

STATE OF SOUTH CAROLINA
COUNTY OF PICKENS

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR RIVERBLUFF

THIS DECLARATION, made on the date hereinafter set forth by Anthony and Cox, Inc., hereinafter referred to as the "Declarants;"

WITNESSETH: THAT WHEREAS, the declarants are the owners of certain property in the County of Pickens, South Carolina, which is more particularly described as Riverbluff, Section one, as the same is shown on the map recorded in Plat Book 28, Page 236, in the office of the Clerk of Court for Pickens County, South Carolina; and

WHEREAS, Declarants will convey the said properties, subject to protective covenants, conditions, restrictions, reservations, liens and charges as hereinafter set forth;

NOW, THEREFORE, Declarants hereby declare that all of the Properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants and conditions, all of which are for the purpose of enhancing and protecting the value, desirability, and attractiveness of the real property. These easements, covenants, restrictions, and conditions shall run with the real property and shall be binding on all parties having acquiring any right, title or interest in the described properties of any part thereof, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to RIVERBLUFF ASSOCIATION its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of members or designated classes of members of the Association.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the properties on which such plot appears (provided said map has been approved by the Declarants), with the exception of the Common Area.

Section 5. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 6. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security of the performance of an obligation.

Section 7. "Declarant" shall mean and refer to Anthony and Cox, Inc. and its successors and assigns to whom the rights of Declarant hereunder are expressly transferred, in whole or in part, and subject to such terms and conditions as the Declarants may impose.

Section 8. "Person" shall mean and refer to any individual, corporation, partnership, association, trustee, or other legal entity.

Section 9. "Board of Directors" or "Board" means those persons elected or appointed and acting collectively as the Directors of the Association.

Section 10. "Common Expenses" shall mean and include.

- (a) All sums lawfully assessed by the Association against its members;
- (b) Expenses of administration, maintenance, repair, or replacement of the Common Areas;
- (c) Expenses declared to be common expenses by the provisions of this Declaration or the Bylaws;
- (d) Hazard, liability, or such other insurance premiums as the Declaration of the Bylaws may require the Association to purchase;
- (e) Ad Valero taxes and public assessment charges lawfully levied against common areas;
- (f) Expenses agreed by the members to be common expenses of the Association.
- (g) Ownership and operation of water system.

Section 11. "Amenities" shall mean the facilities constructed, erected or installed on the Common Areas for the use, benefit and enjoyment of Members.

ARTICLE II

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. Annexation of additional Property shall require the assent of two-thirds (2/3) of the Class A membership and two-thirds (2/3) of the Class B membership, if any, at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. The presence of Members or proxies entitled to cast sixty percent (60%) of the votes of each class of membership shall constitute a quorum. If the required quorum is not forthcoming at any meeting, another meeting may be called subject to the notice requirement set forth above and the required quorum of the preceding meeting. No such subsequent meeting shall be one-half of the required quorum of the preceding meeting. In the event that two-thirds (2/3) of the Class B membership are not present in person or by proxy, Members not present may give their written assent to the action taken thereat.

: Section 2. If within six years of the date of incorporation of this Association, the Declarants should develop additional lands within the boundaries of the following tract, such additional lands may be annexed to said properties without the assent of the Class A members.

**Being all of the tract as shown on a map
attached hereunto as Exhibit "A"**

If all of the tract shown on Exhibit "A" is included in Section One and Two of Riverbluff, the Declarants shall not annex additional lands without the assent of the Class A members.

Section 3. Annexation of additional Properties shall be accomplished by recording in the Office of the Clerk of Court for Pickens County, South Carolina a Declaration of Annexation, duly executed by the Declarants if the Declarants have the right to annex pursuant to Section 2 above (and by the Association if pursuant to Section 1 above), describing the lands annexed and incorporating the provisions of the Declaration, either by reference or by fully setting out said provisions of this Declaration. The additional lands shall be deemed annexed to the Properties of the date of recordation of the Declarants, no action or consent on the part of the Association or any other person or entity shall be necessary to accomplish the annexation.

Section 4. Subsequent to recordation of the Declaration of Annexation by the Declarants, the Declarants shall deliver to the Association one or more deeds conveying any Common Area within the lands annexed as such Common Area is developed.

ARTICLE III

MEMBERSHIP

Every person or entity who is a record owner of a fee or undivided fee interest in any Lot which is subject by covenants of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entitle who hold an interest merely as security for the performance of an obligation. No owner shall have more than one membership. Membership shall be subject to assessment by the Association. Ownership of such Lot shall be the sole qualification for membership. The members shall annually elect Board of Directors who shall serve for a period of twelve (12) months. The first Board of Directors shall be elected upon the sale of the ten (10) lots or upon the expiration of twelve (12) months from the date of this document. The Board of Directors may make reasonable rules relating to the proof of ownership of a Lot in this Subdivision.

ARTICLE IV

VOTING RIGHTS

Section 1. The Association shall have two (2) classes of voting membership:

Class A. Class A members shall be all those Owners as defined in Article III with the exception of the Declarants. Class A members shall be entitled to one vote for each Lot in which they hold the interest required for membership by Article III. When more than one person holds such interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarants. The Class B member shall be entitled to three (3) votes for each Lot in which it holds the interest required for membership by Article III, provided, that the Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs first:

(a) when the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership, but provided that the Class B membership shall be reinstated if thereafter and before the time stated in Subparagraph (b) below, such additional lands are annexed to the Properties without the assent of Class A members on account of the development of such additional lands by the Declarants, all as provided for in Article II, Section 2 above, or

(b) on December 31, 1987.

ARTICLE V

EASE OF ENJOYMENT

Section 1. Members' Easement of Enjoyment. Every member shall have a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant and shall pass with the title to every assessed Lot, subject to the following provisions:

(a) The right of the Association, in accordance with its Articles and Bylaws and with the assent of members entitled to cast two-thirds (2/3) of the votes of the entire Class A membership and two-thirds (2/3) of the entire Class B membership, if any, to borrow money for the purpose of improving the Common Area and facilities and in aid thereof to mortgage said property unless prohibited by law, and the rights of such mortgagee in said properties shall be subordinate to the rights of the homeowners hereunder;

(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 Members; provided, however, that no conveyance of Limited Common Areas shall deprive any Member of the full use thereof. No such dedication or transfer shall be effective unless an instrument signed by Members entitled to cast two-thirds (2/3) of the votes of the Class B membership, if any, has been recorded agreeing to such dedication or transfer, and unless written notice of the proposed action is sent to every Member not less than 30 days nor more than 60 days in advance of such meeting.

Section 2. Delegation of Use. Any member may delegate, in accordance with the Bylaws, his right of enjoyment to the Common Area and facilities reside on the Property. Neither the Association or the Developer, by amendment to this declaration or otherwise, except as herein provided, may deny the use of any amenity under the control of the Association to any person or persons who are the owner of any recorded, numbered lot on property within the bounds of the property hereinabove referred to as "Exhibit A".

Section 3. Title to the Common Area. The Declarants hereby covenant for itself, its heirs and assigns, that it will convey fee simple title to the Common Area shown on the aforementioned map recorded in Plat Book _____, Page _____ in the office of the Clerk of Court for Pickens County, South Carolina, to the Association, free and clear of all encumbrances and liens, prior to the conveyance of the first Lot, except utility and drainage easements and easements to governmental authorities. Similarly, the Declarants will convey to the Association Common Areas which are parts of Riverbluff as those portions are annexed in the future until all Common Areas, as shown on plans approved by the South Carolina Health Department have been conveyed to the Association.

Neither the Association nor the Developer will have the right, by amendment to this Declaration or otherwise to deny use of the water system installed by the developer to any person or persons who are owners of any lot or property which is located within the bounds of all that property shown on that recorded plat hereinabove referred to as "Exhibit A".

ARTICLE VI

COVENANT FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property hereby covenants, and every other owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, is deemed to covenant and agree to pay to the Association:

- (a) Annual assessments or charges which are common expenses;
- (b) Special assessments for capital improvements.

Such assessments shall be fixed, established, and collected from time to time as thereafter provided.

The annual and special assessments, together with such interest thereon and costs of collection thereof, as hereinafter provided, shall be charge on the land and shall be a continuing lien upon the lot and improvements against which each such assessment is made. Each such assessment, together with such interest and costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of the Lot at the time the assessment fell due. The personal obligation of an owner for delinquent assessments shall not pass to his successors in title unless expressly assumed by them. All assessments shall be shared equally by the owners of each Lot, except as otherwise provided in this section.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively for promoting for recreation, health, safety, water systems, roads, and welfare of the residents and the Property; enforcing these covenants and the rules of the Association; and provided the services and facilities for the purposes of the related to the use and enjoyment of the common area and facilities.

Section 3. Amount of Assessment.

(a) Initial Assessment. To and including December 31, 1985 the initial annual assessment shall not be in excess of Two Hundred Dollars (\$200.00) per Lot.

(b) Increase by Association. From and after December 31, 1986 the annual assessment effective for any year may be increased from and after January 1st of the succeeding year by the Board of Directors without vote of the membership, by a percentage which may not exceed ten (10%) percent of the prior year assessment.

(c) Increase by Members. From and after December 31, 1985, the annual assessment may be increased by a percentage greater than permitted by this Article by an affirmative vote of two thirds (2/3) of each class of members who are voting in person or proxy, at a meeting duly called for such purpose, written notice of which, setting forth the purpose of the meeting, shall be sent to all members not less than thirty (30) days not more than sixty (60) days in advance of the meeting. The limitation herein set forth shall not apply to any increase in assessments undertake as an incident to a merger of consolidation which the Association is authorized to participate under its Articles of Incorporation.

(d) Criteria for Establishing Annual Assessment. In establishing the annual assessment for any assessment year, the Board of Directors shall consider all current costs and expenses of the Association, any accrued debts, and reserves for future needs, but it may not increase the annual assessment in an amount in excess of ten percent (10%) of the prior years' assessment.

(e) The Board of Directors may decrease the annual assessment from time to time in its opinion such decrease is prudent.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of construction or reconstruction, unexpected repair, or replacement of a described capital improvement upon the common area, including the necessary fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose, written notice of which, setting forth the purpose of the meeting, shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. The amount of the proposed assessment need not to be stated.

Section 5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all lots on a per lot basis, and may be collected on a monthly basis.

Section 6. Notice and Quorum for Any Action Authorized. Written notice of any meeting call for the purpose of taking any action authorized for establishing and collecting annual and special assessments shall be sent to all members not less than thirty (30) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the combined collective votes of each class of membership entitled to vote shall constitute a quorum. If the required 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 (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting. If the required quorum is not present at the subsequent meeting so called, the Committee is empowered to act as if a quorum were present, and the members shall abide by such decisions as are voted upon as if a quorum were present and voting.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The Annual assessments provided for herein shall be paid in equal monthly installments and the payment of such shall commence as to each lot on the first day of the first month following the date that such lot was sold. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment period. Written notice of the dates shall be established by the Board of Directors.

The Association upon demand at any time, shall furnish a certificate in writing signed by an officer of the Association setting forth whether the assessments on specified lot have been paid. A properly executed certificate on the Association as to the status of the assessments on a lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments: Remedies of the Association. Any assessments or portion thereof which are not paid when due shall be delinquent. If the assessment or portions thereof is not paid within thirty (30) days after the due date, the same shall bear interest from the date of delinquency at the highest rate then permitted by the regulations of the Federal Housing Administration (FHA) and the regulations of the Veterans Administration (VA); provided, however, that if highest rate permitted by FHA and VA are not the same, the interest rate shall be the lower of rates permitted by these two agencies. The Association may bring any action against the owner personally obligated to pay the same, and interest, costs, late payment charges and reasonable attorney's fees of any such action shall be added to the amount of such assessment. If any law permits the filing of a lien and the foreclosure of such lien, or other similar action, as a method of enforcement of the Association's right to collect assessments, the Association may use such remedy. No owner may waive or otherwise escape liability for the assessment provided for herein by nonuse of the common area or abandonment of his lot.

Section 9. Subordination of the Lien to Mortgagees. The lien of the assessments provided for herein on any lot shall be subordinate to the lien of any first mortgage on such lot. The sale of a lot to a bona fide purchaser for the value and the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sales or transfer. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereof.

Section 10. Exempt Property. Any portion of the Property dedicated to, and accepted by, a local public authority and all properties owned by a charitable or non-profit organization except from taxation by the laws of the State of South Carolina shall exempt from the assessments created herein, except no land or improvements devoted to dwelling use shall be exempt from said assessments.

Section 11. Reserves for Replacement. The association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the common areas which the Association may be obligated to maintain. Such reserve fund for the periodic maintenance, repair and replacement of improvements to the common areas which the Association may be obligated to maintain. Such reserve fund is to be established out of regular assessments for common expenses.

Section 12. Working Capital Fund. At the time of closing of the sale of each unit a sum equal to at least two (2) months assessment for each unit shall be collected and transferred to the Association to be held as a working capital fund. The purpose of said fund is to insure that the Association Board will have adequate cash available to meet unforeseen expenses, and to acquire additional equipment or services deemed necessary or desirable. Amounts paid into the fund shall not be considered advance payment or regular assessments.

ARTICLE VII

USE RESTRICTIONS

1. Land Use and Dwelling Type.

A. Section I: No properties in Section I shall be used except for residential purposes, no structures in Section I shall be erected, placed, altered or permitted to remain on any Property other than one detached single-family dwelling not to exceed two stories in height, private garage or carport for not more than two cars and a detached storage shed or outbuilding, provided that the same is constructed in line with the general design and construction standards as is used in the dwelling itself. By definition, for the purposes of this article, the term "storage shed" or "outbuilding" is meant to include, but not to be limited to, a building which may be used as for

the sole purpose of storing those items which are not customarily kept within the living areas of a dwelling. Every dwelling constructed on a Property in Section I is subject to these restrictions and shall contain at least twelve hundred (1,200) square feet of fully enclosed floor area devoted to living purposes. If a two story dwelling (or more) is constructed or erected upon any Property in Section I, the first (or grade level) shall be of not less than one thousand (1,000) square feet of fully enclosed floor area devoted to living purposes. In the event such enclosed floor area (including one or more stories) devoted to living purposes be less than twelve hundred (1,200) square feet.

No Property shall be used except for residential purposes. No dwelling shall be placed upon and Property in Section I except for those homes which are commonly classified as "stick-built": all "modular-build" or "mobile homes" are specifically excluded by this covenant.

2. Setback Restrictions for all buildings, carports and garages constructed on the properties are as follows:

A. The front setback for construction or placement of the dwelling is forty (40) feet inside of a parallel to the front Property line. Space must be provided for parking two automobiles within each Property, which space may be within such setback. Where there is a conflict between the front Property line and the "Building Line" shown on the recorded plat of the various Sections, the Building Line will prevail:

B. The setback from the rear, or back most, Property line for dwelling placement or construction shall be twenty five (25) feet inside of the parallel to the said rear Property line.

C. The setback from the side lines of the lots shall be at least ten percent (10%) of the average width of any said lot.

A dwelling location which does not vary by more than five percent (5%) from a required distance stated herein shall be deemed to be in compliance with the stated requirement. For the purpose of the covenant, eaves, overhangs, steps and open porches shall be considered as a part of a building, addition or outbuilding.

All outbuilding, additions or structures of any kind placed upon any building Property shall comply with these setback restrictions, however, multi-family housing in any Section is excluded from these set-back restrictions.

3. Re-Subdivision of Properties. No Property shall be subdivided, or its' boundary lines changed except with the written consent of the Developer. However, the Developer hereby expressly reserves to itself, its' successors or assigns, the right to re-plat any two (2) or more properties shown on the plat of any said Section or part thereof prior to delivery of deed in order to create a modified building Property or two or more properties so long as such re-plat shall comply with the subdivision restrictions of the county of record, however, the Developer by so doing shall not create additional properties beyond the sum total number of properties shown on the recorded plat of any such section so altered under this provision within the development. The Developer may also create a modified building Property or properties by the sale of two or more adjacent properties to one party, in which case the properties may be considered one building Property, without the necessity of re-platting. The restrictions and covenants herein apply to each such dwelling Property so created, provided however, that they shall not restrict the owner of a Property from construction or placing one single-family residence thereupon.

4. Erection of Fences. No fence shall be erected on any Property, except that it be approved prior to construction by the Architectural Committee, and any such fence so approved and subsequently erected by any Owner shall not exceed four (4) feet in height.

In the event that a fence is constructed between any properties, said fence must be placed upon the dividing, or interior, lines of such property. In the case of a drainage area located along such said dividing or side line as hereinbelow described, such fence must be placed as close to such drainage area as is practical in order to maintain the condition of such drainage area as herein below provided. If a fence is erected upon any Property so as not to include the entire Property, then such a fence must be connected to the dwelling located so as to be horizontal to the side, or interior, Property lines and/or parallel to the front and/or rear Property line. Should the contour or Property lines of any Property be such that placement of any fence as hereinabove

described would be contrary to the interests of the Developer or the Owner, then the Developer and/or the Architectural Committee shall have the right to grant, in writing, a variance upon the restrictions ordained by this covenant.

5. Garbage and Refuse Disposal. No Property or parcel of land shall be used as a dumping ground for rubbish, trash or garbage, nor shall any Property or parcel of land be used as an area for abandoning, storing or dismantling and/or repairing automobiles, trucks or other vehicles. Garbage Cans upon any lot shall be placed within a container and placed in a spot which is screened from the view of any street, driveway or other residence. Such screening shall consist of shrubbery, plantings or other naturally-grown planting. The purpose of the above described container is to prevent dogs or other animals from invading the contents of any such cans, thereby causing an unsightly nuisance to the neighborhood and the surrounding properties.

6. Signs. No advertising, For Sale, For Rent, billboards or signage of any sort may be placed on any Property or displayed to the Public on any Property except that one sign of not more than one (1) square foot in area may be placed upon each Property to identify the name of the occupant thereupon. This covenant shall not apply to signs placed by the developer to identify and/or advertise the subdivision and/or any Property or properties, or to indicate the sites for futures subdivision or the location and/or identification of any amenities, nor shall it apply to signs which may or may not be erected by the Developer or the Association to give directions to future development sites or to present or future amenities, nor shall it apply to signs erected by the Developer or the Association to identify the names of streets or roadways, nor shall it apply to

(a) those signs placed by an owner or his agent advertising the property For Sale. However, any such sign so placed must not exceed three square feet in size. The design, color scheme and wordage contained thereupon must be submitted to the Architectural Committee for their approval, and no such sign may be placed upon any lot until such approval is obtained.

7. Nuisances. No noxious, illegal or offensive activity shall be carried on upon any Property, nor shall anything be done thereupon which may be or may become an annoyance or nuisance to the neighborhood.

8. Livestock and Poultry. No animals, livestock or poultry of any kind shall be raised, bred or kept on any properties of less than ten (10) acres in size, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes. Should any dog or dogs be kept on any Property, then such dog or dogs must be kept leashed at all times while outside the dwelling located thereupon except that should such a Property be fenced to the extent that such a dog or dogs may not escape the confines of such said fence, then such dog or dogs may not be required to be leashed. No such dog or dogs, however, shall be kept by any Property owner, either inside the dwelling or outside, so as to create a nuisance to the neighborhood by excessive barking, growling, digging or otherwise causing discomfort or annoyance to the general welfare, peace and/or contentment of the neighborhood.

9. Temporary Structures. No structure of a temporary character including but not limited to, any trailer, camper, basement, tent, shack, temporary garage, barn or other outbuilding shall be located on any property or used on any Property at any time as a residence either temporarily or permanently, nor shall any vehicle such as a Recreational Vehicle, truck camper or any other camper or vehicle of a nomad nature be used as a temporary or permanent dwelling upon any Property. Any camping trailer, boat and trailer, recreational vehicle and/or similar equipment used for the personal enjoyment of a resident of any lot shall all times be parked to the rear of the dwelling and shall not be parked, stored, kept or otherwise displayed so as to be conspicuous from any street within the property.

10. Trees. No living tree over twelve inches in diameter shall remove from any Property without the prior written consent of the Developer or the Architectural Committee. Such diameter shall be measured at distance of three (3) inches from the natural grade level where such tree is located.

11. Sight Line Limitations. No fence, wall, hedge, vine or shrubbery planting which obstructs the 100-foot sight lines shown on the recorded plat shall be placed or permitted to remain on any corner Property. No tree, hedge, vine or shrub shall be permitted to remain within the sight line distance unless the foliage is maintained at a sufficient height to prevent obliteration of such sight line. Should any such tree exist within such a sight line upon any Property, then said tree shall be pruned to such a sufficient height to prevent obstruction of such sight line rather than removed.

12. Drainage and Utilities Service Easements. Easements for installation and maintenance of drainage facilities are reserved as shown on the recorded plat. The Developer shall have no responsibility for maintaining drainage easements in connection with any properties sold. All maintenance shall be the responsibility of the purchaser of Property, his heirs, successors and assigns within said easement, and same shall be maintained in a clean, trimmed and neat condition. No structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of drainage facilities, or which may change the direction of flow of drainage channels in the easements. The easement area of each Property and all improvements in it (if any) shall be maintained continuously by the owner of the Property, except for those improvements (if any) for which a public authority or utility company is responsible.

Easements for the installation of utilities (electric, water, sanitary sewage disposal, telephone, etc.) and the maintenance thereof are reserved along the entire distance of all interior Property lines for a perpendicular distance of five (5) feet on either side of said Property lines and over the front ten (10) feet and rear ten (10) feet of each Property for the entire distance of the front Property lines and rear Property lines.

13. Driveway Easements. There are hereby reserved reciprocal easements of twenty-five (25) feet from the front and/or side Property lines of all properties subject to these Restrictions where such property(s) adjoin driveways and/or streets within the subdivision for the construction of common driveways from the main road(s) within the subdivision onto the properties. The Property Owners subject to the reciprocal driveway easements and sharing the common driveway shall have the right to enter upon all Property located within the easement area for the construction, maintenance, and use of said easements.

14. Ownership, Use and Enjoyment of the Private Streets and Other Amenities. Each of the streets in Riverbluff subdivision now or hereafter designated on any plat of the subdivision as well as buffer areas and other amenities not dedicated to the State of South Carolina, the County or other Governmental entity are private and neither the Developers' execution nor recording of the plat nor any other act of the Developer with respect to the subdivision is, or is intended to be, or shall be construed as a dedication to the public of any said streets, buffer areas and amenities other than as reflected herein or as is shown on the recorded plat of the Property. An easement for the use and enjoyment of each of said streets and areas is reserved to the Developer, its successors or assigns; to the persons who are, from time to time, members or associate members of the Riverbluff Owner's Association, Incorporated; to the residents, tenants and occupants of any multi-family residential buildings, guest house(s), Inn or Hotel facilities or commercial ventures; and all other kinds of residential structures that may be erected or placed within the boundaries of the development and to the invitees of all the aforementioned persons; the use of which shall be subject to such rules and regulations as may be prescribed by the Developer or the Association if the Association is the owner of the facility or Property involved. The Developer reserves the right to dedicate the streets to a public authority if it so desires.

15. Architectural Control Committee. There shall be an Architectural Control Committee hereinafter "Committee", composed of the Developer, or its nominee, and two others designated by the Developer. The Committee shall have the following rights:

A. Written Approval of Committee. All plans and specifications for any structure or improvement whatsoever to be erected or moved upon or to any Property, the construction materials, the roofs and exterior color schemes, any later changes or additions after initial approval thereof and any remodeling reconstruction, alterations, or addition thereto, on any Property shall be subject to and shall require the written approval of the Committee before any such work is commenced except that this covenant shall not apply to the Developers' construction of any such housing or other structures which he may construct upon the property for residential purposes nor shall it apply to construction of any amenity constructed by the Developer, nor shall

it apply to any interior decorations or construction materials used upon the interior of any dwelling or structure.

B. Building Plans to be Submitted. There shall be submitted to the Committee two complete sets of the final plans and specifications for any and all proposed improvements, the erection or alteration of which is desired by any owner, and no structures or improvements of any kind shall be erected, altered, placed or maintained upon any Property unless and until the final plans, elevations and specification therefor shall have received such written approval as herein provided.

C. Time for Approval. The Committee shall approve or disapprove plans, specifications and details within thirty (30) days from the receipt thereof. One (1) set of said plans and specifications and details with the approval or disapproval endorsed thereon shall be returned to the person submitting them and the other copy thereof shall be retained by the Committee for its' permanent files.

D. Right to Disapprove. The Committee shall have the right to disapprove any plans, specifications or details submitted to it in the event the same are not in accordance with any of the provisions of these Restrictions; the written criteria or the general plat of the properties, if the design or color scheme of the proposed buildings or other structure is not in harmony with the general surroundings of such Property or with the adjacent buildings or structures; if the plans and specifications submitted are incomplete or in the event the Committee deems the plans, specifications or details, or any part thereof, to be contrary to the interest, welfare or rights of al or any part of the real Property subject hereto, or the owners thereof. It is understood, however, that approval will not be unreasonably withheld, and in the event of objections which cannot be resolved, the developer reserves the right to overrule the Committee to resolve any such dispute.

E. Right To Inspection. The Committee or its' agents shall have the right to inspect all construction to insure that the structure is in accordance with the approved plans, specifications and details. No structure or improvement shall be made unless it conforms strictly to the approved plans, specifications and details. These inspections are in addition to those which may be required by the local, county or state authorities.

F. Common Drive. As part of the application, the owner or owners of each Property must submit to the committee plans for the placement of a common drive for the common use of the owners of any pair or pairs of properties. The common drive shall be at least ten (10) feet in width and at lease twenty-five (25) feet in length commencing from the front Property line. The common drive shall be constructed at the time that the first dwelling is built on such pair or pairs of properties, and the initial cost of construction and maintenance shall be the responsibility of the first builder until such time that the owner of the adjacent Property or properties constructs a dwelling, then the owners shall share the maintenance costs of the common drive.

G. Committee Fees. There shall be paid to the Committee by the owner, a fee not to exceed two hundred dollars (\$200.00) for the services performed by the Committee in considering all plans and specifications and the approval or disapproval of same. The said fee shall also be applied by the Committee for the inspections provided. No structure shall be placed, erected or moved upon any Property until such fee is paid, however, the Committee, at its' discretion, may allow said payment to be made in increments of not more than four (4) equal payments not more than thirty (30) days apart, with the first such payment made prior to the commencement of any improvements. The last of such payment must be made prior to the commencement of issuance of an occupancy permit, and the actual occupancy of any such dwelling for which the owner has submitted plans and specifications for the Committees' approval. The Committee may, at its' discretion, establish a schedule of such fees commensurate with the degree of proposed improvement, and may revise such schedule from time to time including the maximum amount as set forth above.

H. Time for Completion of Construction. The exterior of any dwelling constructed by any owner in any part of the development as shown on the attached "Exhibit A" shall be completed and evidences of all construction must be moved from the lots within twelve (12) calendar months of the date upon which construction begins. At such time, the Committee shall issue a Certificate is issued by the Committee, occupancy of any building contained in any

section construction by any owner as outlined above may not be occupied by any person for the purpose of residency either temporarily or permanently.

I. Developer Excluded. Amenities or other buildings, houses, or other residential units constructed by the Developer are excluded from this requirement, and for the purposes of this Covenant, will be considered as having been approved by the Committee upon receipt of a written statement from the Developer that such buildings are completed and ready for occupancy.

The rights reserved in this section by the Committee shall be exercisable by the Committee until such time as it specifically assigns such rights to the Riverbluff Owners' Association, Incorporated, at which time such rights shall be exercised by the Board of such Association pursuant to its' Bylaws, and upon advice from its' Architectural Control Committee. After assignment, such Board shall have all rights, powers and obligations of the of the Committee reserved herein, and for all purposes of this section, the Board of the Association shall be deemed substituted for the Committee reserved herein, and for all purposes of this section, the Board of the Association shall be deemed substituted for the Committee.

In case of the Amenities being constructed by the Developer in any Section within the Development, the setback restrictions contained in this document do not apply.

Section IV. Easement for Governmental Agencies. An easement is hereby established over the Common Area for the benefit of applicable governmental agencies, public utility companies and public service agencies as necessary for setting, removing and reading of meters, replacing and maintaining water, sewer and drainage facilities, electrical, telephone, gas and cable antenna lines, fire fighting, garbage collection, postal delivery and emergency and rescue activities.

ARTICLE VIII-A

WATER SYSTEM

The developer will install a central water system which will be dedicated to the Association by the Developer at such time as the Developer in his discretion, feels that the interest of the Owners will be best preserved by such a dedication or within one year of the date of this document which ever shall first occur. Such systems will provide water for household consumption and for other purposes as well as for the developer and the Association to use as needed for the maintenance of and the operation of the various amenities. At such time that the water system is supplied by the developer, a tap-on fee of \$350.00 and minimum monthly charges of \$7.00 shall be charged by the Association to each owner of property located within the boundaries of the property shown on the attached map and marked. "Exhibit A". Water shall be available to every owner of properties in the development and use charges for such water shall be at a uniform rate to each owner regardless of whether they are lot owners or otherwise. All fees so established by the Association shall be the minimum required to pay all costs of operation of the system plus a sum necessary to maintain a fund which will be held in escrow by the Association for future maintenance and repairs to the system, payment for such charges shall be the responsibility of the Property owners except as hereinbelow excepted. Any such tap-on fees or monthly service fees which remain unpaid by any property owner for a period of one hundred twenty (120) days from the date due shall become a lien upon the Property(s) and shall be collectable by the Association by due process of law to include termination of water service. The aforementioned fees so set may be adjusted by the Board on an annual basis in order to maintain an income to the Association which is adequate to pay all operation costs and other expenses of operation of the Water System at no additional cost to the Association. The developer reserves the right to extend the water system to any area within the bounds of the property shown on the attached "Exhibit A".

Notwithstanding anything contained herein to the contrary or any act or amendment made by the Association to the contrary, no owner of property as shown on the attached Exhibit "A"

may be denied use of the Riverbluff water system so long as such said owner complies in all respects to the terms and conditions contained herein.

ARTICLE VIII-B

AMENITY USAGE

Notwithstanding anything contained herein to the contrary or any act or amendment made by the Association to the contrary, no resident in good standing (as shown on the Attached Exhibit "A") may be denied the use of amenity contained within the bounds of Riverbluff so long as the use thereof complies with the covenants contained herein, or the covenants governing the use thereof as they may apply to that particular amenity's status, and providing that the use fees as set by the Association are current.

ARTICLE IX

RIGHTS OF INSTITUTIONAL LENDERS

Section 1. Rights Reserved to Institutional Lenders. "Institutional Lender" or Institutional Lenders", as the terms are used herein, shall mean and refer to banks, savings and loan associations, insurance companies, other reputable mortgage lenders and insurers of first mortgages. So long as any Institutional Lender or Institutional Lenders shall hold any mortgage upon any Lot, or shall be the owner of any Lot, such Institutional Lender or Institutional Lenders shall have the following rights:

A. To be furnished with at least one copy of the Annual Financial Statement and Report of the Association, prepared by a Certified Public Accountant designated by the Association, including a detailed statement of annual carrying charges or income collected and operating expenses, such Financial Statement and Report to be furnished by April 15 of each calendar year.

B. To be given notice by the Association of the call of any meeting to be held for the purpose of considering an proposed Amendment to the Declaration, or the Articles of Incorporation and Bylaws of the Association, which notice shall state the nature of the amendment being proposed, and to be given permission to designate a representative to attend all such meetings.

C. To be given notice of default in the payment of assessments by any owner of a Lot encumbered by a mortgage held by the Institutional Lender of Institutional Lenders, such notice to be given in writing and to be sent to the principal office such Lender or Lenders, or to the place which it or they may designate in writing to the Association.

D. To inspect the books and records of the Association at any reasonable time during normal business hours.

E. To be given notice by the Association of any substantial damage to any part of the Common Areas.

F. To be given notice by the Association if any portion of the Common Area, is made the subject matter of any condemnation or eminent domain proceeding or it otherwise sought to be acquired by a condemning authority.

When any Institutional Lender desires the benefits of the provisions of this section, such lender shall serve written notice of such fact upon the Association by Registered Mail or Certified Mail addressed to the Association and sent to its address stated herein identifying the Lot upon which any such Institutional Lender or Lenders hold any mortgage or mortgages, or identifying any Lot owned by them, or any of them, together with sufficient pertinent facts to identify any mortgage or mortgages which may be held by it or them, and which notice shall designate the place to which notices are to be given by the Association to such Institutional Lender.

ARTICLE X

GENERAL PROVISIONS

Section 1. Providing for Traffic Flow. It shall be the responsibility of the Association to maintain uninterrupted traffic flow along all private streets within the Properties. If it is necessary for "no parking" signs to be erected in order to accomplish this, this shall be done at the expense of the Association as a common expense.

In no case shall the municipality or other agency which provides emergency or regular fire, police or other public service for the properties or any of its occupants when such failure is due to the lack of access to such areas due to inadequate design or construction, blocking of access routes, or any other factor within the control of the developer, Association, or occupants.

Section 2. Enforcement. The Association, or any owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the association or by any owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 3. Insurance. Insurance coverage on the Property shall be governed by the following provisions:

(A) Ownership of Policies. All insurance policies upon the Properties shall be purchased by the Homeowners Association for the benefit of all the Homeowners Association Members.

(i) Public liability insurance shall be secured by the Association with limits of liability of no less than One Million Dollars (\$1,000,000.00) per occurrence and shall include an endorsement to cover liability of the Homeowners Association as a group to a single Riverbluff owner. There shall determine from time to time to be desirable and necessary.

(B) Premiums. Premiums upon insurance policies purchased by Homeowners Association shall be paid by the Homeowners Association and charged ratably to the Riverbluff owners as an assessment according to the provisions of Article VI above.

(C) Proceeds. All insurance policies purchased by the Home owners Association shall be for the benefit of the Homeowners Association.

Section 4. Fidelity Insurance on Bond. All persons responsible for or authorized to expend funds or otherwise deal in the assets of the Association or those held in trust, shall first be bonded by a fidelity insurer to indemnify the Association for any loss or default in the performance of their duties in an amount equal to six (6) months' assessments plus reserves accumulated.

Section 5. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

Section 6. Exchange of Common Area. The Association acting through its Board, from time to time may exchange with Declarant or any member a portion of the Common Area for a portion of the real property owned by such member within Riverbluff Subdivision, provided that the real property acquired by the Association in the exchange; (a) is free and clear of all encumbrances except the Declaration, and easements for drainage, utilities, and sewers; (b) is contiguous to other portions of the Common Areas; and (c) has approximately the same area and utility as the portion of the Common Area exchanged. The real property so acquired by the Association shall be a part of the Common Area, and, without further act of the Association or membership, shall be released from any provisions of the Declaration except those applicable to the Common Area. The portion of the Common Area so acquired by Declarant or a member, without further act of the Association or membership, shall cease to be Common Area and shall

be subject to those provisions of the Declaration that were applicable to the real property conveyed to the Association by the member.

Section 7. FHA/VA Approval. Notwithstanding any provisions in this instrument to the contrary, as long as there is a Class B membership, and if Declarant desires to qualify sections of this subdivision for Federal Housing Administration of Veterans Administration approval (but not otherwise), the following actions will require the prior approval of Federal Housing Administration or the Veterans Administration: Annexation of additional properties, dedication of Common Areas, exchange of Common Area for other portions of the Properties, and amendment of this Declaration of Covenants, Condition and Restrictions.

Section 8. Amendment. The covenants, conditions, and restriction of the Declaration shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by the owners of not less than ninety percent (90%) of the lots, and thereafter by an instrument signed by the owners of not less than seventy-five percent (75%) of the lots; provided, however, that the Board of Directors may amend this Declaration, without the consent of owners, to correct any obvious error or inconsistency in drafting, typing, or reproduction. All amendments shall be certified as an official act of the Association and shall forthwith be recorded in the Office of the clerk of Court for Pickens County, South Carolina. All amendments shall become effective upon recordation.

Section 9. If any amendment to these covenants, conditions and restrictions is executed, each such amendment shall be delivered to the Board of Directors of this Association. Thereupon, the Board of Directors, shall, within thirty (30) days do the following:

- (a) Reasonably assure itself that the amendment has been executed by the owners of the required number of lots. (For this purpose, the Board may rely on its roster of members and shall not be required to cause any title to any Lot to be examined);
- (b) Attach to the amendment a certification as to its validity, which certification shall be executed by the Association in the same manner that deeds are executed. The following form of certification is suggested.

**CERTIFICATION OF VALIDITY OF AMENDMENT TO COVENANTS
CONDITIONS AND RESTRICTIONS OF RIVERBLUFF**

By authority of its Board of Directors, Riverbluff Association hereby certifies that the foregoing instrument has been duly executed by the Owners of 100% of the Lots of Riverbluff and is, therefore, a valid amendment of the existing covenants, conditions and restrictions of Riverbluff.

Riverbluff

BY:

James B. Anthony
President

ATTEST:

James Samuel Cox
Secretary

(RIVERBLUFF DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS)

(c) Immediately, and within the thirty (30) day period aforesaid, cause the amendment to the recorded in the Pickens County Clerk of Court Office.

All amendments shall be effective from the date of recordation in the Pickens County Clerk of Court Office, provided however, that no such amendment shall be valid until it has been indexed in the name of this Association. When any instrument purporting to amend the covenants, conditions and restrictions has been certified by the Board of Directors recorded and indexed as provided by this Section, it shall be conclusively presumed that such instrument constitutes a valid amendment as to all persons thereafter purchasing any Lots in Riverbluff.

Section 10. Amendment of Declaration Without Approval of Owners. The Declarants, without the consent of approval of any other owner, shall have the right to amend this Declaration to conform to the requirements of any law or governmental agency having legal jurisdiction over the Property or to qualify the Property or any lots and improvements thereon for mortgage or improvement loans made, insured or guaranteed by a governmental agency or to comply with the requirements of law or regulations of any corporation or agency belonging to, sponsored by, or under the substantial control of, the United State Government or the State of South Carolina, regarding purchase or sale in such lots and improvements, or mortgage interests therein, as well as any other law or regulation relating to the control of Property, including, without limitation, ecological controls, construction standards, aesthetics, and matters affecting the public health, safety and general welfare. A letter from an official of any such corporation or agency, including, without limitation, the Veterans Administration, U.S. Department of Housing and Urban Development, the Federal Home Loan Mortgage Corporation, Government National Mortgage Corporation, or the Federal National Mortgage Association, requesting or suggesting an amendment necessary to comply with the requirements of such corporation or agency shall be sufficient evidence of the approval of such corporation or agency, provided that the changes made substantially conform to such request or suggestion.

No amendment made pursuant to this Section shall be effective until duly recorded in the Clerk of Court Office in Pickens County.

Section 11. Amendment to Achieve Tax Exempt Status. The Declarant for so long as it shall retain control of the Association, and, thereafter, the board of Directors, may amend this Declaration as shall be necessary in its opinion, and without the consent of any owner, to qualify the Association or the Property, or any portion thereof, for tax exempt status. Such amendment shall become effective upon the date of its recordation the Pickens County Clerk of Court Office.

Section 12. Management and Contract Rights of Association. The Developer shall enter into a contract with a Management company or Manage for the purposes of providing all elements of the operation, care, supervision, maintenance and management of the property. However, no such contract. Any contract or lease entered into by the Developer or by the Association while the Developer is in control thereof shall contain a provision allowing the Association to terminate such contract without justification or penalty after transfer of management by the Developer to the Association upon no more than ninety (90) days notice to the other party.

IN WITNESS WHEREOF, the undersigned, being the Declarants herein, has executed this instrument this the 30th day of October, 1986, by authority of its Board of Directors.

Riverbluff

BY: James B. Anthony
President

ATTEST:

James Samuel Cox
Secretary

SOUTH CAROLINA
PICKENS COUNTY

I undersigned, a Notary Public in and for said State and County do hereby certify that James Samuel Cox personally appeared before me this day and acknowledged that he is Secretary of Riverbluff, a corporation, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its President, James B. Anthony, sealed with its corporate seal, and attested by _____ self as its _____ Secretary.

WITNESS my hand and notary seal this the 30th day of October, 1986.

Miriam W. Waldrop
Notary Public

My Commission Expires:

March 26, 1989