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DECLARATION

Of

**COVENANTS, CONDITIONS,
RESTRICTIONS & EASEMENTS**

For

ACADIA

**This document and its contents are subject to modification by
Declarant. For the latest version of this document, please contact the
Architectural Review Committee for Acadia before purchasing any
property or plans.**

DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS FOR ACADIA

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DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS OF ACADIA

THIS DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS OF ACADIA (this "Declaration") is made on this the 29th day of September, 2006 by **Acadia, LLC**, a South Carolina limited liability company (the "Declarant").

WITNESSETH

WHEREAS, Declarant is the owner and holder of fee simple title to and developer of the property known as Acadia, more particularly described on **Exhibit A** attached hereto and incorporated herein by reference; and

WHEREAS, Declarant desires to subject its properties described on **Exhibit A** to the covenants, conditions, restrictions, easements and provisions of this Declaration; and

WHEREAS, Declarant desires to provide for the preservation of the value and amenities, if any, of the property and to assure a flexible and appropriate development and improvement of the property for the overall benefit of the entire development; and

WHEREAS, the Declarant intends by this Declaration and the attached Acadia Code to impose upon the property certain covenants, conditions, easements and restrictions for the administration, maintenance, preservation, use and enjoyment of the property under a general plan of development, and desires to provide for the management of the property and any amenities by means of an owner's association which shall hold title to the common areas for the use and benefit of the owners, all as set forth herein.

DEDICATION OF PROPERTY

NOW THEREFORE, Declarant hereby declares that the property described on **Exhibit A** of this Declaration (the "Property"), including any improvements which may be (but are not required to be) constructed on the Property, is subjected to the provisions of this Declaration; provided however, Declarant reserves the right to add additional property to this Declaration or remove property currently dedicated to this Declaration pursuant to a supplementary declaration. Such real property shall be held, sold, transferred, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, liens and provisions contained in this Declaration. The provisions of this Declaration shall run with the title to the property subjected to this Declaration. This Declaration shall be binding on all persons having any right, title, or interest in all or any portion of the property now or hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title, and assigns and shall inure to the benefit of each and every owner of all or any portion thereof.

ARTICLE I: DEFINITIONS

The following capitalized words, when used in this Declaration (unless the context shall prohibit), shall have the following meanings:

“Area of Common Responsibility” shall mean the Common Area, together with such other areas, if any, for which the Association has responsibility pursuant to this Declaration, any recorded plat, other covenants, contracts or agreements.

“Association” shall mean Acadia Owners Association, Inc., a South Carolina nonprofit corporation, its successors and assigns.

“Board” or **“Board of Directors”** shall mean the governing body of the Association, selected as provided in the By-Laws.

“By-Laws” shall refer to the By-Laws of the Association, attached as **Exhibit B**.

“Common Area” shall mean, if any, the real property, interests in real property, and personal property, easements, and other interests, together with improvements located on that property (if any) which are now or are hereafter owned by the Association for the common use and enjoyment of some or all of the Owners.

“Community” shall mean the real property and interests in Acadia, including but not limited to the Property described on **Exhibit A** and such additions to that property as may be made by Declarant or by the Association pursuant to this Declaration.

“Community-Wide Standard” shall mean the standard of conduct, maintenance, or other activity generally prevailing in the Community, and as set forth in the attached Acadia Code of Development on **Exhibit C** in this Declaration, and as generally set and applied by the Association and the Architectural Review Committee (“ARC”) over time. Such standard may be more specifically determined by the Association’s Board of Directors.

“Declarant” shall mean Acadia, LLC, a South Carolina limited liability company. The Declarant may appoint and designate a successor Declarant by designating such appointment or designation in a deed filed in the real property records of the office of the Register of Deeds of Greenville County, South Carolina (the “ROD Office”).

“Declaration” shall mean this Declaration of Covenants, Conditions, Restrictions and Easements of Acadia and shall include any amendment or supplementary Declaration hereto.

“Lot” shall mean any subdivided plot of land within the Community, whether or not improvements are constructed on that land, intended for independent ownership and use, excepting the Common Area and property dedicated to the public, and any unit within any condominium located in the Community. The ownership of each Lot shall include, and there shall pass with each Lot as an appurtenance thereto, whether or not separately described, all of the right, title, and interest of an Owner in the Common Area and membership in the Association.

“Mortgage” shall mean any mortgage, security deed, deed of trust, or similar instrument used for the purpose of encumbering real property in the Community as security for the payment or satisfaction of an obligation.

“Mortgagee” shall mean the holder of the Mortgage.

“Occupant” shall mean any Person occupying all or any portion of a Lot or other property located within the Community for any period of time, regardless of whether such Person is a tenant of the Owner of such property.

“Open Space” means land and/or water within the property, owned by the Association, which is designed and intended for the common use or enjoyment of each Owner and the general public where permitted, which may contain such accessory structures and improvements as are necessary and appropriate for passive recreational purposes and utilities, but which may not be further subdivided and which is or may be designated as “Open Space” on the plat or plats of the property. All Open Space shall be considered part of the Common Area, but all Common Area shall not be considered Open Space.

“Owner” shall mean the record owner, whether one or more Persons, of the fee simple title to any Lot located within the Community, excluding any Person holding such interest merely as security for the performance or satisfaction of any obligation.

“Person” means a natural person, corporation, joint venture, partnership (general or limited), limited liability company, limited liability partnership, association, trust, or other legal entity.

“Special Use Lot” means a Lot so designated pursuant to Section 7.2 of this Declaration.

“Supplementary Declaration” means an amendment or supplement to this Declaration which subjects additional restrictions and obligations on the land described therein, or both.

“Total Association Vote” means all of the votes attributable to members of the Association.

ARTICLE II: PROPERTY SUBJECT TO THIS DECLARATION

2.1 Property Subject to this Declaration. The Property which is subject to the covenants, conditions, restrictions, easements, assessments, liens and provisions contained in this Declaration is the real property described on **Exhibit A**.

2.2 Other Property. Only the Property described in Section 2.1 is made subject to this Declaration; provided, however, Declarant reserves the right to add additional property to this Declaration or remove property currently subject to this Declaration pursuant to subsequent amendments to this Declaration.

ARTICLE III: ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

3.1 Membership. Every Owner shall be deemed to have a membership in the Association. If a Lot is owned by more than one Person, there shall be only one (1) membership per Lot, and the votes and rights of use and enjoyment shall be as provided in this Declaration and By-Laws. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a member or the member’s spouse, but in no event shall more than one (1) vote be cast nor more than one (1) office held for each Lot owned.

3.2 Voting. The Association shall have one (1) class of voting membership, Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any

Lot, all such persons shall be members and shall be entitled to rights of membership and of the use and enjoyment appurtenant to such ownership. The vote for each such Lot shall be exercised as they among themselves determine, and the Secretary of the Association shall be notified of such designation prior to any meeting, but in no event shall more than one vote be cast with respect to any such Lot. In the absence of such notification, the vote allocated to such particular Lot shall be suspended in the event more than one person or entity seeks to exercise the right to vote. Any Owner of a Lot which is leased may assign his voting right to the tenant, provided that a copy of the assignment is furnished to the Secretary of the Association prior to any meeting at which the tenant exercises the voting right. In the event the Owner is an entity, that entity shall, by written resolution, designate the individual who shall be authorized to exercise the voting rights of that Lot and shall deliver an original or certified copy of such written resolution to the Secretary of the Association, who shall file it with the Association's books and records. Declarant may vote the number of lots remaining in its ownership, and maintains veto or override of any vote or proposed amendment which is contrary, in its opinion, to the master plan for Acadia.

ARTICLE IV: ASSESSMENTS

4.1 Purpose of Assessment. The assessments provided for in this Declaration shall be used, for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and Occupants of Lots, as may be authorized from time to time by the Board. The assessments levied by the Association shall also be used for the administration, operation, improvement, maintenance, use and enjoyment of the Common Area, including the streets, the entrance landscaping, whether or not located on Common Area, and including, but not limited to, the cost of repairs, replacements, additions, insurance, labor, equipment, materials, management and supervision, other personnel or contract services deemed appropriate, establishing a maintenance and replacement reserve, repaying loans incurred by the Association, including interest, the payment of taxes assessed against such Common Area, and the employment of attorneys, accountants and other professionals to represent the Association when necessary, and to provide such other services which the Association determines to be necessary or desirable. Additionally, in the event that any Owner fails to maintain properly the exterior of such Owner's residence or business, including the yard and any fence or fences on such Owner's Lot, the Board of Directors of the Association may, by majority vote, levy a special assessment against the Owner of such Lot, which assessment shall be in an amount equivalent to that required to maintain properly the exterior of such residence, fence, fences or yard or may expend portions of the assessments for maintenance of the exterior of such Owner's residence, yard or fence, in which event the Owner shall be assessed for such expense of maintenance as provided for herein.

4.2 Creation of the Lien and Personal Obligation for Assessments. For each Lot owned within the Community, each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees, and is deemed to covenant and agree, to pay timely the Association: (1) annual assessments or charges, including any street, amenity, and common area maintenance, entrance and other landscaping, whether or not located on Common Area, privacy, telecommunications, special events and other costs related to the Community and its operations, which assessments or charges may be assessed and/or collected on such basis as the Association deems appropriate, and (2) special assessments for capital improvements and other purposes, such assessments to be established and collected as hereinafter provided; and (3) default assessments which may be assessed against an Owner's Lot for failure to perform an obligation under this Declaration, or because the Association has incurred an expense on behalf of an Owner under this Declaration or the Association documents.

4.3 Late Charges. All assessments shall accrue late charges, interest (not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum on the principal amount due), and costs, including, without limitation, reasonable attorney's fees actually incurred. The assessments and charges shall be a continuing lien upon the Lot against which each assessment is made, and shall also be the personal obligation of the person who was the Owner of such Lot at the time the assessment fell due and upon such Owner's successor in title if unpaid on the date of the conveyance of such Lot.

4.4 Personal Liability. Each Owner shall be personally liable for the portion of each assessment coming due while the owner of a Lot, and each grantee of an Owner shall be jointly and severally liable for the assessments which are due at the time of conveyance; however, the liability of a grantee for the unpaid assessments of its grantor or immediately preceding Owner shall not apply to any first Mortgagee taking title through foreclosure proceedings, in which event, the prior owner shall continue to remain liable.

4.5 Certificate of Payment. The Association shall, within five (5) business days after receiving a written request, furnish a certificate signed by an officer of the Association or a representative of a management company hired by the Association to handle certain Association matters, setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate shall be binding upon the Association as of the date of issuance. The Board shall have the right to impose a reasonable charge for providing this certificate.

4.6 Annual Assessments. Annual assessments shall be levied equally on all similarly-situated Lots and shall be paid in such manner and on such dates as may be fixed by the Board. The Board may, in its sole discretion, distinguish between the occupied Lots and the unoccupied Lots for the purpose of annual assessments. If the Board sets a lower assessment for the unoccupied Lots, the Owner of an unoccupied Lot may not use the Common Areas unless such Owner pays the assessment established by the Board for occupied Lots. The Board may allow annual assessments to be paid in monthly, quarterly, semi-annual or annual periodic payments as determined by the Association's Board of Directors, and the Board shall have the right to accelerate any unpaid installments in the event an Owner is delinquent. Unless otherwise provided by the Board, the annual assessment shall be paid in annual installments collected in advance. In addition to the annual assessments, should there be security, lawn care, telecommunications or other fees separately assessed to each Owner, these fees may be assessed and collected monthly or quarterly, as the Association may determine from time to time.

4.7 Computation of Annual Assessments. The Board shall prepare a budget covering the estimated costs of operating the Association during the coming year, which may include a capital contribution or reserve. The Board shall cause the budget and the assessments to be mailed or delivered to each member at least thirty (30) days prior to the end of the current fiscal year. The budget and the assessment shall become effective unless disapproved at a meeting by a majority of the Total Association Vote. In the event the membership disapproves the proposed budget, or the Board fails to establish a budget for the succeeding year, the budget in effect for the then current year may be increased by no more than 10% thereof and shall continue for the succeeding year until changed by the Board. In the event the Board's budget is disallowed, the Board shall have the right to make a new budget retroactive to the start of the fiscal year.

4.8 Lien for Assessment. All sums assessed against any Lot, Owner, or member pursuant to this Declaration shall be secured by a lien on such Lot in favor of the Association.

4.9 Priority. The lien of the Association shall be superior to all other liens and encumbrances on such Lot, except for (a) liens for ad valorem taxes; (b) liens for all sums unpaid on a first priority Mortgage or deed to secure debt, or (c) a lien arising by virtue of any Mortgage in favor of the Declarant which is duly recorded in the ROD office. All other Persons acquiring liens or encumbrances on any Lot after this Declaration shall have been recorded shall be deemed to acknowledge that their liens shall be inferior to the lien of the Association for assessments in existence at that time or which arise in the future.

4.10 Effect of Nonpayment of Assessment. Any assessments (or installments) which are not paid when due shall be delinquent. Any assessment (or installment) which is delinquent for a period of more than ten (10) days shall incur a late charge in an amount set by the Board. If the assessment is not paid within thirty (30) days, a lien shall attach to the Owner's Lot. The lien shall cover all assessments then due or which come due until the lien is cancelled of record, and any other amounts provided in this Declaration or permitted by law. In the event that the assessment remains unpaid an additional thirty (30) days after the lien has attached to the Owner's Lot, the Association, in its sole discretion, may take any or all of the following actions:

(a) Assess an interest charge from the date of delinquency at the rate per annum two points above the prime rate charged by the Association's bank, or such other rate as shall have been established by the Board of Directors;

(b) Assess a late charge at the rate established by the Board per delinquency or such other charge as shall have been established by the Board of Directors;

(c) Suspend the voting rights of the Owner during any period of delinquency;

(d) Accelerate all remaining assessments for the fiscal year in question so that unpaid assessments for the remainder of the fiscal year shall be due and payable at once;

(e) Bring an action at law or in equity against the Owner personally obligated to pay the delinquent assessment by instituting suit to collect such amounts and foreclose its lien against the Lot, and interest, costs of collection and reasonable attorney's fees of such action of foreclosure shall be added to the amount of such assessment. The Association shall have the right to foreclose its lien through any method allowed by law. The Association shall have the power to bid on the Lot at any foreclosure sale or to acquire, hold, lease, mortgage, and convey the same.

No Owner may waive or otherwise escape liability of the assessments provided for herein by non-use of the Common Area or abandonment of such Owner's Lot.

4.11 No Set Off or Deduction. No Owner may waive or otherwise exempt himself from liability for the assessments provided for in this Declaration. No setoff, diminution, or abatement of any assessment shall be claimed or allowed by reason of any alleged failure of the Association to take some action, for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority. The obligation to pay assessments is a separate and independent covenant on the part of each Owner and is not subject to setoff.

4.12 Application of Payments. All payments shall be applied first to costs, then to late charges, then to interest, and then to delinquent assessments.

4.13 Date of Commencement of Assessments. Assessments shall start on the first day following closing of the sale of the Lot to a Person other than Declarant. The first annual assessment shall be adjusted according to the number of days then remaining in that fiscal year.

4.14 Special Assessments. In addition to the other assessments authorized by this Declaration, the Association may levy special assessments from time to time. Special assessments must be approved at a meeting by two-thirds (2/3) of the Board. Any special assessment in excess of 30% of the annual assessment must be approved by a simple majority of the Total Association Vote. Special assessments shall be paid as determined by the Board, and the Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed. The Board shall have the power to determine the amount of the special assessment as it shall deem appropriate, in its sole discretion. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future. The Board may also determine special assessments on Owners for the following Association expenses (except for expenses incurred for maintenance and repair of items which are the maintenance responsibility of the Association):

(a) expenses of the Association which benefit less than all of the Lots may be specifically assessed equitably among all of the Lots which are benefited according to the benefit received; and

(b) expenses of the Association which benefit all Lots, but which do not provide an equal benefit to all Lots, may be assessed equitably among all Lots according to the benefit received.

(c) expenses for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of capital improvements upon any Common Area, including the streets, entrance walls, signs, and landscaping, including fixtures and personal property related thereto, or to make up any deficit or shortage in the current year's budget; provided that any such assessment shall have the assent of the majority of the Total Association Vote at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly, quarterly, semi-annual or annual basis as determined by the Association's Board of Directors. Notice of the amount and due dates for such special assessments must be sent to each owner at least thirty (30) days prior to such due date.

(d) expenses in the event that an Owner fails to adequately maintain the exterior appearance and condition of such Owner's residence, including the yard and any fence or fences on such Owner's Lot, the Board of Directors of the Association may, by majority vote, levy a special assessment against the Owner of such Lot, which assessment shall be in an amount equivalent to that required to maintain properly the exterior of such residence, fence, fences or yard, or may expend portions of the assessments for maintenance of the exterior of such Owner's residence, yard or fence, in which event, the Owner shall be assessed for such expense of maintenance as provide herein.

Declarant shall not be liable for any budget deficits incurred by the Association.

ARTICLE V: MAINTENANCE & CONVEYANCE OF COMMON AREA TO ASSOCIATION

5.1 Association's Responsibility.

(a) Until such time as Declarant, in its sole discretion, elects to transfer control of the Association to the Owners, the Declarant shall maintain at Association's expense all Community entry features, Common Areas including (without limitation) maintenance, repair, and replacement of all landscaping and improvements situated on the Common Areas, and operate and maintain street lights (if not maintained and operated by a governmental entity) of the Community including the expenses for water and electricity, if any, provided to all such entry features, Common Areas, and street lights; all storm water detention facilities and easements serving the Community (to the extent such facilities and easements are not maintained by a governmental entity); and all property outside of Lots located within the Community. Upon Declarant's election to transfer control of the Association to the Owners, the Association shall perform such obligations at its expense.

(b) The Association shall have the right, but not the obligation, to maintain property not owned by the Association, whether within or without the Community, where the Board has determined that such maintenance would benefit the Owners.

(c) In the event the Association determines that the need for maintenance, repair, or replacement of property described above is caused through the willful or negligent act of an Owner, or the family, guests, lessees, or invitees of any Owner, and is not covered or paid for by insurance, in whole or in part, then the Association may, but is not required to, perform such maintenance, repair, or replacement at such Owner's sole cost and expense, and all costs thereof shall be an special assessment against such Owner subject to the Association's lien and collection rights provided for in this Declaration.

(d) All maintenance shall be performed consistent with the Community-Wide Standard.

5.2 Owner's Responsibility. Except as provided in Section 5.1 above, all maintenance of the Lot and all structures, parking areas, landscaping, and other improvements thereon shall be the sole responsibility of the Owner thereof, who shall maintain such Lot in a manner consistent with the Community-Wide Standards and this Declaration. In the event that the Board determines that any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair, or replacement of items for which such Owner is responsible, the Association may, but is not required to, perform such maintenance, repair, or replacement for the Owner at the expense of the Owner. Except in an emergency situation, the Association shall give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement. The notice shall set forth with reasonable particularity the maintenance, repairs, or replacement deemed necessary. The Owner shall have ten (10) days after receipt of such notice within which to complete such maintenance, repair, or replacement, or, in the event that such maintenance, repair, or replacement is not capable of completion within a ten (10) day period, to commence such work, which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at such Owner's sole cost and expense, and all costs shall be assessed against the Owner as a special assessment.

5.3 Conveyance of Common Area by Declarant to Association. In the sole discretion of Declarant, Declarant shall have the right but not the obligation to convey to the Association any personal property, any improved or unimproved real property, leasehold, easement, or other amenity or property interest located within the Community which is deemed to be Common Area upon such time as Declarant, at its sole discretion, elects to transfer control of the Association to the Owners. **At such time as all of the Lots within each phase of development of the Community have been fully developed, permanent improvements constructed thereon, and such Lots have been sold to permanent residents and businesses, Declarant shall convey the Common Area elements related to the Community or to each phase of development within the Community, and such conveyance shall be accepted by the Association.** The property shall thereafter be Common Area to be maintained by the Association for the benefit of all or a part of its members. Declarant shall not be required to make any improvements or repairs whatsoever to property to be conveyed and accepted pursuant to this Section.

ARTICLE VI: ARCHITECTURAL DESIGN REVIEW

6.1 Purpose. In order to maintain a high quality residential development, to assure that all houses and other structures are of appropriate size, harmonious in design, properly located in relationship to neighboring structures and adapted to the terrain of each Lot, Declarant has retained full architectural and design control and has established the Acadia Code of Development setting forth design guidelines ("Code"). Accordingly no house, building, accessory building, fence, wall or other structure, or alterations or additions or change of exterior appearance thereto shall be commenced, erected, or maintained upon the Property or any Lot until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing by Declarant or by the Architectural Review Committee, as defined in Section 6.2 of this Article, in accordance with the Code, attached hereto.

6.2 Architectural Review Committee. The Architectural Review Committee ("ARC") shall mean, as follows: So long as Declarant owns any portion of the Property subjected to this Declaration, the ARC shall mean Declarant, unless Declarant shall elect to transfer such control to the Association or to an ARC whose members shall be Lot Owners, along with an architect and a builder selected by Declarant experienced in new urbanism or design of traditional neighborhoods similar to the Acadia community. Additional procedures and guidelines concerning the ARC are set forth in the Acadia Code.

(a) The ARC may be established such that it is divided into two (2) subcommittees, with one (1) subcommittee having jurisdiction over modifications and the other having jurisdiction over new construction.

(b) The ARC may employ architects, engineers, or other persons as it deems necessary to enable the ARC to perform its review.

(c) The ARC may, from time to time, delegate any of its rights or responsibilities hereunder to one (1) or more duly licensed architects or other person it deems appropriate, who shall have full authority to act on behalf of the ARC for all matters delegated.

(d) Written design guidelines and procedures are promulgated in the Code.

(e) So long as Declarant owns any portion of the property subjected to this Declaration, Declarant shall have the right to appoint all members of the ARC. Upon the expiration or earlier surrender in writing of such right, the Board shall appoint the members of the ARC.

(f) At such time as all of the Lots have been fully developed, permanent improvements constructed thereon, and such Lots have been sold to permanent residents and businesses, or at such time sooner as Declarant desires to transfer control over the ARC, Declarant shall notify the President of the Board of Directors of the Association to that effect. Thereupon, Declarant's rights and obligations as to the ARC shall forthwith terminate; and, thereafter, the Board of Directors of the Association shall have the right, power, authority, and obligation to establish a successor ARC which is to follow these prescribed rules and regulations. Any such successor ARC shall be composed of at least three (3) but not more than seven (7) Owners and other members. The term of each committee member shall be determined by the Board of Directors of the Association.

6.3 Review and Approval of Plans.

Subject to the specific schedules set forth in the Code:

(a) No building, fence, wall or other structure of any kind, or alteration or addition or change of exterior appearance thereto, may be commenced, erected or maintained on any Lot until two (2) sets of plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to the ARC for written approval (i) as to the conformity and harmony of external design and general quality with the standards of the Community and (ii) as to the location of structures in relation to surrounding structures and topography and finished ground elevation. The ARC reserves the right in its sole discretion to approve or disapprove all plans and specifications submitted. In the event the ARC fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted in writing, Owner shall, by certified mail to the ARC, addressed to the office of the ARC, state the date the plans were submitted originally, the date of the plans, the person preparing the plans and a request for approval. If Owner has not received a reply from the ARC within ten (10) days of the date such notice was mailed, the approval by the ARC will not be required.

(b) As a condition of approval under this Section, each Owner, on behalf of such Owner and such Owner's successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement, and insurance to and on any change, modification, addition, or alteration. In the discretion of the ARC, an Owner may be made to verify such condition of approval by a recordable written instrument acknowledged by such Owner on behalf of such Owner and such Owner's successors-in-interest. The ARC shall be the sole arbiter of such plans and may withhold approval for design or community-appropriateness reasons, including purely aesthetic considerations, and it shall be entitled to stop any construction that is in violation of these restrictions. Any ARC member or its representatives shall have the right, during reasonable hours and after reasonable notice, to enter upon any property to inspect for the purpose of ascertaining whether or not these Persons shall not be deemed guilty of trespass by reason of such entry. In addition to any other remedies available to the Association, in the event of noncompliance with this Section, the Board may, as provided in this Declaration, record in the appropriate land records a notice of violation naming the violating Owner.

(c) Such plans and specifications provided at or before the Final Submittal shall be in such form and shall contain such information as may be reasonably required by the ARC including, but not being limited to: (1) a site plan showing the location of all proposed and existing structures on the Lot including building setbacks, open space, specimen trees, driveways, walkways and parking spaces, including the number thereof, and other items required by the Code; (2) a foundation plan; (3) a floor plan; (4) exterior elevations with cross-sections of all proposed structures and alterations to existing structures, as such structures which will appear after all backfilling and landscaping are completed; (5) specifications of materials, color scheme, lighting schemes and other details affecting the exterior appearance of all proposed structures and alterations to existing structures; and (6) plans for landscaping, irrigation and grading.

(d) Upon approval by the ARC of any plans and specifications submitted pursuant to this Declaration, a copy of such plans and specifications, as approved, shall be deposited for permanent record with the ARC and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. Approval for use in connection with any Lot or structure of any plans and specifications shall not be deemed a waiver of the ARC's right, in its discretion, to disapprove similar plans and specifications or any of the features or elements included therein if such plans, specifications, features or elements are subsequently submitted for use in connection with any other Lot or structure. Approval of any such plans and specifications relating to any Lot or structure, however, shall be final as to that Lot and structure and such approval may not be rescinded thereafter, provided that there has been strict adherence to, and compliance with, such plans and specifications, as approved, and any conditions attached to any such approval.

(e) Neither Declarant nor any member of the ARC shall be responsible or liable in any way for any defects in any plans or specifications approved by the ARC, nor any structural defects in any work done according to such plans and specifications or for the location of the house rough-staked on any Lot. Further, neither Declarant nor any member of the ARC, shall be liable in damages to anyone submitting plans or specifications for approval under this Article, or to any Owner affected by this Declaration by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve or disapprove any such plans or specifications or the location of any such house. Every person who submits plans or specifications to the ARC for approval agrees, by submission of such plans and specifications, and every Owner of any Lot agrees, that he will not bring any action or suit against Declarant or any member of the ARC, to recover for damages, and such right, if any, to institute any action or suit, is waived.

(f) All new home construction (except renovations or repairs to any existing structure) on a Lot must be performed by a member of the Acadia Builders Guild. The term of this Section shall automatically expire on December 31, 2026 unless reduced by the Declarant or extended by the Association.

6.4 Violations. If any structure shall be erected, placed, maintained or altered upon any Lot, other than in accordance with the plans and specifications approved by the ARC and this Declaration, such erection, placement, maintenance or alteration shall be deemed to have been undertaken in violation of this Article. If, in the opinion of the Declarant, or the Board of Directors of the Association upon recommendation of the ARC, such violation shall have occurred, the Board of Directors shall provide written notice to the Owner by certified mail, setting forth the nature of the violation and the specific action required to remedy the violation. If the Owner shall not have taken reasonable steps toward the required remedial action within thirty (30) days after the mailing of the aforesaid notice of violation, then the Board of Directors of the

Association shall have the right to lien such Owner's Lot for damages anticipated or actual, and to proceed at law or in equity for the recovery of damages, or for injunctive relief, or both.

ARTICLES VII: USE RESTRICTIONS AND RULES

7.1 General. This Section sets out certain use restrictions which must be complied with by all Owners and Occupants. These use restrictions may only be amended as provided in this Declaration and in the Acadia Code, which Code shall supplement and add to this Declaration. In the event of a conflict, this Declaration and its terms shall prevail. In addition, the Board may, from time to time, without consent of the members, promulgate, modify, or delete other use restrictions and rules and regulations applicable to the Community. Such use restrictions and rules shall be distributed to all Owners and Occupants prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, canceled, or modified in a regular or special meeting by a majority of the Total Association Vote. General design and product selection guidelines are: (a) lasting quality that affords the homeowner low to no maintenance features; (b) visually and aesthetically appealing, and in keeping with the style of the home and surrounding neighborhood; (c) energy efficient construction and practical design that affordably contributes toward sustaining the environment.

7.2 Residential and Non-Residential Uses. (a) All Lots (except for Special Use Lots) shall be used for residential purposes exclusively. No business or business activity shall be carried on, in or upon any Lot at any time, except with the written approval of the Board. The provisions of this Section shall not apply to the Common Area. Leasing of a Lot to an Occupant for use as a residence shall not be considered a business or business activity. Private offices may be maintained in dwellings located on any of the Lots so long as such use is incidental to the primary residential use of the dwelling. Declarant shall have the right to designate any Lot as a Special Use Lot in the deed by which Declarant conveys title to the Lot. Special Use Lots may be used for (i) residential purposes as provided above, (ii) for such commercial purposes as may be specifically authorized and limited in the deed designating the Lot as a Special Use Lot; or (iii) for a combination of such uses.

(b) The Declarant or the Board may permit, but shall not be obligated to allow, a Lot to be used for business purposes so long as such business, in the sole discretion of the Board, does not otherwise violate the provisions of the Declaration or By-Laws, does not create a disturbance, and does not unduly increase traffic flow or parking congestion and complies with all local government requirements for permits, the Community's Planned Development zoning and other regulations. The Board may issue rules regarding such permitted business activities.

(c) Declarant shall have the right to operate sales offices, model homes, and construction offices from one or more Lots specifically including, but not limited to, maintaining business offices, storage areas, construction yards and equipment, signs and sales offices.

7.3 Subdivision of Lots. No Lot or contiguous group of Lots may be subdivided or replatted in any manner which would bring about a greater number of Lots, reduced in size or its boundary lines changed, except by Declarant. Declarant hereby expressly reserves the right to subdivide, reduce, enlarge or change the boundary lines of any Lot, including the right to re-plat any Lot or Lots owned by Declarant and including the right to establish or approve condominium forms of ownership on portions of the property subject to this Declaration. Any such division, boundary line change, or re-platting shall not be in violation of the applicable subdivision and

zoning regulations. Declarant's right to re-plat any Lot shall include the right to increase or decrease the size of any Lot, combine Lots or portions thereof, change the configuration of streets and otherwise make changes on the final plat for the Community as to how the streets and Common Areas in the Community are laid out.

7.4 Building Size Requirements. Except for condominium, townhome, duplex or other multi-family dwelling units planned or approved by Declarant, no residence shall be permitted on any Lot with less than One Thousand Six Hundred (1,600), nor more than Six Thousand (6,000), square feet of heated and air conditioned living areas of the main structure calculated from exterior dimensions, exclusive of open porches, garages, carports, screened porches, and all unfinished basement or other unfinished interior spaces calculated from exterior dimensions, all as more fully set forth in the Acadia Code. Except for condominium units, townhomes, duplexes or other multi-family dwelling units planned or approved by Declarant, no building shall be erected, altered, placed, or permitted to remain on any Lot other than one (1) single family residence not to exceed 36 feet in height, and also limited to three stories in height. The term "story" or "stories" shall include any garage, basement or similar area.

7.5 Setbacks, Building Lines.

(a) In no event shall any dwelling be erected and located upon any such Lot closer to the front property line, closer to the rear property line and closer to the side property lines than those setback measurements all as more fully set forth in the Acadia Code, and shown on recorded plats filed by the Owner or Declarant, or as may be determined by the Declarant or the ARC. The area included within these setback lines shall include the buildable area, meaning that area in which the dwelling structure and its appurtenances are to be constructed on the Lot, but no building shall be erected inside the building area unless its site placement and design are first approved by the ARC. All enclosed areas of the residence must be contained within the buildable area, which must include all eaves, overhangs or gutters and foundations, none of which may extend beyond the buildable area unless approved by the ARC. The ARC may, in its discretion, grant variances to the setbacks as established in the Code.

(b) No building shall be erected or maintained so as to encroach upon any maintenance, trail, pedestrian, utility or drainage easement.

7.6 Compliance with Zoning and Subdivision Regulations. In no event shall any residence be erected and located upon any Lot in a manner which violates the requirements and provisions of the applicable city or county zoning ordinances and subdivision regulations in effect where the Community is located.

7.7 Obstructions to View at Intersection. All property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem. The lower branches of trees and other vegetation shall not be permitted to obstruct the view at intersections and it shall be the responsibility of the respective Lot Owner upon whose Lot such branches or vegetation exist to insure that the view of traffic at intersections is unimpeded.

7.8 Completion of Construction. All improvements commenced on any Lot in the Community shall be prosecuted diligently to completion and shall be completed within one (1) year from its commencement, unless such improvements are being constructed by Declarant or unless an exception is granted in writing by the ARC. If an improvement is commenced and

construction is then abandoned for more than ninety (90) days, or if construction is not completed within the required one-year period, than after notice to the Owner of the Lot, the Association shall have the right to impose a fine of Two Hundred (\$200.00) Dollars per day, or such other amount as the Association shall deem appropriate, on the Owner of the Lot until construction is resumed, or the improvement is completed, the Owner may appeal to the Board for waiver of fine for good cause shown, but such waiver is within sole discretion of the Board. Such charges shall be considered a default assessment and lien as provided hereinabove. Approved landscaping shall be completed within thirty (30) days after the completion of an improvement on the Lot or a fine of Ten (\$10.00) Dollars per day, or such other amount as the Association may deem appropriate, shall be levied against the Lot Owner. The Association may also take appropriate court action, whether at law or in equity, to compel the immediate completion of any residence not completed within one (1) year from the date of commencement of construction.

7.9 Delivery Receptacles, Property Identification Marker and all other Streetscapes. All mailboxes, property identification markers, fences, lights and all other streetscapes must conform to the design standards established for Acadia and on file with the ARC.

7.10 Signs. No sign of any kind shall be erected by an Owner or Occupant within the Community without the prior written consent of the ARC and in accordance with the Code. Notwithstanding the foregoing, the Board and the Declarant shall have the right to erect reasonable and appropriate signs. Any signs required by legal proceedings may be erected upon any Lot.

7.11 Vehicles. The term "vehicles", as used herein and in the Code, shall include, without limitation, motor homes, boats, trailers, motorcycles, mini-bikes, scooters, golf carts, SUVs, NEVs, ATVs, go-carts, trucks, campers, buses, vans, and automobiles.

(a) Homeowners and their guests with buses, motor homes, campers, boats, trailers, trucks larger than SUVs or any other large motorized vehicle other than a conventional automobile (generally, "oversized vehicles"), must store or park oversized vehicles within an enclosed garage of size permitted by the Code, so as to be completely hidden from view. Oversized vehicles are typically too large for standard size garages, so other storage will be required. Oversized vehicles are not permitted to be stored on homesites served by rear alleys due to the constraints such oversized vehicles impose on other homeowners and essential services needing to use the alleys. The Acadia Stables is planned as an onsite storage facility to be available for rent by homeowners for oversized vehicles. Parking of a resident's or guest's motor home or other over-sized vehicle is prohibited anywhere within Acadia at all times except at the Stables, and there only as space permits. Vehicles, boats, motor homes, trailers, or recreational vehicles which are either unlicensed or inoperable may not be stored upon any portion of the Community at any time unless fully enclosed in a garage or other area designated by the Board such as in the Stables facility. Any vehicle being repaired out of doors must have work completed within twenty-four (24) hours.

(b) No unlicensed vehicle shall be left upon any portion of the Community, except in a garage or other area designated by the Board.

(c) Upon request of Declarant or the Board, such vehicles identified in 7.11(a) and 7.11(b) above must be removed by the Owner. The Association shall have the right to remove any such vehicle after five (5) days notice, and the costs of such removal shall be an assessment against such Owner.

(d) No motorized vehicles shall be permitted on pathways or unpaved Common Areas except for public safety vehicles and vehicles authorized by the Board. Golf carts and NEVs may be permitted on certain designated pathways if Owner applies to Board for health reasons. The Board has sole discretion to issue such permits. No one without a valid driver's license may operate any motorized vehicle in the Community, whether on public streets or private ways and paths.

7.12 Leasing. Subject to the Code, dwellings in Acadia may be leased for residential purposes, and Special Use Lots may be leased for commercial or business purposes. All leases shall have a minimum term of at least six (6) months. All leases shall require, without limitation, that the tenant acknowledge receipt of a copy of the Declaration, By-Laws, and Code setting forth the use restrictions, rules and regulations of the Association. The lease shall also obligate the tenant to comply with the foregoing and shall provide that in the event of noncompliance, the Board, in addition to any other remedies available to it, may evict the tenant on behalf of the Owner and specifically assess all costs associated therewith against the Owner and the Owner's property.

7.13 Occupants Bound. All provisions of the Declaration, By-Laws, and of any rules and regulations, use restrictions, or design guidelines promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Occupants even though Occupants are not specifically mentioned. Fines may be levied against Owners or Occupants. If a fine is first levied against an Occupant and is not paid in a reasonable period of time, the fine may then be levied again the Owner, but shall, if not paid, remain the responsibility of the Owner.

7.14 Clothes Lines & Garbage Containers. No clothes lines, exposed garbage containers (except for local government required containers) equipment or other unsightly objects are to be erected or used on any Lot except when they are screened to conceal such items from the streets, alleys, pathways, adjoining properties and from general view.

7.15 Garbage & Refuse Disposal; Lawn Care (a) No Lot or Common Area shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. If such litter or other material is found on any Lot, the same will be removed by the Owner of such Lot, at the Lot Owner's expense, upon written request of the ARC. No such items shall be burned or disposed of in any fashion within the boundaries of said Lot. No private garbage pick-up services will be permitted unless approved by the Board.

(b) All garbage cans, woodpiles, hot tubs, spas, and related equipment, and other similar items shall be located or screened so as to be concealed from view of neighboring property. All rubbish, trash, and garbage shall be regularly removed and shall not be allowed to accumulate. Declarant reserves the right to dump and bury rocks and stumps on property within the Community as needed for efficient construction and to allow builders within the Community to bury rocks removed from the building site. Construction waste, trash, garbage, debris, leaves, grass, trees, tree limbs, or other waste matter of any kind may not be burned within the Community, except that Declarant may maintain a "burn pit" during development and construction of the Community.

(c) In order to avoid regular congestion of streets and alleys, and to maintain consistent levels of service, care, appearance and regularly scheduled maintenance, and also to

reduce the number of vendors operating within the community, only lawn care services on the approved list for Acadia may be used. The contract fees and levels of service available from those lawn care firms are published on the approved list which is available from the ARC. Only the Board may determine which firms are added to or removed from the approved list of vendors.

7.16 Animals and Pets. No animals, livestock, or poultry of any kind may be raised, bred, kept, or permitted on any Lot, with the exception of dogs, cats, or other usual and common household pets in a reasonable number, as determined by the Board. No pets shall be kept, bred, or maintained for any commercial purpose. Dogs which are household pets shall be kept within a dwelling, enclosed yard, or a yard area bordered by an "invisible fence" designed for animal control, unless on a leash. No pet which has caused any damage or injury shall be walked in the Community, whether on a leash or otherwise. All pets shall be registered, licensed, and vaccinated as required by law. Pets which endanger health are of a vicious breed such as pit bull or Doberman, which make objectionable noise, or constitute a nuisance or inconvenience to residents, determined in the sole discretion of the Board, must be removed permanently from the Community by their owner upon request of the Board.

7.17 Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her property. No property within the Community shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on within the Community, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any Person using any property within the Community. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Community. Without limiting the generality of the foregoing, no speaker (except outdoor music speakers as part of a home entertainment system), horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes shall be located, installed, or maintained upon the exterior of any Lot unless required by law. Amplified music and bands may be played, practiced, rehearsed and performed in designated areas of the Community or in enclosed buildings on a Lot if such music is not so loud as to be a nuisance to any neighbor.

7.18 Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including, without limitation, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken in any part of the Community.

7.18 Drainage. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or Occupant may alter, obstruct, or re-channel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains, the right to alter same being expressly reserved to Declarant.

7.19 Guns, Bows & Arrows. The use of firearms, bows and arrows in the Community is prohibited. The term "firearms" includes rifles, pistols, "BB" guns, pellet guns, paintball guns, and small firearms of all types.

7.20 Utility Lines. No overhead utility lines, including lines for cable television, shall be permitted within the Community, except for temporary lines as required during constructions, and lines installed by or at the request of the Declarant.

7.21 Air-Conditioning Units. No window air conditioning units may be installed.

7.22 Lighting. Except as may be permitted by the ARC, exterior lighting visible from the street shall not be permitted except for (a) approved lighting as originally installed on a Lot; (b) one (1) decorative light post, (c) street lights in conformity with an established street lighting program for the Community; (d) seasonal decorative lights; or (e) front house illumination of model homes.

7.23 Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any property unless approved by the ARC in its sole discretion. Exterior sculpture, fountains, flags, and similar items must be approved by the ARC. ARC may remove any non-conforming item.

7.24 Exteriors. Any change to the exterior color or design of any improvement located on a Lot, including, without limitation, the dwelling, must be approved by the ARC.

7.25 Exterior Security Devices. No exterior security devices, including, without limitation, window bars, shall be permitted on any residence or Lot. Signs less than six inches (6") by six inches (6") placed on the Lot or the exterior of the residence stating that such residence is protected by a security system shall not be deemed to constitute an exterior security device.

7.26 Entry Features. Owners shall not alter, remove, or add improvements to any entry features constructed by the Declarant on any Lot, or any part of any easement area associated therewith without the prior written consent of the ARC.

ARTICLE VIII: INSURANCE AND CASUALTY LOSS

8.1 Insurance on Common Area. The Board of Directors or the duly authorized agent of the Association shall have the authority to, and shall obtain, insurance for all insurable improvements whether or not located on the Common Area which the Association is obligated to maintain. This insurance shall provide, at a minimum fire and extended coverage, including vandalism and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

8.2 Liability Insurance. The Board shall obtain a general commercial liability policy applicable to the Common Area covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents. The public liability policy shall have a combined single limit of at least two million (\$2,000,000) dollars. If available, the Board is also authorized to obtain directors' and officers' liability insurance coverage.

8.3 Premiums. Premiums for all insurance shall be common expenses of the Association. The policies may contain a reasonable deductible, and the amount thereof shall not

be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

8.4 Miscellaneous. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association, as trustee for the respective benefited parties, as further identified below. Such insurance shall comply with these provisions:

(a) All policies shall be written with a company licensed to do business in South Carolina, with a rating of not less than "A" as determined by *Best's Key Rating Guide*, or if no longer available, by another comparable rating guide.

(b) Exclusive authority to settle losses under policies obtained by the Association shall be vested in the Association's Board of Directors; however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(c) In no event shall the insurance coverage obtained and maintained by the Association be brought into contribution with insurance purchased by individual Owners, Occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.

(d) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available, and all insurance policies shall be reviewed annually.

(e) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(1) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners, and Occupants and their respective tenants, servants, agents, and guests;

(2) A waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

(3) That no policy may be cancelled, invalidated, or suspended on account of any one or more individual Owners;

(4) That no policy may be cancelled, subjected to non-renewal, invalidated, or suspended on account of any defect or the conduct of any director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct, and the allowance of a reasonable time thereafter within which a cure may be effected by the Association, its manager, any Owner, or Mortgagee;

(5) That any "other insurance" clause in any policy exclude individual Owner's policies from consideration; and

(6) That no policy may be canceled, subjected to non-renewal, or substantially modified without at least thirty (30) days prior written notice to the Association.

(f) In addition to the other insurance required by this Section, the Board shall obtain worker's compensation insurance to the extent necessary to satisfy the requirements of applicable laws, and shall obtain a fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds, if reasonably available. If obtained, the amount of fidelity coverage shall be determined in the minimum amount of three (3) month's assessments plus reserves on hand. Bonds shall contain a waiver of all defenses provision based upon the exclusion of persons serving without compensation and may not be canceled, subjected to non-renewal, or substantially modified without at least thirty (30) days prior written notice to the Association. The Association shall also obtain construction code endorsements, steam boiler coverage, and flood insurance, if and to the extent necessary to satisfy the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and the US Department of Veterans Affairs, or the U.S. Department of Housing and Urban Development.

8.5 Individual Insurance. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner acknowledges that the Association has no obligation to provide any insurance for any portion of individual Lots, and each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry blanket "all-risk" casualty insurance on the Lot and all structures constructed thereon and a liability policy covering damage or injury occurring on a Lot. The casualty insurance shall cover loss or damage by fire and other hazards commonly insured under an "all-risk" policy, if reasonably available, including vandalism and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. If all-risk coverage is not reasonably available, Owners shall obtain, at a minimum, fire and extended coverage. The policies required hereunder shall be in effect at all times. Authority to adjust losses under policies obtained by an Owner shall be vested in the Owner. The losses under policies obtained by an Owner shall be vested in the Owner. The Association shall have the right, but not the obligation, at the expense of the Owner, to acquire the insurance required to be maintained by the Owner if the Owner fails to provide a valid policy to the Association with a prepaid receipt within ten (10) days after receipt by the Owner of a written request from the Association. If the Association does acquire insurance on behalf of any Owner, the cost thereof shall be assessed against the Owner and the Lot as a special assessment.

8.6 Damage and Destruction – Insured by Association.

(a) **In General.** Immediately after damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board, or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. The Board shall have the enforcement powers specified in this Declaration necessary to enforce this provision.

(b) **Repair and Reconstruction.** Any damage or destruction to property covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within sixty (60) days after the casualty, at least seventy-five (75%) percent of the Total Association Vote otherwise agree. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period,

then the period shall be extended until such information shall be made available; however, such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed.

(c) If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board shall, without the necessity of a vote of the Association's members, levy a special assessment against all Owners in proportion to the number of Lots owned by such Owners. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Association.

(d) In the event that it is determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event, the property shall be restored to its natural state and maintained as an undeveloped portion of the Community by the Association in a neat and attractive condition.

8.7 Damage and Destruction – Insured by Owners. The damage or destruction by fire or other casualty to all or any portion of any improvement on a Lot shall be repaired by the Owner thereof within seventy-five (75) days after such damage or destruction or, where repairs cannot be completed within seventy-five (75) days, they shall be commenced within such period and shall be completed within a reasonable time thereafter. Alternatively, the Owner may elect to demolish all improvements on the Lot and remove all debris therefrom within seventy-five (75) days after such damage or destruction. In the event of noncompliance with this provision, the Board shall have all enforcement powers specified in this Declaration.

8.8 Insurance Deductible. In the event of damage or destruction to the Common Areas or other areas or improvements maintained by the Association, the deductible for any casualty insurance policy carried by the Association shall be paid by the Association, but the Association may allocate the cost thereof among any Persons who are responsible, in whole or in part, for such damage or destruction.

ARTICLE IX: CONDEMNATION

In the event of a taking by eminent domain of any portion of the Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking, at least seventy-five percent (75%) of the Total Association Vote shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefor.

ARTICLE X: MORTGAGEE PROVISIONS

The following provisions are for the benefit of holders of first Mortgages on Lots in the Community. The provisions of this Section apply to both this Declaration and the By-Laws, notwithstanding any other provisions contained therein.

10.1 Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage, who provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the Lot number, therefore becoming an “eligible holder”), will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such eligible holder;

(b) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; however, notwithstanding this provision, any holder of a first Mortgage, upon request, is entitled to written notice from the Association of any default in the performance by the Owner of the encumbered Lot of any obligation under the Declaration or By-Laws of the Association which is not cured within sixty (60) days; and

(c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

10.2 No Priority. No provision of this Declaration or the By-Laws gives, or shall be construed as giving, any Owner or other party priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to, or a taking of, the Common Area.

10.3 Notice to Association. Upon request, each Owner shall be obligated to furnish, to the Association the name and address of the holder of any Mortgage encumbering such Owner’s Lot.

10.4 VA/HUD Approval. As long as the Declarant has the right to appoint and remove the directors of the Association and so long as the project is approved by the U.S. Department of Housing and Urban Development (“HUD”), or the U.S. Department of Veterans Affairs (“VA”), for insuring or guaranteeing any Mortgage in the Community, the following actions shall require the prior approval of the VA or HUD, as applicable: annexation of additional property to the Community, except for annexation by Declarant in accordance herewith or pursuant to a plan of annexation previously approved by the VA or HUD as applicable; dedication of Common Area to any public entity; mergers and consolidations of the Association; dissolution of the Association; and material amendment of the Declaration, By-Laws, or Articles of Incorporation.

10.5 Applicability of Article. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, By-Laws, or South Carolina law for any of the acts set out in this Article.

10.6 Amendments by Board. Should the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, HUD, or VA subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

ARTICLE XI: COMMON AREAS

11.1 Common Areas. The Common Areas shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the Owners. There shall be no obstruction or alteration of, nor shall anything be stored, altered or constructed in, or removed from, the Common Area without the prior written consent of the Board. Common areas with designated trails and pathways are for common use and enjoyment of the residences and the invited public to the Community, and include easements designated across any Lot.

11.2 Insurance. No use shall be made of the Common Areas which will increase the rate of insurance upon the property without the prior consent of the Board. No Owner shall permit anything to be done or kept on the Common Areas, or any part of the Common Areas, which will result in cancellation of insurance or which will be in violation of any law. No waste shall be committed in the Common Areas.

11.3 Nuisances. No obnoxious or offensive activity shall be allowed upon the Common Areas, nor any use or practice which is the source of annoyance or nuisance to Owners or guests or which interferes with the peaceful possession and proper use of the Common Areas by Owners. The Board shall have the power to adopt reasonable rules and regulations governing the use of the Common Areas and the personal conduct of the members and the invited public thereon, and to establish fines for the infraction thereof as herein provided. In addition, the Board may also suspend the right of a member to use the Common Areas, after notice and hearing, for a period of sixty (60) days as a result of such member's infraction of such rules and regulations.

11.4 Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Common Areas or any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies pertaining to maintenance, replacement, modification or repair of the Common Areas shall be as is specified in this Declaration.

11.5 Reservation of Easements. Declarant reserves for itself, its successors and assigns, a right-of-way and easement to erect, maintain and use electric and telephone poles, wires, cables, conduits, storm sewers, drainage swales, sanitary sewers, water mains, gas sewer and water lines and other public or private conveniences or utilities on, in or over the Common Areas.

11.6 Additional Easements. Declarant reserves the right to impose further restrictions and to grant or dedicate additional easements and rights-of-way over the property owned by the Declarant. In addition, Declarant hereby reserves the right to grant easements and rights-of-way over, under and through the Lots and Common Areas so long as Declarant shall own any portion of the property located within the Community. The easements and rights-of-way granted by Declarant shall not structurally weaken any improvements or unreasonably interfere with the enjoyment of the Common Areas or the Lots; **provided that any such easements and rights-of-way shall not materially adversely affect the substantive rights of the Lot Owner or adversely affect title to said Lot without the consent of the affected Lot Owner.** Declarant and the Board may grant easement and licenses for special events such as parades and other community or charity functions or private events. Declarant reserves an easement for photography of all Common Areas, Lots and dwellings for its marketing and promotional purposes.

11.7 Restoration and Repair. In the event that any portion of the Common Areas are damaged or destroyed by casualty, it shall be repaired or restored to substantially the condition prior to the damage or destruction by the Association, unless it is determined by the Association not to be reasonably practicable under the circumstances.

ARTICLE XII: OTHER EASEMENTS

12.1 Easements for Encroachment and Overhang. There shall be reciprocal appurtenant easements for encroachment and overhang as between each Lot and such portion or portions of the Common Area adjacent thereto, and between adjacent Lots due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration). Such reciprocal appurtenant easements for encroachment and overhang shall be allowed to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Area, or between adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point. In no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, Occupant, or the Association.

12.2 Easements for Use and Enjoyment. Every Owner of a Lot shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Area which shall be appurtenant to, and shall pass with, the title to each Lot, including trails and pathways designated across certain Lots, subject to the following provisions:

(a) the right of the Association to charge reasonable dues, assessments and other fees for the use of any portion of the Common Area, including the streets, the entrance landscaping, whether or not located on Common Area, any recreational facilities situated upon such Common Area and for privacy protection;

(b) the right of the Association to limit the number of guests of Lot Owners and tenants who may use the Common Area, and to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by an Owner, his family, tenants, guests, and invitees;

(c) the right of the Association to suspend the voting rights of a Lot Owner and the right of an Owner to use the recreational facilities available for use by the Community, if any, for any period during which any assessment against such Owner's Lot which is hereby provided for remains unpaid; and, for a reasonable period of time, for an infraction of the Declaration, By-Laws, or rules and regulations;

(d) the right of the Association to borrow money for the purpose of improving the Common Area, or any portion thereof, or for construction, repairing, or improving any facilities located or to be located thereon, and to give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Area provided that the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements, and privileges herein reserved or established for the benefit of Declarant or any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Lot Owner encumbering any Lot or other property located within the Community. Any such Mortgage on the Common Area shall be subject to approval by Declarant (until such time as Declarant has turned over control of the Association to

the Owners) and at least two-thirds (2/3) of the Total Association Vote. Any provision in this Declaration or in any such Mortgage given by the Association to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default thereunder shall not cancel or terminate any rights, easements, or privileges herein reserved or established for the benefit of Declarant, or any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Lot Owner encumbering any Lot or other property located within the Community;

(e) the rights of the Declarant and the Board to dedicate or grant licenses, permits, or easements for utilities or other facilities (including, but not limited to, drainage facilities) that are necessary or desirable, over, under, and through the Common Area to governmental entities for public purposes with an instrument signed by at least a majority of the members of the Board and recorded in the office of the ROD Office;

(f) the rights of the Declarant and the right of the Association to dedicate or transfer all or any portion of the Common Area subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved by the affirmative vote of the Declarant and at least two-thirds (2/3) of the Total Association Vote, which has been recorded in the ROD Office;

(g) the right of Declarant, so long as Declarant owns any portion of the property subjected to this Declaration, to create new Common Area, to place advertising signs and literature in any Common Area and to use portions of the Common Area, including any improvements thereon;

(h) the right of the Declarant to mortgage, pledge or hypothecate any Common Area, except streets, as security for debts incurred in connection with the improvements to be placed on the Common Area, provided, however, Declarant shall be responsible for such debt(s), and shall pay all principal, interest and other payments as they come due; and

(i) all easements and rights-of-way shown on any recorded plat of the property subjected to this Declaration or any portion thereof and to any other easements of record as of the date this Declaration is recorded.

Any Lot Owner may delegate such Owner's right of use and enjoyment in and to the Common Areas and facilities located thereon to the members of such Owner's family and to such Owner's tenants and invited guests, or to contract purchasers who actually reside on the Lot, and Owner shall be deemed to have made a delegation of all such rights to the occupants of such Owner's Lot, if leased. Subject to the provisions of this Declaration, the Owner of an unoccupied Lot may delegate such rights to the members of the Board of Directors of the Association.

12.3 Easements for Utilities. There is hereby reserved to the Declarant and the Association, blanket easements upon, across, above and under all property within the Community, including all Lots, for access, ingress, egress, installation, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof. This easement shall include, without limitation, gas, water, sanitary sewer, telephone, electricity, cable television, telecommunications and data transmissions, security, as well as storm drainage and any other service or system which the Declarant or the Association might decide to have installed to service

the Community. In the event the Regional Sewer Authority elects to install a main gravity sewer line within an easement provided for that purpose by Declarant, the Association shall have the right at its expense to disconnect the sewer force main and lift station and connect the Community's gravity system into said main gravity line. It shall be expressly permissible for the Declarant, the Association, or the designee of either, as the case may be, to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining of such wires, conduits, pipes, cables, and other equipment related to the providing of any such utility or service. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Declarant or the Board, as the case may be, shall have the right to grant such easement over all areas within the Community, including but not limited to Lots and Common Areas.

12.4 Easement for Drainage. Declarant hereby reserves a perpetual easement across all Community property for the purpose of altering drainage and water flow. This right shall include, but is not limited to, altering swales, installing drains, drainage ditches, pipes, inlets, headwalls, and altering channeling, or piping waterflow across any Lot or any property in the Community. Rights exercised pursuant to this reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

12.5 Easement for Entry. In addition to the other rights reserved to Declarant and the Association, the Declarant or the Association shall have the right (but not the obligation) to enter upon any property or Lot within the Community for emergency, security, and safety reasons. This right may be exercised by the Declarant or its designee, any officer of the Board, and all governmental employees, policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner, and the entering party shall be responsible for any damage caused. This right of entry shall include the right of the Board to enter to cure any condition which may increase the possibility of a fire, slope erosion, or other hazard or condition in the event an Owner or Occupant fails or refuses to cure the condition upon request by the Board.

12.6 Easement for Maintenance. Declarant hereby expressly reserves a perpetual easement for the benefit of Declarant or the Association across such portions of the Community, determined in the sole discretion of the Declarant and the Association, as are necessary to allow for the maintenance required by this Declaration. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment to Owners' property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

12.7 Easement for Entry Features. There is hereby reserved to the Declarant and the Association an easement for ingress, egress, installation, construction, landscaping, and maintenance of entry features and similar streetscapes for the Community, over and upon each Lot as more fully described on the recorded subdivision plats for the Community. The easement and right herein reserved shall include the right to cut, remove, and plant trees, shrubbery, flowers, and other vegetation around such entry features and the right to grade the land under and around such entry features.

12.8 Construction and Sale Period Easement. Notwithstanding any provisions contained in the Declaration, the By-Laws, Articles of Incorporation, use restrictions, rules and

regulations, design guidelines, and any amendments thereto, until Declarant's right unilaterally to subject property to this Declaration terminates and thereafter so long as Declarant owns any property in the Community for development or sale, Declarant reserves an easement across the Community for Declarant and any builder or developer approved by Declarant to maintain and carry on, upon such portion of the Community as Declarant may reasonably deem necessary. This reserved easement shall include an easement for such facilities and activities which, in the sole opinion of Declarant, may be required, convenient, or incidental to the development, construction, and sales activities related to property within or near the Community. This easement shall include, without limitation:

(a) the right of access, ingress, and egress for vehicular and pedestrian traffic and construction activities over, under, on, or in any portion of the Community as well as any Lot in the Community,

(b) the right to tie into any portion of the Community with driveways, parking areas, and walkways;

(c) the right to tie into or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain, and repair any device which provides utility or similar services;

(d) the right (but not the obligation) to construct recreational facilities on Common Area;

(e) the right to carry on sales and promotional activities in the Community;

(f) the right to place direction and marketing signs on any portion of the Community, including any Lot or Common Area;

(g) the right to construct and operate business offices, signs, construction trailers, model residences, and sales offices incidental to the construction, development, and sales activities; and

(h) Declarant and any such builder or developer may use residences, offices, or other buildings owned or leased by Declarant or such builder or developer as model residences and sales offices. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, and reasonable steps shall be taken to protect such property from damage. Any damage shall be repaired by the Person causing the damage at its sole expense. This Section shall not be amended without the Declarant's express written consent until the Declarant's rights hereunder have terminated as provided in this Declaration.

12.9 Fence Easement. Declarant hereby reserves an easement across any Lot which borders upon or contains a portion of any water facility, detention pond, or retention pond for the purpose of access to such facility or pond, and for the purpose of erecting any fence which is either required by the subdivision development and construction plans or governmental regulation, rule, ordinance, or plan approval requirement.

ARTICLE XIII: GENERAL PROVISIONS

13.1 Enforcement. Each Owner and Occupant shall comply strictly with the Bylaws, the rules and regulations, the use restrictions, as they may be lawfully amended or modified from time to time, and with the covenants, conditions, and restrictions set forth in this Declaration and any such restrictions which may be placed in the deed to such Owner's Lot, if any. The Board may impose fines or other sanctions, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration, the Bylaws, or the rules and regulations shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Board of Directors, on behalf of the Association, or in a proper case, by an aggrieved Owner. Failure by the Association or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Board shall have the right to record in the appropriate land records a notice of lien, a notice of violation of the Declaration, Bylaws, rules and regulations, use restrictions, or design guidelines and to assess the cost of recording and removing such notice against the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing.

13.2 Self-Help. In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon any Lot or any other portion of the Community to abate or remove, using such force as may be reasonably necessary, any structure, thing, or condition which violates this Declaration, the Bylaws, the rules and regulations, or the use restriction. Unless an emergency situation exists, the Board shall give the violating Lot Owner ten (10) days written notice of its intent to exercise self-help. Notwithstanding the foregoing, vehicles may be towed after reasonable notice. All costs of self-help, including reasonable attorney's fees, shall be assessed against the violating Lot Owner and shall be collected as provided for herein for the collection of assessments.

13.3 Duration. The covenants and restrictions of this Declaration shall run with and bind the Property, and shall inure to the benefit of and shall be enforceable by Declarant, the Association or any Owner, their respective legal representatives, heirs, successors, and assigns perpetually to the extent provided by law. If South Carolina law limits the period during which covenants restricting lands to certain uses may run, any provision of this Declaration affected thereby shall run with and bind the land so long as permitted by such law, after which time any such provision shall be automatically extended for successive periods of ten (10) years, unless a written instrument reflecting disapproval signed by the then Owners of 2/3 of the Lots and the Declarant (if the Declarant still owns any property in the Community) is recorded within the year immediately preceding the beginning of a ten (10) year renewal period.

13.4 Amendment. This Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation, or judicial determination which shall be in conflict therewith; (b) if such amendment is necessary to enable any title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration; (c) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association, the Department of Housing and Urban Development, the Veterans Administration, or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Lots subject to this Declaration; or (d) if such amendment is necessary to enable any governmental agency or private insurance company to insure or guarantee Mortgage loans on the Lots subject to this Declaration provided that any such amendment shall not adversely affect the title to any Owner's Lot unless any such Lot Owner shall consent in writing. **Further, so long as Declarant has the right unilaterally to subject additional property to this Declaration, Declarant may unilaterally amend this Declaration for any other purpose**

provided that any such amendment shall not materially adversely affect the substantive rights of any Lot Owners hereunder, nor shall it adversely affect title to any Lot without the consent of the affected Lot Owner.

In addition to the above, this Declaration may be amended if the Declarant consents, or no longer owns any Property in the Community and no longer has the right to annex additional property, upon the affirmative vote of at least two-thirds (2/3) of the Owners in a Total Association Vote. Notwithstanding anything to the contrary-contained-herein, until such time as Declarant, in its sole discretion, elects to transfer control of the Association to the Owners, this Declaration shall not be amended without the written consent of Declarant, which consent may be withheld if Declarant deems the amendment would interfere with the Community master plan.

13.5 Partition. The Common Area shall remain undivided, and no Owner nor any other Person shall bring any action for partition or division of the whole or any part thereof without the written consent of all Owners of all portions of the property located within the Community and without the written consent of all holders of all Mortgages encumbering any portion of the property, including, but not necessarily limited to, the Lots located within the Community.

13.6 Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

13.7 Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end, the provisions of this Declaration are declared to be severable.

13.8 Captions. The captions are inserted only for convenience and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer.

13.9 Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

13.10 Indemnification. To the fullest extent allowed by applicable South Carolina law, the Association shall indemnify every officer of the Association and director of the Association against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer or director in connection with any action, suit, or other proceeding to which such officer or director may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to

indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. This indemnification shall also include attorney's fees and expenses incurred in enforcing this indemnification. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

13.11 Books and Records.

(a) **Inspection by Members and Mortgagees.** This Declaration, the Bylaws, copies of rules and use restrictions, membership register, books of account, and minutes of meetings of the members of the Board and of committees shall be made available for inspection and copying by Declarant or any member of the Association or by the duly appointed representative of any member and by holders, insurers, or guarantors of any first Mortgage at any reasonable time and for a purpose reasonably related to such Person's interest as a member or holder, insurer, or guarantor of a first Mortgage at the office of the Association or at such other reasonable place as the Board shall prescribe.

(b) **Rules for Inspection.** The Board shall establish reasonable rules with respect to: (1) notice to be given to the custodian of the records; (2) hours and days of the work when such an inspection may be made; and (3) payment of the cost of reproducing copies of documents.

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

13.12 Financial Review. A review of the books and records of the Association shall be made annually in the manner as the Board may decide provided that after having received the Board's financial statements at their annual meeting, by a majority of the Total Association Vote, the Owners may require that the accounts of the Association be audited as a common expense by a certified public accountant. Upon written request of any institutional holder of a first Mortgage and upon payment of all necessary costs, such holder shall be entitled to receive a copy of audited financial statements within ninety (90) days of the date of the request.

13.13 Notice of Sale, Lease, or Acquisition. In the event an Owner sells or leases such Owner's Lot, the Owner shall give to the Association, in writing, prior to the effective date of such sales or lease, the name of the purchaser or lessee of the Lot and such other information as the Board may reasonably require. Upon acquisition of a Lot, each new Owner shall give the Association, in writing, the name and mailing address of the Owner and such other information as the Board may reasonably require.

13.14 Agreements. Subject to the prior approval of Declarant (so long as Declarant owns any property for development or sale in the Community), all agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board shall be binding upon all Owners, their heirs, legal representatives, successors, assigns, and others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community.

13.15 Implied Rights. The Association may exercise any right or privilege given to it expressly by the Declaration, the By-Laws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

ARTICLE XIV: VARIANCES

Notwithstanding anything to the contrary contained herein, the Declarant and the Board or its designee shall be authorized to grant individual variances from any of the provisions of this Declaration, the Code, the By-Laws and any rule, regulation, or use restriction promulgated pursuant thereto if it determines that waiver of application or enforcement of the provision in a particular case would not be inconsistent with the overall scheme of development for the Community.

ARTICLE XV: LITIGATION

No judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by at least two-thirds (2/3) of the Total Association Vote. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens), (b) the imposition and collection of assessments as provided in this Declaration, (c) proceedings involving challenges to ad valorem taxation, or (d) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended during the time period when Declarant owns any property for development or sale in the Community unless such amendment is made by the Declarant.

ARTICLE XVI: CAPITALIZATION OF ASSOCIATION

Upon acquisition of record title to a Lot by the first Owner other than Declarant or a builder, a contribution of \$50.00 (the "Initiation Fee") shall be made by or on behalf of the purchaser to the Association as set forth below. The Initiation Fee shall be in addition to, not in lieu of, any annual or special assessments or other fees due under these CCRs, the Code or as required by County and other agencies as an incidence of ownership in Acadia. The Initiation Fee shall be payable at closing, shall not be prorated, and the Association shall have all rights under the Declaration for enforcement of assessments if it is not paid. The Initiation Fee referred to in this paragraph is payable only one time, and will not be charged subsequent purchasers of a Lot once paid.

EXHIBIT "A" LEGAL DESCRIPTION

ALL that certain piece, parcel or tract of land or tract of land situate, lying and being in the State of South Carolina, County of Greenville, being located on the east side of the Saluda River, the western right of way of the Southern Connector, the northern right of way of CSX Railroad and Ashmore Drive being shown and designated as 163.30 acres, more or less, or 7,113,376.95 square feet on a plat of survey entitled "ALTA/ACSM FOR ACADIA LLC" by Freeland-Clinkscates & Associates of NC, Inc. Engineers/Land Surveyors, dated March 15, 2006, recorded in the Register of Deeds Office for Greenville County, South Carolina in Plat Book 1002 Pages 21, 22 and 23, reference to which is made for metes and bounds thereof.

This being the same property conveyed to the Declarant herein by the following:

- (1) General Warranty Deed from Connector Holdings LLC dated August 30, 2005, recorded August 31, 2005 in Deed Book 2162, Page 1781, and Corrective Deed dated August 11, 2006, recorded August 16, 2006 in Deed Book 2222, Page 592;
- (2) General Warranty Deed from Connector Holdings LLC dated March 17, 2006, recorded March 20, 2006 in Deed Book 2195, Page 421;
- (3) General Warranty Deed from Saluda Link LLC dated September 1, 2005, recorded September 6, 2005 in Deed Book 2163, Page 1630, and Corrective Deed dated August 15, 2006, recorded August 16, 2006 in Deed Book 2222, Page 597;
- (4) Quit-Claim Deed from Saluda Link LLC dated September 1, 2005, recorded September 6, 2005 in Deed Book 2163, Page 1626, all being of record in the Register of Deeds Office for Greenville County, South Carolina.

EXHIBIT B

**BY-LAWS
of
ACADIA OWNERS ASSOCIATION, INC.**

ARTICLE 1: NAME, PRINCIPAL OFFICE, AND DEFINITIONS

- 1.1 Name. The name of the corporation is Acadia Owners Association, Inc. (the "Association").
- 1.2 Principal Office. The principal office of the Association shall be located in the State of South Carolina. The Association may have such other offices, either within or outside the State of South Carolina, as the Board of Directors may determine or as the affairs of the Association may require.
- 1.3 Definitions. The words used in these By-Laws shall be given their normal, commonly-understood definitions. Capitalized terms shall have the same meaning as set forth in the Declaration of Covenants, Conditions, Restrictions & Easements for Acadia filed in the Greenville County, South Carolina records maintained by the Greenville County Register of Deeds, as it may be amended (the "Declaration"), unless the context indicates otherwise.

ARTICLE 2: ASSOCIATION

- 2.1 Membership/Rights of Members. Every Owner shall be deemed to have a membership in the Association. If a Lot is owned by more than one Person, there shall be only one (1) membership per Lot, and the votes and rights of use and enjoyment shall be as provided in the Declaration and By-Laws. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a member or the member's spouse, but in no event shall more than one (1) vote be cast nor more than one (1) office held for each Lot owned.
- 2.2 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board, either within the Community or as convenient as is possible and practical.
- 2.3 Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. Subsequent regular meetings shall be held annually on a date and at a time set by the Board. The annual meeting shall be for the purpose of election of the Board of Directors and for the transaction of such other business as may be brought before the meeting.
- 2.4 Special Meetings. The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board or

upon a petition signed by members representing at least twenty percent (20%) of the Total Association Vote.

- 2.5 Notice of Meetings. Written notice stating the place, day, and time of any meeting of the members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when otherwise required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail, addressed to the member at its address as it appears on the records of the Association, with postage prepaid.

- 2.6 Waiver of Notice. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member or the member's proxy shall be deemed waiver by such member of notice of the time, date, and place thereof, unless such member or proxy specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the meeting is put to a vote.

- 2.7 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, members or their proxies holding at least fifty-one percent (51%) of the votes represented at such meeting may adjourn the meeting to a time not less than fifteen (15), nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice for reconvening the meeting shall be given to members in the manner prescribed for regular meetings.

- 2.8 Voting. The Association shall have one (1) class of voting membership, Class A. Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members and shall be entitled to rights of membership and of the use and enjoyment appurtenant to such ownership. The vote for each such Lot shall be exercised as they among themselves determine, and the Secretary of the Association shall be notified of such designation prior to any meeting, but in no event shall more than one vote be cast with respect to any such Lot. In the absence of such notification, the vote allocated to such particular Lot shall be suspended in the event more than one person or entity seeks to exercise the right to vote. Any Owner of a Lot which is leased may assign his voting right to the tenant, provided that a copy of the assignment is furnished to the Secretary of the Association prior to any meeting at which the tenant exercises the voting right. In the event the Owner is an entity, that entity shall, by written

resolution, designate the individual who shall be authorized to exercise the voting rights of that Lot and shall deliver an original or certified copy of such written resolution to the Secretary of the Association, who shall file it with the Association's books and records. Declarant may vote the number of lots remaining in its ownership.

- 2.9 Proxies. At all meetings of members, each member may vote in person (if a corporation, partnership, or trust, through any officer, director, partner, or trustee duly authorized to act on behalf of the member) or by proxy, subject to the limitations of South Carolina law. All proxies shall be in writing specifying the Lot(s) for which such proxy is given, signed by the member or its duly authorized attorney-in-fact, dated, and filed with the Secretary of the Association prior to any meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the member giving such proxy is entitled to cast, and in the event of any conflict between two (2) or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon conveyance of any Lot for which it was given, or upon receipt of notice by the Secretary of the death or judicially-declared incompetence of a member who is a natural person, or of written revocation, or eleven (11) months from the date of the proxy, unless a shorter period is specified in the proxy.

- 2.10 Quorum. Except as otherwise provided in these By-Laws or in the Declaration, the presence, in person or by proxy, of members representing twenty percent (20%) of the Total Association Vote shall constitute a quorum at all meetings of the Association. The vote of fifty-one percent (51%) of the members present and eligible to vote shall constitute a decision of the Association.

The members present at a duly organized meeting, at which a quorum is initially present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough members to leave less than a quorum.

If a quorum is not present, the meeting may be recessed by the presiding officer who shall state the date, time and place for the meeting to be rescheduled. Such verbal statement at the meeting being recessed shall be sufficient notice of the date, time and place of the rescheduled meeting.

- 2.11 Conduct of Meetings. The President, or a person appointed by the President, shall preside over all meetings of the Association, and the Secretary, or a person appointed by the Secretary, shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings.
- 2.12 Action Without a Meeting. Any action required or permitted by law to be taken at a meeting of the members may be taken without a meeting, without prior notice, and without a vote, if written consent specifically authorizing the proposed action is signed by all members entitled to vote thereon. Such consent shall be filed with the minutes of the Association and shall have the same force and effect as a vote of the members at a meeting. Within ten (10) days after receiving authorization for any action by written consent, the Secretary shall give written notice to all members summarizing the material features of the authorized action.

ARTICLE 3: BOARD OF DIRECTORS

A. Composition and Selection.

3.1 Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) equal vote. Except with respect to directors appointed by the Declarant, the directors shall be residents or eligible members; provided, however, no Owner and resident representing the same Lot may serve on the Board at the same time. No Owner or resident shall be eligible to serve as a director if any assessment for such Person's Lot is delinquent. A "resident" shall be any natural person eighteen (18) years of age or older whose principal place of residence is a Lot within the Community. In the case of a member which is not a natural person, any officer, director, partner, employee, or trust officer of such member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such member; provided, however, no member may have more than one (1) such representative on the Board at a time, except in the case of directors appointed by the Declarant.

3.2 Number of Directors. The Board shall consist of not fewer than three (3) and no more than five (5) as provided in Section 3.4 below.

3.3 Nomination and Election of Directors. Except with respect to directors appointed by the Declarant, directors shall be nominated from the floor and may also be nominated by a nominating committee, if such a committee is established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes. Each Owner may cast the entire vote assigned to his or her Lot for each position to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

3.4 Election and Term of Office.

a. The initial Board shall consist of not fewer than three (3) directors appointed by the Declarant. At all times, the Board shall consist of not fewer than three (3) and no more than five (5) directors.

b. Upon termination of the Declarant's right to appoint directors as provided in the Declaration, the number of directors shall be set at least three (3), and the Association shall hold an election at which the members shall be entitled to elect all three (3) directors, with the two (2) directors receiving the largest number of votes being elected for a term of two (2) years and one (1) director being elected for a term of one (1) year. Upon the expiration of the term of office of each initial director elected by the members, a successor shall be elected to serve a term of two (2) years, and all subsequent terms shall be for two (2) years. The directors elected by the members shall hold office until their respective successors have been elected.

c. Election by the members shall occur by written ballot.

3.5 Removal of Directors and Vacancies. Any director elected by the members may be removed, with or without cause, by members holding two-thirds (2/3) of the votes entitled to be cast for

his or her election. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the members to fill the vacancy for the remainder of the term of such director. Any director elected by the members who has three (3) or more consecutive unexcused absences from Board meetings, or who is more than thirty (30) days delinquent (or is the resident of a Lot that is delinquent or is the representative of a member who is delinquent) in the payment of any assessment or other charge due the Association, may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and the Board may appoint a successor to fill the vacancy until the next annual meeting, at which time the members shall elect a successor for the remainder of the term. In the event of death, disability, or resignation of a director elected by the members, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the members shall elect a successor for the remainder of the term. This Section shall not apply to directors appointed by the Declarant. The Declarant shall be entitled to appoint a successor to fill any vacancy on the Board resulting from the death, disability, or resignation of a director appointed by the Declarant.

B. Meetings.

- 3.6 Organizational Meetings. The first meeting of the Board following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as the Board shall fix.
- 3.7 Regular Meetings. Regular meetings of the Board may be held at such time and place as a majority of the directors shall determine, but at least one such meeting shall be held during each quarter.
- 3.8 Special Meetings. Special meetings of the Board of Directors shall be held when called by written notice signed by the President or by any two (2) directors.
- 3.9 Notice. Notice of the time and place of a regular meeting shall be communicated to directors not less than four (4) calendar days prior to the meeting. Notice of the time and place of a special meeting shall be communicated to directors not less than seventy-two (72) hours prior to the meeting. No notice need be given to any director who has signed a waiver of notice or a written consent to holding of the meeting. The notice shall specify the time and place of the meeting, and, in the case of a special meeting, the nature of any special business to be considered. Notices shall be given to each director by (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; (iv) telecopier transmission to the director's home or office, with confirmation of receipt by the receiving telecopier; or (v) email to the director's work or personal email address, with confirmation of receipt by a reply email. All such notices shall be given at the director's telephone or telecopier number or sent to the director's address or email as shown on the records of the Association. Notices sent by first class mail shall be deemed communicated when deposited into a United States mailbox. Notices given by personal delivery, telephone, or telecopier shall be deemed communicated when delivered, telephoned, or telecopied.
- 3.10 Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after

regular call and notice if (i) a quorum is present, and (ii) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

- 3.11 Telephonic Participation in Meetings. Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section shall constitute presence in person at such meeting.
- 3.12 Quorum of Board of Directors. At all meetings of the Board, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these By-Laws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not less than five (5) nor more than ten (10) days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.
- 3.13 Compensation. Directors shall not receive any compensation from the Association for acting as such unless approved by members representing at least fifty-one percent (51%) of the Total Association Vote at a regular or special meeting of the Association. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested director.
- 3.14 Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings recording all Board resolutions and all transactions and proceedings occurring at such meetings.
- 3.15 Open Meetings. Subject to the provisions of Section 3.16, all meetings of the Board shall be open to all members, but members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board, reconvene in executive session, and exclude members to discuss matters of a sensitive nature.

- 3.16 Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, filed in the minutes, and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

- 3.17 Powers. The Board of Directors shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Declaration, these By-Laws, the Articles, and as provided by law. The Board may do or cause to be done all acts and things as are not directed by the Declaration, Articles, these By-Laws, or South Carolina law to be done and exercised exclusively by the membership generally.

- 3.18 Duties. The duties of the Board shall include, without limitation:

- (a) preparing and adopting, in accordance with the Declaration, an annual budget establishing each Owner's share of the assessments;
- (b) levying and collecting such assessments from the Owners, as set forth in the Declaration;
- (c) providing for the operation, care, upkeep, and maintenance of those portions of the Community as provided in the Declaration;
- (d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;
- (e) depositing all funds received on behalf of the Association in a bank depository which it shall approve and using such funds to operate the Association; provided, however, that any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;
- (f) adopting rules and regulations governing the use of the Community, actions by Owners/Occupants and their guests, and establish penalties for the infraction thereof;
- (g) opening bank accounts on behalf of the Association and designating the signatories required;
- (h) making or contracting for the making of repairs, additions, and improvements to or alterations of the Community in accordance with the Declaration and these By-Laws;
- (i) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules of the Association and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, however, the Association shall not be obligated to take action to enforce any covenant, restriction, or rule which the Board reasonably determines is, or is likely to be construed as,

inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action;

(j) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

(k) paying the cost of all services rendered to the Association;

(l) keeping books with detailed accounts of the receipts and expenditures of the Association;

(m) making available to every Owner, and the holders, insurers, and guarantors of any Mortgage on any Lot, current copies of the Declaration, the Articles of Incorporation, the By-Laws, rules and all other books, records, and financial statements of the Association, as provided in Article 6, Section 6.5;

(n) permitting utility suppliers to use portions of the Community reasonably necessary to the ongoing development or operation of the Community;

(o) indemnifying a director, officer, or committee member, or former director, officer, or committee member of the Association to the extent such indemnity is required under South Carolina law, the Articles of Incorporation, or the Declaration.

(p) to exercise all other powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, the Declaration, as any of the same may be amended, or applicable law;

(q) to exercise any other powers necessary and proper for the governance and operation of the Association; and

(r) to have and exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Act of the State of South Carolina by law may now or hereafter have or exercise.

3.19 Management. The Board of Directors may employ for the Association a professional management agent or agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policy-making authority or the obligation to review and adopt any policy, budget or levy proposed and prepared by the manager as set forth in Sections 3.18(a), 3.18(b), 3.18(f), 3.18(g), and 3.18(i). The Association shall not be bound, either directly or indirectly, by any management contract executed during the period that the Declarant has the right to appoint and remove directors of the Association, unless such contract contains a right of termination exercisable by the Association, with or without cause and without penalty. In addition, any management contract executed by the Association shall contain a termination clause permitting termination, with or without case and without penalty, upon no more than ninety (90) days' written notice. The Board may delegate to one of its members the authority to act on behalf of the Board on all matters relating to the duties of

the managing agent or manager, if any, which might arise between meetings of the Board.

3.20 Accounts and Reports. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

- (a) cash basis accounting, as defined by generally accepted accounting principles, shall be employed;
- (b) accounting and controls should conform to generally accepted accounting principles;
- (c) cash accounts of the Association shall not be commingled with any other accounts;
- (d) no remuneration shall be accepted by a managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association;
- (e) any financial or other interest which a managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board;
- (f) commencing at the end of the quarter in which the first Lot is sold and closed, financial reports shall be prepared for the Association at least quarterly (such financial statements shall include an income statement reflecting all income and expense activity for the preceding period on a cash basis and may include such other reports as deemed necessary by the Board); and
- (g) an annual financial report shall be made available to all members within one hundred twenty (120) days after the close of the fiscal year and at each Association annual meeting. Such annual report may be prepared on an audited, reviewed, or compiled basis, as the Board determines; provided, however, that the Association shall provide an audited financial statement upon written request of any holder, guarantor, or insurer of any first Mortgage on a Lot.

3.21 Borrowing. The Association shall have the power to borrow money for any legal purpose; provided, however, if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed ten percent (10%) of the budgeted gross expenses of the Association for that fiscal year, the Board shall obtain the approval of members representing at least sixty-seven percent (67%) of the Total Association Vote allocated to Lots prior to borrowing such money.

3.22 Right to Contract. The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or neighborhood and other owners' or residents' associations, within and outside the Community; provided, however, that any

common management agreement shall require the consent of a majority of the total number of directors of the Association.

- 3.23 Enforcement. In addition to such other rights as are specifically granted under the Declaration, the Board shall have the power to impose reasonable monetary fines, which shall constitute a lien upon the Lot of the violator, and to suspend an Owner's right to vote for violation of any duty imposed under the Declaration, these By-Laws, or any Association rules. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule shall not be deemed a waiver of the right of the Board to do so thereafter.

(a) Notice. Prior to imposition of any sanction hereunder or under the Declaration, the Board or its delegate shall serve the alleged violator with written notice describing: (i) the nature of the alleged violation; (ii) the proposed sanction to be imposed; (iii) a period of not less than ten (10) days within which the alleged violator may present a written request for a hearing to the Board; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed; provided, however, that the Board may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person. In the event of a continuing violation, each day the violation continues beyond the ten (10) day period constitutes a separate offense, and fines may be imposed on a *per diem* basis without further notice to the violator. In the event of a violation which recurs within one (1) year from the date of any notice hereunder, the Board may impose a sanction without notice to the violator.

(b) Hearing. If a hearing is requested within the allotted ten (10) day period, the hearing shall be held before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) Additional Enforcement Rights. Notwithstanding anything to the contrary in this Article, the Board may elect to enforce any provision of the Declaration, these By-Laws, or the rules of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and the removal of pets that are in violation of pet rules) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or Occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred. Any entry onto a Lot for purposes of exercising this power of self-help shall not be deemed as trespass.

- 3.24 Liability and Indemnification of Declarant and the Board. The Declarant, acting in the capacity of manager of the Community prior to incorporation of the Association, and members of the Board of the Directors, shall not be liable to the Owners for any mistake

of judgment, negligence, or otherwise except for their own individual willful misconduct or as otherwise provided under South Carolina law or in the South Carolina Non-Profit Act, as amended (the "Non-Profit Act").

The Association shall indemnify and hold harmless the Declarant and each of the members of the Board of Association against all contractual liability to others arising out of contracts made by the Declarant or Board on behalf of the Community or Association unless any such contracts shall have been made contrary to the provisions of the Declaration, Articles, these By-Laws, South Carolina law, or, specifically, the Non-Profit Act. It is intended that the Declarant and members of the Board shall not have personal liability with respect to any contract made by them on behalf of the Community or the Association.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any statute, by-law, agreement, vote of members or disinterested Directors, or otherwise, both as to action in his or her stated capacity and as to action in another capacity while serving as Declarant or holding office with Declarant, or a Director, or officer, employee or agent of Declarant or the Association and shall inure to the benefit of the heirs, personal representatives, guardians, and conservators of such a person.

The Association may purchase and maintain insurance on behalf of Declarant or any person who is or was a Director, officer, employee or agent of Declarant or the Association, or is or was serving at the request of the Association or Declarant as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability.

The Association's indemnity of the Declarant or any person who is or was a Director, officer, employee or agent of Declarant or another corporation, partnership, joint venture, trust or other enterprise, shall be reduced by any amounts such person may collect as indemnification (a) under any policy of insurance purchased and maintained on his or her behalf of the Association, or (b) from such other corporation, partnership, joint venture, trust or other enterprise.

Nothing contained in this Article, or elsewhere in these By-Laws, shall operate to indemnify the Declarant or any Director, officer, employee or agent of Declarant or the Association if such indemnification is for any reason contrary to any applicable state or federal law.

ARTICLE 4: OFFICERS

- 4.1 Officers. The officers of the Association shall be a President, Secretary, and Treasurer. The President and Secretary shall be elected from among the members of the Board; other officers may, but need not, be members of the Board. The Board may appoint such other officers, including one (1) or more Assistant Secretaries and one (1) or more Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

- 4.2 Election and Term of Office. The Board shall elect the officers of the Association at the first meeting of the Board following each annual meeting of the members, to serve until their successors are elected.
- 4.3 Removal and Vacancies. The Board may remove any officer whenever in its judgment the best interests of the Association will be served and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise for the unexpired portion of the term.
- 4.4 Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association and the Chairperson of the Board. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both. The Secretary shall keep the minutes of all meetings of the Association and Board of Directors and have charge of such books and papers as the Board of Directors may direct.
- 4.5 Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.
- 4.6 Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by Board resolution.
- 4.7 Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors under Article 3, Section 3.13.

ARTICLE 5: COMMITTEES

The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

ARTICLE 6: MISCELLANEOUS

- 6.1 Application. These By-Laws shall apply automatically to all Owners, tenants of such Owners, agents and employees of Owners and tenants, and any other Persons who use the Community, or any part thereof.
- 6.2 Fiscal Year. The fiscal year of the Association shall be the calendar year unless the Board establishes a different fiscal year by resolution.
- 6.3 Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order Newly Revised (current edition) shall govern the conduct of Association proceedings when not in conflict with South Carolina law, the Articles of Incorporation, the Declaration, or these By-Laws.

- 6.4 Conflicts. If there are conflicts between the provisions of South Carolina law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of South Carolina law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.
- 6.5 Books and Records.
- (a) Inspection by Members and Mortgagees. The Declaration, these Bylaws, copies of rules and use restrictions, membership register, books of account, and minutes of meetings of the members of the Board and of committees shall be made available for inspection and copying by Declarant or any member of the Association or by the duly appointed representative of any member and by holders, insurers, or guarantors of any first Mortgage at any reasonable time and for a purpose reasonably related to such Person's interest as a member or holder, insurer, or guarantor of a first Mortgage at the office of the Association or at such other reasonable place as the Board shall prescribe.
 - (b) Rules for Inspection. The Board shall establish reasonable rules with respect to: (1) notice to be given to the custodian of the records; (2) hours and days of the work when such an inspection may be made; and (3) payment of the cost of reproducing copies of documents.
 - (c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extra copies of documents at the reasonable expense of the Association.
- 6.6 Notices. Except as otherwise provided in the Declaration or these By-Laws, all notices, demands, bills, statements, and other communications under the Declaration or these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:
- (a) if to a member, at the address which the member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such member; or
 - (b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, or at such other address as shall be designated by notice in writing to the members pursuant to this Section.
- 6.7 Amendment.
- (a) By Declarant. For so long as the Declarant has the right to appoint and remove directors of the Association as provided in the Declaration, the Declarant may unilaterally amend these By-Laws for any purpose. Thereafter, the Declarant may unilaterally amend these By-Laws at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on

the Lots; (iii) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of Mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure, or guarantee Mortgage loans on the Lots; or (iv) to satisfy the requirements of any local, state, or federal governmental agency. However, any such amendment shall not adversely affect the title to any Lot unless the Owner shall consent in writing.

- (b) By Members. Except as provided above, these By-Laws or the Association's Articles of Incorporation may be amended only by the affirmative vote or written consent, or any combination thereof, of members holding at least three-fourths (3/4) of the Total Association Vote and, for so long as the Declarant owns a Lot or has the right to appoint a majority of the directors of the Association, the consent of the Declarant. If a meeting is called for the purpose of considering a proposed amendment hereunder, such meeting shall be called in accordance with these By-Laws. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.
- (c) Validity and Effective Date. Any amendment to these By-Laws shall become effective upon recordation in the Greenville County, South Carolina Register of Deeds Office, unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six (6) months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws.

No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant for so long as the Declarant owns any portion of the Community.

If a member consents to any amendment to the Declaration or these By-Laws, it will be conclusively presumed that such member has the authority to consent and no contrary provision in any Mortgage or contract between the member and a third party will affect the validity of such amendment.

ARTICLE 7: FORMS OF PROXY AND WAIVER

- 7.1 Forms of Proxy. The following form of proxy shall be deemed sufficient, but any other form may be used which is sufficient at law:

Acadia Owners Association, Inc

Know all men by these presents that the undersigned member of Acadia Owners Association, Inc. (the "Association") hereby constitutes and appoints _____ the attorney-in-fact and proxy of the undersigned to annual and special meetings of the members of the Association, at which the undersigned is not present, until the Secretary of the Association receives from the undersigned a letter or other written notice revoking this proxy and for and on behalf of the undersigned to vote as the undersigned would be entitled to vote if personally present, hereby ratifying and confirming that said attorney-in-fact and proxy shall do in the premises, and giving and granting unto said attorney-in-

fact and proxy full power of substitution and revocation for a period of one year from the date hereof.

Dated: _____

Member

Witness:

- 7.2 Form of Waiver of Notice. The following form of waiver of notice shall be deemed sufficient, but any other form may be used which is sufficient at law:

Acadia Owners Association, Inc.

We, the undersigned (Board or Association Members) of Acadia Owners Association, Inc., do hereby severally waive notice of the time, place, and purpose of (the annual or special) meeting of the (Board or Association Member) of the said Association, and consent that the same be held at _____, on the day of _____, 200____, at _____ o'clock ____ .m., and do further consent to the transaction of any and all business of any nature that may come before the meeting.

Dated: _____

EXHIBIT C



ACADIA CODE

**Design Guidelines
for
Balanced Development**

ACADIA CODE

Design Guidelines for Balanced Development

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ACADIA CODE

Design Guidelines for Balanced Development

INTRODUCTION

Acadia aspires to be an inviting, pedestrian-friendly community of interesting and timelessly appealing streets, civic spaces, amenities and homes. This Acadia Code ("Code") offers design guidelines to supplement the Declaration of Covenants, Conditions & Restrictions for Acadia ("CCRs" or "Declaration"). This Code is intended to allow for a broad range of distinctive home styles, giving homeowners the opportunity to create their own unique, personalized interiors, yards and gardens. Architecture and landscape should harmonize. Achieving balance is the overall development goal for Acadia. Lasting quality and enduring designs appropriate to Acadia's natural setting are themes that form the basis from which all buildings should evolve. Many interpretations of this character are expected and encouraged. As the architectural character of the community evolves, what should be evident in all designs is a respect for the natural and community environment.

The architecture of custom homes at Acadia should evoke the qualities of authenticity, proportionality, craftsmanship, sustainability, and aspire to be environmentally sensitive in design. Natural materials of texture, good quality doors & windows, roof forms of character, balanced and proportional architectural massing, colors of historical and community appropriateness, significant use of stone and wood, moderate use of brick and cement sidings, no vinyl siding, generally no front-loading garages, no cookie-cutter home designs, minimal lawns, minimal landscape disturbance... these are some of the primary design elements expected for Acadian homes.

The Acadia Code has been created to implement this philosophy of balance, particularly addressing architectural design and site planning in order to provide direction to Owners for the design of their dwellings, and to ensure enduring quality and value within the unique environment and community of Acadia. It is not intended to create look-alike dwellings or suggest that all homes have identical colors and materials, but to create a harmonious architectural approach that is sympathetic to and in balance with our incredible natural setting along the Saluda River. This Code is a tool for everyone aspiring to help protect, preserve and enhance a special environment, and a resource to help create over time a legacy of balance and sustainability in design and community development.

To help protect property values and assist in the design process, Acadia has established an Architectural Review Committee (ARC) with its Design Review Process, providing each Owner the opportunity to draw upon the expertise and knowledge acquired during the planning and development of Acadia. Since balanced development of Acadia is of primary concern, the ARC follows a five-step process, summarized here:

1. **The Pre-Design Conference**, during which each homesite Owner, along with his/her Architect and/or Builder, may review their ideas and the natural aspects of the homesite with a representative of the ARC before any plans are prepared. This meeting takes place at the homesite.

2. The **Preliminary Submittal**, at which time the ARC will review Owner's conceptual plans and topographical site plan of lot, showing accurate location of all specimen trees and proposed footprint of the home and any accessory buildings or structures. This is intended to ensure conformance with these Design Guidelines and the CCRs before the Owner finalizes his/her design.
3. The **Final Submittal**, at which time the ARC will review final construction documents to confirm that they are consistent with the previously approved preliminary plans. An application can only be submitted to Greenville County for a building permit after this step is approved by the ARC.
4. The **Pre-Construction Conference**, at which the Homeowner and Builder will review the Construction Regulations with an ARC representative to ensure understanding of, and future compliance with, these regulations. No construction may commence until all fees are paid. In order to assure plan compliance, ARC's approved surveyors shall stake out the homesite location before any batter boards may go up.
5. The **Final Inspection** by an ARC representative, to determine whether actual construction has been completed in strict compliance with the approved plans and Design Guidelines.

This Design Review Process provides important checkpoints throughout design and development, so that time and money are not wasted on plans and designs which do not adhere to the Acadia Code, the CCRs, or the overall principles of Acadia, or which may be inappropriate or of improper configuration for their specific homesite setting.

Many styles and plans appropriate to Acadia are specially developed or selected for the Acadia Cottage, Manor & Estate Pattern Books. These are available at the Acadia Design Centre (148 River St., Suite 150, Greenville, SC 29601) to assist a homeowner select a design that fits in Acadia and meets with ARC approval. An Owner is not required to choose from these plans, nor to retain a licensed architect or designer to plan their custom home. This is strongly encouraged though, because a thorough analysis and understanding of a particular homesite is required. Architects and qualified designers can plan to an Owner's special needs and living patterns, and can usually communicate effectively to the ARC a proposed residence or improvement.

The ARC specifically reserves the right to make subjective, as well as objective, determinations of whether the Acadia Code has been met by a particular plan. The Design Review Process is intended to operate as a precondition to obtaining from Greenville County a building permit. The Acadia Design Review Process is independent of Greenville County's, and is solely intended to enforce Acadia's design guidelines. Each homesite Owner bears the responsibility for the proposed dwelling's adherence to Acadia's design guidelines, and bears the additional responsibility for the proposed structure's adherence to all applicable county zoning and building codes. The Code and the CCRs apply to all residential speculative and custom-home construction projects at Acadia, and shall guide but not control utility or commercial structures, club amenities, other facilities or residences built by the Declarant.

I. PLANNING GUIDELINES

It is the intent of the following guidelines to ensure environmentally sound and aesthetically pleasing development at Acadia, for the mutual benefit and enjoyment of all its residents.

1. Community Concept

Acadia's site plan has been developed to encourage true southern living and neighborliness, with pedestrian-friendly paths and areas of interest, with places of serenity as well as for community & civic activity. Guided by principles of new urbanism, in particular those evolved for traditional neighborhood developments ("TNDs"), Acadia's community concept is influenced by what would be understood as "southern" in terms of style, historical reference and in architectural vernacular. Also, Acadia's style and designs draw much from the Arts & Crafts movement begun in England in the 1880s and the subsequent American Craftsman Movement. Acadia seeks the timeless feel that small towns and rural communities in the Upstate had before car-dominated suburban life changed our relationship to town, country and each other. By no means, though, is Acadia a throw back to simpler times. Rather, Acadia is thoughtfully planned to incorporate all the amenities and infrastructure our modern lifestyles require. Acadia aspires to find the balance between man's need for comfort and efficiency, and Mother Nature's gift of this beautiful setting.

Acadia is planned in 5 phases, small neighborhoods of 100 or so homes and other dwelling units on 300 acres of varied, beautiful land along the Saluda River in Greenville County, South Carolina. These neighborhoods are the Village at Acadia (phase 1), Saluda Run (phase 2), the Gardens (phase 3), the Sanctuary (phase 4) and Beaver Creek (phase 5). The Master Site Plan ("Master Plan") is on file with the ARC and available at the Acadia Design Centre. It indicates roads & trails, river front amenities, lot boundaries, sites reserved for parks, green spaces & open spaces, as well as civic buildings and other mixed uses such as village shops. The Master Plan is subject to change as Acadia develops and grows.

2. Roads & Trails

Acadia's roads & trails are designed to be safe, low-speed and pedestrian-friendly. While the main roads are designed to Greenville County road standards and for its maintenance system, the network of private streets, gates and alleys are designed for the convenience and privacy of residents. The concept of "meeting the public on our streets" is balanced with "meeting your neighbors on the private ways." Sidewalks follow some streets, but a network of primary and secondary trails & paths offer the pedestrian alternate routes to areas of interest and activity throughout the 300-acre site. The trails lead you to the "outdoor rooms" of Acadia, those natural settings best approached not by car, but on foot, bike or canoe. Benches, picnic tables, resting areas and other points of interest become the furniture and art for these outdoor rooms.

3. Lot & Housing Concepts

Acadia's small neighborhoods afford a variety of lots and housing styles, hopefully something for everyone. Mixed-use buildings, such as those planned for the Village at Acadia, bring shops, offices and dwellings together in condominiums and townhomes, creating a sense of urban density and activity, without sacrificing our rural village scale.

Gatehouses, similar in design to single-shot houses in Charleston and Savannah, have a unique style distinctly Arts & Crafts. Acadia's single-family lots are categorized as Cottage, Manor and Estate lots. This reflects their general size, but since no two lots in Acadia are exactly the same, the classification is more about where the lot is located in Acadia. Each is unique, and with the goal that no two homes look the same, Acadia's lot restrictions on building do not apply equally to all lots. Though guided by the Code, the ARC retains discretion to grant variances to fit each case.

Homes and related structures shall be styles of American and European influence: Arts & Crafts, American Craftsman, Shingle, Cape Cod, Adirondack, Charleston & Savannah Single House, low country & Louisiana river homes, Southern Traditional, Georgian, Williamsburg, English & French Country, French Provincial, Italian Tuscan, Spanish Mediterranean, and English Tudor and French Normand. Modern and contemporary styles are not generally consistent with the vernaculars to be built in Acadia. Pattern books containing various suggested house plans are available for viewing at the Acadia Design Centre. All house plans must be pre-approved in writing by the ARC.

4. Neighborhood Standards

A. The Building Envelope & Set Backs

The "building envelope" concept is a major component of site planning for individual homesites. The building envelope is that portion of each homesite within which all improvements, including structures, decks, walks, landscape improvements, grading, privacy fencing, and all mechanical equipment are to be located, and is the only area of the homesite where alterations of, or disturbance to, the natural landscape (other than supplemental planting of approved native vegetation) may occur. The specific building envelope for each homesite is determined with each owner by the ARC at the time of the preliminary plan submittal, but no later than the Final Submittal. It is designed to protect and preserve the natural landscape features of the homesite. The ARC may approve limited encroachment outside of the prescribed building envelope where unique terrain, vegetation constraints, or restrictive lot width may warrant.

(a) No home shall be located and built upon any Lot closer to the front property line, closer to the rear property line and closer to the side property lines than those setback measurements shown below or as may be determined by the Declarant or the ARC prior to construction. The area included within these setback lines shall include the area for the building envelope, but no building shall be erected inside the building envelope unless its site placement and design are first approved by the ARC. All enclosed areas of the residence must be contained within the buildable envelope, which must include all eaves, overhangs or gutters and foundations, none of which may extend beyond the building envelope unless a variance is approved by the ARC for good cause shown.

(b) No building shall be erected or maintained so as to encroach upon any maintenance, utility or drainage easement.

(c) The ARC, it is sole discretion, may vary any or all of the front, rear, and/or side setback lines by not more than twenty-five (25%) percent of the distance required herein, and may vary limitations on building square footage by not more than ten (10%) percent

increase or twenty-five (25%) percent decrease of the square footages required herein; provided, however, that so long as Declarant owns any property in the Community, Declarant shall have the right to vary such setback lines and square footage requirements by any amount, in its sole discretion, whether or not the lots are conveyed or platted. After Declarant retires from the ARC, any variance by the ARC in excess of the variances set forth above must be approved by the Owners of lots in the same neighborhood of Acadia holding not less than a majority of the voting membership.

(d) The setbacks differ depending on each neighborhood area inside the Community, and some lots may have unique setbacks, such as corner lots, established by the Declarant and as indicated on each lot plat conveyed by Declarant. Setbacks are set forth in the following chart, as follows:

Lot Number: front-yard / left side / right side / rear-yard

(*) denotes lot with setbacks subject to variance to adjust for unique features

1*	20' / 10' / 5' / 20'	(5' off easement)
2*	20' / 5' / 10' / 20'	(5' off easement)
3	20' / 10' / 10' / 20'	(5' off easement)
4	20' / 10' / 10' / 20'	(5' off easement)
5*	12' / 10' / 6' / 10'	
6	15' / 10' / 10' / 20'	(10' off easement)
7	15' / 10' / 10' / 20'	(10' off easement)
8*	12' / 6' / 10' / 5'	
9	12' / 10' / 10' / 5'	
10	12' / 10' / 10' / 5'	
11*	12' / 10' / 6' / 5'	
12	15' / 10' / 10' / 30'	(10' off easement)
13	15' / 10' / 10' / 30'	(10' off easement)
14	15' / 10' / 10' / 30'	(10' off easement)
15*	12' / 10' / 6' / 10'	
16	20' / 10' / 5' / 20'	(5' off easement)
17	20' / 5' / 10' / 30'	(5' off easement)
18	20' / 12' / 12' / 30'	
19	20' / 12' / 12' / 30'	
20	20' / 12' / 12' / 30'	
201*	20' / 10' / 12' / 25'	(10' off easements)
21	20' / 12' / 12' / 15'	(10' off easements)
22	20' / 12' / 12' / 15'	(10' off easements)
23	10' / 8' / 3' / 5'	
24	10' / 8' / 3' / 5'	

Lot Number: front-yard / left side / right side / rear-yard

(*) denotes lot with setbacks subject to variance to adjust for unique features

25*	10' / 8' / 3' / 5'
26	5' / 3' / 10' / 5'

27*	5' / 3' / 5' / 5'	
28*	5' / 8' / 3' / 5'	
213*	5' / 8' / 3' / 5'	
214*	5' / 8' / 3' / 5'	
29	5' / 8' / 5' / 3'	
30	5' / 8' / 3' / 3'	(2' off easement)
31	5' / 10' / 5' / 3'	(2' off easement)
32	20' / 8' / 3' / 3'	
33	20' / 8' / 3' / 3'	
34	20' / 8' / 3' / 3'	
35*	5' / 6' / 8' / 6'	(1' off easement)
36	5' / 3' / 8' / 3'	
37	5' / 3' / 8' / 3'	
38	5' / 3' / 8' / 3'	
39	5' / 3' / 8' / 3'	
40*	5' / 8' / 6' / 3'	
41	20' / 10' / 10' / 20'	(5' off easement)
42	20' / 10' / 10' / 20'	(5' off easement)
43	20' / 10' / 10' / 20'	(5' off easement)
44	20' / 10' / 15' / 20'	(5' off easement)
45	10' / 15' / 10' / 20'	(5' off easement)
46	10' / 8' / 8' / 20'	(5' off easement)
47	10' / 12' / 10' / 20'	(5' off easement)
48	10' / 12' / 10' / 5'	(5' off easement)
50	10' / 10' / 10' / 5'	(5' off easement)
51	10' / 10' / 15' / 20'	
52*	15' / 5' / 25' / 5'	(5' off easement)
53*	townhome option	
54*	townhome option	
55*	townhome option	
212-A*	townhome option	
56*	15' / 10' / 10' / 5'	(2' off easement)
57	15' / 10' / 10' / 5'	(2' off easement)
58	15' / 10' / 10' / 5'	

(2) Within the Saluda Run (Phase 2), the Gardens (Phase 3), the Sanctuary (Phase 4), and Beaver Creek (Phase 5) neighborhoods, the setbacks generally for Cottage lots are 5' to 12' for front-yards, side-yards and rear-yards; Manor lots are generally 10' to 15' for front-yards, side-yards and rear-yards; and Estate lots are generally 20' to 30' for front-yards, side-yards and rear-yards, all as more specifically set forth by the Declarant in the lot plats and subsequent amendments to the Acadia Code and this Declaration.

B. Site Work

Owner's conceptual plans are to be submitted to the ARC along with a topographical site plan of the lot that shows: (a) surveyed location of all trees over 12" caliper ("specimen trees"), (b) the proposed footprint of the home and any accessory buildings or structures, located to avoid

disturbing specimen trees (the ARC may selectively grant variances for construction disturbance to specimen trees), (c) delineation of tree protection fencing, silt fencing and other best management practices required to control erosion and runoff from construction area, (d) temporary and permanent drainage features to control and avoid runoff and erosion impacts on other lots and common areas, (e) and such other information as required by the Code or the ARC. The first two items above, (a) & (b), must be included on the site plan with the Preliminary Submittal, and the other items may be added on the site plan for the Final Submittal.

ARC's approved surveyors shall stake out the homesite location, at homeowner's expense, before any batter boards may go up, to certify that all setbacks are correct and building envelope and placement of structures are as planned and approved by ARC.

No excessive excavation or fill will be permitted on any homesite except where specifically allowed by the ARC due to terrain considerations. Every attempt should be made to balance earthwork with minimal use of retaining walls and engineered building pads. No clear cutting of vegetation on any lot will be permitted; however, it is understood that some selective pruning or removal of trees and shrubs will be necessary for the development of every homesite. The ARC must first approve any cutting of trees greater than 8-inch caliper (measured 4' above ground) or clearing of vegetation. Great care must be taken in designing the site improvements around the existing trees and vegetation so the root system remains intact and that its supply of water is maintained. Removal of trees and vegetation without ARC approval will warrant a penalty fine of \$2,000, which may be assessed as a lien on the property.

C. Grading and Drainage

Site grading and drainage must be in accordance with the approved master plan for Acadia. Site grading and drainage must occur with minimum disruption to the homesite, without altering natural drainage patterns as runoff leaves the homesite, and without creating conditions that could lead to unnecessary soil erosion or adversely impact or cast waters upon neighboring lots or common areas. In some cases, the ARC may allow the re-routing of a portion of a drainage-way within the Building Envelope. This will be considered on a case-by-case basis, but it should not be assumed that it would be allowed in all cases. Drainage easements established by plat are not subject to relocation without approval by Greenville County. Reasons for denial of moving a drainage-way may also include the possible loss of vegetation, the visual quality of the drainage-way, or for civil engineering purposes. Surface drainage upon and across any homesite must be addressed through the implementation of sound construction and best management grading practices. Any improvement is prohibited which creates an obstruction to surface flows resulting in a back-up of storm waters onto a neighboring homesite or common area.

Ground floor habitable levels should be built at a vertical elevation at least 4' above the FEMA established Base Flood Elevation of 787' in the community, and such that the final placement of backfill, walks, drives and porches will produce positive drainage away from the structure in all directions. The inclusion of foundation waterproofing and a perforated pipe foundation drainage system are recommended along uphill and sidehill foundation walls on hillside homesites.

Residential designs for sloping homesites with a variation of natural grade elevation in excess of 4' across the footprint of the proposed structure must incorporate slope considerations into the design solution, so that the proposed structure steps up or down with the natural slope. Artificial terracing of sloped sites to create an engineered pad to accommodate a "flat homesite design" will not be allowed. During construction, measures must be taken to eliminate erosion. When cuts and fills are required, the slopes must be at least 3-to-1 to allow for natural vegetation. Anything steeper than that will require an approved retaining wall or plant material acceptable to the ARC. The following outlines the required, in-the-field construction methods that must be performed by the contractor.

- Temporary run-off channels must be built to drain construction zones. Drainage channels must have silt screens installed at appropriate locations; silt screens should be stretched across and anchored to the bottom of the channels; temporary earthen berms or ditches for channeling may be used in lieu of silt screens.
- All storm drain inlet structures must be protected by filter fabric until the area is stabilized with vegetation and the base course of pavement is installed.
- All embankments constructed as part of cut/fill operations will be seeded and mulched within one week of final grading completion.
- All building site areas must be revegetated and grassed pursuant to the landscape plan approved by ARC, and mulched within one week of final grading completion.

D. Access Drives

Each homesite served by rear or side private alleys must be accessed by a single driveway or shared drive from the alley. Each homesite not served by rear or side alleys must be accessed by a single driveway or shared drive as outlined herein. No circular drives are allowed except on certain lots designated by the ARC. Access drives shall be located to preserve and avoid important natural features, such as large or significant plant materials, drainage-ways, and rock outcroppings, and to minimize disruption of the existing landscape. Drives proposed to run inside of any setback, especially side-yards, must be adequately screened or buffered, and in no event shall come within 3' of a neighboring property line, unless it's a shared drive, without an ARC variance.

Except in the case of shared driveways which may be up to 16' in paved width, the graded or paved surface of an access drive shall not exceed 12' in width where it crosses the road right-of-way, and shall continue with no more than 12' width to the edge of street paving. Driveway surfaces are the only improvement allowed outside the building envelope, with the exception of underground utilities servicing the homesite. The proposed driving surface of any driveway is subject to approval by the ARC. Driveways are required to be made from concrete, exposed aggregate concrete, stone, brick or concrete pavers, or other suitable material such as asphalt. Dirt, gravel, grassed or other pervious surface driveways are excluded unless approved by the ARC for aesthetic reasons that do not conflict with the soil erosion problems such driveways can create. Pigmented concrete driveways are encouraged, but pigment color must be approved first by ARC. On lots that have driveway access on roads or alleys without concrete curbing, a concrete culvert pipe with a diameter of 15" or as required by the ARC shall be installed where necessary beneath each driveway between the road shoulder and the property line. In some cases a 15" pipe may be too large to install due to site conditions. If this is the case, the ARC will consider an alternative. The invert flowline of the pipe shall be aligned and

sloped so that ditch/drainage-way storm flows will continue smoothly and unimpeded beneath the driveway crossing. The exposed ends of the pipe shall be aesthetically finished with stone headwalls. Stone headwalls constructed of the stone type specified by the ARC must be laid according to the Acadia standard. Driveway crossings from public streets shall incorporate a collar band of texture, material and width as approved by ARC for each neighborhood in order to add a distinct demarcation of public space and private entrance. Several lots may include a shared driveway system if approved by the ARC.

E. On-Site Parking

No on-street parking will be permitted at Acadia for homeowners, excepting loading and unloading. All vehicles owned by homeowners shall display the Acadia parking decal. Any vehicle parked in a restricted area is subject to immediate towing at owner's expense.

Each single-family homesite must have an area for parking at least two automobiles within the building envelope. Manor lots must also include on-site at least one guest parking space. Estate lots must provide two guest parking spaces. The ARC may grant a variance of this requirement. Cottage lots may provide parking for one guest automobile within the building envelope, or meet this requirement through adjacent on-street parking. Motorcycles or other motorized sport crafts such as ATVs, must be stored or parked within an enclosed garage so as to be completely hidden from view.

Homeowners and their guests with buses, motor homes, campers, boats, trailers, trucks larger than SUVs or any other large motorized vehicle other than a conventional automobile (generally, "oversized vehicles"), must store or park oversized vehicles within an enclosed garage or covered area of size permitted by the Code, so as to be completely hidden from view. Oversized vehicles are typically too large for standard size garages, so other storage will be required. Oversized vehicles are not permitted to be stored on homesites served by rear alleys due to the constraints such oversized vehicles impose on other homeowners and essential services needing to use the alleys. The Acadia Stables is an onsite storage facility to be available for rent by homeowners for oversized vehicles. Parking of a resident's or guest's motor home or other over-sized vehicle is prohibited anywhere within Acadia at all times except at the Stables, and there as space permits.

F. Utilities

Utility services are typically stubbed to either the front or rear property line of each homesite. For utilities which may be available, such as sewer, gas, electricity, telecom, fiber optic, security, satellite and cable television, service locations are clustered (usually with those of one adjacent homesite) in utility easements located throughout Acadia. The extension of services from these stub locations to each residence shall be the responsibility of each Owner, and shall be routed to minimize disruption to the natural landscape. Utility trenches may not encroach into any required setback except where they cross the natural area of the homesite between the service tap and the building envelope. In most cases, this should be done where the driveway enters the property. All utility readouts shall be located in an easily accessible location on an exterior building wall or other location approved by the ARC, but shall be screened to prevent direct view from the streets, alley or adjacent lots.

All disturbed areas of the site must be restored to their natural condition as nearly as possible. Information regarding connection procedures may be obtained by contacting the sales center at Acadia or the respective utility companies. Natural gas service will be available in Phases 1 & 2, but may not be available in all other areas of Acadia. If an Owner chooses to utilize propane-fired heating or appliances, the fuel storage tank must be buried in a location approved by the ARC within the building envelope, clear of all setbacks, while satisfying all code-related clearances mandated by Greenville County's building standards.

Each home which is intended to be connected to any technology utilities provided by Acadia's approved telecommunications carrier or public service provider, including telephone, cable television, telecommunication, security and other systems for sending and receiving data and/or electronic signals, must meet or exceed the minimum residential wiring system standards established for Acadia and on file with the ARC.

G. Outdoor Storage

Outdoor areas housing trash containers, firewood storage, maintenance or service equipment such as mowers and overflow storage shall be screened from all adjacent properties by a wall or fence. These areas must be contained within the building envelope. Firewood may be stored in an unscreened area provided it is neatly stacked in an inconspicuous location; if it is covered, only clear plastic sheeting is allowed. Garden sheds and other accessory buildings, if unscreened, must be approved by the ARC for architectural appropriateness and placement.

H. Mechanical Equipment & Meters

No roof mounted or wall mounted mechanical equipment will be permitted without ARC approval. Any exterior mechanical equipment utilized must be ground mounted adjacent to the residence, and hidden from view by walls of sufficient height to fully screen it and all electrical junction boxes. The equipment and enclosure must be contained within the building envelope. Equipment must be placed with consideration to the adjacent homesite so as to minimize noise intrusion on the outdoor living spaces. All electrical meters, gas meters and irrigation meters must be screened from the street, alley and adjacent homesites with a wall of sufficient height. Contact the electric company for requirements concerning placement of the screen wall. Landscaping may be considered as a method of screening on manor or estate lots, and with ARC approval on cottage lots.

I. Storage Tanks, Antennae & Satellite Dishes

All fuel tanks, water tanks or similar storage facilities must be first approved by the ARC, then shielded from view and installed underground. Gasoline or diesel storage is not permitted except in 5-gallon or less containers kept in the home or accessory building. No satellite dishes, television or radio aerials or antennas may be installed that are not fully screened from the road, adjacent homesites or public common areas. No homesite satellite dish may be installed that is larger than 18" in diameter. Removal of trees to improve reception is prohibited except by ARC approval. Umbrella covers over satellite dishes are prohibited.

J. Signage & Address Identification

All address identification and mailbox designs will be generally established for each neighborhood area in Acadia. A detail of the standard address identification numerals and colors applicable to each homesite in each neighborhood will be supplied during the pre-design conference. Conforming identification will then need to be installed at the homesite at the Owner's expense according to specifications and locations set forth in the detail. No additional signage of any kind will be permitted. Signs identifying the Lot, builder, owner, architect and other information approved by ARC will be of standard design and color, supplied at Final Submittal. The cost for such signage is \$125, due at Final Submittal. Real estate sale or lease signs are prohibited except as approved by the Declarant or ARC. This limitation includes, but is not limited to, political signs, yard sale signs, party or special event signs. Additionally, no driveway reflector markers may be installed.

K. Lighting

Low level uniform street lighting will be employed throughout the community. In order to maintain a dark sky, no additional lighting by an Owner may occur outside of the building envelope, including tree or house uplighting. Additional site lighting is permitted within a building envelope, provided such lighting does not result in excessive glare toward the street or neighboring properties. All exterior lighting must be of a low level subdued intensity with the source of light fully shielded and directed downward, and is subject to approval by the ARC. Security lighting must also comply with the shielding requirement and can only be installed if it is connected to a timed or motion detector.

L. Swimming Pools, Spas or Hot Tubs

Swimming pools, spas or hot tubs, are not permitted except with ARC approval. Most lots are not conducive to pools. If any are approved, they must be designed as a visual extension of the residence through the use of walls or decks and must be shielded from view. All pools and spas must be constructed according to Greenville County regulations. All pumps, motors, and heaters must be fully screened from view from the street, adjacent homesites, or public common areas.

M. Tennis, Sport Courts & Basketball Goals

Due to the extensive clearing required by tennis courts and other sport courts, such courts will not be permitted except as and where approved by the ARC on a case-by-case basis. Wall-mounted or freestanding basketball goals are permitted on a Lot, and support posts of a freestanding basketball goal shall be painted to blend unobtrusively with its visual backdrop surrounding. Portable basketball hoops must be stored in the garage when not in use.

N. Play Structures

Play structures, trampolines, swing sets, slides or other such play structures are considered accessory structures subject to ARC approval. Approval for such equipment may be granted if placed within fenced rear-yard areas, constructed and finished with materials which are complementary to the structure, limited in height to eight (8') feet or less, and if the colors of the equipment are not primary and overly vibrant. Generally, timber or dark-colored, powder

coated steel structural components are allowed. Generally, plastic and/or brightly colored finish materials are not allowed.

O. Homesite Restrictions

No more than one dwelling residence may be constructed on any lot. Two lots may not be combined to form a larger lot. Other outbuildings such as carriage houses or detached garages with living space incorporated therein may be constructed, provided they are a visual extension of the main residence. Such “complexes” are subject to approval by the ARC. The rental of such ancillary dwelling to other than a relative of the Owner constitutes a secondary dwelling residence and is subject to ARC approval, and only then if additional adequate parking is available within the building envelope of the Lot.

II. ARCHITECTURAL DESIGN STANDARDS

1. Building Size

One of the main goals of all Owners and their Architects, Designers & Builders should be to create the highest-quality home within the smallest possible volume consistent with the satisfaction of the Owner’s need for space. Minimum and maximum sizes are imposed to assure a proper balance of surrounding typology and open space within Acadia.

On designated single-family estate, manor and cottage lots, indicated on the Acadia site plan, the minimum dwelling size for estate lots is 3000 square feet of enclosed heated space, with a maximum of 6000 square feet; the minimum on all manor lots is 2,000 square feet, with a maximum of 4000 square feet; and for all cottage lots the minimum is 1600 square feet, with a maximum of 2800 square feet of enclosed heated space.

“Guest houses” are permitted under Acadia’s zoning, but applicants submitting plans for large residences may be required to reduce the massing of their project by separating the area into two or more separate building masses. For example, a separate garage mass attached to the main building mass by a covered walkway might incorporate some living area above it. Similarly, a covered walkway might connect a main residence mass with an attached ground-level guest suite or carriage house. Guest houses, carriage houses, garden houses and detached garages are limited to a footprint 750 sq. feet for cottage lots, 900 sq. ft. for manor lots, and 1100 sq. ft. for estate lots, and all are subject to approval by ARC.

2. Prefabricated Buildings

No building that is constructed off-site and requires transportation to any homesite will be permitted. This includes mobile homes, stock modular buildings, or any other structure requiring transportation and set up in a partially completed state. However, structures that are assembled off-site and shipped as panelized systems, or are completely disassembled for transportation, may be permitted. The aesthetic merits and transportation challenges within Acadia of any such structures are subject to review and approval by the ARC.

3. Height & Massing of Structures

Allowable heights are limited by Greenville County ordinances and the Acadia Code. While building height restrictions may help protect views, this is not their primary purpose. The appearance of the Community after full development is the overriding concern. In addition to the height restrictions listed below, homesites that are situated at the intersection of two roads must have one-story elements adjacent to at least one street except as specifically approved by the ARC.

Generally, all other homesites can have no portion of a structure (except for chimney elements) exceeding a true vertical height of 36 feet above original natural grade directly below the point of measurement. On steeper homesites where the average slope across the footprint of the proposed structure exceeds 15%, the ARC may allow additional height for a limited unobtrusive ridge protection at its downslope terminus. Such relief will be considered on a case-by-case basis, and may not be construed as a blanket waiver for sloping homesites in general. It is the intent of the Code that roof forms for homes on sloping sites step down with the grade to integrate with the natural setting. The height restriction avoids construction of homes that are too tall. Beyond the height criteria, the ARC will render individual judgments with respect to the overall scale of the proposed design in relation to its location and all surrounding uses. The ARC has the right to impose a height restriction less than what is stated herein, if it believes it is necessary due to specific site conditions.

4. Exterior Materials

There exist many traditions in upstate South Carolina architecture which will be encouraged at Acadia. A sample board (minimum 4'x 4' size) must be submitted to ARC at Final Submittal, and once approved by ARC it will be posted at Lot during construction, illustrating the exterior materials, finish and colors of the home. Exterior materials should generally be natural materials that blend and are compatible with or complement the native landscape. The predominant exterior wall materials will consist of stone (including cultured stone), wood (including shakes, shingles, beveled or tongue-in-groove board siding, board-on-board, board and batten, free edge boards), brick, stucco, and cementitious fiber-board siding (such as Hardieplank™). Logs may not be used as the major element, but may be used with another material as long as the ARC has approved the design. No all-log homes will be approved. Vinyl siding is also not permitted on any home or accessory building in Acadia. A list of approved stone and brick types is maintained by the ARC and shall be made available at the time of the pre-design conference. Additional stone & brick types will be considered for approval on a case by case basis in the ARC's sole discretion.

Plywood siding is prohibited unless the applicant can demonstrate to the ARC that a specific proposed application would result in a finished appearance indistinguishable from an individual board siding application. The use of stucco as a predominant and/or uniformly colored and textured surface finish, metal siding, fiberglass siding, vinyl siding, or asbestos siding is prohibited. A limited amount of stucco with an aged or mottled appearance may be incorporated as an accent material, not to exceed 40% of the exterior surface area. The ARC may consider on a case-by-case basis some high quality composition siding products similar to cementitious fiber-board, which in the opinion of the ARC would be virtually indistinguishable from their natural wood counterparts. The product must be utilized in an assembly which prohibits the exposure of

joint reglets. The proposed product must have a porous wood-grained surface suitable for application of traditional stains or paints, with an ARC approved color.

A list of approved colors is maintained by the ARC and shall be made available at the time of the pre-design conference. All exterior surfaces including gutters, roof vents, and window frames are to be finished or painted. Unfinished metallic exterior wall surfaces are not permitted.

The use of large scale brick or textured masonry block as an exterior finish material will be considered on a case-by-case basis, and shall be limited to accent segments of the building façade. The aesthetic merits of any combination of exterior materials are subject to review and approval by the ARC in order to maintain the architectural integrity and consistent visual experience of Acadia.

5. Entrances

Entrances proportioned to convey a sense of human scale are more appropriate than those with exaggerated dimensions. As such, all entries cannot exceed one-story in height. Any grandeur should be experienced upon entering the home, not worn on its exterior façade. The clean lines of restrained and understated entries are more appropriate. Entries that are too ornate, monumental, or imposing will not be approved. Trellised entries can be used as a welcoming transition between indoor and outdoor space. Entrances that are part of a covered front terrace or porch are preferred.

6. Porches, Columns, Awnings, Balconies & Arches

A core element of the Acadia concept is the utilization of the covered front porch or front-facing terrace. Properly designed, this can augment the traditional, more private use of the backyard. The historic front porch or landscape terrace assists this effort in four ways:

1. The focal point of the home becomes the people-oriented entrance, rather than the more typical garage-dominated entrance.
2. An enhanced sense of entry is achieved without being monumental.
3. There are often excellent views from the front of the home. A space for limited seating with the benefit of a low wall and an overhanging roof, facilitates being able to take advantage of views.
4. The living area of the home is made to feel larger by opening up to the front yard and street with an indoor/outdoor space.

Covered porches are required on Cottage lots and strongly encouraged on Manor and Estate lots. All front porches shall have a minimum 8' depth and extend at least 30% of the length of the home. Stone, brick, stucco piers; wood or fiberglass columns of classical proportion; wood, stone, composite or brick posts & balustrades; iron railings and balconies with wood or composite treads; canvas awnings are acceptable. Arches should be no less than 8" in depth. Piers visible from the public streets are to be no less than 16"x16", posts no less than 6"x6", porch openings to be of vertical proportion with top and bottom rails of custom design. Cantilevered balconies of metal shall be supported by brackets, and any wood elements must be painted or stained.

7. Roofs

The roofline of each home must create its own pleasing relationship to the street, other common areas, and to its adjacent structures when viewed from all directions. The overall profile and articulation of the roof should be sufficiently irregular to break up anything which would otherwise appear too boxy or discordant with the landscape or neighboring structures. Expansive roof structures shall be articulated by way of gable or shed dormers.

Roof pitches must be 6:12 or greater for the majority of all roofed areas, with a preference for 8:12 or greater. Overhangs shall be provided at all roof edges at a minimum of 16". Asymmetrical roofs are preferable to those which are obviously symmetrical, but the design of the home dictates the roof style. Covered terraces or porches must be fully integrated into the design of the home, and are strongly encouraged as a design element. The roofs of all two-story homes should include single-story elements. The higher masses should generally occur toward the center, with the lower profiles occurring toward the outer portions of the home. The roof design must also address the visual impact it will have on the views of the homesites that are located adjacent to and above the home. The ARC will be especially concerned with the design and construction of any flat roofs, which are permitted as a habitable deck if enclosed by balustrade or parapet. Roof penetrations and downspouts should be of copper, galvanized steel or anodized aluminum. Dormer walls must be minimum 2' from side walls.

Roof ridge vents should be incorporated and be shingle over ridge vent design. Metal vents will only be permitted for metal roofs. Roof materials permitted at Acadia include weathering Cor-Ten steel, copper, standing seam or 5-V crimp 24 gauge or heavier metal, wood shakes, slate and artificial slate, dimensioned "architectural grade #30" or better asphalt shingle, pan tile with S profile, concrete shake tiles, architectural grade fiberglass shingles, flat concrete tiles and other low reflectivity tiles. If fiberglass shingles are used, an edge cap detail must be used to finish the edge appearance. The use of asphalt shingles of standard thickness or any asphalt roll roofing is prohibited.

8. Walls and Fencing

Building walls should be of wood (clapboard, shingle, board & batten), stone or cultured stone, brick from the master list, stucco sand or trowel finished, with white or tinted mortar. Vinyl is not permitted. Wood walls should have a minimum 3.5" trim at corners and openings. Stucco and brick homes shall have a minimum 10" frieze, and a minimum 6" frieze for wood or cement siding homes. Chimneys should extend to the ground. Masonry walls shall have a projecting water table to grade. Undercroft of decks and porches less than 5' above grade must be enclosed by wood lattice or louvers. Foundation walls, piers, chimneys to be brick, finished stucco or stone.

Site walls or fences must appear as a visual extension of the residence, using similar materials and finishes. In no case will site walls or fences be permitted to arbitrarily delineate the building envelope, although it is understood that such walls or fences may define pet runs or small yards, courtyards or terraces in close proximity to the residence for the purpose of privacy. Garden walls and fences should be wood pickets of custom design, brick, stone or stucco to match the principle building, wrought iron or wood pickets in combination with brick, stone or

stucco, and include gates in wood or iron. Frontage walls and fences on Cottage and Manor lots are not to exceed 1st storey finish floor height along face of building, and not above 8' height for side and rear yards and on all other lot types. Garden walls must not exceed 8' in height, measured from existing natural grade, and they may not encroach outside the building envelope. Living walls and fences are composed of minimum 4"x 4" wood posts with 2'x 4' welded wire fabric for vines or similar plant material. Living walls are encouraged because they have the benefit of foliage and flowers to ornament the fence, but must be maintained. The use of ornamental iron or other metal fencing is subject to approval by the ARC. Vinyl, chain link, simple clapboard wood, metal, plain concrete block, (unless veneered with stone or stucco) are prohibited.

Structural retaining walls may not exceed an above natural or finish grade height of 4', whichever is lower. Multiple terraced retaining walls must be utilized where the overall height of retained earth exceeds 4'; where terraced retaining walls are used, each tier must be separated by a minimum 4' wide planting area. Retaining walls may be constructed of cast concrete or concrete masonry units; however, all exposed surfaces and edges must be stone, brick or stucco veneer so as to blend unobtrusively with its natural surroundings. Heavy timber wood retaining wall systems may also be approved. Certain textured concrete block may be allowed upon review by the ARC if it is also used on the home. Keystone, pre-manufactured retaining wall systems, and railroad ties will not be approved.

9. Foundations

All un-faced visible surfaces of concrete masonry or concrete foundation walls and piers must receive a mortar-wash finish and shall be painted to blend unobtrusively with adjacent materials. Exposed aggregate concrete, or textured concrete block with an approved integral or applied color, may be considered in lieu of the mortar-wash appliqué. Foundation walls must step down with the grade changes so that their exposed surface does not exceed a vertical height of 8" above the finish grade at its greatest exposure. Material covering the foundation wall must be in the same plane as the wall above.

10. Chimney & Outdoor Fireplaces

Well-proportioned chimney masses can be used as sculptural features complementing the overall qualities of the home. Exposed metal flue pipes will not be approved. The area (measured in plan view) of any one chimney should be no less than 12 square feet and no more than 48 square feet. Chimneys lend themselves to a variety of angular and rounded forms which can enliven the three-dimensional quality and profile of the overall design. "Doghouse" chimney tops are to be avoided, so chimneys shall not be terminated with a roofed structure, but must be terminated with an approved termination cap or shroud. Due to the extreme fire danger all chimneys, including outdoor fireplaces, must be equipped with a U.L. or I.C.B.O. approved spark arrestor. Open outdoor fire pits are prohibited unless they are natural gas or propane. All metal spark arrestors must be concealed from view by means of a chimney cap detail. Portable barbeques are permitted, provided they are lidded cookers. Permanently installed barbeque grills and outdoor kitchens must be approved by the ARC.

11. Exterior Colors

Acadia has a pre-approved palette of extensive color choices. A list of approved colors is maintained by the ARC and shall be made available at the time of the pre-design conference. Beyond this, the choice of color of exterior materials may be broad. While Acadia colors will generally blend with the natural landscape, and earth tones are recommended, accent colors which are used judiciously and with restraint may be permitted. It is the intent at Acadia to preserve the appearance of the natural landscape and yet allow for tasteful expression in the color palette. The ARC will preclude the use of colors that appear out of place and, therefore, offensive to the eye. Colors in the primary range (red, blue, white, and yellow) will not usually be permitted, nor will drastic contrasts in value (light to dark) be allowed. White should only be used as an accent or “trim” color, and “light-grey” siding stains which approach white or off-white in appearance will not usually be allowed. Garage and exterior doors are not considered “trim”. All colors must be within a Light Reflectance Range (LRV) of 15 – 35.

Proposed colors must be demonstrated to the ARC by the Final Submittal in a sample format which adequately depicts the hue, tone and shade of the proposed color in its final applications. Sample swatches on the structure itself are preferred; as an alternative, stained or painted sample boards of the actual siding to be used would be the second choice. Small color samples, printed on paper, may not accurately depict how a finished color will appear on the expansive wall of real construction materials, and are therefore discouraged. The ARC may require the color selection to be applied to an area of the home prior to approval. A series of appropriate color palettes have been prepared by the Developer as a tool helping determine individual color proposals. These palettes are included in Acadia’s Pattern Books; others may be developed from time-to-time by the Developer and will be made available at the pre-design meeting.

12. Doors, Windows, Skylights, Draperies & Shutters

Front doors are an important invitation to the public, so doors of architectural design, historical character, with stains and colors of interest are encouraged. Front doors shall generally be constructed of wood or quality composite, but not metal. Wrought iron, glass and other artistic inserts are acceptable. Side and rear doors may be of metal, but must have some architectural detail such as 6-panel design.

All windows should be of quality construction in aluminum clad, vinyl clad, composite or well-painted wood. Raw or poorly treated or covered wood windows are a maintenance concern, so the ARC will require special assurances for proper painting of wood windows. No vinyl windows are permitted. Concerning style, double-hung or one-light (clear glass) windows are preferred, but single-hung are permitted. Front elevations and any other elevation facing a street that uses a window grid design must use true divided, single divided light (SDL) windows. For side & rear elevations not facing a street, grille-between-grille (GBG) and grille window inserts are permitted, however the preference for all elevations is for SDLs for all windows using a grid design. Concerning energy efficiency, the low emissions glass is encouraged, but not required.

Windows should not appear as openings cut into the side of a box, but rather as architectural features recessed, projected, or bordered by projections which provide a shadow pattern and reduce reflectivity. While the elevations will differ on various sides of the home, windows on all sides must be treated with the same attention to detail given to the front or street

elevations, and placement shall be made to be considerate of neighbor's windows so as to respect each other's privacy.

All facades shall contain some degree of doors, windows, or other openings in the walls. Octagons, circles, hexagons, and triangles insensitively placed will not be approved. Window heads must be shaped to match roof lines or remain level. No scissor truss windows will be permitted with slopes not matching the roof line.

The glass of windows and the lens of skylights must not be highly reflective. The lens of skylights must be clear, grey or bronze. No white lenses are allowed, nor may their frames consist of reflective material that is left unfinished. This especially applies to aluminum frames which must be anodized or finished with baked enamel. Skylights must be placed on the roof in an organized pattern that complements the roof design. All skylights must be low profile flat type. Bubble type skylights are prohibited. Interior shutters and drapery linings must be in neutral color ranges when visible from outside of the home. White is not considered a neutral color. Exterior Shutters must be designed to fill the window shape, and if secured with dog-ears, they must be placed as designed at the base of the shutter. Plastic or vinyl shutters are not permitted.

13. Building Projections

All projections from a residence or other structure including, but not limited to, vents, flashing, louvers, gutters, downspouts, utility boxes, porches, railings and exterior stairways shall match the surface from which they project, or must be painted or stained an approved color to blend unobtrusively with adjacent materials. All building projections must be contained within the building envelope and within the setbacks.

14. Garages & Garage Doors

Residents of Acadia are encouraged and expected to keep all garage doors closed when not in use. Garages for each residence are required, either attached or detached, accommodating at least two automobiles; carports are prohibited unless ARC grants a variance for aesthetic reasons or site limitations. Garage doors must not dominate the residence when viewed from the street, especially in areas visible from public rights-of-way, common areas, and adjacent homesites. No garage doors over 9' in height will be allowed. Design submittals with the garage door(s) as a primary focal point from the street will be rejected. All garages, except those rear loaded from an alley, must be side entry designs, unless this proves impossible due to the topography of the lot.

One of the greatest contributors to negative feelings about residential communities is the often-present row of garage doors aligned along the street with oversized driveways leading to them. Every effort must be made to keep this view from being prevalent at Acadia. When planning a home at Acadia, every attempt should be made to minimize the potential view of the garage doors from the street. Place the garage in a separate structure or as part of a separate structural mass with or without an enclosed connection to the main home, or place the entrance to the garage away from street view. When this is not possible due to topography or other site constraints, the garage doors shall be placed farther away from the street than the home's front façade, leaving the front door as the dominant image from the street, not the garage door.

Effective measures that minimize the dominance of garage doors include side entries out of direct view from the street, trellises, overhangs or piers which add the softness of shade and shadow, creating a recessed garage door, can also mitigate the visual impact of the garage entrance.

Garage doors must relate to the remainder of the home's design elements. Garages must not present closed or unarticulated facades. Glazing in garage doors should be provided to reduce the impact of the doors on the rest of the community. Large or unbroken masses above garage doors will not be approved. This is where detailing and a change in the plane of the surface can be beneficial. The garage doors should be either the same color as the body of the home; or a slightly darker or lighter shade of the same color. In either case, they should not be lighter or dark enough to call attention to themselves.

Other design features which shall be provided include the use of single-bay doors in lieu of double-width doors. Single-bay doors divided by a substantial pier or column will usually be required by the ARC, so as to present a smaller-scale appearance relative to the rest of the structure. Some exceptions may be granted when it appears that the scale of a double-width door is proportional to the rest of the home's design, and is in keeping with the scale of the rest of the neighborhood streetscape.

Where three garage bays are planned (more than 3 require ARC variance), care must be taken in the design of the garage door planes. More than two doors are not allowed on the same plane. The third door must occur in a secondary building plane, offset by a minimum of 24 inches from the primary front wall of the garage, to avoid a continuous uninterrupted wall of three garage doors. All garage doors must be recessed a minimum of 12".

The use of fluorescent or other highly visible lighting may be precluded in areas where the expanse of an open garage door might cause excessive glare, particularly when visible from neighboring residences and public right-of-way or when windows are used in the garage or garage door.

15. Solar Applications and Other Structures

Passive solar design is encouraged. Active solar applications can result in excessive glare and reflection, and would only be approved by the ARC if the hardware is integrated in the structure or landscaping of a homesite and are not visible from any other homesite or common area.

16. Dog House or Flag Poles

Dog houses and runs, flag poles, and temporary and permanently installed recreational equipment or displays must be approved by the ARC.

17. Low Flow Toilets

All residences must incorporate the design of low flow toilets throughout the residence. Low flow is designed as 1.6 gallons per flush (or less).

18. Exterior Furnishings & Sound Systems

All outdoor furniture and sound systems must conform to the color and reflectivity standards as set forth by the Code for the home exterior colors. Exterior audio speakers must be an integral part of the home or concealed from view from surrounding property.

19. Changes or Additional Construction

All changes or additions to the approved plans before, during or after construction must be first approved by the ARC.

III. LANDSCAPE GUIDELINES

As homes are designed and built within Acadia, care must be taken to preserve the natural beauty intrinsic to this site. The native vegetation and unique site features are the fabric that weaves together a cohesive and distinct character for the community.

Home placement on the site as well as any outdoor needs must be sensitive to the preservation and continuation of the existing natural fabric. Trees, natural vegetation, and all other site features should be incorporated and utilized to enhance the overall appearance of the home. Every method to preserve existing vegetation must be employed. Landscaping desires should be taken into account at the Site Planning Phase. Retrofitting a home with only enhanced landscaping after the design has been established will not likely result in a solution that meets the ARC's requirements. ARC may require removal of any landscaping that does not meet or maintain Code standards.

1. Natural Area

The Natural Area is that portion of the homesite which lies outside of the Building Envelope, and must remain as a natural area left untouched and undisturbed during construction. Only plants indigenous to the general area of development may be used in the Natural Area if additional plantings are approved by the ARC. Permanent irrigation of the Natural Area and homesites with existing vegetation is not permitted, since the indigenous vegetation does not require additional water. Permanent irrigation of the Natural Area can lead to disease and death of the native plants, and aid in the spread of undesirable plant species or weeds. Temporary irrigation of all revegetation in the Natural Areas is allowed.

2. Transitional Area

The Transitional Area is that portion of a homesite within the Building Envelope, but outside of the residence or site walls, within which an Owner may enhance the landscape. All areas of the homesites which were disturbed by construction activity must be restored and revegetated, and must be appropriately tended, until the natural vegetation is reestablished. Additional landscaping may be required in the Transition Area by the ARC. Care must be taken to allow planting space for perimeter landscaping to occur, if desired, without necessitating encroachment outside the Building Envelope. At a minimum, a landscape plan meeting the requirements of the Code will be required by the ARC in connection with its Design Review

approval for each homesite. All supplementary landscaping plans must be approved by the ARC prior to implementation.

3. Approved & Discouraged Plant Lists

The ARC has approved a list of plants and trees deemed to be inherently compatible with the natural Acadia landscape, including indigenous and non-indigenous species. Such plants are listed in Appendix 'A' of the Code, along with an instructive list of plants to be avoided, that are discouraged in Acadia. Landscaping of any area visible from the adjacent street or any adjoining property is expressly limited to these approved species. Grasses, when used, must be of the types listed in Appendix 'A' and may not be a dominant component of the landscape. Any grassed area must be shaped in an organic way, and not a simple rectangle or square area. The edge condition must be naturalized and cannot be transitioned directly into the native landscape. Unless a plant is approved and listed within Appendix 'A', it is prohibited. Requests may be made to the ARC to add plants to the list if the Owner feels it has a plant of interest for consideration.

4. Plant Salvage

Whenever practicable, salvage of native plants and trees that cannot otherwise be retained on the homesite should be salvaged for reuse on site. These plants are adapted to the site, and if carefully salvaged, stored and replanted they are a valuable native plant landscape resource for natural site restoration. These plants can help reestablish and enhance the homesites natural character. Care must be taken during the salvage operation to minimize homesite disruption and ensure the Natural Area remains undisturbed. Not all native plants on the homesite will be suitable for salvage. Many plants are too large, in an inaccessible location, poor soil, have poor survival history, or it may be unseasonable. Salvaging plants is a lengthy process and adequate time, months in many cases, must be allocated to correctly box and remove trees and large shrubs. Although salvage plants are adapted native plants, continuing special care and maintenance will be required a successful replanting. Even with careful planting some salvage plants may not survive or fully recover. If, in the opinion of the ARC whenever any salvage plants become unsightly, ARC may require the homeowner to remove and replace the salvage plant with an approved replacement.

5. Revegetation of Disturbed Areas

Existing homesite landscape disturbance may only occur within the Building Envelope for construction purposes, and only in areas approved by the ARC, and re-landscaped upon completion of construction according to the approved landscape plan. The ARC may require more landscaping if that area is destroyed in order to appear as a natural area.

Restoration means replicating all features of the existing natural landscape. This includes the first step of restoring or creating natural appearing grading shapes that blend to existing drainage ways, landforms, and site construction. No artificial or arbitrary shapes will be approved. Next, the finished exposed ground surface must match. Each homesite has its own unique pattern and colors of soil, sand, and surface rock of all sizes and patterns to be identified and replicated. No other surface treatment, such as non-site colored rock in decorative, geometric artificial shapes and patterns, etc. will be approved. Finally, trees and plants,

including native grasses must be selected from a palette of existing varieties already established onsite. Blending is the transitioning from the native landscape to a designed, denser arrangement of plants. Blending allows enhanced landscape to be created immediately adjacent to the architectural structures for screening, shaping views, sun control or to soften and transition architecture and constructed improvements into the site. The interest features of these enhanced areas should be directed towards the home with the more natural appearance to the outside.

Any unsightly neglect, disturbance or damage to the homesite landscape must be repaired. Damage may occur naturally, due to approved future improvements, or for undetermined reasons. All landscape restorations must be approved by the ARC. All revegetation landscaping will require sufficient temporary irrigation to reestablish the native landscape environment. Each plant will have separate water needs and as such, the irrigation system must be flexible enough to allow for both a managed reduction in the amount of water used and also the independent selection of plants to be irrigated. Although at some point supplemental irrigation can be terminated, the irrigation system will be in place long enough to require a permanent quality, year round, underground system. All irrigation equipment must be located and screened in such a way that it is not visible from adjacent properties.

6. Groundcover

Some locations on the homesite may be approved by the ARC for an introduced or enhanced plant groundcover area. These groundcover planting areas may only be developed in the following ways:

- a. As an extension of those occurring naturally in the adjacent landscape.
- b. As, in the opinion of the ARC, they present the appearance of occurring naturally. ARC may regulate the extent of grassed areas in an effort to minimize the unnatural appearance that traditional turf or groundcover creates. Groundcover may be open, natural looking seasonal native grass areas, or low-growing seasonal native plants or vines. Permanent or artificially supported year round green or manicured "lawns" are not approved, except in the Building Site, and then only with approved grasses. Seasonal plant variation, natural growth patterns and meandering natural edges are required, along with an appropriate site comprised of logical contouring and area definition and a natural appearing reason for this area to be present. The ARC will also consider home orientation, architecture and other site improvements.

7. Turf

Turf, or "sod" as it is often called, is a quick solution to grassing a yard, but if it introduces grasses non-native to Acadia, it can become a problem. Therefore, the ARC must approve all turf landscape plans. The use of turf is generally discouraged as it is highly contrasting non-native vegetation requiring more water, nutrients and maintenance than the natural landscape. It is the intent of these guidelines that all visible homesite landscapes appear native and natural in appearance. Where approved however, only turf comprised of grasses on the Approved Plant List under "Grasses" may be planted. If at any time the ARC determines that previously approved turf varieties have become a nuisance for any reason, the ARC may require existing turf to be eliminated or replaced with another approved variety.

8. Hardscape

Hardscape is any non-architectural inorganic improvement or modification to the homesite natural surface. This includes improvements such as paths, walks, on-site parking, improved drainage ways, walls, borders, hard surface landscape areas and similar improvements. All such improvements require ARC approval prior to start of construction or installation, including proposed location, materials, colors, and any changes to the existing site or landscape.

As with all homesite landscape improvements, the landscape related hardscape must also appear natural and appropriate in the native landscape. Natural surface materials such as granite and surface rock must match the existing native colors and textures. Manufactured products such as brick, pavers, or patterned and colored concrete should closely match the adjacent natural surface color. Whether natural or man-made, they must be installed or placed in natural patterns with native grasses or compatible groundcovers planted to soften the improved area.

Walks and pathways must be narrow, 2' to 4' in width, and follow the Lot's natural contours. Patios must be naturally shaped and located with minimal site modification. The finished patio must appear as if carefully sited and shaped to fit a naturally occurring location. Avoid any improvement such as elevated surfaces, curbing, swales, piping or grading that alters the approved drainage plan for the homesite. These modifications may redirect, concentrate or pond storm water, causing erosion or water damage. Porous materials and installation methods will help reduce water runoff and damaging concentrated water flows. Ancillary hardscape improvements or associated modifications, such as revised grading, added landscaping, low walls, built-in seating, and lighting must also be carefully considered by the homeowner or builder and approved by the ARC. It is intended that any such constructed improvements feel as an extension of and relate to the approved architecture and any site and landscape improvements relate to the approved adjacent landscape character.

9. Water Features

Constructed water features are not allowed in the Natural and Transitional Areas of any homesite. Although visually attractive if correctly designed, any water artificially introduced into the natural environment may be disruptive and is discouraged. However, with the following considerations, water features may be constructed, if specifically approved by the ARC.

Water features must be designed to be in scale and relationship to the homesite architecture and designed landscape theme. All water feature mechanical equipment must be screened from view. Water features must be designed to minimize water use in both normal operation and maintenance. Water features, including the lighting, mechanical equipment, water spray, drainage, etc., must be constructed and maintained so as to not adversely affect neighboring property, native plants or animals in any way. In addition, the water feature may not create a nuisance in its mechanical operation, maintenance by attracting animals, insects or supporting non-native plants.

10. Garden Plots

Non-native planting areas may only be established and maintained if approved by the ARC. This includes natural appearing decorative gardens emphasizing flowering plants or gardens

comprised of organized arrangements of flowers, non-native shrubs or vegetables. This section does not intend to prohibit enhanced planting areas of native plants in the Transition Area.

Orchards or unnatural appearing groupings of shrubs and trees may also only occur in the Private Area where not visible from neighboring property. All garden associated improvements such as tool and equipment storage or growing areas such as greenhouses must be designed as integral to the home architecture and require approval by the ARC. The intent is that no trash storage, compost areas, screens, netting or other animal barriers, lighting, irrigation or mechanical equipment may be visible from neighboring property.

In addition, no gardens or planting areas may be maintained in any form anywhere on the homesite if they contain plants listed on the Avoided List. Plants not on the Approved Plant List also require specific approval prior to planting. In addition, no plant may be maintained on the homesite if it is determined by the ARC that such a plant has created a nuisance through excessive water use or runoff, excessive litter, seeds or plant debris, or by attracting animals, insects or threatening existing native landscaping.

Other visible decorative plantings such as those in architectural planters, pots or other building related improvements may be approved if the ARC determines that their architectural design or theme elements integrate into the constructed improvements and do not appear as site related landscaping enhancements.

11. Access to Path System

In general, all access to approved designated Acadia pathways is approved only at specifically designated trailheads. In some cases however, access from an individual homesite may be approved by the ARC. In addition to other site-specific requirements the following general conditions must be met for approval to be considered by the ARC.

- (a) All costs of the homeowner pathway improvements, maintenance, removal and restoration are the responsibility of the homeowner.
- (b) The individual homesite must be adjacent to a designated open space containing the approved path or the path must cross the homesite itself (e.g. in an easement). The ARC must approve the specific location and homeowner access improvements across the open space to the pathway.
- (c) The homeowner access to the path does not encroach upon adjacent homesites.
- (d) The location and use of the pathway may not create a nuisance to adjacent property or homesites.
- (e) The homeowner's pathway is to be used only by the homeowner for access to the approved path and may not through use or appearance become a general use "addition" to the approved path.
- (f) The pathway surface must be simply the natural existing native surface material. Pathway definition will be determined through use. The path must appear to be unobtrusive, natural in appearance, e.g. "game trail" in scale and character and follow the natural undisturbed topography. The pathway may not cause erosion. No site features may be disturbed.
- (g) Signage or graphics may be required in order to avoid confusion regarding path and pathway.

- (h) Pathway approval is temporary. The ARC may request the pathway be repaired, modified or removed and restored to natural conditions at any time the ARC considers the pathway incompatible with the intent of the path system.

IV. CONSTRUCTION & ADDITIONAL ARC GUIDELINES

In order to ensure that the natural landscape of each homesite is preserved and the nuisances inherent to any construction process are kept to a minimum, the following regulations shall be enforced during the construction period of all improvements to Acadia. The Owner of a homesite, as such terms are defined in the Declaration and herein, shall be responsible for violations of this Code, including construction regulations contained therein, by any contractor, subcontractor, agent, or employee performing any activities within Acadia, whether located on the homesite or elsewhere within Acadia.

1. Construction in the Building Envelope

The building envelope, which is the limit of development on each homesite, is also the area within which all activities related to the improvements to be constructed must be confined. To this end, the building envelope must be temporarily staked and roped off, or fenced in an appropriate manner during the duration of construction. Temporary fencing enclosing the building envelope must extend for the full street frontage so no workmen park in the natural area. Where necessary for construction of improvements directly along the edge of a building envelope, a temporary construction encroachment of up to 5 feet into the adjacent natural area may be permitted by the ARC, in its sole discretion, provided the Owner shall be obligated to re-vegetate the area of such temporary encroachment promptly following construction.

2. OSHA Compliance

All applicable Occupational Safety and Health Act (OSHA) regulations and guidelines must be observed at all times.

3. Construction Site Plan and Construction Trailers

As part of the Final Submission, a construction site plan must be prepared and approved which indicates construction access, parking areas off of the street, sanitary facilities, including approved access drives, relating to construction activities of any homesite.

Upon arrival of the Construction Site Plan a construction trailer or portable field office may be located on the building site within the building envelope, clear of all setbacks. The type, size and color of any portable office must be approved by a representative of the ARC as part of the construction site plan. The field office may not be placed on-site earlier than two weeks prior to the actual onset of continuous construction activity. At the same time, the provision of temporary power and telephone will be determined. A construction trailer may not remain on site for a period of time exceeding six months without written approval of the ARC.

4. Trash Receptacle & Debris Removal

Owners and builders shall clean up all trash and debris at **the end of each day**; an approved trash receptacle must remain on the site at all times for this purpose to contain all lightweight materials or packaging. The receptacle must be positioned on the site alongside the access drive, clear of side and rear setbacks, adjacent road right(s)-of-way and neighboring properties. Trash receptacles must be emptied on a timely basis to avoid overflow of refuse; disposal shall be at a suitable off-site facility. Owners and builders are prohibited from dumping, burying, or burning trash anywhere on the homesite or in Acadia. Heavy debris, such as broken stone, wood scrap, or the like must be removed from the site immediately upon completion of the work of each trade that has generated the debris.

All concrete washouts, from trucks and mixers, must occur within the building envelope of the homesite in a location where it will be ultimately concealed by structure or covered by back fill. Washout in road rights-of-way, setbacks or on adjacent properties is strictly prohibited.

During the construction period, each construction site shall be kept neat and shall be properly policed to prevent it from becoming a public eyesore or detriment to other homesites or open space. Dirt, mud, or debris resulting from activity on each construction site shall be promptly removed from public or private roads, open spaces and driveways or other portions of Acadia. Any clean-up costs incurred by the ARC or Acadia in enforcing these requirements shall be payable by the Owner.

5. Sanitary Facilities

Each Owner or builder shall be responsible for providing adequate sanitary facilities for his/her construction workers. Portable toilets must be located within the building envelope, clear of all setbacks and in a discreet location.

6. Construction Access

The approved access drive by the ARC will be the only construction access to any homesite.

7. Vehicles and Parking Areas

Construction crews will not park on, or otherwise use, undeveloped portions of homesites or open space. All vehicles shall be parked within the building envelope. During very busy construction periods involving multiple trades such that all construction vehicles cannot be confined to the site proper, the overflow vehicles may be temporarily parked along the shoulder of the roadway; in locations and for time periods solely as approved by the ARC. During these limited occurrences, vehicles must be off the paved surface of the roadway or cul-de-sac to allow continual unconstrained access by normal traffic and emergency vehicles, including fire trucks. Vehicles may not be parked on neighboring homesites, in nearby driveways or on open space. Changing oil or other vehicle maintenance is prohibited. Restoration of any native vegetation or roadway revegetation damaged by parking along the street frontage shall be the responsibility of the homesite Owner and may be required by the ARC as a precondition to final construction approval.

8. Conservation of Native Landscape

Trees which are to be preserved must be marked and protected by flagging, fencing, or barriers outside the dripline. The ARC shall have the right to flag major terrain features or plants which are to be fenced for protection. Any trees, branches, or other vegetation removed during construction must be promptly cleaned up and removed from the construction site.

9. Excavation Materials & Blasting

If any blasting is to occur, the ARC must be notified two weeks in advance and appropriate approvals must be obtained from Greenville County. Blasting may only be done by licensed demolition personnel, with all requisite insurance coverage's as mandated by county and state statutes, specific to their blasting activity at Acadia. The ARC shall have the authority to require in writing documentation of anticipated seismic effects, with confirmation such effects will not be injurious to other persons or properties, public or private, and that all appropriate protection measures have been utilized. The ARC may require additional insurance to cover potential damages from blasting to subdivision improvements and common areas. All excess material resulting from blasting, as well as all other excess excavation materials, must be removed from Acadia.

10. Dust & Noise Control

The contractor shall be responsible for controlling dust and noise from the construction site, including the removal of dirt and mud from public or private roads that is the result of construction activity on the site. The sounds of radios or any other audio equipment used by construction personnel must not be audible beyond the property perimeter of any homesite; repeated violations of this provision will precipitate a total prohibition of any on-site use of radios or audio equipment during construction.

11. Material Deliveries

All building materials, equipment and machinery required to construct a residence on any homesite at Acadia must be delivered to and remain within the building envelope of each homesite, clear of all setbacks. This includes all building materials, earth-moving equipment, trailers, generators, mixers, cranes and any other equipment or machinery that will remain at Acadia overnight. Material delivery vehicles may not drive across adjacent homesites or tracts to access a construction site.

12. Firearms

The possession or discharge of any type of firearm by construction personnel on any construction site, homesite, tract or right-of-way at Acadia is prohibited.

13. Alcohol and Controlled Substances

The consumption of alcohol or use of any controlled substance by construction personnel on any construction site, homesite, tract or right-of-way at Acadia is prohibited.

14. Fires and Flammable Materials

Careless disposition of cigarettes and other flammable materials, as well as the buildup of potentially flammable materials constituting a fire hazard, are prohibited. At least two 20-pound ABC-Rated Dry Chemical Fire Extinguishers shall be present and available in a conspicuous place on the construction site at all times. No on-site fires are allowed, except for small, confined, attended fires for the purposes of heating masonry water.

15. Pets

No pets, particularly dogs, may be brought onto the property by a member of any construction crew.

16. Preservation of Property

The use of transit over any other homesite, common area or amenity is prohibited. Similarly, the use of transit over the natural area or setbacks outside the building envelope of any homesite is prohibited. Construction personnel shall refrain from parking, eating, depositing of rubbish or scrap materials (including concrete washout) on any neighboring homesite, tract, or right-of-way.

17. Protection of Subdivision Improvements & Restoration of Property

Each Owner shall be responsible for the protection of all subdivision improvements, roadways, common areas or improvements of any other homesite which may be damaged by the activities of such Owner's contractor, subcontractor, agents, or employees. Upon completion of construction, each Owner and builder shall clean his/her construction site and repair all property which has been damaged, including but not limited to, restoring grades, planting shrubs and trees as approved or required by the ARC, and repair of streets, driveways, pathways, drains, culverts, ditches, signs, lighting and fencing. In addition, the Owner and general contractor shall be held financially responsible for site restoration/revegetation and refuse removal necessitated on any and all adjacent properties as a result of trespass or negligence by their employees on sub-contracted agents.

18. Construction Signage

Signage is subject to Section (J) above and the ARC. Temporary construction signs shall be limited to one sign per site not to exceed six square feet of total surface area. This sign is intended for job site identification only; therefore, it must be located within the building envelope, facing the street frontage of the homesite. It may identify the general contractor and designer by name with address, license number and telephone number(s) and it may identify the job site by homesite number or Owner's name, but may not include marketing related terminology such as "for sale", "available", or "offered by". The sign shall be free standing, not to exceed four feet in height above natural grade, and of a design and in a location within the building envelope approved in advance of installation by the ARC. The construction sign may not be erected on a site earlier than two weeks prior to the onset of continuing construction activity and must be removed within two weeks of the issuance of a certificate of occupancy by the County, or immediately upon the passage of 30 calendar days without significant construction activity. Individual signs, or construction sign attachments, identifying individual sub-contractors, tradesmen, or suppliers are prohibited; identification of licensed tradesmen,

when required by state or county statutes, shall be confined to the posting location of the building permit. Attachment of signs or similar material to trees is strictly prohibited.

19. Daily Operation

Daily working hours for each construction site shall be from 30 minutes before sunrise to 30 minutes after sunset. Construction activity which generates noise audible from the boundaries of any homesite, such as hammering, sawing, excavation work, concrete delivery, etc., must be confined to the hours of 7:00 a.m. to 7:00 p.m., Monday through Friday, and 8:00 a.m. to 7:00 p.m. on Saturday. Noisy activity is prohibited on Sunday of each week.

20. Site Visitations

Due to the inherent danger associated with an active construction site, visitors to any site should be limited to those persons with official business relating to the construction activity, such as construction workers and tradesmen, building officials, security staff, Architectural Review observers, sales personnel, and the Owner. Construction personnel may not invite or bring family members or friends, especially children, to the job site.

21. Construction Insurance Requirements

All contractors and sub-contractors must post evidence of insurance with their homesite Owner, prior to entering the construction premises. The ARC may require each homesite Owner to provide copies of such existence of insurance as a condition to commencement of construction.

Insurance shall be evidenced in the form of a valid Certificate of Insurance naming both the homesite Owner and Acadia as the certificate holders. The required insurance must provide coverage not less than the applicable limits of coverage relating to comprehensive general liability, automobile liability and workmen's compensation, and builder's risk. The minimum limits of liability shall not be less than \$500,000 each for general liability and automobile liability. General liability coverage shall contain provisions for contractual liability and broad form property damage. The certificate shall provide for 30-day notice to the certificate holders in the even of cancellation or material change in the limits of coverage.

21. Vehicular Access

Prior to the start of construction activity at Acadia, each general contractor shall meet with Acadia Site Manager and prepare a "contractors vehicle pass list" and the supporting information relating to the description and identification of construction/employee vehicles. No person or vehicle will be allowed past the entrance until the requisite documents are on file and the appropriate passes have been issued. The ARC or the site staff may require proof of acceptable insurance as a condition of entry.

22. Deferral of Material or Color Selection

An applicant may wish to delay the confirmation of landscaping intentions (if any) and final color or stonework selections until some point in time after the start of construction, in

order to better visualize landscape considerations, or to test an assortment of potential colors with actual material intended for use. The ARC will cooperate with the applicant in this regard, provided that no landscape work may be started, nor color or material applied, until such time as the ARC has had the opportunity to review and consent to the final selections. It is advised that plan resubmittal occur before the placement of any orders for materials to avoid potential restocking costs in the event of denial of the submitted item(s). Further, the provision stated here shall be a condition of Final Plan Approval; therefore application of any material, coating or finish without the requisite resubmittal to the ARC shall have the effect of voiding the approval in its entirety.

23. Site Inspection

As soon as the submission of final plans is complete, a representative of the ARC will inspect the homesite to determine that the conditions as depicted in the final submittal are accurate and complete.

24. Final Architectural Review

The ARC will review the plans and respond in writing no later than 30 days after a submittal is complete. Results of reviews will not be discussed over the telephone by members of the ARC with an Owner or his/her Architect or Builder, and no Owner, Architect or Builder shall have the right to attend any meeting of the ARC unless specifically requested by the ARC. Any response an Owner may wish to make regarding the results of an Architectural Review must be addressed to the ARC in writing. The ARC's approval of the final design is valid for twelve months. It is necessary to receive final approval before the County will accept the drawings for a building permit application.

25. Resubmittal of Plans

In the event of any disapproval by the ARC of either a Preliminary or Final Submittal, a resubmission of plans should follow the same procedure as an original submittal. An additional Architectural Review fee shall accompany each such submittal as required by the ARC. Design approvals for each review step remain valid for one year only. Therefore, if an application lags the fulfillment of a preceding review phase by more than twelve months, that prerequisite step must be repeated, unless waived by the ARC.

26. Commencement of Construction

Upon receipt of final approval from the ARC, and having satisfied all Greenville County review and permit processes, the Owner shall satisfy all conditions and commence the construction or any work pursuant to the approved plans promptly, but in no event later than 18 months from date of closing on the lot. If the Owner fails to begin and maintain construction within this time period, any approval given by the ARC shall be deemed revoked. The Owner shall, in any event, complete the construction of any improvement and all required landscaping on his/her homesite within one year after commencing construction thereof, except and for so long as such completion is rendered impossible or would result in greater hardship to the Owner due to labor strikes, fires, national emergencies or natural calamities.

If the Owner fails to comply with this schedule, the ARC, acting for Acadia, may in its sole discretion have the exterior of the improvement or any unperformed landscaping completed in accordance with approved plans or restore and re-vegetate the homesite to a natural condition, with all expenses incurred to be deducted from the Owner's Security Deposit or, if such expenses exceed the Security Deposit, reimbursed to Acadia by the Owner. Any such expenses not promptly reimbursed by the Owner shall be the basis of a lien by Acadia on such Owner's homesite.

27. Performance Deposit

Concurrent with Final Plan Submittal, the Owner shall deposit with the Declarant or the ARC the sum of ONE THOUSAND FIVE HUNDRED and NO/100 DOLLARS (\$1,500.00) (the "Performance Deposit"), and Owner shall execute and deliver the Deposit Agreement in the form attached hereto. The Performance Deposit shall be held in escrow pending the completion of construction (including clean up) of all improvement(s) described in the final submittal, approved plans and as constructed on the Owner's Lot.

In the event that the Owner, the Contractor or their respective agents, representatives or employees (i) cause any Damage, (ii) fail to construct the improvements in accordance with the approved plans, or (iii) fail to comply with the Code, the Declaration or any rules or regulations adopted or promulgated by either Declarant or the ARC, the Performance Deposit may be applied to, among other things, (a) repair and/or rectify the Damage or (b) enforce the Code, the Declaration and any other rule or regulation thus violated and cure any defect or problem caused by said non-compliance. Following Acadia's use of all or any portion of the Performance Deposit, the Owner shall immediately pay to the Declarant or ARC, as the case may be, an amount sufficient to replenish the Performance Deposit to the sum initially deposited. Failure to replenish the Performance Deposit within seven (7) calendar days following delivery of written demand shall be deemed a material breach of the Code and the Declaration, and shall entitle ARC to (i) deny Contractor's access to the community (including any of Contractor's suppliers, subcontractors, employees and material men) and (ii) lien the Lot in an amount equal to the Performance Deposit deficiency. Upon tendering the Performance Deposit, the Owner shall execute and deliver to the ARC a Notice of Voluntary Lien in the form attached hereto.

Upon completion of the improvements approved by the ARC (including clean up), the Owner shall certify in a letter to the ARC (the "Certification") that:

- i. The improvements constructed upon the Lot have been built in compliance with (a) the approved plans, (b) the Declaration, (c) the Code and all other the rules and regulations adopted for the community;
- ii. All appropriate clean up has been made;
- iii. All required landscaping improvements have been completed; and
- iv. Neither the Owner, the Contractor, nor their respective agents, employees or representatives have caused any Damage or, in the alternative, that all Damage caused by said individual/entities has been repaired or rectified to the satisfaction of the ARC.

The Certification shall be delivered by certified mail, return receipt requested, to the address designated by ARC, and ARC shall have fifteen (15) days from the receipt thereof to (a) return the Performance Deposit less any funds expended in enforcement and/or correction, or (b)

refuse to return such funds or portion thereof and specifically state in writing how such party is not in compliance. In the event that ARC refuses to return all or a portion of the Performance Deposit due to the Owner's non-compliance, the Owner shall have the opportunity to resubmit a supplemental Certification upon remedying the issues/problems identified in the notice of non-compliance.

Contractor and Owner hereby agree to indemnify the Declarant, the ARC and the Acadia agents and employees and to defend and hold those same parties harmless for all claims, costs, fees (including court costs, witness and attorneys' fees), expenses, loss, damage and liability of any kind, including, without limitation, mechanics' or material men's liens, which may be asserted against or incurred by Declarant, the ARC or Acadia agents as a result of the construction activities by Contractor or Owner or any Damage caused by Contractor, Owner, or their respective agents, representative or employees. This indemnity shall survive the final completion of the construction activities conducted on the Owner's lot.

28. Inspections of Work in Process

The ARC may inspect all work in progress and give notice of noncompliance. Absence of such inspection or notification during the construction period does not constitute an approval by ARC of work in progress or compliance with the Code.

29. Subsequent Changes

Additional construction or other improvements to a residence or homesite, changes during construction or after completion of an approved structure, including landscaping and color modification, must be submitted to ARC for approval prior to making such changes or additions.

30. Final Release

Upon completion of any residence or other improvement, the Owner shall give written notice of completion to the ARC. To the extent possible, the Owner will provide the ARC with CAD information on the final approved home and site layout and design. Within 10 days of such notification, a representative of the ARC shall inspect the residence or other improvement for compliance. If all improvements comply with the Code, the ARC shall issue a written approval to the Owner, constituting a final release of the improvements by the ARC, said release to be issued within 30 days of the Final Inspection. If it is found that the work was not done in strict compliance with approved plans or any portion of the Code, the ARC may issue a written notice of noncompliance to the Owner, specifying the particulars of noncompliance, said notice to be issued within 30 days of the Final Inspection.

The Owner shall have 30 days from the date of notice of noncompliance within which to remedy noncompliance portions of his/her improvement. If, by the end of this time period the Owner has failed to remedy the noncompliance, the ARC may take action to remove the noncompliance improvements as provided for in the Code, including, without limitation, injunctive relief or the imposition of a fine.

31. Nonwaiver

The approval by the ARC of any plans, drawings or specifications for any work done or proposed shall not be deemed to constitute a waiver of any right to withhold approval of any similar plan, drawing or specification subsequently or additionally submitted for approval. Failure to enforce any of the Code shall not constitute a waiver of the same.

32. Right of Waiver

The ARC reserves the right to waive or vary any of the procedures set forth herein at its discretion, for good cause shown.

33. Exemptions

Utility and maintenance buildings, structures, and cabinet's location on non-residential tracts are exempted from the Code. However, the ARC will endeavor to attain as high a level of conformance with these standards as is practical for these types of facilities.

34. Architectural Review & Sewer Impact Fees

An Architectural Review Fees of \$200 for cottage lots, \$300 for manor lots, and \$400 for estate lots will be due the ARC with the Preliminary Submittal and are non-refundable. Architectural Review fees may be charged due to re-submittals, remodels, or other special circumstances. An Acadia sewer impact fee of \$200 per lot, regardless of lot size, is also due. Architectural Review fees will be due at the time of the Preliminary Submittal. Sewer impact fee is due at Final Submittal.

35. Amendment of Development Standards

The ARC may, from time to time and its sole discretion, amend or revise any portion of the Code. All such amendments or revisions shall be appended to and made part of the Code. Administrative changes may be made in like manner by the ARC; changes of a substantial nature may be recommended by the ARC for consideration by the Board of Directors of the Homeowner's Association.

36. Nonliability

The ARC, any member thereof, the Declarant, or any agent therefore, shall not be liable to any Owner or other person for any loss or damage claimed on account of any of the following:

1. The approval or disapproval of any plans, drawing and specifications, whether or not defective.
2. The construction or performance of any work, whether or not pursuant to approved plans, drawings, and specifications.
3. The development or manner of development of any property within Acadia.

Every Owner or other person, by submission of plans and specifications to the ARC for approval, agrees that he/she will not bring any action or suit against the ARC, any of its members, or the Declarant regarding any action taken by the ARC. Approval by the ARC of any

APPENDIX A – APPROVED PLANT LIST

Common Name	Scientific Name	Description	Preferred Conditions
TREES			
Bald Cypress	<i>Taxodium distichum</i>	Large deciduous tree with a bronze-red fall coloration	Full sun
Japanese Maple	<i>Acer palmatum</i>	Shape, size and leaf type variable.	Afternoon shade to prevent leaf scorching.
Chinese Dogwood	<i>Cornus kousa</i>	Small deciduous tree with white, pink or red flowers.	Part shade
Flowering Dogwood	<i>Cornus florida</i>	Small deciduous tree with white, pink or red flowers.	Part shade
Fringetree	<i>Chionanthus virginicus</i> <i>Chionanthus retusus</i>	Small deciduous tree with glossy green leaves and white flowers	Full sun to part shade
Redbud	<i>Cercis canadensis</i>	Small deciduous tree with raspberry flowers	Full sun to part shade
Sassafras	<i>Sassafras albidum</i>	Large deciduous tree with good fall color	Full sun
Serviceberry	<i>Amelanchier canadensis</i>	Small deciduous tree with white flowers, fruit is attractive to birds	Full sun to part shade
Sourwood	<i>Oxydendrum arboreum</i>	Deciduous tree with gree foliage turning reddish in the fall. White flower in July/August.	Full sun
Sweet Bay Magnolia	<i>Magnolia virginiana</i>	Evergreen small tree with fragrant white flowers	Full sun to part shade
SHRUBS			
Abelia	<i>Abelia monanensis</i>	Deciduous shrub about 8' with very fragrant flowers	Full sun to part shade
Butterflyweed	<i>Asclepias tuberosa</i>	Typically orange-red flower	Full sun
Forsythia	<i>Forsythia 'Gold Tide'</i>	Dwarf form that only gets about 3' high covered with yellow blooms	Full sun to part shade
Fragrant Sumac	<i>Rhus aromatica 'Low Grow'</i>	Deciduous shrub, low growing, nice fall color	Full sun
Oakleaf Hydrangea	<i>Hydrangea quercifolia 'Pee Wee'</i>	Smaller growing form ultimately reaching about 5'	Part shade to shade, moist soil
Plum Yew	<i>Cephalotaxus harringtonia 'Dukes Garden'</i>	Evergreen shrub to about 3' with spreading branches	Full sun to shade
Winged Sumac	<i>Rhus copallina</i>	Large deciduous shrub, drought and heat tolerant	Full sun with good drainage
Silky Dogwood	<i>Cornus amomum</i>	White flower	Partial shade, wet soil

Spirea	<i>Spirea 'Miyabei'</i>	Deciduous shrub to about 3' with clusters of white flowers	Full sun to part shade
Summersweet / Sweet Pepperbush	<i>Clethra alnifolia 'Hummingbird'</i>	Deciduous dwarf shrub that is covered with white fragrant flowers.	Part shade, moist soil
	<i>Clethra alnifolia 'Sixteen Candles'</i>	Deciduous dwarf shrub that is covered with upright white fragrant flowers.	Part shade, moist soil
	<i>Clethra alnifolia</i>	Aromatic flowers	Part shade, moist soil
Sweet Shrub	<i>Calycanthus floridus 'Athens'</i>	Deciduous shrub to about 6' with fragrant yellow flowers	Part shade, moist soil
	<i>Calycanthus floridus 'Micheal Lindsay'</i>	Deciduous shrub to about 8' with fragrant reddish flowers	Part shade, moist soil
SHRUBS (continued)			
Viburnum	<i>Viburnum burkwoodii</i>	Deciduous shrub to about 10' with fragrant flowers	Full sun to part shade
Virgina Sweet Spire	<i>Itea virginica 'Henry's Garnet'</i>	Deciduous shrub to about 6' with white flowers	Part shade, moist soil
VINES			
Carolina Jasmine	<i>Gelsemium sempervirens</i>	Evergreen vine with yellow flowers in the spring	Full sun
Coral Honeysuckle	<i>Lonicera sempervirens</i>	Native honeysuckle, yellow to reddish flowers, attractive to hummingbirds	Full sun
Crossvine	<i>Bignonia capreolata</i>	Yellow to reddish flowers, attractive to hummingbirds	Full sun to part shade
Partridgeberry	<i>Mitchella repens</i>	Low growing groundcover, small white flowers grow in pairs	Full shade
Trumpet Creeper	<i>Campsis radicans</i>	Yellow to reddish flowers, attractive to hummingbirds	Full sun
Virginia Creeper	<i>Parthenocissus quinquefolia</i>	Low growing groundcover	Full sun to part shade
HERBACEOUS PERENNIALS			
Autumn Joy Sedum	<i>Sedum 'Autumn Joy'</i>	Pinkish flower clusters	Full sun to part shade
Christmas Fern	<i>Polystichum acrostichoides</i>	Evergreen fern	Shade, moist soil
Columbine	<i>Aquilegia vulgaris</i>	Blue flowers	Part shade, will reseed
Creeping Phlox	<i>Phlox stolonifera</i>	Great springtime color	Part shade
Dwarf Indigo	<i>Baptisia minor</i>	Blue flowers	Full sun to part shade

	<i>Baptisia 'Carolina Moonlight'</i>	Cream flowers	Full sun to part shade
Foam Flower	<i>Tiarella cordifolia</i>	Pink and White forms, many leaf forms	Shade with a good moist well drained soil
Japanese Solomon Seal	<i>Polygonatum odoratum 'Variegatum'</i>	Varigated leaf, small indescrpt flower	Shade, spreads by runners
Japanese Roof Iris	<i>Iris tentorum</i>	White and blue flowered forms	Full sun to part shade
Lady Fern	<i>Athyrium filix-femina</i>	Deciduous fern	Shade, moist soil
Lenton Rose	<i>Helleborus orientalis</i>	Colors vary green, pinkish to dark purple	Shade, will readily reseed.
New York Fern	<i>Thelypteris noveboracensis</i>	Deciduous fern	Shade, moist to wet soil
White Indigo	<i>Baptisia 'Alba'</i>	White	Full sun to part shade
Yellow Indigo	<i>Baptisia sphearocarpa</i>	Yellow	Full sun with good drainage

GRASSING REQUIREMENTS:

Grass presents a challenge to us all...too much lawn, and it's a maintenance problem, too little and you miss the green cover. Grass yards fall generally into two camps, warm season grasses like Bermuda and Zoysia (which turn an unappealing brown color in winter hibernation months), and cool season grasses like fescues (which tend to suffer in high heat and drought months unless regularly watered). Acadia is mostly part sun to shade areas due to our river location and hardwood cover. Open fields, like our soccer field, and high traffic areas are candidates for warm season grasses, but for residential yards Acadia prefers the cool season grasses. Tall fescues are best, but not bluegrass such as Kentucky 31 variety, which is a field type. Instead, the shorter varieties (Jaguar, Rebel, ClimFine and Creeping Red) are permitted.

The best practice is to plant by seeding in the spring or fall, not summer unless water irrigation is available. Also, never cut the grass below 2.5", and 3" height is better. This will promote deeper roots and healthy greening. Creeping Red variety is especially preferred because it grows no more than 4", but is a shade-to-light sun variety. To initiate your lawn after construction, sodding is permitted, but most fescue sods are bluegrass. Instead, heavy seed with a mixture of the shorter varieties mentioned above, and then supplement with the variety that performs the best for your yard area. Rye grass is a recommended starter grass, but it will die out once the fescue has come in over the several weeks it requires to germinate. While warm grasses are not generally permitted, some full sun areas may require them, and in such event the ARC may approve it as a variance. Even then, Zoysia is preferred over Bermuda because it is less invasive.

TYPICAL LOT PLANTING REQUIREMENTS:

- **Building Improvements:**

No improvements or disturbance is allowed outside this building envelope except for the planting and irrigation of enhanced native plantings or as permitted by ARC.

improvement at Acadia only refers to the Acadia Code and in no way implies conformance with local government regulations. It shall be the sole responsibility of the Owner to comply with all applicable government ordinances or regulations, including but not limited to zoning ordinances and local building codes.

37. Enforcement

The ARC may at any time inspect a homesite or improvement and, upon discovering a violation of the Code, provide a written notice of non-compliance to the Owner, including a reasonable time limit within which to correct the violation. A notice of violation may also be recorded by the ARC after the expiration of the time limit. If an Owner fails to comply, the ARC or its authorized agents may enter the homesite and correct the violation at the expense of the Owner of such homesite, said expense to be secured by a lien upon such homesite enforceable in accordance with the Declaration. In the event of any such violation of the Code causing damage in excess of \$10,000, the ARC may, in its sole discretion and in addition to restoration expenses, impose a punitive fine not to exceed 20% of said damages incurred by ARC.

38. Severability

If any provision of the Code, or any section, clause, sentence, phrase or work, or the application thereof in any circumstance, is held invalid, the validity of the remainder of the Code, and of the application of any such provision, section, sentence, clause, phrase or word in any other circumstances, shall not be affected thereby, and the remainder of the Code shall be construed as if such invalid part were never included therein.

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- No more than 80% of total homesite area of Manor and 70% of Estate lots may be disturbed, regardless of envelope size.
- Revegetation of disturbed areas shall be completed using native grass, wildflower or approved grasses.

Many plants should be avoided. A partial list is included below as Appendix B, but it is not comprehensive. For more information about invasive plantings, visit www.invasive.org/eastern/.

Also, please visit the South Carolina Native Plant Society: www.scnps.org.

APPENDIX A– Invasive Plants and Plantings to be Avoided

Common Name	Scientific Name	Description
TREES		
Bradford Pear	<i>Pyrus calleryana</i> 'Bradford'	Structurally Deficient
Chinese Tallowtree	<i>Triadica sebifera</i>	Invasive
Mimosa	<i>Albizia julibrissin</i>	Invasive
Princess Tree	<i>Paulownia tomentosa</i>	Invasive
Tree-of-Heaven	<i>Ailanthus altissima</i>	Invasive
Silver Maple	<i>Acer saccharinum</i>	Structurally Deficient
Water Oak	<i>Quercus nigra</i>	Susceptable to limb breakage, particularly due to carpenter ant tunneling
SHRUBS		
Autumn Olive	<i>Elaeagnus umbellata</i>	Invasive
Chinese Silver Grass	<i>Miscanthus sinensis</i>	Invasive
Golden Bamboo	<i>Phyllostachys aurea</i>	Invasive
Japanese Barberry	<i>Berberis thunbergii</i>	Invasive
Japanese Spiraea	<i>Spiraea japonica</i>	Invasive
Multiflora Rose	<i>Rosa multiflora</i>	Invasive
Privet	<i>Ligustrum</i>	Invasive
VINES		
Chinese Wisteria	<i>Wisteria sinensis</i>	Invasive
Common Periwinkle	<i>Vinca minor</i>	Invasive
Crown Vetch	<i>Coronilla varia</i>	Invasive
English Ivy	<i>Hedera helix</i>	Invasive
Japanese Climbing Fern	<i>Lygodium japonicum</i>	Invasive
Japanese Honeysuckle	<i>Lonicera japonica</i>	Invasive
Japanese Wisteria	<i>Wisteria floribunda</i>	Invasive
Kudzu	<i>Pueraria montana</i>	Invasive
Oriental Bittersweet	<i>Celastrus orbiculata</i>	Invasive
HERBACEOUS		
Chinese Yam	<i>Dioscorea oppositifolia</i>	Invasive
Coltsfoot	<i>Tussilago farfara</i>	Invasive
Eurasian Water-milfoil	<i>Myriophyllum spicatum</i>	Invasive
Garlic Mustard	<i>Alliaria petiolata</i>	Invasive
Hydrilla	<i>Hydrilla verticillata</i>	Invasive
Japanese Grass or Eulalia	<i>Miscrostegium vimineum</i>	Invasive
Japanese Knotweed	<i>Polygonum cuspidatum</i>	Invasive
Musk Thistle	<i>Carduus nutans</i>	Invasive
Purple Loosestrife	<i>Lythrum salicaria</i>	Invasive
Sericea Lespedeza	<i>Lespedeza cuneata</i>	Invasive
Water Hyacinth	<i>Eichhornia crassipes</i>	Invasive

APPENDIX B

Acadia Architectural Review Committee ARC Fees & Schedule

While most Owners want to begin building their home promptly after their Lot Closing, custom homeowners in Phase I of Acadia do have up to 18 months from Closing to begin and maintain construction, and 1 year from start of building to complete construction. This is much longer than building process needs, but gives some Owners the long-range flexibility needed to move into Acadia. This does not mean, however, that an Owner should wait that long to begin the ARC review process. This should be started soon after Closing, and should not be delayed longer than 12 to 14 months after Closing, to insure compliance with the timeline requirements for building in Acadia.

- **Pre-Design Conference:**

Owner, Architect and/or Builder meet with ARC representative for approximately 30 minutes on the Lot to review ideas, house sketches, guidelines, driveway configurations, answer questions related to process, and discuss aspects of the Lot before plans are prepared.

- When: Anytime after Lot Closing. Call 864.331.6307 to schedule.
- ARC Fee: None due at this time.

- **Preliminary Submittal:**

ARC reviews house concept plan and site plan (1 set). Preparing for this step usually requires the most time by the Owner with your builder and design team to prepare construction estimates and plans.

- Site Plan Survey with Topography
- Floor Plans
- All Exterior Buildings Elevations
- Architectural Review Fee Check & Application
- Lot plan shows:
 - specimen trees (12" or larger caliper)
 - proposed footprint of home, accessory structures, setbacks, lot lines, driveway and parking areas, any special notes
- House plan shows:
 - exterior items – all elevations (w/dimensions), materials list (siding, foundation, roofing, etc.), colors (may be determined by Final Submittal), fence designs, major new landscape and hardscape items
 - floor plan (identify room use; dimensions not required)
 - door & window schedule
 - 4ft. x 4ft. sample board of exterior finish
- When: Anytime after Pre-Design meeting
 - Review meetings will be held twice each month, and more frequently if needed.

- ARC has up to 15 days to respond, but typical turnaround is under 10 days.
- ARC Fee:
 - \$300 - Cottage Lot, \$400 - Manor Lot, \$500 - Estate Lot
- Other approximate costs Owner should anticipate:
 - design or architect fees for custom planning (varies from “price per square foot” to “fixed fee”)
 - stock house plans (ranges from \$850 to over \$3500)
 - tree survey: \$75-150
- **Final Submittal:**

ARC final review of construction documents (2 sets). Greenville County building permit comes after this step.

- Complete Construction Documents
 - Time Schedule for Construction
 - Sample of all Exterior Materials, Colors, and Glass Specifications
 - Landscaping Plan
 - Exterior Lighting Plan and Lighting Cuts
 - Performance Bond (refundable)
 - Construction site plan
 - When: Anytime after Preliminary Approval. 30 day turnaround, or quicker.
 - ARC Fee: None.
 - Construction Performance Bond (not a fee; this is like a security deposit and is refunded after construction): \$1500
 - Other costs:
 - Lot construction signage: \$125
 - sewer impact fee: \$200
 - **Pre-Construction Conference:**
- ARC’s brief review of construction procedures, which can be combined with Final Review, assuming no issues or unpaid fees.
- When: Anytime after Final Approval
 - Fee: None – all should be paid before this conference.
 - **Final Inspection:**

Confirm construction completed in compliance with approved plans.

- When: Within 3 days after builder’s notice of completion.
- Fee: None. Performance Bond refunded.

Please note that the ARC fees listed above are separate from homeowner dues to the Acadia Owners Association:

- **\$50 Association Initiation Fee (paid at Closing)**
- **\$700 annual dues for 2006-2007 (pro-rated at Closing).**
- **Annual dues are billed on a calendar year basis at the beginning of the year. Many Owners prefer to pay the annual dues at one time. Please advise the Closing attorney and the Listing Agent if your preference is for one annual bill, or quarterly billing. The Association may change the billing cycle.**

APPENDIX C – Acadia ARCHITECTURAL REVIEW APPLICATION

Applicant to Complete the Information Below

Project Location:

Owner:

Architect:

Contractor/Builder:

Home Information:

Heated space: sq ft

Enclosed total: sq ft

Covered/Under Roof total: sq ft

Building Color (Name, Number, MFG, LVR):

For ARC Use Only:

Date of Application:

Scheduled Meeting Dates:

Pre-Design Meeting Date:

Preliminary Approval Date:

Final Approval Date:

Notes:

APPENDIX D – PERFORMANCE DEPOSIT

In compliance with the rules adopted by the ARC and the Board of Directors of the Acadia Homeowners Association, _____ (“Owner”), does hereby deposit with the Declarant/ARC the sum of \$1,500.00 (hereinafter referred to as the “Deposit”) and agrees to the following terms and conditions:

1. The Deposit shall be held as security against any Damage caused by the acts and/or omissions of Owner, his general contractor and/or their respective employees, agents or subcontractors in connection with construction of improvements on the Owner’s Lot.
2. Upon the occurrence of any such Damage, the Declarant (if prior to the Transition Date) or ARC from time to time, and without prejudice to any other remedy, may use the Deposit to, among other things, (a) repair and/or rectify the Damage or (b) enforce the Code, the Declaration and any other rule or regulation thus violated and cure any defect or problem caused by said non-compliance. It is expressly understood that the use of any or all of the Deposit shall not be considered a measure of the Damage nor release the Owner from paying additional amounts if the total Damage exceeds \$1,500.00.
3. Following the use of all or any portion of the Deposit, the Owner shall immediately pay to the Declarant or the ARC, as the case may be, an amount sufficient to replenish the Deposit to the sum initially deposited. Failure to replenish the Performance Deposit within seven (7) days following delivery of written demand shall be deemed a material breach of the Code and the Declaration and shall entitle the ARC to (i) deny Contractor’s access to the community (including any of Contractor’s suppliers, subcontractors, employees and material men) and (ii) lien the Lot in an amount equal to the Performance Deposit deficiency.
4. Concurrent with the delivery of the Performance Deposit, the Owner shall execute and deliver to the ARC a Notice of Voluntary Lien in the form attached hereto.
5. Neither the Declarant or the ARC nor any member thereof shall be liable to the Owner or any other person for any loss, damage or injury arising out of the payment or non-payment of the Deposit funds unless such loss, damage or injury is due to willful misconduct or bad faith of the ARC or the respective members thereof, as the case may be.
6. Upon completion of the construction of the Owner’s Lot as per the approved plans and specifications, delivery of the Certification to the ARC, and final inspection by the ARC satisfactorily indicating that no Damage as set forth in paragraph 1 remains unremedied and that all construction has been completed pursuant to the approved plans and specifications, including landscaping plans, the Deposit or any balance thereof shall be returned to the Owner.
7. No interest shall be payable on the Deposit.
8. By signature below, the Declarant/ARC Agent acknowledges receipt of \$1,500.00 in form of : cash, check, credit card (circle one).

Executed on this _____ day of _____, 200__.

OWNER

Address

DECLARANT/ACADIA - ARC AGENT (Circle One)

By:

When recorded, return to:

Attention:

NOTICE OF VOLUNTARY LIEN

On _____, 200__, the undersigned, as Owner of homesite _____ of Acadia entered into that certain Deposit Agreement with Acadia which provides, among other things, that in the event of the failure of the undersigned to timely replenish the \$1,500.00 Performance Deposit mandated in the Deposit Agreement, there shall be recorded this "Notice of Voluntary Lien" in respect of the real property more particularly described on Exhibit "A" (the "Benefited Property"). The amount due and owing from the undersigned, as of the date of recordation hereof, is _____ (the "Unpaid Deposit"). The undersigned hereby covenant and agree that with Acadia shall have a voluntary, consensual lien upon the Benefited Property in the amount of the Unpaid Deposit, said lien to continue until such times as with Acadia receives full payment of the Unpaid Deposit. Properly interested parties may inspect a copy of the Deposit Agreement by contacting with Acadia at _____, Attention: _____. The undersigned herewith represents and warrants that, as of the date of execution hereof, the undersigned own(s) fee simple title to the Benefited Property. This Notice of Voluntary Lien constitutes a continuing lien upon the Benefited Property and shall continue in full force and effect until released by a properly recorded instrument executed by the Acadia.

DATED this _____ day of _____, 200__.

OWNER(S)"

STATE OF SOUTH CAROLINA

County of _____

On this _____ day of _____, 200__, before me, the undersigned officer, personally appeared _____ and _____, known to me to be the person(s) whose name(s) is (are) subscribed in the foregoing instrument and acknowledged that he/she/they executed the same for the purposes herein contained.

In witness hereof, I hereunto set my hand and official seal.

Notary Public

My Commission Expires: _____

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Timothy J. Hanney