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STATE OF SOUTH CAROLINA )  
 )  
 ) DECLARATION OF COVENANTS,  
 ) CONDITIONS AND RESTRICTIONS  
 COUNTY OF CHARLESTON ) FOR VILLAGE GREEN SUBDIVISION  
 AMENITIES CENTER

THIS DECLARATION, made on the date hereinafter set forth by Centex Homes, a Nevada General Partnership, hereinafter referred to as "Declarant";

W I T N E S S E T H:

WHEREAS, Declarant is the owner of real property described in Section 1 of Article II of this Declaration, which real property is a portion of a Planned Unit Development known as Village Green; and

WHEREAS, Declarant desires to construct an Amenities Center within this portion of Village Green and to prevent any future impairment thereof, to prevent nuisances, to preserve, protect and enhance the values and amenities of the said property and to provide for the maintenance of said amenities, recreational facilities and other community facilities located within the Amenities Center; and in order to accomplish these objectives, deems it advisable to subject the real property described in Section 1 of Article II, together with such additions as may hereafter be made thereto (as provided in Article II) to the covenants, conditions, restrictions, easements, charges and liens hereinafter set forth; and

WHEREAS, Declarant deems it desirable in order to insure the efficient preservation, protection and enhancement of the values and amenities in Village Green and the residents' enjoyment of the specific rights, privileges and easements in the Amenities Center, that an organization be created to which will be delegated and assigned the powers of owning, maintaining, administering the Amenities Center and collecting and disbursing the assessments and charges hereinafter imposed; and

WHEREAS, Developer has caused to be created for the purposes aforesaid, a South Carolina non-profit corporation under the name and style of Village Green Recreation Association, Inc.

NOW, THEREFORE, the Declarant declares that the real property described in Section 1 of Article II, and such additions thereto as may hereafter be made pursuant to Article II hereof, is and shall be owned, held, transferred, sold, conveyed and occupied subject to the following covenants, conditions, restrictions, easements, charges and liens which shall run with the real property

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(except as provided in Article V, Section 9 hereafter) and be binding upon and inure to the benefit of all owners thereof, their heirs, personal representatives, successors and assigns.

## ARTICLE I

## DEFINITIONS

Section 1. "Association" shall mean and refer to Village Green Recreation Association, Inc., a South Carolina non-profit corporation, its successors and assigns.

Section 2. "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 and owners of any equity of redemption, but excluding those having such interest in a Lot solely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to the "Existing Property" described in Article II, Section 1 hereof and any additional property subjected to this Declaration by a Supplementary Declaration under the provisions of Article II hereof.

Section 4. "Amenities Area" and "Amenities Center" shall mean that certain tract of land which is more fully described on Exhibit "A" attached hereto and made a part hereof by reference.

Section 5. "Lot" shall mean and refer to any plot of land, with delineated boundary lines, shown upon any recorded subdivision map of the Properties upon which a single family dwelling unit is permitted to be erected with the exception of (1) of any Common Area, Greenway Common Open Space, Community Recreational Facilities, Playground areas, Detention Areas, streets or ponds shown on any recorded map; (2) in the event any lot is increased or decreased in size by resubdivisions, through recordation of new subdivision plats, any such newly platted lot shall thereafter constitute a lot for the purposes of this Declaration. The term "Lot" shall also refer to any lot in the River Oaks or Willows sections of Village Green whose owners submits its lot to the provisions of this Declaration.

Section 6. "Declarant" shall mean and refer to Centex Homes, a Nevada General Partnership, and shall also mean and refer to any person, firm or corporation which shall hereafter, become vested, at any given time, with title to two or more undeveloped lots for the purpose of causing residence building(s) to be constructed thereon, and any such successor in title to Centex Real Estate Corporation, shall be a Declarant during such period of time as said party is vested with title to two or more

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such lots so long as said lots are undeveloped, developed but conveyed, or improvements constructed thereon are unoccupied, but only during such period.

Section 7. "Member" shall mean and refer to every person or entity who holds membership in the Association.

Section 8. "Single-Family Detached Home" shall mean and refer to a single-family residence which is not attached to any other single-family residence.

## ARTICLE II

### PROPERTY SUBJECT TO THIS DECLARATION

#### ADDITIONS THERETO

Section 1. Existing Property. The real property which is, and shall be held, transferred, sold, conveyed, and occupied subject to this Declaration, irrespective of whether there may be additions thereto as hereinafter provided, is located in the City of Charleston, Charleston County, South Carolina being known as lots 1 thru 124 Oakleaf and lots 1 thru 165 Sweetbay sections of Village Green Subdivision shown on various plats to be recorded in the RMC Office for Charleston County.

This property shall be herein referred to as "Existing Property".

Section 2. Additions to Existing Property. Additional property may be bought within the scheme of this Declaration and the jurisdiction of the Association in the following ways:

(a) Additional land within the area described in the metes and bounds description attached hereto as Exhibit B and incorporated herein by reference may be annexed to the Properties by Declarant and brought within the scheme of this Declaration and within the jurisdiction of the Association, in future stages of development, without the consent of the Association or its members; provided, however, that said annexations, if any, must occur within ten (10) years after the date of this instrument; provided that the FHA and VA determine that the annexation is in accord with the general plan heretofore approved by them.

(b) Additional property (and common area), outside of the area described in the aforementioned Exhibit B may be annexed to the Properties and brought within the scheme of this Declaration and the jurisdiction of the association with the consent of the members entitled to at least two-thirds (2/3) of the vote

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appurtenant to all Class A lots and at least two-thirds (2/3) of the votes appurtenant to all Class B lots, if any, as hereinafter defined in Article II, Section 2. The Association may participate in mergers or consolidations with other non-profit corporations organized for the same or similar purposes as the Association, thereby adding to the Association, or to a surviving homes association, the properties, rights and obligations of the non-profit corporation with which it merges or consolidates. Any such merger or consolidation shall revoke, change or add to any of the provisions of this Declaration except as herein provided.

(c) The additions authorized under Subsection (a) and (b) shall be made by filing of record Supplementary Declarations of Covenants, Conditions and Restrictions with respect to the additional properties which shall extend the scheme of this Declaration and the jurisdiction of the Association to such properties and thereby subject such additions to assessment for their just share of the Association's expenses. Said Supplementary Declarations may contain such complimentary additions and modification of the covenants, conditions and restrictions contained in this Declaration as may be necessary to reflect only the different character of the added properties as are not inconsistent with the provisions of this Declaration.

(d) Notwithstanding anything to the contrary contained in this section, the Owners of lots located within the River Oaks and Willows Sections of Village Green shall have the right under Article III, Section 3 to subject their lots to this Declaration.

### ARTICLE III

#### MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. In addition, all owners of lots located within the River Oaks and Willows Sections of Village Green shall be entitled to membership upon the payment of assessments provided for herein together with an initiation fee of \$400.00.

Section 2. The voting rights of the membership shall be appurtenant to the ownership of the lots. There shall be two classes of lots with respect to voting rights:

(a) Class A lots. Class A lots shall be all lots except Class B lots as the same are hereinafter defined. The voting rights appurtenant to the Class A lots shall be as follows:

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(1) Single-Family Detached Homes. The owner of each lot designated as a lot on which a single-family detached home is or may be constructed shall be entitled to one (1) vote.

(b) Class B Lots. Class B lots shall be all lots owned by Declarant which have not been converted to Class A lots as provided in paragraphs (1) or (2) below. The Declarant shall be entitled to ten (10) votes for each class B lot owned by Declarant.

The Class B lots shall cease to exist and shall be converted to Class A lots:

(1) When the total number of votes appurtenant to the Class A lots equals the total number of votes appurtenant to the Class B lots; provided, that the Class B lots shall be reinstated with all rights, privileges and responsibilities, if after conversion of the Class B lots to Class A lots hereunder, additional land containing lots is annexed to the existing property pursuant to Article II, Section 2 hereof; or

(2) On December 31, 2017, whichever event shall first occur.

When the Class B lots cease to exist and are converted to Class A lots, Declarant shall have the same voting rights as other owners of Class A lots.

Section 3. Membership of Property Owners in Willows and River Oaks Sections of Village Green. All Owners of lots located within the Willows and River Oaks Sections of Village Green shall be entitled to become members of the Association upon the payment of an initiation fee of \$400.00 and the assessments provided for herein. If an owner of a lot within the Willows or River Oaks Sections applies for membership in the Association, such owner shall be required to sign a Supplemental Declaration subjecting their property to this Declaration.

#### ARTICLE IV

##### PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Except as limited by Section 2 of this Article IV, every Owner shall have a right and easement of enjoyment in and to the Amenities established initially and in all future Stages or Sections of the development, which right and easement shall be appurtenant to and shall pass with the title to every lot, subject to the following provisions:

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(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility and to limit the use of said recreational facility to Owners who occupy a residence on the Properties, and to their families, tenants, and guests as provided in Section 2 of this Article IV;

(b) the right of the Association to suspend the voting rights and rights of an Owner to the use of the recreational facilities for any period during which any assessment against his lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.

(c) the right of the Association to dedicate or transfer all or any part of the Amenities to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless the members entitled to at least two-thirds (2/3) of the votes appurtenant to all Class A lots and at least two-thirds (2/3) of the votes appurtenant to all Class B lots agree to such dedication or transfer and signify their agreement by a signed and recorded written documents, provided that this subsection shall not preclude the Board of Directors of the Association from granting easements for the installation and maintenance of sewerage, utilities, including CATV, and drainage facilities upon, over, under and across the Amenities without the assent of the membership when such easements, in the opinion of said Board, are requisite for the convenient use and enjoyment of the Properties.

(d) the right of the Association, with the assent of members entitled to at least two-thirds (2/3) of the votes appurtenant to each class of lot (class A and B), to mortgage, pledge, deed in trust, or otherwise hypothecate any or all of its real or personal property as security for money borrowed or debts incurred.

#### Section 2. Delegation of Use.

(a) Family. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be exercised by members of the Owner's family who occupy the residence of the Owner within the Properties as their principal residence in Charleston County, South Carolina.

(b) Tenants. The right and easement of enjoyment granted to every Owner in Section 1 of this Article may be delegated by the Owner to his tenants or contract purchasers who occupy a residence within the Properties, or a portion of said residence, as their principal residence in Charleston County, South Carolina.

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(c) Guests. Recreational facilities situated upon the Properties may be utilized by guests of Owners, tenants or contract purchasers subject to such rules and regulations governing said use of the Association as may be established by the Board of Directors.

## ARTICLE V

## COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each lot owned within the Properties, hereby covenants, and each Owner of any lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges and (2) special assessments for capital improvements; such assessments to be established and collected as hereinafter provided. Any such assessment or charge, together with interest, costs and reasonable attorney fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorneys fees, shall also be the personal or corporate obligation of the person(s), firm(s), or corporation(s) owning such property at the time when the assessment fell due, but such personal obligation shall not be imposed upon such Owners' successors in title unless expressly assumed by them. Although unpaid assessment charges are not the personal obligation upon such Owner's successors in title unless expressly assumed by the successors in title, the unpaid assessment charges continue to be a lien upon the property against which the assessment has been made.

Section 2. Purpose of Assessments. The assessments levied by the association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and in particular for the acquisition, improvement, and maintenance of properties, services and facilities devoted to this purpose and related to the use and enjoyment of the Amenities Area, including but not limited to, the cost of repair, replacement and additions hereto, the cost of labor, equipment, materials, management and supervision thereof, the payment of taxes assessed against the Amenities Area, the procurement and maintenance of insurance in accordance with the By-Laws, the employment of attorneys to represent the Association when necessary, payments of principal and interest on funds borrowed for Association purposes, and such other needs as may arise.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment shall be \$240.00 per Class A lot (\$20.00 per month).

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(a) From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased by the Board of Directors effective January 1, of each year, without a vote of the membership, but subject to the limitation that the percentage of any such increase shall not exceed 5% of the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first lot to an Owner, the maximum annual assessment may be increased without limitation if such increase is approved by no less than two-thirds (2/3) of the votes appurtenant to each class of lots (Class A and Class B), cast in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum; provided, however, that the assessment with respect to any Class B lot converted to Class A or reconverted from Class A to Class B to be prorated and charged according to its Class as of the date of each conversion or reconversion.

(d) Any annual assessment established by the Board of Directors shall continue thereafter from year to year as the annual assessment until changed by said Board.

(e) Lots owned by Declarant on which there exists an occupied dwelling shall be subject to the same Annual Assessment as Class A Lots.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, special assessment(s) for the purpose of defraying, in whole or in part, the cost of any construction, repair, or replacement of a capital improvement upon the Amenities Area, repayment of indebtedness and interest thereon, borrowing of funds to make property comply with zoning ordinance(s), borrowing of money for capital improvement and pledging or mortgaging of association property, related thereto, provided that any such assessment shall have the same assent of the members as provided in Section 3(b) of this Article and shall be in the ratio of three (3) to one (1) for Class A and Class B lots as provided in Section 3(c) of this Article. Any mortgaging of Amenities Area must be approved by the Veterans Administration as long as Declarant has a majority vote in the Homeowners Association.

Section 5. Assessment Rate. The annual and special assessments shall be fixed at the following rates and may be collected on a monthly basis:

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(a) Single-Family Detached Homes. Each lot designated as a lot on which a single-family detached home is constructed and occupied by an Owner other than Declarant shall be assessed at a rate of One Hundred (100%) percent of any annual or special assessment fixed or levied pursuant to Section 3 or Section 4 of this Article (said annual or special assessment being referred to in this Section as (the "assessment").

(b) Annual and special assessments shall not apply to Class B lots.

Section 6. Notice of Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of member or of proxies entitled to cast Sixty (60%) percent of all the votes appurtenant to each Class A lot and Class B lot shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice or requirement, and if the same is called for a date not later than sixty (60) days after the date of the first meeting, the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting.

Section 7. Date of Commencement of Annual Assessments; Due Date; Certificate of Payment. The annual assessment provided for herein shall commence as to each lot upon the conveyance by the Declarant to a third party purchase. The first annual assessment shall be "maximum annual assessment" set forth in Section 3 of this article and shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days before January 1 of each year, the Board of Directors shall fix the amount of the annual assessment to every Owner subject thereto. The due dates for the payment of annual and special assessments shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer to the Association setting forth whether the assessments on a specified lot have been paid.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within ten (10) days after the due date shall incur a late charge in the amount of \$10.00 and if not paid within thirty (30) days after the due date shall bear interest from the due date at a maximum of eight (8%) percent per annum or the rate established by the Board of Directors at the beginning of the fiscal year of the Association, whichever is less. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest;

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costs reasonable attorney fees of such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages.

The liens provided for herein shall be subordinate to the lien of any first mortgage for first deed of trust on a lot. Sale or transfer of any lot shall not affect any assessment lien. However, the sale or transfer of any lot which is subject to any mortgage or deed of trust, pursuant to a foreclosure thereof, shall extinguish the lien of such assessments as to the payment thereof which became due prior to such sale or transfer. No such sale or transfer becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage or deed of trust.

Section 10. Exempt Property.

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

Section 11. Reimbursement to Declarant.

Declarant shall have the right to reimbursement from the Association for all funds expended for the maintenance of the Amenities Center from the date of completion of construction of the same until the date of the conveyance of the Amenities Center to the Association. The Association shall not be required to borrow money for said reimbursement, but shall include the same in its annual budget based upon an amortization of 10 years.

ARTICLE VI

FINANCING

Section 1. Approval of Owners and Holders of First

Mortgages. Unless at least seventy-five (75%) percent of the owners and holders of the first mortgages on Lots located within the properties, having given prior written approval, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sale or transfer any real estate or improvements thereon which are owned, directly or indirectly, by the Association. The granting of easements for utilities or other purposes shall not be deemed a transfer within the meaning of this clause.

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(b) Change the method of determining the obligations, assessments, due or other charges which may be levied against a Lot Owner.

(c) By act or omission change, waive or abandon any plan or regulation, or enforcement thereof pertaining to the architectural design or the exterior appearance of residences located on Lots, the maintenance of party walls or common fences and driveways or the upkeep of lawns and plantings in the subdivision.

(d) Fail to maintain fire and extended coverage insurance or insurable improvements in the Amenities Area on a current replacement cost basis in an amount not less than one hundred (100%) percent of the insurable value.

(e) Use the proceeds of any hazard insurance policy covering losses to any part of the Amenities Area for other than the repair, replacement or reconstruction of the damaged improvements.

Section 2. Books and Records. Any owner and holder of a first mortgage on a Lot will have the right to examine the books and records of the Association during any reasonable business hours.

Section 3. Payment of Taxes and Insurance Premiums. The owners and holders of first mortgages on Lots may, jointly or singly, pay taxes or other charges which are in default and which may have become a charge or lien against any of the Amenities Area and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage upon the lapse of a policy for property owned by the Association and the persons, firms or corporations making such payments shall be owed immediate reimbursement therefor from the Association.

## ARTICLE VII

### GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the 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 2. Severability. Invalidation of any one of these covenants or restrictions by judgement or court order shall in no way affect any other provisions which shall remain in full force and effect.

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Section 3. Amendment. The covenants and restrictions of this Declaration shall run and bind the land, for a term of twenty-five (25) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated or altered by a vote of seventy-five (75%) percent of a vote of the Owners after the expiration of said twenty-five (25) year period. This Declaration may be amended during the first twenty-five (25) year period by an instrument signed by the Owners of not less than ninety (90%) percent of the lots, and thereafter by an instrument signed by the Owners of not less than seventy-five (75%) percent of the lots. Any amendment must be properly recorded. For the purpose of this Section, additions to existing property as provided in Article II, Section 2 hereof shall not constitute an "amendment".

Section 4. FHA/VA Approval. In the event the Declarant has arranged for and provided purchasers of Lots with FHA/VA insured mortgage loan, then as long as any Class B lot exists, as provided in Article III hereof, the following sections will require the prior approval of the Federal Housing Administration or the Veterans Administration: annexation of additional properties, other than as provided in Article III, Section 2 hereof, deeding of common area to persons other than the Homeowners Association and amendment of this Declaration of Covenants, Conditions and Restrictions.

IN WITNESS WHEREOF, the undersigned Centex Homes, A Nevada General Partnership has caused these presents to be executed by its duly authorized officer(s) this 22 day of APRIL, 1998.

WITNESS:

*Cindy Sawyer*  
*Frank Christensen*

CENTEX HOMES, A NEVADA  
GENERAL PARTNERSHIP

BY: *[Signature]*  
ITS: DIVISION MANAGER

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STATE OF SOUTH CAROLINA )  
COUNTY OF )

PROBATE

PERSONALLY APPEARED before me the undersigned witness and made oath that (s)he saw the within named Centex Homes, a Nevada General Partnership, by \_\_\_\_\_ its ~~Director Manager~~ sign, seal and as its act and deed, deliver the within written Declaration of Covenants, Conditions and Restrictions for Village Green Amenities Center, and that (s)he with the other witness witnessed the execution thereof.

Cindy Sayer

SWORN TO before me this 22 day of April, 1998

Diana Eileen Zapatta

Notary Public for South Carolina

My Commission Expires: Oct 28, 2006