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RECORDED 12/26/2001 01:26:40 PM

DECLARATION OF COVENANTS, CONDITIONS  
AND RESTRICTIONS  
FOR  
BLUFFTON VILLAGE TOWN CENTER

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THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR BLUFFTON VILLAGE TOWN CENTER ("Declaration") is executed this 21st day of, 2001, by ROWKRIS DEVELOPMENT I, L.L.C., a South Carolina Limited Liability Company ("Declarant").

**WITNESSETH:**

**WHEREAS**, Declarant is the owner of that certain tract of land located within the Bluffton Village Planned Unit Development located in Beaufort County, South Carolina; and

**WHEREAS**, Declarant desires to subject a portion of the Property, said portion described in the attached Exhibit "A" ("Property") to the encumbrance and administration of certain land use controls and restrictions.

**NOW, THEREFORE**, for the purpose of enhancing and protecting the value, attractiveness and desirability of the Property, Declarant does hereby declare and does hereby affirm this Declaration and that the Property, and each part hereof, shall be held, sold, devised, leased, used, given and conveyed subject to the following easements, covenants, conditions, affirmative obligations, rights and restrictions which shall constitute covenants running with the land and shall be binding on all parties having any right, title or interest in said Property, or any part hereof, their heirs, executors, administrators, successors and assigns.

**1. DEFINITIONS**

The following words and terms when used in this Declaration shall have the following meaning:

1.1 "Additional Property" shall mean that Property described in Exhibit "B" hereof, which Declarant shall have the right to submit to the within Declaration in the future, at the sole discretion of Declarant.

1.2 "Board of Directors" shall mean and refer to the Board of Directors of the Town Center Association as provided herein.

1.3 "Bylaws" shall mean and refer to the Bylaws of the Town Center Association as the same are amended from time to time.

1.4 "Common Area" shall mean and refer to any real or personal property designated as such by Declarant and conveyed to the Town Center Association or designated as such and held by Declarant for the benefit of the Town Center Association, or designated as such herein, with title to be held by a third party, with easements or other rights reserved unto Declarant, the Association, or designated owners within the Association. Such real and personal property may include, but shall not be limited to, signage for informational purposes, roads, easement rights, and any other personal property used for the promotion of the Property.

1.5 "Condominium Unit" shall mean and refer to a condominium unit located in the within the Property, when and if created in the future.



1.6 "Declarant" shall mean and refer to Rowkris Development I, L.L.C., a South Carolina Limited Liability Company, its successors and assigns.

1.7 "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions as the same is amended from time to time.

1.8 "Lot" shall mean and refer to each of those separate tracts or parcels which are now or hereafter designated by Declarant for development within the Property or which are more particularly shown on the Plat recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, and shall specifically include the Lots within the separate Bluffton Village Residential Subdivision described in Section 10 hereof.

1.9 "Member" shall mean and refer to each of those persons or entities entitled to membership in the Town Center Association, as provided in Section 2.2 hereof.

1.10 "Owner" shall mean and refer to the title holder as shown on the records in the Office of the Register of Deeds for Beaufort County, South Carolina, whether it be one or more persons, firms, associations, corporations or other legal entities of fee simple title to any Condominium Unit or Lot, or portion of a Lot, whether improved or unimproved. Owner shall not include those holding title merely as security for performance of an obligation. In the event that there is recorded in the Office of the Register of Deeds for Beaufort County, South Carolina, a long-term contract of sale covering any Condominium Unit or Lot, or portion thereof, the purchaser under said contract shall be considered the Owner of such Condominium Unit or Lot for so long as the contract remains in force and effect regardless of the fact that such purchaser does not hold fee simple title to the particular Condominium Unit or Lot. A long-term contract of sale shall be one where the purchaser is required to make payments for the Condominium Unit or Lot for a period extending beyond nine (9) months from the date of the contract and where the purchaser does not receive title to the Condominium Unit or Lot until such payments are made although the purchaser is given use of said Property.

1.11 "Plat" shall mean that Plat identified as a Plat of Bluffton Village Town Center (Phase IA - IID) prepared by Connor and Associates, Inc., dated October 31, 2001, and recorded in the Office of Register of Deeds for Beaufort County, South Carolina, at Plat Book 84 at Page 47.

1.12 "Property" or "Properties" shall initially mean and refer to the real property described on Exhibit "A" attached hereto, and thereafter to include any additional property submitted to this Declaration under the terms hereof.

1.13 "Town Center Association" shall mean and refer to Bluffton Village Town Center Property Owners' Association, Inc., a South Carolina non-profit corporation, its successors and assigns.

## **2. TOWN CENTER ASSOCIATION**

2.1 Establishment of an Association. Declarant hereby agrees to establish the Bluffton Village Town Center Property Owners' Association, Inc., a South Carolina non-profit corporation ("Town Center Association"), now existing or to be formed, for the purpose of exercising the powers of maintaining and administering Common Area once conveyed to the Town Center Association and providing common services, administering and enforcing covenants, conditions and restrictions contained herein and levying, collecting and disbursing assessments and charges herein created. Further, Declarant reserves the right to convey to the Town Center Association any and all of its rights and obligations set forth herein.

2.2 Membership. By acceptance of a deed or other conveyance for any Condominium Unit or Lot or portion thereof, the Owner thereof shall be deemed to covenant and agree to subject

said Condominium Unit or Lot to this Declaration and the jurisdiction of the Town Center Association and the Bylaws and no further act by an Owner is required. Each Owner of any Condominium Unit or Lot, or portion thereof, whether improved or unimproved, shall be a Member of the Association.

2.3 Voting Rights. A Member shall be entitled to one (1) vote for each Condominium Unit or Lot in which he holds an interest required for membership by Section 2.2. In the event that two (2) Lots are consolidated, the Owner shall be entitled to two (2) votes for the consolidated Lot. When more than one person holds such interest or interests in any Condominium Unit or Lot, all such persons shall be Members and the vote for such Condominium Unit or Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Condominium Unit or Lot. When one or more co-Owners sign a proxy or purports to vote for his or her co-Owners, such vote shall be counted unless one or more of the other co-Owners is present and objects to such vote or, if not present, submits a proxy or objects in a writing delivered to the Secretary of the Association before the vote is counted. If co-Owners disagree as to the vote, the vote shall be split equally among the co-Owners.

In recognition of the fact that final planning and subdivision of Lots within the Property have not been completed and the fact that Declarant finds it essential to maintain effective control of the Town Center Association during the development and marketing stages, Declarant hereby establishes two (2) classes of voting membership.

**Class "A"**. The Class "A" Membership shall include all those Owners, including Declarant, of any Lot, except for consolidated Lot(s) as set forth above and any Condominium Unit. Each Class "A" Member shall have one (1) vote for each Condominium Unit or Lot owned by such Member.

**Class "B"**. The Class "B" Members shall be Declarant and any successors or assigns of Declarant's rights hereunder. Declarant shall have one (1) vote, plus one (1) vote for each outstanding Class "A" vote held by any other person or entity. The Class "B" Membership and voting privileges shall cease and terminate for Declarant whenever Declarant (a) shall voluntarily give up its Class "B" Membership, (b) shall cease to own at least two (2) Lots or Condominium Units within the Property, or any future development property within the Property, or (c) on January 1, 2010, whichever shall first occur.

2.4 Officers and Directors. Notwithstanding any other provisions to the contrary contained in this Declaration, the Bylaws and any instrument establishing the Town Center Association, Declarant shall have the right to appoint or remove any member or members of the Board of Directors of the Town Center Association or any officer or officers of the Town Center Association until such time as the first of the following events shall occur (a) the expiration of ten (10) years after the date of the recording of this Declaration, (b) the date on which a total of ninety-five (95%) percent of the total Condominium Units or Lots have been conveyed to third party purchasers, or (c) the surrender by Declarant of the authority to appoint and remove directors and officers of the Town Center Association. Each Owner, by acceptance of a deed to or other conveyance of a Condominium Unit or Lot, or a portion thereof, vests in Declarant such authority to appoint and remove directors and officers of the Town Center Association.

2.5 Rights of Declarant. For so long as Declarant has the right to appoint or remove any member or members of the Board of Directors of the Town Center Association or any officer or officers of the Town Center Association as provided in Section 2.4 herein, Declarant shall be entitled to exercise, without the consent of the other Owners, all powers granted to the Town Center Association or the Board of Directors by this Declaration or by the Bylaws. Any action taken by the Owners or by the Board of Directors during such time shall be valid only if approved in writing by Declarant. Declarant shall be entitled to withhold approval of any such action for any reason.



3. ASSESSMENTS OF THE TOWN CENTER ASSOCIATION

3.1 Creation of Lien and Personal Obligation of Assessments. Each Owner, whether or not it shall be so expressed in any such deed or other conveyance, agrees to all terms and provisions of this Declaration and to pay the Association (a) annual assessments or charges, and (b) Special Assessments or charges for the purposes set forth in this Article, such assessments to be fixed, established and collected from time to time as hereinafter provided.

The annual and special assessments, together with such interest thereon and costs of collection therefore as hereinafter provided, shall be a charge and continuing lien on the real property and improvements thereon against which each such assessment is made. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of each Owner at the time when the assessment first became due and payable. In the case of co-Ownership of a Condominium Unit or Lot, all of such co-Owners shall be jointly and severally liable for the entire amount of the assessment.

3.2 Purpose of Assessments. The assessments levied by the Town Center Association shall be used exclusively for the improvement, maintenance, landscaping (streets, trees, sidewalks, architectural features, signage, plantings, irrigation, lighting, etc.) and operation of any Common Areas and all rights-of-way within the Property (as shown on the Plat), including, but not limited to, the payment of taxes and insurance thereon and repair, replacement and additions thereto and for the cost of labor, equipment, materials, management and supervision thereof. All streets will be offered for dedication to the appropriate governmental entity - County or Town - but shall be maintained by the Association if and when owned by either Declarant or the Association, unless otherwise provided or required by law.

The special assessments shall be used for the purposes set forth in Section 3.4 of this Article.

3.3 Basis and Maximum of Annual Assessments. Until the year beginning January 1, 2004, the assessments shall not be more than Seventy-Nine and no/100 Dollars (\$79.00) per month per Townhouse Lot (Residential Subdivision Lot) unless a higher assessment is approved by three-fourths (3/4) of the vote at the annual meeting. From and after January 1, 2004, the annual assessment may be increased each year by ten (10%) percent of the maximum authorized assessment for the preceding year unless three-fourths (3/4) of the vote at the annual meeting votes against said increase or votes to increase or decrease said annual assessment by a greater amount. Assessments for Townhouse lots shall begin on the first day of the month following transfer of title of a Lot to a third party from the Declarant.

Assessments for Condominium Units shall be determined via the process set forth in the separate documentation for the Horizontal Property Regime and shall include a separate line item for Town Village Association Assessments.

Each residential condominium unit shall pay a monthly assessment to the Town Village Association equal to the assessment amount paid per Residential Subdivision Lot, as provided above. Each non-residential condominium unit shall pay a monthly assessment not to exceed \$2.00 per square foot of area within the condominium unit, per month, until the year beginning January 1, 2004, unless a higher assessment is approved by three-fourths (3/4) of the vote at the annual meeting. From and after January 1, 2004, the annual assessment may be increased each year by ten (10%) percent of the maximum authorized assessment for the preceding year unless three-fourths (3/4) of the vote at the annual meeting votes against said increase or votes to increase or decrease said annual assessment by a greater amount. Assessments for residential and non-residential condominiums shall begin on the first of the month following transfer of title from Declarant to Purchaser.

Non-residential Lots shall pay a monthly assessment not to exceed \$2.00 per square foot of interior building area, until the year beginning January 4, 2004. From and after January 1, 2004, the annual assessment may be increased each year by ten (10%) percent of the maximum authorized assessment for the preceding year unless three-fourths (3/4) of the vote at the annual meeting votes against said increase or votes to increase or decrease said annual assessment by a greater amount. Assessments for non-residential Lots shall begin on the first of the month following transfer of title from Declarant to a Purchaser, and shall be based upon the allowed square footage for the Lot, until actual square footage has been constructed on the lot and certified for occupancy.

The Board of Directors of the Association may, after considering current maintenance costs and future needs of the Association, fix the annual assessment for any year (and the appropriate monthly billing thereof) at a lesser amount, but such action shall not constitute a waiver by the Association of its right to revert to the full assessment for the subsequent year or years as provided in the preceding paragraph.

3.4 Special Assessments for Improvements and Additions. In addition to the annual assessments authorized by Section 3.3 hereof, the Association may levy special assessments for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon any property or area described in Section 3.2 above and for any other purpose that the annual assessments can be used for, provided that any such assessment shall have the consent of three fourths (3/4) of the vote at a duly called meeting, written notice of which shall be sent to all Members at least thirty (30) days in advance and setting forth the purpose of the meeting.

3.5 Quorum for any Action Authorized. The presence at the meeting of Members or of proxies entitled to cast sixty (60%) percent of the total vote of the membership shall constitute a quorum. If the required quorum is not forthcoming at a meeting another meeting may be called subject to the notice requirement set forth herein.

3.6 Date of Commencement of Annual Assessment. The annual assessments provided for herein shall commence on the date (which shall be the first day of a month) fixed by the Board of Directors of the Town Center Association to be the date of commencement, or as provided above. The first annual assessments shall be made for the balance of the calendar year and shall become due and payable on the day fixed for commencement. The assessments for any year, after the first year, shall become due and payable the first day of January of the said year.

The due date of any special assessment under Section 3.4 hereof shall be fixed in a Resolution authorizing such assessment, or upon notice from the Declarant during the period of Declarant control hereunder.

3.7 Duties of the Board of Directors. The Board of Directors of the Town Center Association shall keep a roster of the Properties and assessments in the offices of the Association and shall be open to inspection by any Owner.

Written notice of any assessment shall thereupon be sent to every Owner subject thereto.

The Town Center Association shall, upon demand at any time, furnish to any Owner liable for said assessment a certificate in writing signed by an officer of the Town Center Association setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. The Town Center Association may charge a fee for the rendering of said certificate of payment status.



3.8 Effect of Non-Payment. If the assessments are not paid on the date when due (being the dates specified in Section 3.6 hereof), then such assessment shall become delinquent and shall, together with such interest thereon at the rate of the lesser of fourteen (14%) percent per annum or the highest rate not prohibited by law from the date due and the costs of collection thereof as hereinafter provided, thereupon become a charge and continuing lien on the Condominium Unit or Lot and all improvements thereof against which each such assessment is made in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the Owner at the time of the assessment to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass as a personal obligation to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the due date, the Town Center Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Condominium Unit or Lot and proceed to sell it at foreclosure sale as is provided under the laws of the State of South Carolina for foreclosure of mortgages and there shall be added to the amount of such assessment the costs of 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 attorneys' fee to be fixed by the Court together with the costs of the action.

3.9 Subordination of the Lien to Mortgages. The lien of the assessment provided for herein shall be subordinate to the lien of any mortgage or mortgages now or hereafter placed upon the Properties 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. Such sale or transfer shall not relieve such Property from liability for any assessments accruing after conveyance by a mortgagee/Owner to a subsequent purchaser.

3.10 Exempt Property. The following property, individuals, partnership or corporations subject to this Declaration, shall be exempt from the assessments, charges and liens created herein:

3.10.1 The grantee of property over which said grantee holds a utility easement;

3.10.2 All Common Area; and

3.10.3 Lots or Condominium Units owned by Declarant except those Condominium Units or Lots which have been sold under title retention contract in which the purchaser agrees to pay the assessments, charges and liens.

#### 4. ARCHITECTURAL STANDARDS COMMITTEE

Pursuant to the terms and provisions of this Declaration, no building, improvement, structure or accompanying facility of any kind, including, without limitation, sidewalks, parking lots, signs, decks, patios, courtyards, awnings, walls, fences, exterior lights, outbuildings or any exterior addition to or change or alteration to any existing structure (including, without limitation, painting or staining of any exterior surface) shall be erected, placed, situated or altered within the Property unless and until the plans and specifications showing the nature, color, type, shape, height, materials and location of the same shall have been submitted to and approved in writing by the Committee (as hereinafter defined). Provided, however, no approval shall be necessary for the maintenance, repair or replacement of such buildings, improvements, structures or accompanying facilities if such maintenance, repair or replacement is performed in accordance with previously approved plans and specifications.



Declarant has established an Architectural Standards Committee ("Committee") for the purpose of examining and passing upon all proposed plans for any structure or structures whatsoever and any additions thereto and remodeling thereof intended to be placed on any portion of the Property. By and through the acceptance and recording of a deed to any Condominium Unit or Lot, the Owners of such Condominium Units or Lots, or any portion thereof, shall be deemed to covenant and agree to submit said Condominium Unit or Lot, or other portion thereof, to the architectural controls, guidelines and standards contained herein and established and promulgated by the Committee pursuant to the provisions of this Declaration.

Specifically, the Architectural Standards Committee shall adopt the Bluffton Village Town Center Design Standards ("Design Standards") for Bluffton Village Town Center. The Design Standards, as may be amended from time to time, shall serve as a guide for Owners in the design of improvements on the Property. Approval of the Committee, its designated agents, successors or assigns, shall be required on the design of all improvements to be placed upon the Property or any Lot contained therein. All of the powers, duties, rights and obligations of the Committee established under this Article 4 and the remaining provisions of this Declaration are subject to the right of Declarant to terminate and assume the powers defined in this Article.

Such plans, drawings and specifications shall additionally include construction schedules, plans for outdoor lighting, plans for internal traffic circulation, contents, shape, color and lighting for signs, plans for drainage, plans for landscaping, plans indicating areas to be filled or excavated and measures to be taken to conserve and protect trees.

Within thirty (30) days of its receipt of such plans and specifications, the Committee may deliver to the Owner written comments regarding such plans and specifications. The Owner shall make a reasonable effort to modify such plans and specifications in order to address any such comments made by the Committee. If such plans are rejected by the Committee and the Owner resubmits modified plans for re-inspection, the Committee shall have ten (10) business days to approve or disapprove of such re-submitted plans. Failure of the Committee to respond to such re-submitted plans within the ten (10) day period shall be deemed as acceptance of said plans. All plans shall be submitted to the Committee by sending two (2) copies of same under cover letter to the Bluffton Village Town Center Architectural Standards Committee at such address as the Declarant or Association may designate.

In addition to the foregoing, no landscaping, grading, excavation, or filling of any nature whatsoever shall be implemented and installed by any Owner unless and until the plans therefore have been submitted to and approved in writing by the Committee. The provisions described in the paragraph above regarding approval rights and the time for approval of plans shall also be applicable to any proposed landscaping, clearing, grading, excavation or filling. Approval by the Committee is the first step in the approval process necessary to obtain a building permit. Owners may also be required to submit plans to the appropriate Town of Bluffton and Beaufort County authorities for approval by the appropriate governmental officials or Boards, the Department of Inspections and any other governmental or quasi governmental authority as established by Town or County regulations.

Neither Declarant or its successors or assigns, nor the Committee, nor any member of the Committee shall be liable for damages to anyone submitting plans to them for approval or to any Owner, effected by this Declaration, by reason of a mistake in judgment, negligence or non-feasance arising out of or in connection with the approval or disapproval or failure to approve any such plans. Every person who submits plans to Declarant and/or the Committee for approval agrees, by submission of such plans, and every Owner of any Condominium Unit or Lot agrees, by acquiring title thereto or interest therein, that he or it will not bring any action or suit against Declarant or the Committee or any member of the Committee to recover any such damages.



5. **MAINTENANCE**

5.1 **Lot Maintenance.** All maintenance and repair of Condominium Units or Lots, together with all other improvements thereon or therein, and all lawns, landscaping and grounds on and within a Lot shall be the responsibility of the Owner of such Lot. The Town Center Association shall be responsible for maintaining all Common Areas. The Horizontal Property Regime Association shall be responsible for maintaining common elements within any Horizontal Property Regime as set forth in separate documentation. Each Owner shall be responsible for maintaining his or its Lot in a neat, clean and sanitary condition and such responsibility shall include the maintenance and care of all exterior surfaces of all buildings and other structures provided herein. Each Owner shall also be obligated to pay for costs incurred by the Town Center Association for repairing, replacing, maintaining or cleaning any item which is the responsibility of such Owner, but which responsibility such Owner fails or refuses to discharge.

In the event that Declarant or the Board of Directors determines that any Owner has failed or refused to discharge the obligations with regard to the maintenance, cleaning, repair or replacement of items for which he or it is responsible hereunder, Declarant or the Town Center Association, except in the event of an emergency situation, may give such Owner written notice of Declarant's or the Town Center Association's intent to provide such necessary maintenance, cleaning, repair or replacement at the sole cost and expense of such Owner and setting forth with reasonable particularity the maintenance, cleaning, repairs or replacement deemed necessary. Such Owner shall have fifteen (15) days within which to complete the same in a good and workmanlike manner or, in the event that such maintenance, cleaning, repair or replacement is not capable of completion within said fifteen (15) day period, to commence said maintenance, cleaning, repair or replacement and diligently proceed to complete the same in a good and workmanlike manner. In the event of the failure of any Owner to comply with the provisions hereof after such notice, Declarant or the Town Center Association may provide (but shall not have the obligation to so provide) any such maintenance, cleaning, repair or replacement at the sole cost and expense of such Owner and said cost shall be added to and become a part of the assessment to which such Owner and his Condominium Unit or Lot are subject and shall become a lien against such Condominium Unit or Lot. In the event that Declarant undertakes such maintenance, cleaning, repair or replacement, the Town Center Association shall promptly reimburse Declarant for Declarant's costs and expenses.

6. **EASEMENTS**

6.1 **Utility Easement.** Declarant, for itself and its successors and assigns, hereby reserves those certain Utility and Drainage Easement(s) as shown on the Plat, or as otherwise reserved hereunder or in future documents of record in Beaufort County, South Carolina.

Additionally, Declarant, for itself and its successors and assigns, hereby reserves an easement on, over, across and under those portions of the Property located along the interior of and within ten (10') feet of the perimeter boundary line of the Lots for the purpose of constructing, operating, installing, replacing, repairing and maintaining utilities, including, but not limited to, electrical, gas, telephone, cablevision, water, sewer, advanced treated wastewater and irrigation lines and pipelines. With regard to the Condominium Parcel described in Exhibit "D" attached hereto, Declarant's Easements shall be along the boundaries of the Condominium Parcel, ten (10') feet along all roadways within the Condominium Parcel and within ten (10') feet of all buildings constructed within the Condominium Parcel. Except for meters or cabinets required for the utilization of such lines and facilities, all utility lines and facilities situated within the above-described Utility Easement shall be located underground and it shall be expressly permissible for the providing utility company or other supplier of service, with respect to the above described reserved Utility Easement, (a) to construct, operate and maintain lines, pipes, manholes, pumps and other necessary equipment and facilities, (b) to cut and remove trees, bushes or shrubbery as may be reasonably necessary, (c) to grade, excavate or fill, or (d) to take other similar action reasonably necessary to provide economical and safe



construction, maintenance, repair, replacement and use of such utilities. The Utility Easement reserved herein may be used for pedestrian and bicycle access purposes to allow and permit individuals, including the general public, to walk and ride bicycles on such sidewalks and bike paths. No improvements of any kind shall be built, erected or maintained within the above-described Utility Easement area which would in any way unreasonably obstruct the construction, operation, maintenance and repair of the above-described facilities, unless the improvements are specifically approved by Declarant and the Town.

6.2 P.O.A. Landscape and Signage Easement(s). Declarant reserves unto itself, its successors and assigns, and to the Town Center Association the following described easements as shown on the Plat.

6.2.1 P.O.A. Landscape and Signage Easement(s) as shown on the Plat, or otherwise reserved or created, having varying dimensions for the purpose of landscaping (walls, fencing, signage for the commercial and residential areas of Bluffton Village Town Center), plantings, irrigation and lighting at Bluffton Village Town Center's entrances and frontage along Highway 46 and along rights-of-way within the Property.

6.2.2 Residential Screen Easement(s) as shown on the Plat within the Lots that are adjacent to the Bluffton Village Residential Area for the purpose of constructing a tall screen berm and plantings, or as otherwise designated in the future pursuant to the terms hereof.

6.2.3 Except as otherwise provided herein, no structure can be built within the above-described P.O.A. Landscape Easement areas, when and if created, without the express written consent of Declarant, its successors and assigns, which consent may be withheld for any reason.

6.3 Maintenance Expense. In addition to the Common Area, if any, the Town Center Association shall have the responsibility for the maintenance of the P.O.A. Landscape Easements referred to in Section 6.2 above.

6.4 Shared Access Easements. The Shared Access Easements as shown with varying dimensions on the Plat are for the purpose of shared vehicular access to Lots for providing the potential for parking linkage between Lots.

6.5 Cross Easements for Parking and Ingress and Egress. All commercial Lots, Phase IB, any Common Area on which parking, roadways or paths are created and any Condominium parcel shall be burdened with a Non-Exclusive Easement in favor of all other Condominium Units or Lot Owners and Declarant for parking in designated areas and for pedestrian and vehicular ingress and egress along rights-of-ways, parking areas and, with regard to pedestrian use, all sidewalks, subject to the right of Declarant and the Association to adopt rules and regulations regarding such parking and use, including restrictions and exclusive designated use rights.

6.6 Road Rights-of-Way Easements. Declarant reserves unto itself, its successors and assigns, vehicular and pedestrian access easements across and over all rights-of-way within the Property. Additionally, Declarant reserves the right to convey all rights-of-way within the Property to the Town of Bluffton, South Carolina, Beaufort County, South Carolina, or to any other governmental entity provided the grantee specifically assumes the responsibility of maintenance of same.

6.7 Sales and Marketing Easement. Declarant reserves to itself, for a period equal to the period during which Declarant shall own at least two (2) Lots or Condominium Units, or any future development area within the property, a Non-Exclusive Easement for ingress and egress over the Property for

purposes of sales and marketing, which Easement shall include the right to have model units or buildings or homes on the Property of Declarant and shall extend to guests and invitees of Declarant.

7. USE RESTRICTIONS

The Property may only be used for commercial, retail, office, restaurants, support facilities, temporary model homes/offices, residential, general business, governmental offices and recreational purposes. Other types of land uses may only be established and operated within the Property as approved in writing by Declarant and its successors and assigns. The terms "commercial, retail and office" as used herein shall refer to those activities or uses dealing with the retail sale, ordering, distribution, consumption or delivery of personal goods, food, beverages, entertainment, direct consumer or personal services and the utilization of enclosed building spaces for clerical, administrative and executive management and operational activities. Additionally, the term "commercial, retail and office" would include those activities or uses dealing with banking, lending and other activities typically relating to banking and financial services and would allow for drive-up or remote customer services associated therewith. The term "recreational" as used herein shall mean or refer to land uses engaged in the operation of sports, active amusements or recreational activities, and this term shall specifically include both indoor and outdoor recreational uses. The establishment, construction and operation of hotels, lodges, motels, motor courts, dormitories and boarding houses within the Property is specifically included in those permitted commercial, retail, office and recreational land uses as defined herein. The terms "residential" or "semi-residential" as used herein shall mean and refer to the use of any portion of any structure as a residential condominium, vacation timesharing plan unit, multiple vacation ownership interest plan, dwelling unit, home, place of abode or temporary or permanent living accommodations (except hotels, motels, lodges, motor courts, dormitories and boarding houses as provided for herein). The use of residential units for short term rentals shall not be deemed to violate these excluded uses unless marketed for rental for a term of less than one week, or otherwise in violation of these covenants, the residential covenants or Town Law.

8. LOT CONSOLIDATION

Declarant, its successors and assigns, reserves unto itself the right to consolidate lots within Bluffton Village. Upon any such consolidation, Declarant shall determine the number of assessments that the Owner shall be obligated to pay.

9. RIGHT OF REPURCHASE

If an Owner should receive an offer to purchase his Condominium Unit or Lot, it shall be offered for sale to Declarant at the same price and terms at which the highest bona fide offer has been made for the Condominium Unit or Lot and with full disclosure of the intended purchaser and Declarant shall have thirty (30) days within which to exercise its option to purchase said Condominium Unit or Lot at this price and should Declarant fail or refuse, within thirty (30) days after receipt of written notice of the price and the terms of sale to exercise its option to purchase said Condominium Unit or Lot at the offered price and upon the offered terms, then the Owner shall have the right to sell said Condominium Unit or Lot subject, however, to all covenants and conditions and restrictions herein contained and at the exact price and terms submitted to Declarant.

10. RESIDENTIAL SUBDIVISION

The Property described in the attached Exhibit "C" may be developed as up to thirty-eight (38) residential lots. The residential subdivision will have its own Property Owners' Association as described in Section 11 and will have separate Architectural Review Board guidelines. Each Lot Owner will also be a member of the Town Center Association. Exhibit "C" hereto specifically creates certain easements, rights and obligations regarding the Residential Subdivision Property identified therein.



11. BLUFFTON VILLAGE RESIDENTIAL PROPERTY OWNERS' ASSOCIATION

Bluffton Village Residential Property Owners' Association ("Residential POA") shall, on an annual basis, contribute to the Town Center Association an amount to be determined by the Town Center Association and the Bluffton Village Residential Association for the maintenance and upkeep of the landscaping, screening and signage referred to in Section 6.2 and for the maintenance and upkeep of the rights-of-way. The Bluffton Village Town Center Property Owners' Association and the Bluffton Village Residential Property Owners' Association, Inc. shall have the right to merge if deemed appropriate by their respective Board of Directors.

The residential POA shall be created prior to the sale of any lot to a third party purchaser, which shall not be deemed to include a sale to a developer for development or construction purposes only. The Declarant shall have the right to approve the terms of any such Declaration, and the Declaration shall provide for membership for all lot owners within the Exhibit C property.

12. BLUFFTON VILLAGE HORIZONTAL PROPERTY REGIME PROPERTY

The Declarant may elect to create one or more Horizontal Property Regimes within the property in the future, which unit owners will be members of this Association and subject to the terms hereof.

13. BLUFFTON VILLAGE HORIZONTAL PROPERTY REGIME

[Intentionally left blank]

14. DURATION

The covenants, restrictions and easements provided herein shall be for the benefit of Declarant, its successors and assigns, and the within covenants, restrictions and easements may be enforced by Declarant, its successors and assigns. The covenants, restrictions and easements provided herein may only be modified or amended with the written consent of Declarant, its successors and assigns. The covenants, restrictions and easements provided herein shall run with and bind the title of the Property and shall remain in effect for a period of thirty (30) years from and after the date of the recording of this Declaration and upon the expiration of the above-referenced thirty (30) year period, the within covenants, restrictions and easements shall be automatically renewed for successive ten (10) year periods unless during the last year of the initial thirty (30) year period or the last year of any ten (10) year renewal period the owners of the Property and Declarant, its successors or assigns, execute an instrument terminating, modifying or amending the within covenants, restrictions and easements, which document shall be filed of record in the Office of the Register of Deeds for Beaufort County, South Carolina. If any of the covenants, restrictions and easements set forth therein shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of the former U.S. President George Bush. Each provision contained herein shall be interpreted in such a manner as to be effective and valid, but if the application of any provision contained herein as applied to any person or to any portion of the Property shall be prohibited or held invalid, such prohibited provision or invalidity shall not affect any other provision or application of any provision and the remaining provisions shall be given effect without the invalid provision or application and to this end the within covenants, restrictions and easements are declared to be severable. Declarant shall have the right to assign any and all rights, powers and easements reserved or given herein; provided that such assignment is to the Owner of the Property or the Town Center Association referred to below; and further provided that only Declarant or the Town Center Association referred to below shall have the right to enforce the within covenants and restrictions.

15. MODIFICATIONS

This Declaration or any provision hereof or any covenant, condition or restriction contained herein, may be terminated, extended, modified or amended as to the whole of said Property or any portion thereof by Declarant until ninety-five (95%) percent of the total Condominium Units or Lots have been conveyed to third party purchasers by Declarant. Thereafter, this Declaration may be modified with the written consent of the owners of sixty-five (65%) percent of the Condominium Units or Lots in the Property. No such termination, extension, modification or amendment shall be effective until a proper instrument in writing has been executed, acknowledged and recorded in the Office of the Register of Deeds for Beaufort County, South Carolina.

16. ASSIGNMENT OF DECLARANT'S RIGHTS

Any or all of the rights, powers and reservations of Declarant herein may be assigned to any person, corporation or association which will assume the duties of Declarant pertaining to the particular rights, powers and reservations assigned and upon any such person, corporation or association evidencing its consent in writing to accept such assignment and assume such duties, here it shall, to the extent of such assignments, have the same rights and powers and be subject to the same obligations and duties as are given to and assumed by Declarant herein.

17. ENFORCEMENT

17.1 Equitable Servitudes. All of the provisions herein contained shall run with the land and shall be enforceable at law or in equity as equitable servitudes by Declarant, its successors and assigns, and any Owner.

17.2 Deemed to Constitute a Nuisance. The result of every action or omission whereby any restriction herein contained is violated in whole or in part is hereby declared to be and to constitute a nuisance and every remedy allowed by law or equity against an Owner, either public or private, may be exercised by Declarant or by any Owner subject to these restrictions.

17.3 Attorneys' Fees. In any legal or equitable proceedings for the enforcement of this Declaration or to restrain any violation of this Declaration or any provision hereof, the prevailing party shall, in addition to all other costs, be entitled to reasonable attorneys' fees. All remedies provided herein or at law or in equity shall be cumulative and not exclusive.

17.4 Inspection. Declarant may from time to time at any reasonable hour or hours and after reasonable notice to Owner enter and inspect any property subject to these restrictions to ascertain compliance therewith.

17.5 Failure to Enforce Not a Waiver of Rights. The failure of Declarant or any Owner to enforce any restriction herein contained shall in no event be deemed to be a waiver of the right to do so thereafter nor of the right to enforce any other restriction.

18. MISCELLANEOUS PROVISIONS

18.1 Constructive Notice and Acceptance. Every person who now owns or acquires any right, title or interest in or to any portion of the Property is and shall be conclusively deemed to have consented and agreed to every covenant, condition and restriction contained herein, whether or not any reference to this Declaration is contained in the instrument by which such person acquired an interest in said property.



18.2 Rights of Mortgagees. All restrictions and other provisions herein contained shall be deemed subject and subordinate to all mortgages and deeds of trust now or hereafter executed upon land subject to these restrictions and none of said restrictions shall supercede or in any way reduce the security or affect the validity of any such mortgage or deed of trust; provided, however, that if any portion of said property is acquired by the Lender or other party under foreclosure, a Trustee's sale, a deed in lieu, etc. the acquirer and its successors and assigns shall hold any and all property so purchased subject to all of the restrictions and other provisions of this Declaration.

18.3 Mutuality, Reciprocity; Runs with the Land. All restrictions, conditions, covenants and agreements contained herein are made for the direct, mutual and reciprocal benefit of each and every part and parcel of the Property; shall create mutual, equitable servitudes upon each parcel in favor of every other parcel; shall create reciprocal rights and obligations between the respective owners of all parcels and privity of contract and estate between all grantees of said parcels, their heirs, successors and assigns; and shall, as to the Owner of each parcel, his heirs, successors and assigns, operate as covenants running with the land and equitable servitudes for the benefit of all other parcels.

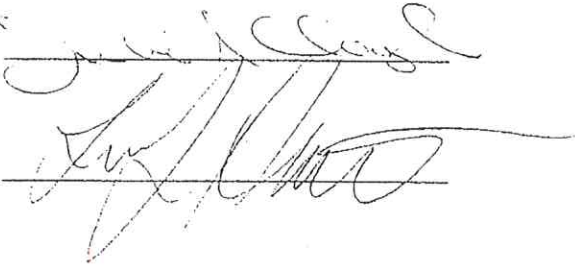
18.4 Paragraph Headings. Paragraph headings where used herein are inserted for convenience only and are not intended to be part of this Declaration or in any way to define, limit or describe the scope and intent of the particular paragraphs to which they refer.

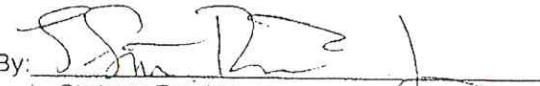
18.5 Effect of Invalidation. If any provision of this Declaration is held to be invalid by any final judgment in a contested judicial proceeding the invalidity of such provision shall not affect the validity of the remaining provisions hereof and the same shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned have executed this document as of the day and year first above written.

Signed, sealed and delivered  
in the presence of:

ROWKRIS DEVELOPMENT I, L.L.C., a South  
Carolina Limited Liability Company



By:   
L. Stetson Rowles, Jr.

Its: Managing Member

STATE OF SOUTH CAROLINA )

COUNTY OF BEAUFORT )

ACKNOWLEDGMENT

The undersigned notary public does hereby certify that L. Stetson Rowles, Jr., as Managing Member of Rowkris Development I, L.L.C., a South Carolina Limited Liability Company, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 21<sup>st</sup> day of December, 2001.


  
Notary Public for South Carolina  
My commission expires: 12-18-02



EXHIBIT "A"

Property

The property hereby submitted to the terms of this Declaration includes all those certain pieces and parcels of land shown and designated as Phase IC (Townhouse Parcel), containing 4.87 acres; Phase IB (Beaufort County Library Site), containing 2.93 acres; Phase IA (United States Post Office Site), containing 3.75 acres, provided that this Declaration shall have no force and effect on said United States Post Office site for so long as the site is used for Post Office purposes; Thurmond Way, 0.72 acres; Johnston Way, 0.71 acres; State Street, 0.49 acres; and Palmetto Way, 0.74 acres; all of which parcels being shown and described on a plat prepared by Connor and Associates, Inc. entitled "Phase IA – Phase IID, Bluffton Village", said plat being dated October 31, 2001, signed by Donald R. Cook, Jr., S.C.P.L.S. No. 19010, and recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Plat Book 84 at Page 4710.

EXHIBIT "B"

Additional Property

The Declarant hereby reserves the right to submit additional property to the terms and conditions of this Declaration, in addition to the property described in Exhibit A hereto, such additional property being Phase ID, 4.64 acres; Phase IIA, 2.58 acres; Phase IIB, 3.07 acres; Phase IIC, 1.65 acres; Phase IID, 3.03 acres; Lift Station; .05 acres; all as shown and described on the plat referenced in Exhibit A hereto, said plat being recorded in the Office of the Register of Deeds for Beaufort County, South Carolina in Plat Book 84 at Page 47.

The Declarant may submit such additional property in such order and sequence as Declarant may deem appropriate, and the Declarant may submit combined phases or partial phases, as the Declarant may deem appropriate in the future. The total property which may be submitted to the Declaration is therefore 29.23 acres, including all phases identified on the above referenced plat.



### EXHIBIT "C"

#### Residential Subdivision Property

The Residential Subdivision Property, also known as the Townhouse Property, is hereby defined as all of the property within Phase IC of Bluffton Village, as shown and described on the plat of Bluffton Village Phase IA – Phase IID, as referenced in Exhibit A hereto.

The Residential Subdivision Property is further shown and defined on that certain plat prepared by Connor and Associates, Inc., dated October 31, 2001, entitled "Phase IC, Block B and a Portion of Phase ID" said plat being recorded in Plat Book 84 at Page 48 in the Office of the Register of Deeds for Beaufort County, South Carolina, (the "Townhouse Plat"), without limitation or expansion of the property described in Exhibit A for initial submission to this Declaration.

The Declarant hereby reserves unto itself and the Association a perpetual and non-exclusive easement over that portion of the Phase IC property, as shown and designated on the above referenced Townhouse Plat, which is labeled Common Area, 1.61 acres, for the purpose of construction, maintenance, landscaping and access on behalf of other owners and guests within Bluffton Village, to construct the lagoon, walkway and other improvements generally as depicted on said plat, including the affirmative obligation to construct and install such improvements and the affirmative obligation of the Bluffton Village Town Center Association to maintain said improvements in the future, under the terms of this Declaration.

Furthermore, it is specifically noted and provided hereby that all parking which is created within the boundaries of the Phase IC property shall be for the exclusive use of Lot Owners and their tenants and guests within the Phase IC property, subject to such reasonable rules and regulations as may be established by the Residential POA in the future. Future maintenance of Cassandra Lane, all parking spaces within Block IC and all common areas within Phase IC other than the 1.61-acre portion described above shall be the sole responsibility of Lot Owners within Phase IC, and not the Bluffton Village Town Center Association. All Common Areas within Phase IC, being defined as all areas which are not within individual lot boundaries, shall be considered common areas of the overall Phase IC residential development, notwithstanding the fact that the Phase IC property may be developed in multiple phases, potentially by separate development entities.

**EXHIBIT "D"**

Horizontal Property Regime Property

The Declarant may designate certain property located within the future phase properties of Bluffton Village Town Center, as such additional properties are defined in Exhibit B hereto, for one or more Horizontal Property Regime developments in the future. Such election shall be made by Declarant, at its discretion, by the filing of one or more Master Deeds to create such regimes. The creation of any such regime in the future shall not alter the obligations applicable to any owner within such regimes to be a member of the overall Bluffton Village Town Center Association, and be subject to applicable assessments associated therewith, as provided under this Declaration.