of the Development and its setting, to maintain a pleasant and desirable environment, to establish and preserve a harmonious design for the community, and to protect and promote the value of property:
  - a. No building, fence, wall, sign, swimming pool, tennis court, roof, exterior, or other structure or improvement shall be erected, placed, added to, modified, remodeled or altered on any Lot;
  - b. No clearing, excavation, grading, or other site work shall be performed on any Lot; and
  - c. No improvement shall be constructed on or near the shoreline pursuant to Article IV.D.  
unless and until the proposed building plans, improvements, modifications, additions, alterations, specifications (including height, color and composition of roof, siding, or other exterior materials and finish), plot plan (showing the proposed location of such building or structure, drives and parking areas), landscape plan, other applicable plans and construction schedule shall have been submitted and approved in writing by CARE as hereinafter provided.
- 2. Approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications. Any Owner may remodel, paint, or redecorate the interior of any Improvements on his or her Lot without approval.
- 3. This Article shall not apply to Declarant's activities.
- 4. In reviewing and acting upon any request for approval, Declarant or its designee shall act solely in Declarant's interest and shall owe no duty to any other Person.

5. CARE is hereby authorized to retain the services of one or more consulting architects, engineers, landscape architects, urban designers, and/or attorneys, and other professional consultants as it determines necessary to advise and assist CARE in performing the design review functions herein prescribed.
  6. Such approval shall be granted only after written application has been made to CARE in the manner and form prescribed by it. CARE shall also have the power, with Board concurrence, to establish rules, standards and procedures to monitor and enforce compliance with the provisions of Article II (Land Use), III (Residential Restrictions), IV (Lake Keowee), VIII (Easements), and the usage provisions of IX (Reserved Areas) and XI (Revision of Plats).
- B. CARE Membership. CARE shall be composed of five (5) or more members, appointed by the Board from among persons who meet the definition of “Member in good standing” under Bylaw III to serve a two (2) year term; provided, however, that the Board may vary the length of terms on CARE at its discretion. A CARE member may not serve consecutive terms, except that the Board may allow re-appointment if it determines that special circumstances exist which justify same. The terms of CARE members shall be staggered such that approximately an equal number of CARE members shall be appointed each year. CARE members shall be subject to removal by the Board and any vacancies from time to time existing shall be filled by appointment of the Board.
- C. Submission, Approval and Refusal of Architecture, Siting, Landscaping and Other Building Plans: Unless CARE otherwise specifies, three (3) copies of all plans and related data shall be furnished to CARE. Two (2) copies shall be retained in the records of CARE. The other copy shall be returned to the Owner marked “approved” or “disapproved.” Approvals shall be dated and shall not be effective for construction commenced more than twelve (12) months after such approval unless a different expiration time is specifically stated in the approval. Disapproved plans and related data shall be accompanied by a reasonable statement of items found unacceptable.
- D. Grounds for Disapproval. CARE may disapprove any application:
1. If such application does not comply with this Declaration; or
  2. Because of the reasonable dissatisfaction of CARE with grading plans, location of the proposed improvements on a Lot, finished ground elevation, color scheme, finish, design, proportions, appearance, architecture, shape, height or style of the proposed improvements, the materials used therein, and/or the kind, pitch or type of roof proposed to be placed thereon; or
  3. If, in the judgment of CARE, the proposed improvement will be inharmonious with the Development, or with the improvements erected on other Lots or Parcels.

4. CARE may base its decisions on purely aesthetic considerations, so long as such ground is not arbitrary and capricious.

E. Guidelines and Procedures. CARE, with the Board's consent, may prepare Architectural Guidelines applicable to Improvements to Lots which may contain general provisions applicable to all Lots as well as specific provisions which vary among the Lots according to location, use, or other factors. The Architectural Guidelines may contain, without limitation, square footage requirements, lot setbacks, height restrictions, construction material restrictions and requirements, landscaping requirements or other requirements and/or restrictions on construction, modification or maintenance of Improvements in the Development. The Architectural Guidelines are intended to provide guidance to Owners regarding matters of particular concern to CARE in considering applications hereunder. The Architectural Guidelines are not the exclusive basis for CARE's decisions, and compliance with the Architectural Guidelines does not guarantee approval of any application. Nothing herein shall be construed to require CARE to promulgate or continue to maintain Architectural Guidelines.

CARE shall have the authority to amend the Architectural Guidelines with the Board's consent. Any amendments to the Architectural Guidelines shall be prospective only and shall not apply to require modifications to or removal of structures previously approved once the approved construction or modification has commenced. There shall be no limitation on the scope of amendments to the Architectural Guidelines, and such amendments may remove requirements previously imposed or otherwise make the Architectural Guidelines less restrictive.

Declarant shall maintain a copy of the Architectural Guidelines, as they may exist from time to time, and shall make them available to Members or Owners for inspection and copying upon reasonable notice during the Association's business hours.

The Board may by resolution exempt certain activities from the application and approval requirements of this Article, provided such activities are undertaken in strict compliance with the requirements of such resolution.

F. Rules. CARE may, from time to time, adopt written rules of general application governing its established standards and procedures. These Rules may include, among other things, standards for maintenance of Lots; provisions for the form and content of applications; required numbers of copies of plans and specifications; construction requirements; and provisions for notice of approval or disapproval. Such Rules may also include:

1. Payment of fees to be charged to Owners in connection with applications submitted to CARE and/or construction within the Development, including, but not limited to:

- a. Plan review fee;
  - b. Road use fee for the use of the roads within the Development by the Owner's contractor, subcontractors, materialmen, and others participating in construction or similar work within the Development;
  - c. Deposits.
2. Provision for payment of fees to Keowee Key Utility Systems ("KKUS") as determined by KKUS from time to time, including, but not limited to:
  - a. Water tap fee;
  - b. Sewer tap fee;
  - c. Impact fee.
3. Fines for non-compliance with the Declaration, any Supplemental Declaration, the Rules, or the violation of any agreement entered into between CARE and Owner or Owner's builder in connection with such construction or activities. CARE shall maintain a schedule of such fines, which schedule shall be approved by the Board prior to implementation, and any changes to such schedule of fines shall be subject to Board approval.
4. Provisions for suspension of permits issued by CARE for construction, pending compliance by the Owner or Builder with the provisions of this Declaration, Rules and/or agreements entered into with CARE with respect to such construction.

All rules promulgated by CARE must be approved by the Board before such rules take effect.

- G. Agreements. CARE may require Owners seeking approval from CARE, or undertaking construction or other activities for which Committee approval is required, and/or Builders performing construction or making improvements to Lots, to execute construction agreements ("Agreements") with CARE, as agent for Declarant, with respect to same. Said Agreements may contain such matters as CARE deems appropriate to protect the Development in connection with such activities, including, without limitation, provisions relating to compliance with the Declaration and Rules, assurance that construction will be completed according to approved plans and specifications, posting of permits, tree removal, drainage and erosion control, construction driveway requirements, trash removal, parking, construction traffic, road use, damage avoidance and repair, toilet facilities, fires, dumping, blasting, completion schedule, abandonment, elevations, guard rails, fines, site maintenance, noise, construction hours, truck size limitations, road use limitations and requirements, insurance requirements, suspension of builders from building within the Development for non-compliance with the Declaration, Rules and Agreements, and builder and/or owner security deposits to secure compliance with the Rules, Declaration and Agreements during construction. The form of

such Agreements, and the amount of such deposits and fines, shall be promulgated by CARE from time to time, and shall be subject to Board approval; provided, that such agreements may contain special provisions solely applicable to the Lot at issue, and no uniformity shall be required with respect to the agreements entered into by CARE with respect to different Lots.

- H. No Waiver of Future Approvals. Each Owner acknowledges that the Persons reviewing applications under this Article will change from time to time and that opinions on aesthetic matters, as well as interpretation and application of the Architectural Guidelines, may vary accordingly. In addition, each Owner acknowledges that it may not always be possible to identify objectionable features until work is completed, in which case it may be unreasonable to require changes to the Improvements involved, but CARE may refuse to approve similar proposals in the future. Approval of applications or plans, or in connection with any other matter requiring approval, shall not constitute a binding precedent in any other matter or waiver of the right to withhold approval as to any similar applications, plans, or other matters subsequently or additionally submitted for approval.
- I. Variances. CARE may authorize variances from compliance with any of its Rules, guidelines and procedures, when circumstances such as topography, obstructions, hardship, or aesthetic or environmental considerations require, but only if in the opinion of CARE the granting thereof will not be substantially detrimental or injurious to owners of other Lots or Parcels. Such variances shall only be granted in accordance with the Declaration. No such variance granted by CARE shall (a) be effective unless in writing; (b) be contrary to this Declaration; or (c) estop CARE from denying a variance in other circumstances. For purposes hereof, the inability of an Owner to obtain approval of any governmental agency, to obtain the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.
- J. Certificate of Compliance. At any time prior to completion of construction of an Improvement, CARE may require a certification, upon such form as it shall furnish, from the contractor, owner or a licensed surveyor or engineer that such Improvement does not violate any setback, ordinance or statute, nor encroach upon any easement or right-of-way of record, nor violate any other provision of these Restrictions.
- K. Limitation of Liability.
  - 1. The standards and procedures this Article establishes are intended as a mechanism for maintaining and enhancing the overall aesthetics of the Development; they do not create any duty or liability on behalf of the Declarant or CARE to any Person. Review and approval of any application pursuant to this Article may be based on aesthetic considerations only. Neither CARE nor Declarant shall bear any responsibility for ensuring (a) the structural integrity or soundness of approved construction or modifications, (b) compliance with building

codes, zoning ordinances and other governmental requirements, (c) that Improvements on Lots are of comparable quality, value, size, or of similar design, aesthetically pleasing, or otherwise acceptable to neighboring property owners, (d) that views from any other Lots or the Reserved Areas are protected, or (e) that no defects exist in approved construction, or (f) that the plans and specifications are in compliance with this Declaration or any other property restrictions or other land use rules or regulations affecting the Lot.

2. Declarant, the Board, CARE, any other committee, or any member thereof shall not be held liable for, soil conditions, drainage, or other general site work; any defects in plans revised or approved hereunder; approval or disapproval of any plans or other submissions, any loss or damage arising out of the actions, inaction, integrity, financial condition, or quality of the work of any contractor or its subcontractors, employees, or agents; or any injury, damages, or loss arising out of the manner or quality of approved construction on or modifications to any Improvements on any Lot or Parcel.

L. View Impairment. Declarant does not guarantee or represent that any view over and across any portion of the Development or any adjacent property will be preserved without impairment. Any additions or changes, whether occurring in the course of developing or maintaining the Development, may diminish or obstruct any view from Lots, and any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed.

M. Appeals. Any applicant, other Owner or other aggrieved person challenging the application of a rule or procedure, any fine, or any other action or inaction by CARE, shall have the right to appeal to the Board from any decision of CARE within thirty (30) days after the date of such decision. On any such appeal, such appellant shall have the right to appear before the Board and be heard with respect to such appeal. If such challenge is directed to a decision involving a variance and the challenger is an Owner other than the applicant, a notification of intent to appeal must be delivered to the Board within ten (10) days after the posting of such decision at the office of CARE. The Board's decision with respect to any such appeal shall be final.

N. Restriction on Construction of Model Homes. Model or exhibit homes shall be built and used as such only with the prior written permission of CARE.

## VI. THE KEOWEE KEY PROPERTY OWNERS' ASSOCIATION.

A. General. The Association is a South Carolina non-profit corporation organized as a property owners' association to represent, further and promote the common interests of property owners in the Development. The Association is the entity responsible for management, maintenance, operation, and control of the Reserved Areas. The Association also has the authority to enforce the Governing

Documents. The Association shall have such powers in the furtherance of its purposes as are set forth in the Governing Documents and applicable law.

- B. Board of Directors. The Board shall govern the Association, subject to the rights of the Members, as more particularly described in the Bylaws.
- C. Membership. Each Owner of a Lot shall automatically become a Member of the Association upon taking title to an interest in a Lot and shall remain a Member for the entire period of ownership. There shall be only one Membership and one vote per Lot. Mortgagees or other persons or entities who hold an interest in the Lot merely as security for the performance of an obligation shall not be Members, and the giving of a mortgage or other security interest shall not terminate the Owner's Membership. Membership shall be appurtenant to the Lot and shall be transferred automatically by conveyance of title to the Lot and may be transferred only in connection with the transfer of title. All Co-owners of a Lot shall be jointly and severally obligated to perform the responsibilities of Owners and Members under this Declaration and the other Governing Documents.
  - 1. The Privileges of Membership are as follows:
    - a. Voting under the Governing Documents (the "Voting Privilege");
    - b. Holding office in the Association, serving on committees of the Association, and participating in community activities (the "Association Participation Privilege");
    - c. Using the Reserved Areas and other Amenities of the Development (the "Amenity Use Privilege"); and
    - d. Such other privileges as are granted by the Governing Documents.
  - 2. The rights, duties, and obligations of membership in the Association are as set forth in the Governing Documents. Exercise of the Privileges of Membership shall be subject to Board rules and regulations. The Board shall have the authority to resolve membership issues not addressed in this Declaration or the Bylaws.
  - 3. Exempt Lots shall not enjoy the Privileges of Membership.
  - 4. The Voting Privilege
    - a. The Voting Privilege may be exercised, with respect to each Lot, by such Lot's Designated Member.
    - b. The exercise of the Voting Privilege shall be subject to reasonable Board regulation and the restrictions on voting set forth below and in the Bylaws.
  - 5. Subject to the provisions and limitations of the Governing Documents, the Association Participation Privilege may be exercised, with respect to each Lot, by such Lot's Designated Member and such Designated Member's

spouse or, if unmarried, by such Designated Member's Significant Other, if any.

6. The Amenity Use Privilege.

- a. Except as otherwise limited by this Declaration or the Rules, the Amenity Use Privilege may be exercised by the Member Household, or, in the case of an Improved Lot which is rented or leased, then by the Tenant Household, and not by the Owner Household.
- b. Persons other than the Member Household (or Tenant Household, as the case may be) are not entitled to use the Amenities or Reserved Areas, except in accordance with such rules and regulations adopted by the Board authorizing such use and except as otherwise provided in this Declaration.
- c. The Board may establish rules regarding use of the Amenities and/or the Reserved Areas by guests of a Member, which rules may limit the number of guests who may use such facilities, require guest passes, set user fees, specify that guests be accompanied by members of the Member Household (or Tenant Household, as the case may be) when using such facilities, prohibit or limit the use or frequency of use of such facilities, or otherwise restrict and/or regulate the use of such facilities. The Board may establish different classes of guests, based upon whether such guests live within the local area or otherwise, and may treat such different classes of guests differently with respect to the rules governing use of such facilities and with respect to user fees.
- d. Boat Docks.
  1. Boat slips at community docks maintained by the Association may be rented by Owners of Improved Lots and/or Amenity Lots on terms and conditions established by the Association from time to time.
  2. The Board may establish rules and regulations regarding the use and rental of the boat slips.
- e. User fees.
  1. Subject to Bylaw 5(A)(5)(d), the Association may establish and charge user fees for the use of the golf course, fitness facilities, tennis courts and/or other Amenities or Reserved Areas.

2. Except as otherwise provided in this Declaration, where user fees are charged for use of a facility in the Reserved Area or an Amenity, the member rate shall be charged to the Member Household (or Tenant Household, as the case may be) of an Improved Lot or Amenity Lot. All other persons allowed to use such facilities and/or amenities, including renters and guests, shall pay such fees as may be established by the Board.
  3. The Board may establish from time to time different user fees for:
    - A. Member Households of Improved Lots and Amenity Lots;
    - B. Tenant Households of Improved Lots;
    - C. Member Households of Unimproved Lots; and/or
    - D. Guests of different classes.
- f. All use of the Amenities and/or Reserved Areas so designated by the Board shall be limited to any operating hours established by the Board and shall be subject to payment of such charges as the Association may establish.
- D. Rental Units. Notwithstanding the provisions of Article VI.C, the Board shall not have the authority to prohibit use of the Reserved Area by Short-term Renters. However, the Board shall have the authority to adopt reasonable rules and regulations to limit the number of persons from any such unit in a Multiple Family Dwelling who may use the facilities at any one time, require such persons to register and obtain access passes, and/or charge user fees (subject to any requirement for membership approval for such user fees as provided in the Bylaws) for use of the facilities in the Reserved Area, which fees may be higher than the member household rate.
- E. Unimproved Lots and Amenity Lot Program. The Member Household of an Unimproved Lot shall be required to pay a user fee on a per use basis to use the Reserved Area tennis, fitness, and golf facilities, regardless of whether a user fee is charged to Improved Lots and Amenity Lots for such use, and where fees apply for all users, the fees charged to the Member Household (or Tenant Household, as the case may be) of an Unimproved Lot shall be higher than that charged to Improved Lots and Amenity Lots.

On or before June 30, 2008, any Owner of an Unimproved Lot had the option to request in writing that such Owner's Unimproved Lot be designated as an Amenity Lot. In the event such Designation was timely made, then such Designation of the Lot as an Amenity Lot shall entitle the Member Household of

such Amenity Lot to the same rights, privileges, and obligations as an Owner of an Improved Lot with regard to use privileges of the Amenities, payment of user fees for use of such facilities (if any), and the payment of assessments. No Lot may receive an Amenity Lot designation after June 30, 2008. The Owner of an Amenity Lot may at any time request in writing that the Amenity Lot designation be removed, and the Lot shall once again be considered an Unimproved Lot for all purposes until such time as the Lot becomes an Improved Lot. A Lot may receive an Amenity Lot designation only once. If the Owner of the Lot requests that the Amenity Lot designation be removed, the Lot may not be designated an Amenity Lot again.

## VII. ASSESSMENTS.

### A. General.

1. Pursuant to the powers granted to it in its Articles and Bylaws, the Association is hereby expressly authorized and empowered to levy assessments in the amount of the total budgeted Common Expenses, including assessments for maintenance of Reserved Areas and all other charges, less any surplus in the Common Expense budget from prior years and any income anticipated from sources other than assessments, against all Lots in the Development that are subject to assessment under this paragraph A. Preparation and approval of the budget shall be subject to the controls set forth in Bylaw V.A. As described in the Bylaws, the budget shall be divided into four discrete areas: Operating Plan, Annual Capital Plan, Capital Reserve Plan, and Major Capital Projects and Acquisitions Plan.
2. Assessments shall be levied equally against all Improved Lots and Amenity Lots. The Association is also authorized to establish a dining minimum fee for Improved Lots and Amenity Lots (i.e., a minimum amount periodically charged to each Membership account for food and beverage purchases and guest fees, whether or not the Member or the Member's authorized users actually incur such charges) to ensure a minimum level of income from operations. Any such dining minimum fee shall be charged in arrears and reduced by actual charges for food and beverage and guest fees charged to the Member's account during the preceding period.
3. Assessments shall be levied equally against all Unimproved Lots (other than Amenity Lots). The rate for assessments levied on Unimproved Lots (other than Amenity Lots) with respect to the Operating Plan shall be equal to the assessment charged to Improved Lots and Amenity Lots with respect to Community Operations as defined in the Fee and Assessment Policy. Resident Services, as defined in the Fee and Assessment Policy, will not be assessed to Unimproved Lots (other than Amenity Lots). Any special assessment that may be levied during a fiscal year with respect to

such Operating Plan shall be assessed on the same basis. Assessments levied against Unimproved Lots (other than Amenity Lots) with respect to the three other plans comprising the annual budget may, but shall not be required to, be levied at the same rate as the assessments charged to Improved Lots and Amenity Lots for such plans. Except with respect to assessments for the Operating Plan, the Board shall not be required to impose an assessment against Unimproved Lots for each of the other three plans comprising the annual budget.

4. Notwithstanding the foregoing, no assessment shall be levied against Lots owned by the Association.
- B. Collection and Lien. A Notice of Assessment stating the amount assessed by the Association and payment dates fixed by the resolution of the Board shall be sent by the Association to each Owner and shall be paid on or before the stated dates. The assessment, plus any other charges thereon, shall constitute and become a lien on the Lot so assessed as of the earlier of: (1) the date of the assessment; or (2) the date of the recording of this amendment to the Declaration. Collection policy, costs and penalties for late payment shall be as provided in the Bylaws of the Association. If the assessment remains unpaid ninety (90) days after the assessment has been levied, a Notice of Lien stating the amount of the assessment and a description of the Lot which has been assessed may, at the option of the Association, be filed by the Association in the Office of the County Register of Deeds, but it shall not be necessary for the Association to record any Notice of Lien in order to perfect its lien for assessments. If a Notice of Lien has been filed, upon payment, or other satisfaction, of the assessment the Board shall, within a reasonable time, cause to be recorded a further notice stating the satisfaction and release of said lien.
- The parties to these Protective Covenants agree that the Association's claim for the assessment and any other charges is secured by the Lot so assessed and is enforceable against any subsequent transferee, including a Trustee in Bankruptcy.
- C. Lien for Other Amounts Owed to the Association. The Association shall also have a lien on the Owner's Lot for all other fees, charges or other amounts due from the Owner to the Association, and/or due from or incurred by the Owner Household (or Tenant Household, as the case may be), and/or due from or incurred by any guests of the Owner Household or the Tenant Household or Short-term Renters of any Lot, as provided in Article III.GG. hereof. Such lien shall also include any amounts due from such Owner for assessments or other amounts due with respect to any other Lot owned by such Owner in the Development.
- D. Priority of Lien. Conveyance of any Lot (whether by purchase, donation, operation of law, or any other transfer) shall not affect any lien for assessments provided herein. Such lien shall be prior to all other liens except:

1. Governmental liens for ad valorem taxes; and
  2. The lien of any first mortgage on the Owner's Lot.
- E. Enforcement. The lien provided for herein may be foreclosed by suit by the Association in like manner as a mortgage and, in such event, the Association may be a bidder at the foreclosure sale. The Association may also pursue any other remedy against any owner owing money to it which is available to it by law or equity for the collection of debt.
- F. Proof of Payment. Upon request, the Association shall furnish a statement certifying that all assessments then due have been paid or indicating the amount then due.
- G. Suspension. The Association shall not be required to transfer memberships on its books to any transferee (whether a purchaser, donee, as a result of operation of law or any other transferee) or to allow the exercise of any rights or Privileges of Membership on account thereof (including, but not limited to, Voting Privileges, Association Participation Privileges and/or Amenity Use Privileges) to any Owner or transferee or to any persons claiming under any such Owner or transferee unless or until all fees, assessments and charges, to which the Owner or the transferee owner of a Lot are subject, have been paid.
- H. New Owner Capital Assessment. Upon each transfer of title to a Lot occurring on or after December 1, 2007, the purchaser, grantee or transferee (collectively, the "Transferee") will be responsible for paying to the Association a "New Owner Capital Assessment" as provided in this Article VII. The amount of the fee and the basis of its application will be determined and established by the Board on a periodic basis as described in subparagraph VII.H.2.b below. The New Owner Capital Assessment shall be payable to the Association by the Transferee at the closing of the transfer of title and shall be secured by the Association's lien for assessments under Article VII.
1. Use of Proceeds. The New Owner Capital Assessments are to be dedicated to the Association's Capital Reserve Fund for the repair and replacement of community capital assets. The utilization of the monies will be determined by the Board, subject to approval of the membership as provided in the Bylaws.
  2. Amount of Fees. The initial New Owner Capital Assessment is calculated as follows:
    - a. The initial New Owner Capital Assessment shall be \$2,500.00; provided, upon the Transfer of an Unimproved Lot, the Transferee may defer payment of up to 60% of the New Owner Capital Assessment until the date the Lot becomes an Improved Lot.

- b. The amount of the New Owner Capital Assessment may be adjusted by the Board from time to time to reflect the impact of inflationary increases. Such adjustments shall be limited to three (3) year intervals and shall not exceed the cumulative inflation increase reported in the Consumer Price Index (“CPI”) for the most recent three-year period available by the Bureau of Labor Statistics of the U.S. Department of Labor for All Urban Consumers, All Items (South Region; Base: 1982-84=100). In the event the compilation of and/or publication of the CPI shall be substantially revised, transferred to any other governmental department, bureau, or agency or shall be discontinued, then the index (or a substitute procedure which reasonably reflects and monitors fluctuations in consumer prices) most nearly the same as the CPI shall be used to make the calculations envisioned herein, or in the event no such alternative index exists or a dispute arises concerning the selection of such alternative index, the Board shall have the final right and power to select and/or formulate such an alternative index.
  - c. The Board may also adjust the amount of the New Owner Capital Assessment to account for additional community assets being acquired or constructed with the majority vote of the Members, and such adjustments shall not be restricted by time interval.
  - d. It shall be the responsibility of the Transferee of any Lot to ascertain the amount of the current New Owner Capital Assessment prior to purchasing such Lot and to pay the then current New Owner Capital Assessment in a timely manner.
3. Liability for Payment. Payment of the New Owner Capital Assessment shall be the liability of the Transferee. In the event there is more than one Transferee, all of such Transferees shall be jointly and severally liable for the payment of the New Owner Capital Assessment. Any agreement between the grantor and the Transferee or any other person with regard to the allocation of the responsibility of the payment of said New Owner Capital Assessment shall not affect the liability of the Transferee to the Association.
4. Excluded Transactions. Notwithstanding the above, no New Owner Capital Assessment shall be levied upon transfer of title to a Lot:
- a. resulting from a purchase contract signed by the parties prior to December 1, 2007.
  - b. effected pursuant to a court order; or
  - c. when the Transferee of the Lot is the United States of America, State of South Carolina, or any of their political subdivisions or

- departments and such Transferee is to utilize the property for a public purpose; or
- d. which, without additional consideration, confirms, corrects, modifies, or supplements a transfer of title previously made; or
  - e. made as a gift without consideration, if the Transferee shall have been at the time of transfer the spouse, lineal descendant, or lineal ancestor of the grantor, by blood or adoption; or
  - f. to the trustee(s) of a trust in exchange for a beneficial interest received by the grantor in such trust as the beneficiary or beneficiaries of the trust; or
  - g. by operation of law without actual consideration, including, but not limited to, a transfer occurring by virtue of the death or bankruptcy of the Owner of the Lot or an interest therein; or
  - h. to any charitable organization or any religious organization, provided that the Lot so transferred is held by the charitable or religious organization solely for its public, charitable or religious purposes. For purposes hereof, a "charitable organization" shall be limited to a charitable organization as defined in Section 35-55-20, South Carolina Code Annotated (1976, as may be amended); or
  - i. to an institutional lender pursuant to a mortgage or upon foreclosure of a mortgage; or
  - j. to an escrow agent, trustee or qualified intermediary pursuant to a "like kind exchange" in accordance with Section 1031 of the Internal Revenue Code of 1986, as amended; or
  - k. by or to the Association; or
  - l. from a partnership, or a trust to a partner, or trust beneficiary of the entity, provided no consideration is paid; or
  - m. to or from a family partnership or family trust, provided no consideration is paid for the transfer; or
  - n. a person who is an existing Lot Owner in the Development, if (a) the transfer is for the purpose of making the transferred Lot an Exempt Lot, and said Lot qualifies as, and becomes, an Exempt Lot within six (6) months after such transfer (in accordance with all requirements and procedures of the Association); or (b) the Transferee intends to make the transferred Lot his principal residence and does make such transferred property his principal residence within six (6) months after the transfer; provided,

however, that the Board may allow a longer time if the Board determines that there are unusual circumstances justifying such longer period.

Any party claiming to be exempt from payment of the New Owner Capital Assessment shall submit to the Association a copy of the deed or other affidavit signed under oath and penalty of perjury by the Transferee attesting the basis upon which the transfer is claimed to be exempt from the herein described New Owner Capital Assessment, in whole or in part, and the name and mailing address of the Transferee. Such party shall provide any additional information relating thereto as may be requested by the Association.

The Association may require the grantor and/or Transferee of the property or interest therein to provide the Association with copies of documentation associated with the transfer, such as a copy of an executed closing statement, the applicable contract of sale and/or the deed or other instrument evidencing the transfer.

5. Suspension. The Association shall not be required to transfer memberships on its books to any Transferee or to allow the exercise of any rights or Privileges of Membership on account thereof to any Owner or Transferee or to any persons claiming under any such Owner or Transferee unless and until the applicable New Owner Capital Assessment has been paid.

## VIII. EASEMENTS.

- A. Reservations. The following easements over each Lot or Parcel and the right to ingress or egress to the extent reasonably necessary to exercise such easements, are reserved to Declarant and its licensees:

1. Utilities. A ten (10') foot wide strip running along the inside of the side Lot lines, a twenty-five (25') foot wide strip coincident with street right-of-way lines, and a twenty-five (25') foot wide strip running along the inside of the rear Lot line, for the installation, maintenance and operation of drainage and utilities, including radio and television transmission cables, and the accessory right to locate guy wires, braces or anchors, or to cut, trim or remove trees and plantings wherever necessary upon such Lot or Parcel in connection with such installation, maintenance and operation.
2. Slope and Drainage. A thirty (30) foot wide easement running along the inside of all Lot lines coincident with street right-of-way lines for the purpose of cutting, filling, drainage and maintenance of slopes and drainage courses. Declarant and its licensees further reserve the right to cause or permit drainage of surface water over and/or through all Lots and Parcels.

3. Other Easements. Any other easements shown on the Plat. In addition, Declarant and its licensees shall have an easement to maintain, repair or replace any utility or drainage facilities previously installed by the Developer. All easements reserved herein are assignable, subdividable and apportionable.
  4. Use of Maintenance by Owners. The areas of any Lots or Parcels affected by the easements reserved herein shall be maintained continuously by the Owner of such Lot, but no structures, plantings or other material shall be placed or permitted to remain or other activities undertaken thereon which may damage or interfere with the use of said easements for the purpose herein set forth. Improvements within such areas shall be maintained by the Owner except those for which a public authority or utility company is responsible.
- B. Liability for Use of Easements. No Owner shall have any claim or cause of action against Declarant or its licensees arising out of the exercise or non-exercise of any easement reserved hereunder or shown on the Plat except in cases of willful or wanton misconduct.
- IX. RESERVED AREAS. Declarant has and will retain ownership of certain lands within the Development, including but not restricted to, the streets, roads, and parks shown on the Plats. There is, therefore, granted to the Owners and occupants of each Lot and Parcel within the Development an easement to travel along and upon said roads and streets; and, subject to the limitations and conditions otherwise set forth in the Governing Documents, to use such Reserved Areas upon such terms and conditions, as it, the Declarant, may from time to time designate and establish. In no event, however, shall such terms and conditions ever deny access to any Lot in the Development by the Owner thereof.
- In consideration of the undertaking of the Declarant to maintain such Reserved Areas, the Owner of each Lot (except Lots exempted in Article VII.A. or otherwise exempt pursuant to an exempt lot agreement), Parcel or Unit, by execution of a contract for the purchase of said Lot, Parcel, or Unit, or acceptance of a deed thereto, agrees to pay to the Declarant or its assigns, an annual fee to cover the costs of such maintenance, security, and other services furnished by the Declarant. Such annual fee shall be paid by the Owner of each Lot, Parcel or Unit, either monthly, quarterly or semi-annually in advance, as determined by the Declarant.
- X. ANNEXATION.
- A. Property to be Annexed. The Board may, with prior approval of the Members of the Association, annex to the Development other real property provided that the property is contiguous to, or in the vicinity of the Development.

- B. Manner of Annexation. The Board shall effect such annexation by recording a Plat of the real property to be annexed and by recording a Supplemental Declaration which shall:
1. Describe the real property being annexed and designate the permissible uses thereof;
  2. Set forth any new or modified restrictions or covenants which may be applicable to such annexed property, including limited or restricted uses of Reserved Areas; and,
  3. Declare that such annexed property is held and shall be held, conveyed, hypothecated, encumbered, leased, rented, used, occupied and improved subject to the provisions of this Declaration. Upon the recording of such Plat and the Supplemental Declaration, the annexed area shall become a part of the Development, as fully as if such area were part of the Development on the date of recording of this Declaration.

XI. REVISION OF PLATS. Notwithstanding the provisions and conditions herein contained, Declarant intends to prepare and record subdivision plats and does hereby reserve unto itself, its successors and assigns, the right to relocate, open, or close streets shown on said plats, and to revise, resubdivide and change the size, shape, dimension and location of lots in said subdivision; and upon such relocation, opening or closing of streets or revision, resubdivision or changing of size shape, dimensions and locations of lots, the covenants, conditions, restrictions and reservations hereby imposed shall be applicable to the resulting lots in lieu of the lots as originally shown on said plat prior to such revision, relocation or change, provided, however, that no Lot sold prior to such revision, relocation or change shall be deprived of that portion of the street or streets on which it bounds nor of access to such Lot from the streets in the subdivision.

XII. COMPLIANCE AND ENFORCEMENT.

A. Enforcement.

1. Declarant and each person to whose benefit this Declaration inures may proceed at law or in equity to maintain any action for the enforcement or defense of any provisions of this Declaration, and if such party is successful, shall be entitled to recover reasonable expenses, including attorneys' fees.
2. The obligations and benefits prescribed by the Covenants shall run with the property and shall be enforceable against any Owner or other person whose activities bear a relation to the Community when the aforesaid parties engage in activities (including omissions and failures to act) which constitute violations or attempts to violate or circumvent the covenants and restrictions set forth in this Declaration.
3. In all cases, the provisions of this Declaration shall be given that interpretation or construction which will best result in the consummation and continuation of the general plan of development of the Development.

The provisions of these Covenants shall be given full force and effect notwithstanding the existence of any zoning or similar ordinance which allows a less restricted use of the Property.

4. All action which the Association is allowed to take under this instrument shall be authorized actions of the Association if approved by the Board of Directors of the Association in the manner provided for in the Bylaws of the Association, unless the terms of this instrument or the Bylaws provide otherwise.
  5. Whenever the Association, and/or the Declarant are permitted by these Covenants to correct, repair, clean, preserve, clear out or do any action on any property or on the easement areas adjacent thereto, entering the property and taking such action shall not be deemed a trespass.
- B. Remedies and Sanctions. Every Owner and occupant of a Lot, as well as to their respective tenants, guests, invitees, Member Households, Tenant Households, Short-term Renters and contractors shall comply with the Governing Documents. The Board may impose sanctions for violating the Governing Documents, which may include, without limitation:
1. Suspending an Owner's Voting Privilege, Amenity Use Privilege and/or the Association Participation Privilege. Any such suspension shall apply to all Lots owned by such Owner, and shall apply to the Owner's Member Household, the Tenant Household with respect to any Lots owned by such Owner, and all renters and/or guests of such Owner;
  2. Suspending any services the Association provides to an Owner or the Owner's Lot if the Owner is more than 30 days delinquent in paying any assessment or other charge owed to the Association;
  3. Exercising self-help or taking action to abate any violation of the Governing Documents in a non-emergency situation;
  4. Requiring an Owner, at its own expense, to remove any structure or improvement on such Owner's Lot that violates Article V and to restore the Lot to its previous condition and, upon the Owner's failure to do so, the Board or its designee shall have the right to enter the property, remove the violation, and restore the property to substantially the same condition as previously existed. All costs incurred by the Association in connection with same shall be secured by a lien on Owner's Lot. Any such action shall not be deemed a trespass;
  5. Without liability to any Person, precluding any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of Article V and/or

the Architectural Guidelines, or any other provision of this Declaration or the other Governing Documents, or any Agreement with CARE entered into pursuant to Article V hereof, from performing or continuing to perform any further construction or activities in the Development; and

6. In addition, the Board may take the following enforcement procedures to ensure compliance with the Governing Documents: exercising self-help in any emergency situation (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations); and bringing suit at law or in equity to enjoin any violation or to recover monetary damages or both;
  7. Requiring any Owner or any Person, including any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of Article V and/or the Architectural Guidelines, or any other provision of this Declaration or the other Governing Documents, or any agreement with CARE entered into pursuant to Article V hereof, to reimburse the Association for any costs incurred by the Association in enforcing this Declaration, the other Governing Documents, or in enforcing any Agreement entered into between CARE or the Association and such Owner.
  8. In no event shall Declarant be subject to any sanction under this Section;
  9. Any sanction is subject to appeal to the Board as provided in Bylaw III.A.5.
- C. All remedies set forth in the Governing Documents shall be cumulative of any remedies available at law or in equity. In any action to enforce the Governing Documents, if the Association prevails, it shall be entitled to recover all costs, including, without limitation, attorneys' fees, expenses of litigation and court costs, reasonably incurred in such action.
- D. The decision to pursue enforcement action in any particular case shall be left to the Board's discretion, except that the Board shall not be arbitrary or capricious in taking enforcement action. Without limiting the generality of the foregoing sentence, the Board may determine that, under the circumstances of a particular case:
1. The Association's position is not strong enough to justify taking any or further action; or
  2. The Covenant, restriction or rule being enforced is inconsistent with applicable law; or

3. Although a technical violation may exist or may have occurred, it is not of such a material nature as to be objectionable to a reasonable person or to justify expending the Association's resources; or
4. That it is not in the Association's best interests, based upon hardship, expense, or other reasonable criteria, to pursue enforcement action.

Such a decision shall not be construed a waiver of the Association's right to enforce such provision at a later time or under other circumstances, or preclude the Association from enforcing any other covenant, restriction, or Rule.

- E. **Cumulative Rights.** Remedies specified herein are cumulative and any specifications of them shall not be taken to preclude an aggrieved party's resort to any other remedy at law or in equity. No delay or failure on the part of any aggrieved party to invoke an available remedy in respect to a violation of any provision of this Declaration shall be held to be a waiver by that part of any right available to him upon the recurrence or continuance of said violation or the occurrence of a different violation.

- XIII. **GRANTEE'S ACCEPTANCE.** Each grantee or purchaser of any Lot or parcel shall, by acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant, the Developer or a subsequent Owner of such Lot or Parcel, accept such deed or contract upon and subject to each and all of the provisions of this Declaration and to the jurisdiction, rights, powers, privileges and immunities of Declarant. By such acceptance, such grantee or purchaser shall, for himself, his heirs, devisees, personal representatives, grantees, successors and assigns, lessees and/or lessors, covenant, consent and agree to and with Declarant and the grantee or purchaser of each other Lot to keep, observe, comply with and perform the covenants, conditions and restrictions contained in this Declaration.
- XIV. **SEVERABILITY.** Every provision of this Declaration is hereby declared to be independent of and severable from every other provision hereof. If any provision hereof shall be held by a court of competent jurisdiction to be invalid, or unenforceable, all remaining provisions shall continue unimpaired and in full force and effect.
- XV. **CAPTIONS.** Paragraph captions in this Declaration are for convenience only and do not in any way limit or amplify the terms or provisions hereof.
- XVI. **TERM AND AMENDMENT.** The provisions of this Declaration and any Supplemental Covenants shall affect and run with the land and shall exist and be binding upon all parties claiming an interest in the Development until January 1, 2024. After such time, this Declaration and any Supplemental Covenants shall not be terminated, but shall be automatically renewed for successive periods of ten (10) years each, unless an instrument approved by a two-thirds (2/3's) Vote of the Members, has been recorded within the year preceding the end of the original term or any extension, agreeing to terminate this Declaration or any Supplemental Covenant, in which case it shall terminate as of the date

specified in such instrument. The original term hereof and all renewal terms shall be subject to the amendment provisions hereinafter set forth in this Paragraph. This Declaration and any Supplemental Covenant may be amended by an affirmative two-thirds (2/3's) Vote of the Members, with one (1) vote allocated to each Lot and fractional votes prohibited. Written notice of such proposed amendments shall be given to all Owners at least twenty (20) days in advance. Approved amendments shall be recorded duly executed by (a) the requisite number of such Owners required to effect such amendment; or, (b) by the Association, in which latter case, such amendment shall have attached to it a copy of the resolution of the Board attesting to the affirmative action of the requisite number of such Owners to effect such amendment, certified by the Secretary of the Association. (Amended April 1991, October 1995, December 2004).

- XVII. VARIANCES. The Board may grant reasonable variances or adjustments from the provisions in this Declaration where literal application thereof results in unnecessary hardship and if the granting thereof will not be materially detrimental or injurious to owners of other Lots or Parcels.
- XVIII. ATTORNEY'S FEES AND COSTS. If a Member or Owner brings any legal action against KKPOA, or any officer or director of KKPOA, and the Member or Owner does not substantially prevail, KKPOA and/or such officer or director, as the case may be, shall be entitled to recover from the Member or Owner its or their reasonable expenses of litigation, including attorney fees.
- XIX. USE OF TRADEMARK. Each Owner, by acceptance of a deed to any lands, tenements or hereditaments within the Development hereby acknowledges that "Keowee Key," "Keowee Key Property Owners' Association, Inc." and designs are service marks and trademarks of the Association. Each Owner agrees to refrain from misappropriating or infringing these service marks or trademarks.
- XX. CONSENT TO JURISDICTION: EXCLUSIVE FORUM. Except as otherwise required by law, the parties to this Agreement hereby agree that the courts of the State of South Carolina shall have sole and exclusive jurisdiction over any matter arising from the interpretation, purpose, effect, or operation of this Declaration, and with regard to all matters associated with the Declarant and/or the Development. Except as otherwise required by law, the parties consent to venue in Oconee County, South Carolina, and waive any rights they may have to assert jurisdiction or venue in any other court, administrative forum, or other adjudicative body.