



## ARTICLE I DEFINITIONS

The following words and terms, when used in these Covenants (unless the context shall clearly indicate otherwise) shall have the following meaning:

- (a) The Peerless Landowners' Association means and refers to the association of the property owners of the property located at Peerless Subdivision and shall hereafter be referred to as the "Association".
- (b) "Common Area" shall mean and refer to all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners and Residents. The Common Area shall include that portion of the Property owned by the Association, street medians and islands, parking areas, entrance monuments, walkways, wooded areas, fields and other portions of the Property which are not a designated House Site/Commercial area or an Area of Exclusive Control surrounding such designated area, together with easement for access thereto. Common Area may be conveyed to the Association subject to all applicable Covenants of record, and when tendered, title thereto shall be accepted by the Association.
- (c) "Declarant": The Declarant under the Covenants have sold all of the property within Peerless and no longer have an interest in any of the property located within Peerless. For purposes of this Amended and Restated Declaration of Covenants, Conditions, Easements, Restrictions, Charges and Liens for Peerless Landowners' Association there is no Declarant..
- (d) "House Site" shall mean a lot as shown on the Plat of the subdivision, on which single family residences are constructed or are to be constructed as shown on a recorded plat of the Property and which are contained with in the Zoning designation by the County of Charleston as "R1" at the time of the recording of these Covenants.
- (e) "Commercial Site" shall mean a lot as shown on the Plat of the subdivision, on which a business may be operated as shown on a recorded plat of the Property and which are contained with in the Zoning designation by the County of Charleston as "RC" at the time of the recording of these Covenants.<sup>1</sup>
- (f) "Member" shall mean and refer to all those Property Owners who are Members of the Association as provided in Section 4.01 hereof.

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<sup>1</sup>The lots that are zoned RC are also zoned R1. In the event a residence is constructed on a lot that can be used as a commercial site, the lot shall be subject in all respects to the provisions hereof that intended to apply to a "House Site".

- (g) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of any Lot which is part of the Property but excluding in all cases any party holding an interest merely as security for the performance of an obligation.
- (h) "Occupant" shall mean and refer to those persons or entities occupying a building built on a Lot.
- (i) "Home" shall mean and refer to the residential dwelling constructed on any Home Site.
- (j) "Commercial Building" shall refer to a building constructed on a Commercial Site intended to be used for commercial purposes.
- (k) "Plat" shall mean the Plat entitled "Final Subdivision Plat of 39.302 Acre Tract of Land TMS 197-00-00-071 Lots 1 Thru 20 owned by The Walpole Group, Limited Partnership" dated January 15, 2001, revised February 26, 2001, which plat is recorded in the RMC Office for Charleston County. This term shall also refer to any Plat which describes additional property made subject to these Covenants as allowed under paragraph 11.05 hereof.

## ARTICLE II PROPERTY

Section 2.01. Property. The real property which is and shall be held, transferred, sold, conveyed, leased and occupied, subject to these Covenants, is located in Charleston County, South Carolina, and is more particularly described in Exhibit "A" hereto attached and by reference incorporated herein and any land add to Peerless Subdivision as hereinafter permitted.

## ARTICLE III PROPERTY RIGHTS

Section 3.01. Owners' Easement of an Enjoyment. Every Owner shall have a right to an easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following restrictions:

- (a) The right of the Association to suspend the voting rights and right to use of the Common area by an Owner for (i) any period during which any assessment against his Home Site or Commercial Site remains unpaid; and (ii) for a period not to exceed sixty (60) days for any infraction of its published rules and regulations. The failure to pay any amount owed to the Association shall be a continuing violation.
- (b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been

recorded; provided, however, in the event the Members elect to dedicate any portion of the Common Areas designated as streets and/or drainage systems to Charleston County, then at such time and before Charleston County accepts such dedication the Association must construct all such streets and drainage systems to the then present standards which have been adopted by any of the governing body which controls such infrastructure. Furthermore, in the event the Association is dissolved and the streets and drainage systems become the responsibility of Charleston County for any reason, each Owner will be assessed a prorata portion of the cost required to bring the streets and drainage systems into compliance with prescribed standards of Charleston County.

- (c) The owner of any Commercial Site shall not be entitled to make use of any portion of the Common Area contained within that portion of the Property Zoned "R1" in connection with any commercial enterprise.

Section 3.02: Delegation of Use. Any Owner may delegate, in accordance with the By Laws of the Association, his right of enjoyment to the Common Area and facilities to the members of his/her family, tenants or contract purchasers who reside in a home or operate a commercial business. Such delegation shall be subject in all respects to this Declaration. Nothing contained herein shall be deemed to relieve the Owner from the responsibility to cause the persons using their property to comply with the provisions of these Covenants.

#### ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

Section 4.01: Every Owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is part of Peerless Subdivision.

Section 4.02: The Association shall have one class of membership:

Class A. Class A Members shall be all Owners of lots which are subject to assessment and each Owner shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, the vote for such lot shall be cast as a whole and exercised as the Owners thereof shall determine. In no event shall more than one vote be cast with respect to any lot nor shall the vote appurtenant to any lot be cast in fractional part.

In the event additional lots to Peerless Subdivision as allowed by Section 11.05 hereof, such lots shall be subject in all respects to these covenants and the owners of such lots shall be bound by these Covenants.

Section 4.03 Voting by Proxy. Any member shall be entitled to be represented at any meeting of the Association by Proxy, provided that such proxy is in writing and signed by all owners of the lot site which is being so represented and provided such proxy is dated within one year of the date of the meeting at which the vote is taking place.

**ARTICLE V  
PURPOSE AND POWERS OF THE ASSOCIATION**

The Association is formed to provide for maintenance, preservation, and architectural control of the lots and Common Area which comprise the Property, and to promote the health, safety and welfare of the Owners and Occupants within the Property, and

(a) shall exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in this Declaration of Covenants as the same may from time to time be amended;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration of Covenants to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association including all licenses, taxes or governmental charges levied or imposed against a House Site or Commercial Site of the Association.

(c) with the assent of two-thirds (2/3) of the Members of the Association, acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Peerless Landowners' Association.

(d) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. Except as provided in section 8.02 thereof no such dedication or transfer shall be effective unless an instrument has been agreed to by two-thirds (2/3) of Members;

(e) Enforce the provisions of the Declaration of Covenants and prosecute lawsuits to do so.

The affairs of the Peerless Landowners' Association shall be managed by a Board of Directors (the "Board") of five (5) Directors. The number of directors may be changed by amendment of the By-Laws of the Association.

**ARTICLE VI  
COVENANT FOR MAINTENANCE ASSESSMENTS**

Section 6.01. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Site by acceptance of the deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with Delinquent Payment Fees in the amount of One and One-half (1½ %) percent per month, thereon and cost of collection including reasonable attorney's fees, shall be a charge on the Site and shall be a continuing lien upon

the Site against which each such assessment is made. Each such assessment, together with Delinquent Payment Fees thereon and cost of collection including reasonable attorneys fees, shall also be the personal obligation of the person who was the Owner of such Site at the time when the assessment becomes due. The personal obligation for delinquent assessments shall not pass to the successor(s) in title unless expressly assumed by such successor(s), but shall remain a lien on the Site with priority over the rights of anyone who obtains rights in the Site after the assessment becomes owing.

**Section 6.02. Purpose of Assessments.** The assessments levied by the Association shall be used exclusively to promote the recreation, health safety, and welfare of the Owners and Occupants; for the improvement and maintenance of the Common Area; and to perform such services for Owners as authorized in this Declaration of Covenants.

**Section 6.03. Maximum and Actual Annual Assessments.** The amount of the annual assessment at the time of the adoption of these Covenants is Three Hundred Thirty & 00/100 Dollars (\$330.00) annually. Said amount shall be divided equally among all Home Sites and Commercial Sites subject to the provisions of these Covenants, except as set forth in Section 11.06. Thereafter, the Annual Assessment may be increased by the Board provided the increase is ten percent (10%) or less. If the increase is more than ten percent (10%) per year, such increase must be approved by a vote of two-thirds (2/3) of the Members who are voting in person or by proxy at a duly called meeting of the Association.

**Section 6.04. Special Assessments for Capital Improvements.** In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of Members who are voting in person or by proxy at a meeting duly called for this purpose.

The requirement that there be a consent of two-thirds (2/3) of the votes of Members who are voting in order to make a Special Assessment shall not be applicable in the event the assessment is made to meet a requirement of a governmental body or agency which has jurisdiction on the Property where Peerless is located (hereafter referred to as a "Mandatory Assessment"). In the event a Special Assessment is levied that the Board believes is a Mandatory Assessment, the Board shall provide written notification to all Members of such assessment, providing the amount of the assessment and the basis of the assessment, including the notification from the governmental body or agency which resulted in the assessment. The assessment shall become effective thirty (30) days after written notice is given unless a Court of competent Jurisdiction has issued an Order Staying the effect of the assessment. Thereafter, the assessment shall only be effective if the Order staying the effect of the assessment is withdrawn. In any suit to invalidate any such assessment, the governmental agency or body that issued the requirement that caused the assessment must be made a party.

**Section 6.05. Notice and Quorum for any Action Authorized under Sections 6.03 and 6.04.** Written notice of any meeting called for the purpose of taking any action authorized under Section

6.03 and Section 6.04 shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Member or of proxies entitled to cast sixty (60%) percent of all the votes of membership shall constitute a quorum. If the required quorum is not present the meeting may be adjourned for a period of one week subject to the same notice and the required quorum at the meeting so held shall be one-half (½) of the required quorum at the adjourned meeting.

Section 6.06. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Sites and may be collected on a quarterly or monthly basis as determined by the Board.

Section 6.07. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all House Sites shown on recorded plats on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the then current assessment period. The Board of Directors shall fix the amount of the annual assessment against notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall upon request of a member of the Association, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Site have been paid. A properly executed certificate of the Association as to the status of assessments on a Site is binding upon the Association as of the date of its issuance. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Common Area or abandonment of his Site.

Section 6.08. Effect of Non-Payment of Assessments; the Lien; Remedies of Peerless Landowners' Association. Any assessments not paid within thirty (30) days after the date when due shall be delinquent and shall (together with interest on the unpaid balance as shall be provided in the these Covenants, and cost of collection thereof, including reasonable attorneys' fees as herein provided, become a charge and continuing lien on the House Site or Commercial Site and all improvements thereon against which each such assessment is made. It is understood that by the nature of the amount of the assessments that the amount that may be due and owing will not be a large amount, therefore it is understood the costs and attorneys' fees that may be assessed shall be based on the amount of work that must be done to collect the amounts due and not based on the amount due.

If the assessment is not paid within sixty (60) days after the due date, the Association may bring an action at law against the Owner personally obligated to pay the same and/or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of in preparing and filing the complaint in such action, and in the event a Judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee together with all other costs of the action. With the exception of the streets within the subdivision, the owner or occupant of any House Site or Commercial Site who has not paid any assessments that may be due within sixty (60) days of the due date shall not be entitled to the use of any other common areas of Peerless Subdivision.



Section 6.09. Subordination of the Lien to Mortgagees. The lien of the assessments provided for herein shall subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the House Sites or Commercial Sites subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure. Any assessment liens that are extinguished by a foreclosure sale shall be re-allotted and assessed as a common expense. Such sale or transfer shall not relieve such House Site or Commercial Site from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 6.10. Duties of the Board of Directors. The Board of Directors of the Peerless Landowners' Association shall fix the amount of the assessment equally against each House Site and Commercial Site for the fiscal year at least thirty (30) days in advance of the first day of each fiscal year. At that time, the Board shall prepare a roster of the House Sites and Commercial Sites assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner upon reasonable notice during normal business hours.

Written notice of the assessment shall be sent to every property Owner subject thereto. Such notice shall include the Delinquent Payment Fee as provided in the By-Laws to be imposed for failure to pay the assessment by the due date.

Section 6.11. Reserves and Surplus. The Association's Board may establish, from time to time, reserves for such lawful purposes as in its sole discretion it may determine necessary to be desirable for the greater financial security of the Association and the effectuation of its purposes. The Association shall not be obligated to spend in any fiscal year all the sums collected in such year, and may carry forward, as surplus, any balances remaining. The Association shall not be obligated to apply any such surplus to the reduction of the amount of the annual assessment in the succeeding year, but may carry forward the same from year to year.

## ARTICLE VII ARCHITECTURAL CONTROL

No construction, reconstruction, remodeling, alterations or addition to any building, fence, wall or other structure or improvement of any nature shall be constructed, erected or maintained upon any portion of the Property, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association or by an Architectural Review Committee composed of three (3) or more representatives appointed by the Board (herein sometimes referred to as "ARC"). In the event said ARC, or its designated committee fail to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it in writing with a signed receipt, said receipt signed by the ARC shall constitute the approval required and this Article will be deemed to have been fully complied with.



No residence shall be less than 1500 sq. ft. of heated space. No commercial building shall be less than 1000 sq. ft. of heated space.

As a pre-requisite to consideration for approval, and prior to beginning the contemplated work, a complete set of building plans and specifications shall be submitted to the ARC in such form and include such content as specified in architectural guidelines promulgated by the ARC. The ARC shall be the sole arbiter of such plans and may withhold approval for any reason, including purely aesthetic considerations. Upon given approval, construction shall be started and prosecuted to completion, promptly, and in strict conformity with such plans. No previously approved building or structure shall be used for any other purpose other than for which it was originally approved.

Section 7.01. Violations. If any Home, structure or building shall be erected, placed, maintained, or altered upon any House Site or other Properties, or any new use commenced on any Site or other Properties, otherwise than in accordance with the plans and specifications approved by the ARC pursuant to the provisions of this Article, such erection, placement, maintenance or alteration shall be deemed to have been undertaken in violation of this Article, and without the approval required therein.

If in the opinion of the ARC a violation exists, written notice of the violation shall be given to the Owner by the Association Board (which shall be deemed to have been delivered if sent by recognized overnight delivery service, certified mail return receipt requested, postage paid or if delivered to the Owner at the last address provided to the Association by the Owner with proof of deliver or attempted deliver to said address. Proof of delivery shall be by certified mail receipt requested, return of the mail marked undelivered or unclaimed by the post office, affidavit by someone of delivery or receipt of an express company). If the Owner of the Site upon which such violation exists shall not have taken reasonable steps toward the removal or termination of the same within twenty (20) days after the mailing of the aforesaid notice of violation enforcement shall be allowed as provided in Section 11.02 hereof.

## ARTICLE VIII EASEMENTS

Section 8.01. Owners Right to Ingress, Egress, and Support. Each Owner shall have the right to ingress and egress over, upon, and across the Common Area necessary for access to his or her House Site or Commercial Site, and such rights shall be appurtenant to and pass with the title to each Site. Further, Owners shall have the right of ingress and egress upon Common Areas designated for specific use, however, each Site Owner or Member's rights hereunder shall be coordinated with and shall not be in any way in derogation of any other Site Owner's or Member's same rights. Any controversy hereunder shall be resolved by the Board whose decision shall be final.

Section 8.02. Easements for Utilities, Etc. There is hereby reserved a blanket easements upon, across, over, and under all of the Common Area for ingress, egress, installation replacing, repairing, and maintaining master television antenna systems, security, and similar systems, and all utilities, including, but not Limited to, water, sewers, telephones, gas and electricity. The Board

shall, upon written request, grant such easements as may be reasonably necessary for the development of any property made subject to this declaration of Covenants. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Common Areas except as may be approved by the Association's Board of Directors. Should any entity furnishing a service covered by the general easement herein provided, request a specific easement by separate recordable document, the Board of Directors shall have the right to grant such easement on said Common Area without conflicting with the terms hereof. The easements provided for in this Article shall be in addition to any other recorded easements on the Properties.

#### ARTICLE IX INSURANCE

Section 9.01. Association Insurance. The Board of Directors of the Association shall obtain when available, and maintain in force public Liability insurance, worker's compensation insurance (if required) and such other insurance as the Board of Directors may from time to time determine desirable. Premiums for such insurance policies and that portion of any covered loss not compensated for because of the loss deductible clause of the policy shall be paid by the Association as a general expense.

Proceeds received by the Association from any indemnity paid under a hazard insurance policy shall be held by the Board of Directors. After deduction of all reasonable expenses of the Board in administering such proceeds, the net proceeds shall be used to repair the damages for which the claim was made under the policy.

#### ARTICLE X USE RESTRICTIONS

Section 10.01. Residential Use of Home; limitation on number of Residents. All buildings constructed on a home site shall be used for single residential purposes only, and a Home shall not be permanently occupied by more than one family unit. No property owner may create a timeshare use on any home site.

Section 10.02. Commercial Use of Home Prohibited. No trade or business of any kind or character nor the practice of any profession, or any building or structure designed or intended for any purpose connected with any trade, business or profession shall be permitted within any Home or upon any House Site except as otherwise expressly herein provided. Nothing in this section or these Covenants shall be construed to prohibit the rental of any of the Homes for residential purposes otherwise consistent with these Covenants.

Section 10.03. Use of Commercial Sites. No use may be made of any commercial site not permitted by applicable law.

No House Site shall be used as temporary residence except as allowed by State and County

Regulations. No house trailers or mobile homes will be allowed. Double wide modular homes will be allowed, provided the home is erected on a foundation that has been covered in a manner approved by the ARC and the home has never been capable of being titled by the South Carolina Department of Motor Vehicles.

**Section 10.04. Undeveloped Use of Property.** No lot shall be used for overnight camping or recreational vehicular traffic.

**Section 10.05. Delivery Receptacles and Mail Boxes.** Receptacles for the receipt of mail shall be approved by the United States Postal Service ("USPS") and in writing by the ARC. Said receptacles shall be of uniform construction and appearance as prescribed by the ARC and shall be erected in a manner approved by the ARC and at such location as the ARC may in its discretion designate. The ARC may, upon the approval of the USPS cluster mail receptacles in such location as the ARC may, in its discretion, deem appropriate. In which case all other mail receptacles shall be removed. No receptacle or any construction for the receipt of newspapers or similar delivered similar delivered material shall be erected or permitted except as approved in writing by the ARC.

**Section 10.06. Completion of Construction.** The exterior of all Homes must be complete within six months after the date of commencement of construction and the home shall be fully completed within one year of commencement of construction, unless extended by the ARC, except where such completion is impossible or would result in great hardship to the Owner or builder due to strikes, fires, national emergency or natural calamity. In any event, no Home or structure may be occupied or used until the necessary governmental permits have been obtained.

In the event the work described herein has not been completed as required, the Board shall have the right to impose such fees as it deems reasonable as a result.

**Section 10.07. Outbuildings and Similar Structures.** No building or structure of a temporary nature shall be erected or allowed to remain on any House Site, except that sheds or other temporary structures may be used during construction provided that they be approved in writing by the ARC, and provided further, that such sheds or structures shall not be used as a temporary residence. Except as constructed as part of the original construction of the Home as approved by the ARC, no house trailer, shack, tent, barn, shed, workshop or other structure or outbuilding of any kind shall be erected or allowed to remain on any House Site without approval of the ARC.

**Section 10.08. Sign Boards.** No sign boards shall be displayed except "For Rent" and "For Sale", which signs shall not exceed six (6) square feet in size. Signs on commercial buildings shall not exceed such size as allowed by applicable laws or regulations. No more than two (2) signs shall be displayed on one House Site at the same time. All signs must be of a design and location approved by the ARC.

**Section 10.09. Antenna.** No radio or television transmission or receiving tower or satellite dish over 18 inches in diameter shall be erected within the House or Lot. Such dish shall be screened from view from all streets and neighboring Lots.

**Section 10.10. Mining.** No Home or Commercial Site or portion thereof shall be used for any mining, boring quarrying, drilling, removal of, or any other exploitation of subsurface natural resources.

**Section 10.11. Disposition of Trash and Other Debris.** Trash, garbage, or other waste shall be kept only in sanitary containers. No Owner shall permit or cause any trash or refuse to be kept on any portion of a House Site or other portion of the Properties other than in the receptacle customarily used within the enclosed area of the Home. At all times such containers shall be stored in such a manner that they cannot be seen from adjacent and surrounding property.

No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any House Site, except building materials used during the course of construction for a period not to exceed 180 days (commencing from day one of the first delivery of any of such materials) for any approved structure, unless such materials are screened from view in a manner approved by the ARC.

**Section 10.12. Aesthetics, Nature Growth, Fences, Screening, Underground Utilities Service.** No nature growth or flora shall be intentionally destroyed or removed, except with the prior written approval of the ARC, without which the Owner shall at his cost, replace the same. Garbage cans, equipment, coolers, or storage piles shall be walled to conceal them from the view of neighboring Home or Commercial Sites or streets. All utility and lines shall be underground. No automobile or other vehicle not currently licensed shall be kept on the premises. All fuel tanks must be walled from view, as aforesaid. No fences, ornamental screens, sunshades or walls of any nature shall be erected or maintained on or around any portion of any Site except such as are installed in accordance with the original construction, any replacement thereof or as are authorized and approved by the ARC.

**Section 10.13. Animals.** No animals, reptiles, rodents, birds, fish, livestock or poultry shall be raised, bred, or maintained on any House Site or Commercial Site, except that domestic dogs, cats, fish and birds inside bird cages, may be kept as household pets within a Home or business, provided they are not kept, bred, raised therein for commercial purposes, or in unreasonable quantities.

No large animals to be allowed on Sites. Small domestic animals are allowed and restricted to a leash or confined to Owners property.

**Section 10.14. Motorcycles and other similar vehicles.** Motorcycles are prohibited.

**Section 10.15. Outdoor Lighting.** Outdoor lighting shall be kept to a minimum. In the event of a controversy regarding Outdoor Lighting, any decision of the ARC regarding the amount of lighting shall be final.

**Section 10.16. Maintenance Required by Owner.** Each Owner shall keep his Home or business and all improvements therein, in good order and repair as is consistent with safety and good property management.

Section 10.17. Landscape Restrictions. No tree having a diameter of six (6) inches or more (measuring from a point five (5') feet from the ground level) shall be removed from any of the Properties without the express written authorization of the ARC and approval of all necessary governmental agencies.

Section 10.18. Prohibition Against Offensive Conduct or Nuisance. No noxious or offensive activity shall be carried on upon any House Site or other Properties, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. There shall not be maintained any plant or animal, or device or anything of any sort whose normal activities or existence will in any way diminish or destroy the enjoyment of other property in the neighborhood by the Owners or Residents thereof.

Section 10.19. Outside Drying and Laundering. No clothing or household fabrics shall be hung in the open on any Site unless they are hung where screened from view of adjacent Owners, roads, and other Properties.

Section 10.20. Vehicle and Trailer Parking. No vehicle with more than four (4) tires, other than pick-up trucks, shall be brought upon or parked overnight, whether on any street or on any Lot within the Subdivision. Boats, boat trailers, and recreational vehicles may be parked on the premises either in the yard or at such other location as may be approved in writing by the ARC. Nothing contained herein shall be considered to prohibit the use of portable or temporary buildings or trailers as field offices by contractors during actual construction, provided the same are not inhabited as a temporary residence. Further, nothing contained herein shall be considered to be a prohibition against delivery vehicles from coming onto Peerless for the sole purpose of making a delivery to a home site or business.

Section 10.21. Water and Sewer Systems. The Owner will provide, at his/her expense, a DHEC approved water and sewer system. Monitoring by DHEC shall be facilitated in complete compliance with existing regulations, ordinances and statutes. In the event public water or sewer becomes available to the subdivision, all property owners shall be required at their own expense to connect to the system provided.

#### ARTICLE XI GENERAL PROVISIONS

Section 11.01. Documents. All papers and instruments required to be filed with or submitted to the Association or the ARC shall be sent by Certified Mail, Return Receipt Requested to Post Office Box 243, Wadmalaw Island, South Carolina, 29487 or such other address as shall be provided to Owner's by written notice. All papers and instruments to be filed with or submitted to any party who is subject to the provisions of these Covenants shall be mailed, Certified Mail, Return Receipt Requested to the party at the address of their property in Peerless Landowners' Association or as such other address designated in writing. This provision shall apply to the parties named in Section 11.06. Actual deliver of any papers or instruments with proof of delivery shall be sufficient to meet the requirements of this Section.

**Section 11.02. Violation.** If any person firm or corporation shall violate or attempt to violate any of these Covenants, it shall be lawful for any person, firm or corporation owning any of the House or Commercial Sites or having any interest thereof to prosecute any proceeding at law in equity against the person fine or corporation violating or attempting to violate the same, and either to prevent it or them from so doing or to recover damages or other dues for such violation. The party enforcing the Covenants shall be entitled to recover attorney's fees and expenses if he prevails.

In addition to the rights and remedies herein above enumerated, and not as any limitation thereof, the Peerless Landowners' Association Board determines that any provision of these Covenants has been violated, the Association Board may, in its discretion, seek appropriate relief at law or equity to assure that the purposes of these Covenants are fulfilled. After- having given fourteen (14) days written notice to the Owner of any Site involved, setting forth the specific violation or breach of these Covenants and the action required to be taken by the Owner to remedy such violation or breach and if at the end of such time, reasonable steps to accomplish such actions have not been taken by, the Owner, the Declarant can enforce theses Covenants by entering upon a House or Commercial Site to abate or remove any violation, and any such entry shall not be deemed a trespass. Failure to enforce any of the Covenants shall not be deemed a waiver of the right to do so.

**Section 11.03. Severability.** Invalidation of any of these Covenants shall in no way affect the validity or enforceability of the other Covenants, which will remain in full force and effect.

**Section 11.04. Duration and Amendment.** This Declaration of Covenants shall bind all persons claiming any interest in the land run with the land for a period of forty (40) years from the date of recording, after which time they shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a two-thirds (2/3) majority of the Owners (Multiple Owners of a single House Site shall have one (1) vote among them) of Sites has been recorded terminating the Covenants.

During the first forty (40) year period, amendment shall be by a written instrument signed by not less than eighty (80%) percent of the Owners and thereafter, by an instrument signed by not less than sixty-five (65%) percent of the Owners (multiple Owners of a single House Site or Commercial

shall have one (1) vote for each House Site or Commercial Site owned). Upon proper execution, the instrument shall be filed in the RMC Office for Charleston County, South Carolina.

Section 11.05. Addition of Property to Subdivision. The property which is contained within Peerless Subdivision is a portion of Peerless Tract. The Board of the Association shall have the right, in its sole discretion, to add to the Peerless Subdivision and to subject such added property to these Covenants.

In Witness Whereof, the President and Secretary have hereunto executed this Declaration as of the day and year first above written.

Signed, sealed and delivered  
in the presence of:

PEERLESS LANDOWNERS'  
ASSOCIATION

M. B.  
Kimberly C. Doby

Don M. Loyd  
President  
Print Name: Don M. Loyd  
Miranda L. Dobbins  
Secretary  
Print Name: Miranda L. Dobbins

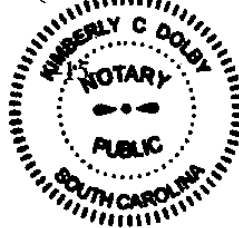
STATE OF SOUTH CAROLINA )  
COUNTY OF CHARLESTON )

**ACKNOWLEDGMENT**

PERSONALLY APPEARED before me Peerless Landowners' Association by Don Loyd, its President, to me well known to be the person(s) described in and who executed the within instrument, and he/she acknowledged to and before me, an officer duly authorized in the state and county aforesaid to take acknowledgments, that he/she executed said instrument for the purposes therein expressed therein.

WITNESS my hand and official seal this 19<sup>th</sup> day of December, 2013.

Kimberly C. Doby  
Notary Public for South Carolina  
My Commission expires: 07-07-2017  
(NOTARIAL SEAL)





STATE OF SOUTH CAROLINA    )  
                                                  )  
COUNTY OF CHARLESTON        )

**ACKNOWLEDGMENT**

PERSONALLY APPEARED before me Peerless Landowners' Association by Miranda Dobbins, its Secretary, to me well known to be the person(s) described in and who executed the within instrument, and he/she acknowledged to and before me, an officer duly authorized in the state and county aforesaid to take acknowledgments, that he/she executed said instrument for the purposes therein expressed therein.

WITNESS my hand and official seal this 29 day of December 2013.



*[Handwritten Signature]*

\_\_\_\_\_  
Notary Public for South Carolina  
My Commission expires: 9-4-2022  
(NOTARIAL SEAL)

#### **EXHIBIT "A"**

ALL the certain pieces, parcels or lots of land, designated as Lots 1 thru 12 and 15 thru 20 and the parcel of land designated as "Peerless Drive - Private 60' R/W" situate lying and being on Wadmalaw Island, Charleston County, South Carolina and is shown on a plat entitled "Final Subdivision Plat of 39.302 Acre Tract of Land, TMS 197-00-00-071, Lots 1 Thru 12 and 15 Thru 20 owned by Walpole Limited Partnership, Wadmalaw Island, Charleston County, South Carolina" by Stantec Consulting Service, Inc. dated January 15, 2001, revised February 26, 2001, and recorded in the RMC Office for Charleston County in Plat Book EE at Page 670 and all of that lot, piece, parcel of land, situate, lying and being on Wadmalaw Island, Charleston County, South Carolina, designated as "Now Lot renamed as 'Lot 13' on a Plat entitled Resurvey of TMS 197-00-00-204 to Abandoned Future Development Lots 13 and 14 and Rename as 'Lot 13', owned by Liberia Road LLC, Wadmalaw Island, Charleston County, South Carolina" by Connor Engineering, Inc., dated January 19, 2007 and recorded in the RMC Office for Charleston County in Plat Book DF at Page 454 on February 9, 2007. Copies of said plats attached hereto as Exhibits B and C.

SAID property having such size, shapes, dimensions, buttings, and boundings, more or less, as will by reference to said plat more fully appear.

# RECORDER'S PAGE

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Charlie Lybrand, Register  
Charleston County, SC

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PEERLESS LANDOWNERS ASSN

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**BY-LAWS OF**  
**PEERLESS LANDOWNERS' ASSOCIATION**

**ARTICLE I**

**NAME, MEMBERSHIP, APPLICABILITY AND DEFINITIONS**

Section 1. **Name.** The name of the Association shall be Peerless Landowners' Association, (hereinafter sometimes referred to as the "Association").

Section 2. **Membership.** The Association shall have one class of Membership, as more fully set forth in that Declaration of Covenants, Conditions, and Restrictions for Peerless Landowners' Association (said Declaration, as amended, renewed or extended from time to time, is hereinafter sometimes referred to as "the Declaration"), the terms of which pertaining to Membership are specifically incorporated by reference herein.

Section 3. **Definitions.** The words used in these By-Laws shall have the same meaning as set forth in said Declaration unless the context shall prohibit.

**ARTICLE II**

**ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES**

Section 1. **Place of Meetings.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors either in Peerless Subdivision or as convenient thereto as possible and practical.

Section 2. **Annual Meetings.** The first meeting of the Members, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. The annual meeting shall be set by the Board so as to occur no later than ninety (90) days after the close of the Association's fiscal year. Subsequent regular annual meetings of the Members shall be held within thirty (30) days of the same day of the same month of each year thereafter, at an hour set by the Board. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday (excluding Saturday and Sunday).

Section 3. **Special Meetings.** The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by a resolution of a majority of the quorum of the Board of Directors or upon a petition signed by at least twenty-five (25%) percent of the total voting power of the Association. The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to mail or to cause to be delivered to the Owner of record of each House Site and Commercial Site a notice of each annual or special meeting of the Association stating the purpose of the special meeting as well as the time and place where it is to be held; if an Owner wishes notice to be given at an address other than his or her House Site or Commercial Site, he or she shall have designated by notice in writing to the Secretary such other address. The mailing or delivering of a notice of meeting in the manner provided in this Section shall be considered service of notice. Notices shall be served not less than ten (10) nor more than thirty (30) days before a meeting.

Section 5. Waiver of Notice. Waiver of a notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member, whether in person or by proxy, shall be deemed a waiver by such Members of notice of the time, date, and place thereof unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting is raised before the business, of which proper notice was not given, is put to a vote.

Section 6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) days from the time the original meeting was called and not more than thirty (30) days. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that at least five (5%) percent of the total voting power of the Association remains present in person and/or by proxy, and provided further that any action taken shall be approved by at least a majority of the Members required to constitute a quorum.

Section 7. Voting. The voting rights of the Members shall be as set forth in the Declaration and such voting rights provisions are specifically incorporated herein.

Section 8. Proxies. At all meetings of Members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Residential Unit, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a member, or by written revocation, or upon the expiration of one year from the date of the proxy.

Section 9. Majority of Owners. As used in these By-Laws, the term "majority" shall mean those votes, Owners, or other groups as the context may indicate totaling more than fifty (50%) percent of the total number.

Section 10. Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence in person or by proxy of more than fifty(50%) percent of the Owners of each lot shall constitute a quorum at all meetings of the Association. In the event a quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the first meeting. Any provision in the Declaration concerning quorums is specifically incorporated herein.

Section 11. Conduct of Meetings. The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat.

### ARTICLE III

#### BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

##### A. COMPOSITION AND SELECTION

Section 1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors consisting of five (5) Directors. A person elected a Director must be a member or a member's spouse. No person and his or her spouse may serve as a Director at the same time.

Section 2. Election of Directors. All Members of the Association shall vote upon the election of all Directors. As noted, all Members shall vote on all Directors to be elected, and the candidate receiving a majority vote shall be elected. In the event no candidate receives a majority vote at the first balloting, a run-off shall be held between the top two (2) candidates; provided, however, that in the at-large slate, if the top two (2) candidates from another Class receiving the next highest number of votes shall be in the run-off.

The terms of two (2) Directors shall be fixed at one (1) year; and the term of three (3) Director shall be fixed at two (2) years. At the expiration of the initial term of office of each respective member of the Board of Directors, successors shall be elected to serve for a term of two (2) years. The Members of the Board of Directors shall hold office until their respective successors shall have been elected by the Association.

Section 3. Nomination of Directors. Nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of the Chairman, who shall be a member of the Board of Directors, and two (2) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election of the Board of Directors as it shall, in its discretion determine but in no event less than the number of vacancies or terms to be filled. Nominations shall be permitted from

the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Section 4. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the Members of the Board of Directors may be removed, with or without cause, by a majority vote of the Owners of Residential Units present, in person or by proxy, at a meeting of the Association, and a successor may then and there be elected to fill the vacancy thus created. A Director whose removal has been proposed by the Owners of Residential Units shall be given at least ten (10) days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting.

Section 5. Voting Procedure for Directors. The first election of the Board shall be conducted at the first meeting of the Association. At such election the Members, or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the Declarant's provisions of the Declaration. Voting for Directors shall be by secret written ballot. A Director who was elected solely by the votes of Members other than Declarant may be removed from office prior to the expiration of his/her term only by the votes of a majority of Members other than Declarant, unless there are no members other than the Director to be remove, their spouse or a joint owner of the Director to be removed and the Declarant.

## B. MEETINGS

Section 6. Organization Meeting. The first meeting of the Members of the Board of Directors, following each annual meeting of the Membership, shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

Section 7. Regular Meeting. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the Directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. Notice of the regular schedule shall constitute sufficient notice of such meetings.

Section 8. Special Meeting. Special meetings of the Board of Directors shall be held when called by written notice signed by the President, Vice President or Secretary of the Association, or by any two (2) Directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each Director by one (1) of the following methods: (a) by personal delivery; (b) by written notice via first class mail, postage prepaid; (c) by telephone communication, either directly to the Director or to a person at the Director's home or office who would reasonably be expected to communicate such notice promptly to the Director; or (d) by recognized overnight delivery service such as UPS or FEDEX, charges prepaid. All such notices shall be given or sent to the Director's address or telephone number as shown on the Association's records. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegram shall be delivered, telephoned or given to the telegraph company at least twenty-four (24) hours before the time set for the meeting.

Section 9. Waiver of Notice. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be valid as though taken at a meeting duly held after regular call and notice if: (a) a quorum is present, and (b) either before or after the meeting, each of the Directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any Director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 10. Quorum of the Board of Directors. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the votes of a majority of the Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of Directors, if any action taken is approved by at least a majority of the required quorum for that meeting. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 11. Compensation. No Director shall receive any compensation from the Association for acting as such unless approved by a majority vote of the total vote of the Association at a regular or special meeting of the Association.

Section 12. Conduct of Meetings. The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and a record of all transactions and proceedings occurring at such meetings. Roberts Rules of Order (current edition) shall govern the conduct of the meetings of the Board of Directors when not in conflict with the Declaration or these By-Laws.

Section 13. Open Meetings. All meetings of the Board shall be open to all Members, but Members other than Directors may not participate in any discussion or deliberation unless expressly so authorized by a quorum of the Board.

Section 14. Executive Session. The Board may, with approval of a majority of a quorum, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

Section 15. Action Without a Formal Meeting. Any action to be taken at a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the Directors.



### C. POWERS AND DUTIES

Section 16. **Powers.** The Board of Directors shall be responsible for the Association's affairs and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles, or these By-Laws directed to be done and exercised exclusively by the Members.

The Board of Directors shall delegate to one (1) of its Members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the Managing Agent or Manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereafter be adopted, the Board of Directors shall have the power to, and be responsible for, the following, including but not limited to:

1. Preparation and adoption of an annual budget, in which there shall be established the contribution of each Owner to the common expenses.
2. Making assessments to defray the common expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment. Unless otherwise determined by the Board of Directors, the annual assessment against the proportionate share of the common expenses shall be payable in equal monthly installments, each installment to be due and payable in advance of the first day of each month for said month.
3. Providing for the operation, care, upkeep, and maintenance of entire Area of Common Responsibility.
4. Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair, and replacement of the Association's property and the Area of Common Responsibility and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties.
5. Collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association.
6. Making and amending rules and regulations.
7. Opening bank accounts on behalf of the Association and designating the signatories required.

8. Making, or contracting for the making of repairs, additions, and improvements to, or alterations of, the Common Area in accordance with the other provisions of the Declaration and these By-Laws, after damage or destruction by fire or other casualty.
9. Enforcing by legal means the provisions of the Declaration, these By-Laws and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association.
10. Obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof.
11. Paying the cost of all services rendered to the Association or its Members and not directly chargeable to Owners or an Owner.
12. Keeping books with detailed accounts of the receipts and expenditures effecting the Association or its administration, specifying the maintenance and repair expenses and any other expenses incurred. The books and vouchers accrediting the entries thereupon shall be available for examination by the Owners and mortgagees, their duly authorized agents, accountants, or attorneys, during general business hours on working days at the times and in a manner that shall be set and announced by the Board of Directors for the general knowledge of the Owners. All books and records shall be kept in accordance with generally accepted accounting practices. Separate accounts shall be maintained for General and Parcel assessment funds and for Special Use Properties owned by the Association but reserved for the use of less than all Members.

**Section 17. Management Agent.**

A. The Board of Directors may employ for the Association a professional management agent or agents, at a compensation established by the Board of Directors, to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these By-Laws other than the powers set forth in paragraphs 1, 2, 6, 7, and 9 of Section 19 of this Article.

B. If a manager or agent is hired, the following management standards of performance will be followed unless the Board, by resolution, determines otherwise:

1. The cash method of accounting shall be employed;
2. Two or more persons shall be responsible for handling cash to maintain adequate financial control procedures;

3. Cash accounts of the Association shall not be commingled with any other accounts;
4. No enumeration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise. Any thing of value received shall benefit the Association;
5. Any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors; and
6. A semi-annual financial report shall be prepared for the Association containing:
  - a. an Income Statement reflecting all income and expense activity for the preceding six (6) months on an accrual basis;
  - b. an Account Activity Statement reflecting all receipt and disbursement activity for the preceding six (6) months on an accrual basis;
  - c. an Account Status Report reflecting the status of all accounts in an "actual" versus "projected" budget format;
  - d. a Balance Sheet of an accounting date which is the last day of the month closest in time to six (6) months from the date of closing of the first sale of a unit in the project and an operating statement for the period from the date of the first closing to the said accounting date, which shall be distributed within sixty (60) days after the accounting date. This operating statement shall include a schedule of assessments received and receivables identified by the numbers of the Residential Unit and the name or names of the Owners assessed;
  - e. a Balance Sheet as of the last day of the Association's fiscal year and an operating statement for said fiscal year which shall be distributed within ninety (90) days after the close of the fiscal year;
  - f. a Budget Report reflecting any actual or pending obligations which are in excess of budgeted amounts by an amount exceeding the

operating reserves or ten (10%) percent of a major budget category (as distinct from a specific line item in an expended chart of accounts); and

g. a Delinquency Report listing all Owners who have been delinquent during the preceding six (6) month period in paying the monthly installments of assessments and who remain delinquent. A monthly installment of the assessment shall be considered to be delinquent on the fifteenth (15th) day of the month.

Section 18. Borrowing. The Board of Directors shall have the power to borrow money for the purpose of repair or restoration of the Common Area, facilities, and Special Use Properties without the approval of the Members of the Association; provided, however, that the Board shall obtain Membership approval in the same manner as for special assessments in the event that the proposed borrowing is for purpose of modifying, improving, or adding amenities, and the total amount of such borrowing exceeds or would exceed Five Thousand Dollars (\$5,000.00) outstanding debt at any one time.

Section 19. Association's Rights. With respect to the Common Areas or other association responsibilities owned, and in accordance with the Articles of Incorporation and By-Laws of the Association, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or neighborhood and other homeowners' or residents' associations, both within and without the properties. Such agreements shall require the consent of two-thirds (2/3) of the total votes of all Directors of the Association.

Section 20. Hearing Procedure. The Board shall not impose a fine, suspend voting or infringe upon any other rights of a member or other occupant for violation of rules unless and until the following procedure is followed:

(a) Demand. Written demand to cease and desist from an alleged violation shall be served upon the alleged violator specifying:

(i) The alleged violation;

(ii) The action required to abate the violation; and

(iii) A time period, not less than ten (10) days, during which the violation may be abated without further sanction, if such violation is a continuing one, or a statement that any further violation of the same rule may result in the imposition of a sanction after notice and a hearing if the violation is not continuing.

(b) **Notice.** At any time within twelve (12) months of such demand, if the violation continues past the period allowed in the demand for abatement without penalty, or if the same rule is subsequently violated, the Board or its delegate shall serve the violator with written notice of a hearing to be held by the Covenants Committee in executive session. The Notice shall contain:

- (i) The nature of the alleged violation;
- (ii) The time and place of the hearing, which time shall not be less than ten (10) days from the giving of the notice;
- (iii) An invitation to attend the hearing and produce any statement, evidence, and witness on his/her behalf; and
- (iv) The proposed sanction to be imposed.

(c) **Hearing.** The hearing shall be held in executive session pursuant to the notice affording the member a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of notice and the invitation to be heard shall be placed in the minutes of the meeting. Such proof shall be deemed adequate, if a copy of the notice together with a statement of the date and manner of delivery is entered by the officer, the director, or the agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(d) **Appeal.** Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, a written notice of appeal must be received by the Manager, President, or Secretary of the Association within thirty (30) days after the hearing date.

#### ARTICLE IV

##### OFFICERS

Section 1. **Officers.** The officers of the Association shall be a President, Vice-President, a Secretary, and a Treasurer. The Board of Directors may elect such other officers, including one (1) or more Assistant Treasurers, as it shall deem desirable, such officer to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary. The President and Treasurer shall be elected from among the Members of the Board of Directors.

Section 2. **Election, Term of Office, and Vacancies.** The Officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following

each annual meeting of the Members as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors for the unexpired portion of the term.

Section 3. Removal. Any officer may be removed by the Board of Directors whenever, in its judgment, the Association's best interests will be served thereby.

Section 4. Powers and Duties. The Association's officers shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may, from time to time, be specifically conferred or imposed by the Board of Directors. The President shall be chief executive officer of the Association and Chairman of the Board of Directors. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5. Resignation. Any officer may resign at any time by giving written notice to the Board of Directors or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

## ARTICLE V

### COMMITTEE

Section 1. General. Committees to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present, are hereby authorized. Such committees shall perform such duties and have such powers as may be provided in the resolution. Each committee shall be composed as required by law and shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Section 2. Covenants Committee. The Board of Directors shall appoint a Covenants Committee consisting of at least three (3) Members. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolution the Board may adopt, the Covenants Committee shall be the Association's hearing tribunal.

## ARTICLE VI

## MISCELLANEOUS

Section 1. Fiscal Year. The Association's initial fiscal year shall be set by resolution of the Board of Directors.

Section 2. Parliamentary Rules. Roberts Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with South Carolina law, the Articles of Incorporation, the Declaration, or these By-Laws.

Section 3. Conflicts. If there are conflicts or inconsistencies between the provisions of South Carolina law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of South Carolina law, the Declaration, the Articles of Incorporation and the By-Laws (in that order) shall prevail.

Section 4. Books and Records.

(a) Inspection by Members. The Membership register, books of account and minutes of meetings, of the Members, the Board, and committees shall be made available for inspection and copying by any member of the Association, or by his/her duly appointed representative, at any reasonable time and for a purpose reasonably related to his/her interest as a member, at the office of the Association or at such other place within Peerless Subdivision as the Board shall prescribe.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

- (1) Notice to be given to the record's custodian by the member desiring to make the inspection;
- (2) Hours and days of the week when such an inspection may be made; and
- (3) Payment of the cost of reproducing copies of documents requested by a member;

(c) Inspection by Directors. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association, and the physical properties owned or controlled by the Association. The right of inspection by a Director includes the right to make extra copies of documents, at the Association's expense.

Section 5. Notices. Unless otherwise provided in these By-Laws all notices, demands, bills, statements or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by registered or certified mail, return receipt requested, first class postage prepaid:

(a) If to a Member, at the address which the Member has designated in writing and filed with the Secretary, or if no such address has been designated, at the address of the lot of such owner; or

(b) If to the Association, the Board of Directors or the Managing Agent, at the principal office of the Association or Managing Agent, if any, or at such other address as shall be designated by the notice in writing to the Owners pursuant to this Section.

Section 6. Audit. An audit of the Association's accounts shall be made annually in the manner as the Board of Directors may decide; provided, however, that after receiving the Board's audit at the annual meeting, the Owners, by a majority vote, may require that the Association's accounts be audited as a common expense by a public accountant. Upon written request of any institutional holder of a first mortgage, such holder shall be entitled to receive a copy of the annual audited financial statement within ninety (90) days after the end of each fiscal year.

Section 7. Delinquent Payment Fee. An assessment not paid within fifteen (15) days following the date when due shall be subject to a Delinquent Payment Fee of one and one-half (1½) percent of the unpaid balance per month from the due date and each month thereafter so long as the assessment or any part thereof remains delinquent. The Delinquent Payment Fee shall be added to and collected in the same manner as the assessment. The Board of Directors may in its discretion waive all or any portion of a Delinquent Payment Fee imposed pursuant to this paragraph if it affirmatively appears that the failure to pay the assessment when due was caused by circumstances beyond the Member's control.

Section 8. Amendment. These By-Laws may be amended by the affirmative vote (in person or by proxy) or written consent of Members representing a majority of the total voting power of the Association which shall include a majority of the votes of Members. However, the percentage of voting power necessary to amend a specific clause or provision shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

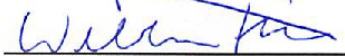
(SIGNATURES ON FOLLOWING PAGE)



We the undersigned, being the President and the Vice President of Peerless Landowners' Association, so hereby certify that the within and foregoing By-Laws are the same as the By-Laws of said corporation.

Signed, sealed and delivered  
in the presence of:

PEERLESS LANDOWNERS'  
ASSOCIATION

  
\_\_\_\_\_  
  
\_\_\_\_\_

  
\_\_\_\_\_  
President  
Print Name: Don M Loyd  
  
\_\_\_\_\_  
Secretary  
Print Name: Miranda L. Dobbins

STATE OF SOUTH CAROLINA )  
 )  
COUNTY OF CHARLESTON )

**ACKNOWLEDGMENT**

PERSONALLY APPEARED before me Peerless Landowners' Association by Don M Loyd, its President, to me well known to be the person(s) described in and who executed the within instrument, and he/she acknowledged to and before me, an officer duly authorized in the state and county aforesaid to take acknowledgments, that he/she executed said instrument for the purposes therein expressed therein.

WITNESS my hand and official seal this 21 day of January, 2012

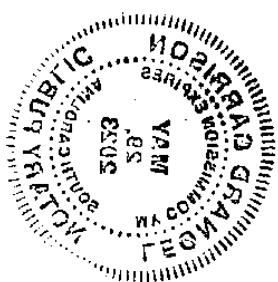
  
\_\_\_\_\_  
Notary Public for South Carolina  
My Commission expires: May 24, 2023  
(NOTARIAL SEAL)





## ACKNOWLEDGMENT

WITNESS my hand and official seal this 21 day of January, 2014.





## ARTICLE I DEFINITIONS

The following words and terms, when used in these Covenants (unless the context shall clearly indicate otherwise) shall have the following meaning:

- (a) The Peerless Landowners' Association means and refers to the association of the property owners of the property located at Peerless Subdivision and shall hereafter be referred to as the "Association".
- (b) "Common Area" shall mean and refer to all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners and Residents. The Common Area shall include that portion of the Property owned by the Association, street medians and islands, parking areas, entrance monuments, walkways, wooded areas, fields and other portions of the Property which are not a designated House Site/Commercial area or an Area of Exclusive Control surrounding such designated area, together with easement for access thereto. Common Area may be conveyed to the Association subject to all applicable Covenants of record, and when tendered, title thereto shall be accepted by the Association.
- (c) "Declarant": The Declarant under the Covenants have sold all of the property within Peerless and no longer have an interest in any of the property located within Peerless. For purposes of this Amended and Restated Declaration of Covenants, Conditions, Easements, Restrictions, Charges and Liens for Peerless Landowners' Association there is no Declarant..
- (d) "House Site" shall mean a lot as shown on the Plat of the subdivision, on which single family residences are constructed or are to be constructed as shown on a recorded plat of the Property and which are contained with in the Zoning designation by the County of Charleston as "R1" at the time of the recording of these Covenants.
- (e) "Commercial Site" shall mean a lot as shown on the Plat of the subdivision, on which a business may be operated as shown on a recorded plat of the Property and which are contained with in the Zoning designation by the County of Charleston as "RC" at the time of the recording of these Covenants.<sup>1</sup>
- (f) "Member" shall mean and refer to all those Property Owners who are Members of the Association as provided in Section 4.01 hereof.

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<sup>1</sup>The lots that are zoned RC are also zoned R1. In the event a residence is constructed on a lot that can be used as a commercial site, the lot shall be subject in all respects to the provisions hereof that intended to apply to a "House Site".



- (g) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of any Lot which is part of the Property but excluding in all cases any party holding an interest merely as security for the performance of an obligation.
- (h) "Occupant" shall mean and refer to those persons or entities occupying a building built on a Lot.
- (i) "Home" shall mean and refer to the residential dwelling constructed on any Home Site.
- (j) "Commercial Building" shall refer to a building constructed on a Commercial Site intended to be used for commercial purposes.
- (k) "Plat" shall mean the Plat entitled "Final Subdivision Plat of 39.302 Acre Tract of Land TMS 197-00-00-071 Lots 1 Thru 20 owned by The Walpole Group, Limited Partnership" dated January 15, 2001, revised February 26, 2001, which plat is recorded in the RMC Office for Charleston County. This term shall also refer to any Plat which describes additional property made subject to these Covenants as allowed under paragraph 11.05 hereof.

## ARTICLE II PROPERTY

Section 2.01. Property. The real property which is and shall be held, transferred, sold, conveyed, leased and occupied, subject to these Covenants, is located in Charleston County, South Carolina, and is more particularly described in Exhibit "A" hereto attached and by reference incorporated herein and any land add to Peerless Subdivision as hereinafter permitted.

## ARTICLE III PROPERTY RIGHTS

Section 3.01. Owners' Easement of an Enjoyment. Every Owner shall have a right to an easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following restrictions:

- (a) The right of the Association to suspend the voting rights and right to use of the Common area by an Owner for (i) any period during which any assessment against his Home Site or Commercial Site remains unpaid; and (ii) for a period not to exceed sixty (60) days for any infraction of its published rules and regulations. The failure to pay any amount owed to the Association shall be a continuing violation.
- (b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been

recorded; provided, however, in the event the Members elect to dedicate any portion of the Common Areas designated as streets and/or drainage systems to Charleston County, then at such time and before Charleston County accepts such dedication the Association must construct all such streets and drainage systems to the then present standards which have been adopted by any of the governing body which controls such infrastructure. Furthermore, in the event the Association is dissolved and the streets and drainage systems become the responsibility of Charleston County for any reason, each Owner will be assessed a prorata portion of the cost required to bring the streets and drainage systems into compliance with prescribed standards of Charleston County.

- (c) The owner of any Commercial Site shall not be entitled to make use of any portion of the Common Area contained within that portion of the Property Zoned "R1" in connection with any commercial enterprise.

Section 3.02: Delegation of Use. Any Owner may delegate, in accordance with the By Laws of the Association, his right of enjoyment to the Common Area and facilities to the members of his/her family, tenants or contract purchasers who reside in a home or operate a commercial business. Such delegation shall be subject in all respects to this Declaration. Nothing contained herein shall be deemed to relieve the Owner from the responsibility to cause the persons using their property to comply with the provisions of these Covenants.

#### ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

Section 4.01: Every Owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is part of Peerless Subdivision.

Section 4.02: The Association shall have one class of membership:

Class A. Class A Members shall be all Owners of lots which are subject to assessment and each Owner shall be entitled to one vote for each lot owned. When more than one person holds an interest in any lot, the vote for such lot shall be cast as a whole and exercised as the Owners thereof shall determine. In no event shall more than one vote be cast with respect to any lot nor shall the vote appurtenant to any lot be cast in fractional part.

In the event additional lots to Peerless Subdivision as allowed by Section 11.05 hereof, such lots shall be subject in all respects to these covenants and the owners of such lots shall be bound by these Covenants.

Section 4.03 Voting by Proxy. Any member shall be entitled to be represented at any meeting of the Association by Proxy, provided that such proxy is in writing and signed by all owners of the lot site which is being so represented and provided such proxy is dated within one year of the date of the meeting at which the vote is taking place.



**ARTICLE V  
PURPOSE AND POWERS OF THE ASSOCIATION**

The Association is formed to provide for maintenance, preservation, and architectural control of the lots and Common Area which comprise the Property, and to promote the health, safety and welfare of the Owners and Occupants within the Property, and

(a) shall exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in this Declaration of Covenants as the same may from time to time be amended;

(b) fix, levy, collect and enforce payment by any lawful means, all charges or assessments pursuant to the terms of the Declaration of Covenants to pay all expenses in connection therewith and all office and other expenses incident to the conduct of the business of the Association including all licenses, taxes or governmental charges levied or imposed against a House Site or Commercial Site of the Association.

(c) with the assent of two-thirds (2/3) of the Members of the Association, acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Peerless Landowners' Association.

(d) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. Except as provided in section 8.02 thereof no such dedication or transfer shall be effective unless an instrument has been agreed to by two-thirds (2/3) of Members;

(e) Enforce the provisions of the Declaration of Covenants and prosecute lawsuits to do so.

The affairs of the Peerless Landowners' Association shall be managed by a Board of Directors (the "Board") of five (5) Directors. The number of directors may be changed by amendment of the By-Laws of the Association.

**ARTICLE VI  
COVENANT FOR MAINTENANCE ASSESSMENTS**

Section 6.01. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Site by acceptance of the deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with Delinquent Payment Fees in the amount of One and One-half (1½ %) percent per month, thereon and cost of collection including reasonable attorney's fees, shall be a charge on the Site and shall be a continuing lien upon

the Site against which each such assessment is made. Each such assessment, together with Delinquent Payment Fees thereon and cost of collection including reasonable attorneys fees, shall also be the personal obligation of the person who was the Owner of such Site at the time when the assessment becomes due. The personal obligation for delinquent assessments shall not pass to the successor(s) in title unless expressly assumed by such successor(s), but shall remain a lien on the Site with priority over the rights of anyone who obtains rights in the Site after the assessment becomes owing.

**Section 6.02. Purpose of Assessments.** The assessments levied by the Association shall be used exclusively to promote the recreation, health safety, and welfare of the Owners and Occupants; for the improvement and maintenance of the Common Area; and to perform such services for Owners as authorized in this Declaration of Covenants.

**Section 6.03. Maximum and Actual Annual Assessments.** The amount of the annual assessment at the time of the adoption of these Covenants is Three Hundred Thirty & 00/100 Dollars (\$330.00) annually. Said amount shall be divided equally among all Home Sites and Commercial Sites subject to the provisions of these Covenants, except as set forth in Section 11.06. Thereafter, the Annual Assessment may be increased by the Board provided the increase is ten percent (10%) or less. If the increase is more than ten percent (10%) per year, such increase must be approved by a vote of two-thirds (2/3) of the Members who are voting in person or by proxy at a duly called meeting of the Association.

**Section 6.04. Special Assessments for Capital Improvements.** In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of Members who are voting in person or by proxy at a meeting duly called for this purpose.

The requirement that there be a consent of two-thirds (2/3) of the votes of Members who are voting in order to make a Special Assessment shall not be applicable in the event the assessment is made to meet a requirement of a governmental body or agency which has jurisdiction on the Property where Peerless is located (hereafter referred to as a "Mandatory Assessment"). In the event a Special Assessment is levied that the Board believes is a Mandatory Assessment, the Board shall provide written notification to all Members of such assessment, providing the amount of the assessment and the basis of the assessment, including the notification from the governmental body or agency which resulted in the assessment. The assessment shall become effective thirty (30) days after written notice is given unless a Court of competent Jurisdiction has issued an Order Staying the effect of the assessment. Thereafter, the assessment shall only be effective if the Order staying the effect of the assessment is withdrawn. In any suit to invalidate any such assessment, the governmental agency or body that issued the requirement that caused the assessment must be made a party.

**Section 6.05. Notice and Quorum for any Action Authorized under Sections 6.03 and 6.04.** Written notice of any meeting called for the purpose of taking any action authorized under Section

6.03 and Section 6.04 shall be sent to all Members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Member or of proxies entitled to cast sixty (60%) percent of all the votes of membership shall constitute a quorum. If the required quorum is not present the meeting may be adjourned for a period of one week subject to the same notice and the required quorum at the meeting so held shall be one-half (½) of the required quorum at the adjourned meeting.

Section 6.06. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Sites and may be collected on a quarterly or monthly basis as determined by the Board.

Section 6.07. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all House Sites shown on recorded plats on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the then current assessment period. The Board of Directors shall fix the amount of the annual assessment against notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall upon request of a member of the Association, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the assessments on a specified Site have been paid. A properly executed certificate of the Association as to the status of assessments on a Site is binding upon the Association as of the date of its issuance. No Owner may waive or otherwise escape liability for the assessments provided for herein by non use of the Common Area or abandonment of his Site.

Section 6.08. Effect of Non-Payment of Assessments; the Lien; Remedies of Peerless Landowners' Association. Any assessments not paid within thirty (30) days after the date when due shall be delinquent and shall (together with interest on the unpaid balance as shall be provided in the these Covenants, and cost of collection thereof, including reasonable attorneys' fees as herein provided, become a charge and continuing lien on the House Site or Commercial Site and all improvements thereon against which each such assessment is made. It is understood that by the nature of the amount of the assessments that the amount that may be due and owing will not be a large amount, therefore it is understood the costs and attorneys' fees that may be assessed shall be based on the amount of work that must be done to collect the amounts due and not based on the amount due.

If the assessment is not paid within sixty (60) days after the due date, the Association may bring an action at law against the Owner personally obligated to pay the same and/or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of in preparing and filing the complaint in such action, and in the event a Judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee together with all other costs of the action. With the exception of the streets within the subdivision, the owner or occupant of any House Site or Commercial Site who has not paid any assessments that may be due within sixty (60) days of the due date shall not be entitled to the use of any other common areas of Peerless Subdivision.

Section 6.09. Subordination of the Lien to Mortgagees. The lien of the assessments provided for herein shall subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the House Sites or Commercial Sites subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure or any other proceeding in lieu of foreclosure. Any assessment liens that are extinguished by a foreclosure sale shall be re-allotted and assessed as a common expense. Such sale or transfer shall not relieve such House Site or Commercial Site from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment.

Section 6.10. Duties of the Board of Directors. The Board of Directors of the Peerless Landowners' Association shall fix the amount of the assessment equally against each House Site and Commercial Site for the fiscal year at least thirty (30) days in advance of the first day of each fiscal year. At that time, the Board shall prepare a roster of the House Sites and Commercial Sites assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any Owner upon reasonable notice during normal business hours.

Written notice of the assessment shall be sent to every property Owner subject thereto. Such notice shall include the Delinquent Payment Fee as provided in the By-Laws to be imposed for failure to pay the assessment by the due date.

Section 6.11. Reserves and Surplus. The Association's Board may establish, from time to time, reserves for such lawful purposes as in its sole discretion it may determine necessary to be desirable for the greater financial security of the Association and the effectuation of its purposes. The Association shall not be obligated to spend in any fiscal year all the sums collected in such year, and may carry forward, as surplus, any balances remaining. The Association shall not be obligated to apply any such surplus to the reduction of the amount of the annual assessment in the succeeding year, but may carry forward the same from year to year.

## ARTICLE VII ARCHITECTURAL CONTROL

No construction, reconstruction, remodeling, alterations or addition to any building, fence, wall or other structure or improvement of any nature shall be constructed, erected or maintained upon any portion of the Property, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association or by an Architectural Review Committee composed of three (3) or more representatives appointed by the Board (herein sometimes referred to as "ARC"). In the event said ARC, or its designated committee fail to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it in writing with a signed receipt, said receipt signed by the ARC shall constitute the approval required and this Article will be deemed to have been fully complied with.

No residence shall be less than 1500 sq. ft. of heated space. No commercial building shall be less than 1000 sq. ft. of heated space.

As a pre-requisite to consideration for approval, and prior to beginning the contemplated work, a complete set of building plans and specifications shall be submitted to the ARC in such form and include such content as specified in architectural guidelines promulgated by the ARC. The ARC shall be the sole arbiter of such plans and may withhold approval for any reason, including purely aesthetic considerations. Upon given approval, construction shall be started and prosecuted to completion, promptly, and in strict conformity with such plans. No previously approved building or structure shall be used for any other purpose other than for which it was originally approved.

Section 7.01. Violations. If any Home, structure or building shall be erected, placed, maintained, or altered upon any House Site or other Properties, or any new use commenced on any Site or other Properties, otherwise than in accordance with the plans and specifications approved by the ARC pursuant to the provisions of this Article, such erection, placement, maintenance or alteration shall be deemed to have been undertaken in violation of this Article, and without the approval required therein.

If in the opinion of the ARC a violation exists, written notice of the violation shall be given to the Owner by the Association Board (which shall be deemed to have been delivered if sent by recognized overnight delivery service, certified mail return receipt requested, postage paid or if delivered to the Owner at the last address provided to the Association by the Owner with proof of deliver or attempted deliver to said address. Proof of delivery shall be by certified mail receipt requested, return of the mail marked undelivered or unclaimed by the post office, affidavit by someone of delivery or receipt of an express company). If the Owner of the Site upon which such violation exists shall not have taken reasonable steps toward the removal or termination of the same within twenty (20) days after the mailing of the aforesaid notice of violation enforcement shall be allowed as provided in Section 11.02 hereof.

## ARTICLE VIII EASEMENTS

Section 8.01. Owners Right to Ingress, Egress, and Support. Each Owner shall have the right to ingress and egress over, upon, and across the Common Area necessary for access to his or her House Site or Commercial Site, and such rights shall be appurtenant to and pass with the title to each Site. Further, Owners shall have the right of ingress and egress upon Common Areas designated for specific use, however, each Site Owner or Member's rights hereunder shall be coordinated with and shall not be in any way in derogation of any other Site Owner's or Member's same rights. Any controversy hereunder shall be resolved by the Board whose decision shall be final.

Section 8.02. Easements for Utilities, Etc. There is hereby reserved a blanket easements upon, across, over, and under all of the Common Area for ingress, egress, installation replacing, repairing, and maintaining master television antenna systems, security, and similar systems, and all utilities, including, but not Limited to, water, sewers, telephones, gas and electricity. The Board

shall, upon written request, grant such easements as may be reasonably necessary for the development of any property made subject to this declaration of Covenants. Notwithstanding anything to the contrary contained in this paragraph, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Common Areas except as may be approved by the Association's Board of Directors. Should any entity furnishing a service covered by the general easement herein provided, request a specific easement by separate recordable document, the Board of Directors shall have the right to grant such easement on said Common Area without conflicting with the terms hereof. The easements provided for in this Article shall be in addition to any other recorded easements on the Properties.

#### ARTICLE IX INSURANCE

Section 9.01. Association Insurance. The Board of Directors of the Association shall obtain when available, and maintain in force public Liability insurance, worker's compensation insurance (if required) and such other insurance as the Board of Directors may from time to time determine desirable. Premiums for such insurance policies and that portion of any covered loss not compensated for because of the loss deductible clause of the policy shall be paid by the Association as a general expense.

Proceeds received by the Association from any indemnity paid under a hazard insurance policy shall be held by the Board of Directors. After deduction of all reasonable expenses of the Board in administering such proceeds, the net proceeds shall be used to repair the damages for which the claim was made under the policy.

#### ARTICLE X USE RESTRICTIONS

Section 10.01. Residential Use of Home; limitation on number of Residents. All buildings constructed on a home site shall be used for single residential purposes only, and a Home shall not be permanently occupied by more than one family unit. No property owner may create a timeshare use on any home site.

Section 10.02. Commercial Use of Home Prohibited. No trade or business of any kind or character nor the practice of any profession, or any building or structure designed or intended for any purpose connected with any trade, business or profession shall be permitted within any Home or upon any House Site except as otherwise expressly herein provided. Nothing in this section or these Covenants shall be construed to prohibit the rental of any of the Homes for residential purposes otherwise consistent with these Covenants.

Section 10.03. Use of Commercial Sites. No use may be made of any commercial site not permitted by applicable law.

No House Site shall be used as temporary residence except as allowed by State and County

Regulations. No house trailers or mobile homes will be allowed. Double wide modular homes will be allowed, provided the home is erected on a foundation that has been covered in a manner approved by the ARC and the home has never been capable of being titled by the South Carolina Department of Motor Vehicles.

**Section 10.04. Undeveloped Use of Property.** No lot shall be used for overnight camping or recreational vehicular traffic.

**Section 10.05. Delivery Receptacles and Mail Boxes.** Receptacles for the receipt of mail shall be approved by the United States Postal Service ("USPS") and in writing by the ARC. Said receptacles shall be of uniform construction and appearance as prescribed by the ARC and shall be erected in a manner approved by the ARC and at such location as the ARC may in its discretion designate. The ARC may, upon the approval of the USPS cluster mail receptacles in such location as the ARC may, in its discretion, deem appropriate. In which case all other mail receptacles shall be removed. No receptacle or any construction for the receipt of newspapers or similar delivered similar delivered material shall be erected or permitted except as approved in writing by the ARC.

**Section 10.06. Completion of Construction.** The exterior of all Homes must be complete within six months after the date of commencement of construction and the home shall be fully completed within one year of commencement of construction, unless extended by the ARC, except where such completion is impossible or would result in great hardship to the Owner or builder due to strikes, fires, national emergency or natural calamity. In any event, no Home or structure may be occupied or used until the necessary governmental permits have been obtained.

In the event the work described herein has not been completed as required, the Board shall have the right to impose such fees as it deems reasonable as a result.

**Section 10.07. Outbuildings and Similar Structures.** No building or structure of a temporary nature shall be erected or allowed to remain on any House Site, except that sheds or other temporary structures may be used during construction provided that they be approved in writing by the ARC, and provided further, that such sheds or structures shall not be used as a temporary residence. Except as constructed as part of the original construction of the Home as approved by the ARC, no house trailer, shack, tent, barn, shed, workshop or other structure or outbuilding of any kind shall be erected or allowed to remain on any House Site without approval of the ARC.

**Section 10.08. Sign Boards.** No sign boards shall be displayed except "For Rent" and "For Sale", which signs shall not exceed six (6) square feet in size. Signs on commercial buildings shall not exceed such size as allowed by applicable laws or regulations. No more than two (2) signs shall be displayed on one House Site at the same time. All signs must be of a design and location approved by the ARC.

**Section 10.09. Antenna.** No radio or television transmission or receiving tower or satellite dish over 18 inches in diameter shall be erected within the House or Lot. Such dish shall be screened from view from all streets and neighboring Lots.

**Section 10.10. Mining.** No Home or Commercial Site or portion thereof shall be used for any mining, boring quarrying, drilling, removal of, or any other exploitation of subsurface natural resources.

**Section 10.11. Disposition of Trash and Other Debris.** Trash, garbage, or other waste shall be kept only in sanitary containers. No Owner shall permit or cause any trash or refuse to be kept on any portion of a House Site or other portion of the Properties other than in the receptacle customarily used within the enclosed area of the Home. At all times such containers shall be stored in such a manner that they cannot be seen from adjacent and surrounding property.

No lumber, metals, bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any House Site, except building materials used during the course of construction for a period not to exceed 180 days (commencing from day one of the first delivery of any of such materials) for any approved structure, unless such materials are screened from view in a manner approved by the ARC.

**Section 10.12. Aesthetics, Nature Growth, Fences, Screening, Underground Utilities Service.** No nature growth or flora shall be intentionally destroyed or removed, except with the prior written approval of the ARC, without which the Owner shall at his cost, replace the same. Garbage cans, equipment, coolers, or storage piles shall be walled to conceal them from the view of neighboring Home or Commercial Sites or streets. All utility and lines shall be underground. No automobile or other vehicle not currently licensed shall be kept on the premises. All fuel tanks must be walled from view, as aforesaid. No fences, ornamental screens, sunshades or walls of any nature shall be erected or maintained on or around any portion of any Site except such as are installed in accordance with the original construction, any replacement thereof or as are authorized and approved by the ARC.

**Section 10.13. Animals.** No animals, reptiles, rodents, birds, fish, livestock or poultry shall be raised, bred, or maintained on any House Site or Commercial Site, except that domestic dogs, cats, fish and birds inside bird cages, may be kept as household pets within a Home or business, provided they are not kept, bred, raised therein for commercial purposes, or in unreasonable quantities.

No large animals to be allowed on Sites. Small domestic animals are allowed and restricted to a leash or confined to Owners property.

**Section 10.14. Motorcycles and other similar vehicles.** Motorcycles are prohibited.

**Section 10.15. Outdoor Lighting.** Outdoor lighting shall be kept to a minimum. In the event of a controversy regarding Outdoor Lighting, any decision of the ARC regarding the amount of lighting shall be final.

**Section 10.16. Maintenance Required by Owner.** Each Owner shall keep his Home or business and all improvements therein, in good order and repair as is consistent with safety and good property management.



Section 10.17. Landscape Restrictions. No tree having a diameter of six (6) inches or more (measuring from a point five (5') feet from the ground level) shall be removed from any of the Properties without the express written authorization of the ARC and approval of all necessary governmental agencies.

Section 10.18. Prohibition Against Offensive Conduct or Nuisance. No noxious or offensive activity shall be carried on upon any House Site or other Properties, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the neighborhood. There shall not be maintained any plant or animal, or device or anything of any sort whose normal activities or existence will in any way diminish or destroy the enjoyment of other property in the neighborhood by the Owners or Residents thereof.

Section 10.19. Outside Drying and Laundering. No clothing or household fabrics shall be hung in the open on any Site unless they are hung where screened from view of adjacent Owners, roads, and other Properties.

Section 10.20. Vehicle and Trailer Parking. No vehicle with more than four (4) tires, other than pick-up trucks, shall be brought upon or parked overnight, whether on any street or on any Lot within the Subdivision. Boats, boat trailers, and recreational vehicles may be parked on the premises either in the yard or at such other location as may be approved in writing by the ARC. Nothing contained herein shall be considered to prohibit the use of portable or temporary buildings or trailers as field offices by contractors during actual construction, provided the same are not inhabited as a temporary residence. Further, nothing contained herein shall be considered to be a prohibition against delivery vehicles from coming onto Peerless for the sole purpose of making a delivery to a home site or business.

Section 10.21. Water and Sewer Systems. The Owner will provide, at his/her expense, a DHEC approved water and sewer system. Monitoring by DHEC shall be facilitated in complete compliance with existing regulations, ordinances and statutes. In the event public water or sewer becomes available to the subdivision, all property owners shall be required at their own expense to connect to the system provided.

#### ARTICLE XI GENERAL PROVISIONS

Section 11.01. Documents. All papers and instruments required to be filed with or submitted to the Association or the ARC shall be sent by Certified Mail, Return Receipt Requested to Post Office Box 243, Wadmalaw Island, South Carolina, 29487 or such other address as shall be provided to Owner's by written notice. All papers and instruments to be filed with or submitted to any party who is subject to the provisions of these Covenants shall be mailed, Certified Mail, Return Receipt Requested to the party at the address of their property in Peerless Landowners' Association or as such other address designated in writing. This provision shall apply to the parties named in Section 11.06. Actual deliver of any papers or instruments with proof of delivery shall be sufficient to meet the requirements of this Section.

**Section 11.02, Violation.** If any person firm or corporation shall violate or attempt to violate any of these Covenants, it shall be lawful for any person, firm or corporation owning any of the House or Commercial Sites or having any interest thereof to prosecute any proceeding at law in equity against the person fine or corporation violating or attempting to violate the same, and either to prevent it or them from so doing or to recover damages or other dues for such violation. The party enforcing the Covenants shall be entitled to recover attorney's fees and expenses if he prevails.

In addition to the rights and remedies herein above enumerated, and not as any limitation thereof, the Peerless Landowners' Association Board determines that any provision of these Covenants has been violated, the Association Board may, in its discretion, seek appropriate relief at law or equity to assure that the purposes of these Covenants are fulfilled. After- having given fourteen (14) days written notice to the Owner of any Site involved, setting forth the specific violation or breach of these Covenants and the action required to be taken by the Owner to remedy such violation or breach and if at the end of such time, reasonable steps to accomplish such actions have not been taken by, the Owner, the Declarant can enforce theses Covenants by entering upon a House or Commercial Site to abate or remove any violation, and any such entry shall not be deemed a trespass. Failure to enforce any of the Covenants shall not be deemed a waiver of the right to do so.

**Section 11.03. Severability.** Invalidation of any of these Covenants shall in no way affect the validity or enforceability of the other Covenants, which will remain in full force and effect.

**Section 11.04. Duration and Amendment.** This Declaration of Covenants shall bind all persons claiming any interest in the land run with the land for a period of forty (40) years from the date of recording, after which time they shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a two-thirds (2/3) majority of the Owners (Multiple Owners of a single House Site shall have one (1) vote among them) of Sites has been recorded terminating the Covenants.

During the first forty (40) year period, amendment shall be by a written instrument signed by not less than eighty (80%) percent of the Owners and thereafter, by an instrument signed by not less than sixty-five (65%) percent of the Owners (multiple Owners of a single House Site or Commercial

shall have one (1) vote for each House Site or Commercial Site owned). Upon proper execution, the instrument shall be filed in the RMC Office for Charleston County, South Carolina.

Section 11.05. Addition of Property to Subdivision. The property which is contained within Peerless Subdivision is a portion of Peerless Tract. The Board of the Association shall have the right, in its sole discretion, to add to the Peerless Subdivision and to subject such added property to these Covenants.

In Witness Whereof, the President and Secretary have hereunto executed this Declaration as of the day and year first above written.

Signed, sealed and delivered  
in the presence of:

PEERLESS LANDOWNERS'  
ASSOCIATION

M. B.  
Kimberly C. Doby

Don M. Loyd  
President  
Print Name: Don M. Loyd  
Miranda L. Dobbins  
Secretary  
Print Name: Miranda L. Dobbins

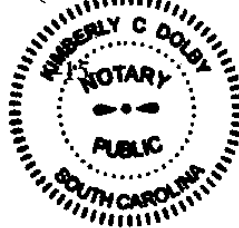
STATE OF SOUTH CAROLINA )  
COUNTY OF CHARLESTON )

**ACKNOWLEDGMENT**

PERSONALLY APPEARED before me Peerless Landowners' Association by Don Loyd, its President, to me well known to be the person(s) described in and who executed the within instrument, and he/she acknowledged to and before me, an officer duly authorized in the state and county aforesaid to take acknowledgments, that he/she executed said instrument for the purposes therein expressed therein.

WITNESS my hand and official seal this 19<sup>th</sup> day of December, 2013.

Kimberly C. Doby  
Notary Public for South Carolina  
My Commission expires: 07-07-2017  
(NOTARIAL SEAL)



STATE OF SOUTH CAROLINA    )  
                                                  )  
COUNTY OF CHARLESTON        )

**ACKNOWLEDGMENT**

PERSONALLY APPEARED before me Peerless Landowners' Association by Miranda Dobbins, its Secretary, to me well known to be the person(s) described in and who executed the within instrument, and he/she acknowledged to and before me, an officer duly authorized in the state and county aforesaid to take acknowledgments, that he/she executed said instrument for the purposes therein expressed therein.

WITNESS my hand and official seal this 29 day of December 2013.



*[Handwritten Signature]*

\_\_\_\_\_  
Notary Public for South Carolina  
My Commission expires: 9-4-2022  
(NOTARIAL SEAL)

#### **EXHIBIT "A"**

ALL the certain pieces, parcels or lots of land, designated as Lots 1 thru 12 and 15 thru 20 and the parcel of land designated as "Peerless Drive - Private 60' R/W" situate lying and being on Wadmalaw Island, Charleston County, South Carolina and is shown on a plat entitled "Final Subdivision Plat of 39.302 Acre Tract of Land, TMS 197-00-00-071, Lots 1 Thru 12 and 15 Thru 20 owned by Walpole Limited Partnership, Wadmalaw Island, Charleston County, South Carolina" by Stantec Consulting Service, Inc. dated January 15, 2001, revised February 26, 2001, and recorded in the RMC Office for Charleston County in Plat Book EE at Page 670 and all of that lot, piece, parcel of land, situate, lying and being on Wadmalaw Island, Charleston County, South Carolina, designated as "Now Lot renamed as 'Lot 13' on a Plat entitled Resurvey of TMS 197-00-00-204 to Abandoned Future Development Lots 13 and 14 and Rename as 'Lot 13', owned by Liberia Road LLC, Wadmalaw Island, Charleston County, South Carolina" by Connor Engineering, Inc., dated January 19, 2007 and recorded in the RMC Office for Charleston County in Plat Book DF at Page 454 on February 9, 2007. Copies of said plats attached hereto as Exhibits B and C.

SAID property having such size, shapes, dimensions, buttings, and boundings, more or less, as will by reference to said plat more fully appear.

# RECORDER'S PAGE

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Charlie Lybrand, Register  
Charleston County, SC

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PEERLESS LANDOWNERS ASSN

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NA

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