

STATE OF SOUTH CAROLINA)
)
COUNTY OF ANDERSON)

DECLARATION OF
PROTECTIVE COVENANTS, RESTRICTIONS,
RESERVATIONS AND EASEMENTS FOR
SUMMERWALK

KNOW ALL MEN BY THESE PRESENTS , that the undersigned are owners and developers of those certain lots of land known as Summerwalk Phase I and II being particularly shown on a plat of same by R.D. Garrison SC RegisteredLS #3972_ plat being duly of record in the Office of the Clerk of Court for Anderson County , South Carolina , in Slide 808 Page 10.

WHEREAS , said tract of land as shown and the lots therein contained and as referenced above have been divided into residential lots .

NOW , THEREFORE , in consideration of the benefits accruing to the present and future owners of the lots of land included in said area on said plat, we do hereby impose the following, Residential Area Protective Covenants , Restrictions , Reservations and Easements which shall be applicable to all of the lots in said subdivision as referenced above.

1. DEFINITIONS.

(a) " Dwelling " shall mean and refer to a structure containing one (1) or more " units " (hereinafter defined) which shall be used for residential purposes only . By way of example only, the most common usage of " dwelling " in this document shall refer to a structure that consists of a dual family residence , also known as a townhouse , with the living quarters being separated by a fire wall.

(b) " Unit " shall mean and refer to the separate portions of each dwelling as used for a single family residence.

(c) " Lot " shall mean and refer to any plot of land , other than road areas , shown on a recorded subdivision plat of the property , and upon which a dwelling has been or may be constructed. Further , a " lot " on the subdivision plat , shall be designated by a single Arabic number.

(d) " Sub-lot " shall mean and refer to each of the respective areas created when a lot is divided pursuant to a recorded plat that is made after a dwelling has been constructed on the lot in question. As referenced above , a " lot " shall always be referred to by a single Arabic number. A " sub-lot " shall use the same Arabic number , followed by either an " A " or a " B ". The respective sub-lots shall be determined by the survey of the property after the dwelling has been constructed , and each lot shall be divided by the survey with the end result being that the existing fire wall of the dwelling shall form the line to be used by the surveyor for dividing each lot.

(e) " Declarant " shall mean and refer to Whatley Enterprises Inc. and their respective heirs , executors , successors, and assigns , or to some successor to whom the rights of the Declarant as expressed in this Declaration might be expressly transferred.

2. RESIDENTIAL USE. No lot shall be used except for residential purposes and only one dual family residential dwelling or townhouse (hereinafter referred to as a " dwelling ") shall be erected , altered , placed or permitted on any lot.

3. BUILDING TYPE.

(a) Each lot shall be used for one detached dual family of the cost, quality , and size described hereinafter and no detached garages , outbuildings or storage sheds shall be constructed thereon.

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(b) Notwithstanding the provisions of Item 3(a) above , nothing in this Agreement shall be construed to prevent the undersigned Declarant from constructing a detached single-family dwelling which otherwise meets the conditions of this Declaration , with the Declarant being the sole judge of whether or not the proposed building shall be detached dual-family , or detached single-family.

(c) All drives shall be constructed of concrete , or other materials which are approved by Declarant.

(d) No mobiles homes , prefabricated buildings , trailers , or any temporary structure shall be permitted for residential purposes on any lot .

4. DWELLING COST , QUALITY , AND SIZE.

(a) No dwelling shall be placed on any lot at a cost of less than one hundred thousand dollars (\$100,000), based upon prices prevailing as of this date , it being the intent and purpose of this covenant to assure that any dwelling shall be of a quality of design and workmanship and materials substantially the same or better than that which can be produced on the date that these covenants are recorded at the minimum cost shared herein for the minimum permitted dwelling size .

(b) Each dwelling shall have a minimum of seventeen hundred (1700) square feet of heated living area and shall be of the same design of the building as provided by declarant to purchasers of lot.

5. BUILDING LOCATION. No part of any building shall be located on any lot nearer than twenty (20) feet to the front lot line , and no part of any building shall be located nearer than ten (10) feet to an interior lot line . No dwelling shall be located on any interior lot nearer than twenty (20) feet to the rear lot line .

6. TEMPORARY STRUCTURES No structure of a temporary character , such as mobile homes , house trailers , preconstructed buildings of any type , (including mobile homes with wheels removed) , campers, basement , tent , shack , garage , barn or other outbuildings , shall be used or left on any lot at any time as a residence either temporarily or permanently , nor shall it be permissible to stockpile any form of construction materials or any other substance or the parking of equipment on any lot which would be unsightly to the community , except during the actual time of construction of said house .

7. ARCHITECTURAL CONTROL. No building shall be erected , constructed or placed upon any lot until the construction plans and specifications and a plan showing the location of the structure, including driveway configuration, have been approved in writing by the Declarant as to the quality of workmanship and materials , the harmony of the external design with the existing structures and as to location with respect to topography and finished grade elevation .

8. SUBDIVISION OF LOTS. No lot shall be sub-divided , or its boundary lines changed except with the written consent of the Declarant ; however , the Declarant hereby expressly reserves the right to replat any one or more lots shown on the plat of said subdivision . The reservation of this right to the Declarant to replat any one or more lots , is intended to be used at such time as the construction of the dwelling on each lot in question has been completed. At that time or at a subsequent time if chosen by the Declarant , each lot with an Arabic number shall be subdivided using the designation of "A" or "B" . The written consent of the Declarant for dividing each lot in this fashion shall be expressed on the deed of conveyance at such time as title is transferred from the Declarant to subsequent purchasers . It shall not be necessary to recite this consent in the deed upon any subsequent sale or transfer of title of the property .

9. EASEMENTS. Easements for installation and maintenance of utilities and drainage facilities are reserved along and over the outside ten (10) feet of said lot on all sides thereof .

10. FENCING AND SIGHT DISTANCE.

(a) No fencing shall be used to enclose the front , side , or rear yard , except if constructed of picket , rail or other decorative materials for landscaping or ornamental purposes as approved by the Declarant . Rear yard may be enclosed with a wood fence or other similar material acceptable to Declarant. No chainlink or similar type of fencing shall be allowed . No fence shall be constructed which is higher than 60 inches .

(b) No fencing shall be constructed of shrubbery , plants or trees permitted to grow to such a height as will obstruct or diminish a clear view of intersecting streets adjacent to any lot . The Declarant reserves a right and easement to remove , at the expense of the owner of the lot or sub-lot in question , such obstruction which in the view of the Declarant creates a hazardous or unsafe condition to travelers in the area .

11. PAVED DRIVEWAYS. Prior to completion of construction of any unit on any lot, the owner of such lot shall install at such owner's expense a suitable driveway from the paved portion of the abutting street of a design and location approved by the Declarant.

12. SATELLITE DISHES AND ELECTRONIC EQUIPMENT. Television satellite receivers shall be permitted if they are of the 18" diameter type but their placement must be approved in writing by the Declarant. No other exterior electronic or electric equipment or devices of any kind shall be installed or permitted to remain on the exterior of any structure located on the Real Property unless the location, size and design thereof shall have been approved in writing by the Architectural Committee.

13. ELEVATION OF LOT. No substantial changes in the elevation of the land shall be made on the premises , without written approval of the Declarant .

14. CONSTRUCTION. Construction of any building or structure must be completed within one (1) year after commencement of construction .

15. YARD MAINTENANCE. No weeds , underbrush , or other unsightly growths shall be permitted to grow or remain upon any part of the property and no refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere in sight .

16. SIGNS. No signs of any kind shall be displayed to the public view on any lot except one professional sign of not more than two (2) feet square , advertising the property for sale or rent, or one sign not more than five (5) feet square advertising the property for sale or rent by the builder or other signs by a builder to advertise the property during construction and sales period of same house . However , the Declarant specifically reserves the right to put one or more signs in appropriate areas of the subdivision , stating the name of the subdivision with such other information as might be appropriate . Further , the Declarant specifically reserves the right to put one or more signs in appropriate areas of the subdivision , stating the name of the appropriate street. Certain lots will have express easements reserved to the Declarant for the erection of street signs and/or subdivision signs, which easement shall be expressly declared at the time that the lot in question is conveyed by the Declarant to a purchaser .

17. SEWAGE DISPOSAL. No individual sewage disposal system shall be permitted on any lot.

18. GARBAGE AND REFUSE DISPOSAL. No lot shall be used or maintained as a dumping ground for rubbish , unless specified by the Declarant as a landfill area to be systematically filled and covered properly for landfill purposes . Trash , garbage or other waste shall not be kept except in containers approved for sanitary condition . All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.

19. NUISANCES. No lot or sub-lot shall be used in whole or in part for the storage of rubbish of any character whatsoever, nor for the storage of any property or thing that will cause such lot or sub-lot to appear in a unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept upon any lot or sub-lot that will emit foul or obnoxious odors, or that will cause any noise that will or might disturb the peace, quiet, comfort or serenity of the occupants of surrounding property.

20. ANIMALS, LIVESTOCK AND POULTRY. No animals, livestock or poultry of any kind shall be raised, bred, or kept on any lot or sub-lot, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred, or maintained for any commercial purpose.

21. VEHICLE COVER.

(a) No commercial or disabled vehicles, boats, motor homes, campers, or like equipment or mobile or stationary trailers of any kind shall be permitted on any lot or sub-lot of the subdivision.

(b) No lot or sub-lot shall be used to repair or restore any motor vehicle or boat, whether the work is performed by owner or any other party.

22. MAILBOXES. Each sub-lot may have one mailbox of a design selected by Declarant. Declarant will provide a listing of acceptable mailboxes.

23 PARTY WALLS.

(a) General Rules of Law to Apply. Each wall which is built as a part of the original construction of the dwelling upon the property and placed on the dividing line between the sub-lots shall constitute a party wall, and, to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

(b) Sharing of Repair and Maintenance. The cost of reasonable repair and maintenance of a party wall shall be shared by the owners who make use of the wall in proportion to such use.

(c) Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any owner who has used the wall may restore it, and if the other owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such owner to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts of omission.

(d) Right to Contribution Runs With Land. The right of any owner to contribution from any other under this Article shall be appurtenant to the land and shall pass to such owner's successors in title.

(e) Easement and Right of Entry for Repair, Maintenance, and Reconstruction. Every owner shall have an easement and right of entry upon the sub-lot of any other owner to the extent reasonably necessary to perform repair, maintenance, or reconstruction of a party wall. Such repair, maintenance, or reconstruction shall be done expeditiously, and, upon completion of the work, the owner shall restore the adjoining sub-lot to as near the same condition as that which prevailed prior to commencement of the work as is reasonably practicable.

(f) Certification With Respect to Contribution. If any owner decides to sell his lot or sub-lot, he may, in order to assure a prospective purchaser that no adjoining owner has a right of contribution as provided in this Article, request of the adjoining owner or owners a certification that no right of contribution exists, whereupon it shall be the duty of each adjoining owner to make such certification immediately upon request and without charge. If the adjoining owner claims the right of contribution, the certification shall contain a recital of the amount claimed and the basis therefor.

(g) Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, such dispute shall be settled by arbitration as provided under the laws of

the State of South Carolina as they are now or hereafter amended . (Section 15-48-10 et. seq. of the Code of Laws of South Carolina , 1976 , as amended .)

24. MANNER OF USE OF PROPERTY.

(a) Nothing shall be kept and no activity shall be carried on in any building , dwelling or unit , which will increase the rate of insurance , applicable to residential use , for the total structure involved , or the contents of it . No owner shall do or keep anything , nor cause or allow anything to be done or kept , in his dwelling or unit or on the facilities which will result in the cancellation of insurance on any portion of the property , or the contents thereof , or which will be in violation of any law , ordinance , or regulation . No waste shall be committed on any portion of the property or facilities .

(b) Nothing shall be done in or to any dwelling or unit or in , to , or upon any of the facilities which will impair the structural integrity of any building , dwelling or unit , or portion of the facilities or which would impair or alter the exterior of any building thereof , except in the manner provided in this Declaration .

(c) No immoral , improper , offensive or unlawful use shall be made of the property , or any part thereof , and all valid laws , ordinances , and regulations of all governmental agencies having jurisdiction thereof shall be observed .

(d) No industry , business , trade , occupation , or profession of any kind , whether commercial or otherwise , shall be conducted , maintained , or permitted on any part of the property , except that the Declarant or its agents may use any unsold dwelling or unit for sales or display purposes . This provision nor any other provision of this Declaration shall be construed to prevent the rental of dwellings or units by individual owners, provided the use made of said dwelling or unit complies with the other provisions of this Declaration .

25. EASEMENTS.

(a) Walks , Drives , Parking Areas , and Utilities. Each sub-lot within a lot shall be subject to a perpetual non-exclusive easement or easements in favor of the owner of the other sub-lot within the lot for his use and the use of his or her immediate family , guests , invitee , tenants or lessees for all proper and normal purposes and for ingress and egress and regress and to such easements for driveways , walkways , parking areas , water lines , sanitary sewers , storm drainage facilities , gas lines , telephone and electric power lines , television antenna lines , or other public utilities as shall be established by the Declarant or its predecessors in title and for the use of each owner , his or her family , guests , or tenants . In the event the use of this easement shall be exercised for installation , repair , or maintenance expenses with reference to any of the items above, it shall be the responsibility of the party claiming use of the easement , and for whose benefit the work is done, to restore the property to as near the same condition as that which prevailed prior to the commencement of the work , as is reasonably practicable.

(b) Encroachments. All lots and/or sub-lots shall be subject to easements for the encroachment of initial improvements constructed on adjacent lots or sub-lots by the Declarant to the extent that such initial improvements actually encroach , including , without limitation , such items as overhanging eaves , gutters , downspouts , exterior storage rooms , and walls . If any encroachment shall occur subsequent to subjecting the property to this Declaration as a result of settling or shifting of any building or as a result of any permissible repair , construction, reconstruction , or alteration , there is hereby created and shall be a valid easement for such encroachment and for the maintenance of the same . Every lot and sub-lot shall be subject to an easement for entry and encroachment by the Declarant for a period not to exceed eighteen (18) months following conveyance of a lot or sub-lot to

an owner for the purpose of correcting any problems that may arise regarding grading and drainage. The Declarant, upon making entry for such purpose, shall restore the affected lot, lots, or sub-lots to as near the original condition as practicable.

(c) Structural Support. Every portion of a dwelling which contributes to the structural support of the building shall be burdened with an easement of structural support for the benefit of all other units within the building.

(d) Emergencies. Every sub-lot, together with every unit, shall be subject to an easement for entry by the owner of the adjoining sub-lot or unit for the purpose of correcting, repairing, or alleviating any emergency condition which arises upon any sub-lot or unit within the same lot or dwelling.

26. Covenant Of Owner To Keep Unit Insured Against Loss, To Rebuild, And To Keep In Good Repair. Each owner of any lot or sub-lot, by acceptance of a deed therefor, whether or not it shall be so expressed in said deed, is deemed to covenant as follows:

(a) The owner shall keep the dwelling or unit in good repair.

(b) If any repairs should require repainting, the repainting shall be done in conformity with the current color of the dwelling or unit as it then exists, unless the owner of the remaining portion of the dwelling shall agree to a change in color. But in any event, however, each dwelling shall remain one color, and unless, agreement shall be reached to the contrary by the respective owners of units that compose a dwelling, the color as established by the Declarant shall remain the same.

(c) In the event of a loss that occasions the payment of insurance proceeds on account of loss or damage to any unit or to a dwelling as a whole, such insurance proceeds shall be applied to the complete repair and/or restoration of the property as it previously existed. The reconstructed or repaired unit or dwelling shall be substantially identical to the destroyed or damaged unit or dwelling.

(d) In the event that a unit within a dwelling shall be or become totally vacant, and in the event that the owner of the adjoining unit shall find it necessary to protect his interests in his own unit, such remaining owner of an occupied unit shall have the right to obtain such insurance coverage as might be available to the extent that it is reasonably necessary to protect his interest in the unit occupied by him, and such owner shall be entitled to contribution from the vacant owner for such added insurance premiums as were paid for the necessity of protecting his interest in the occupied unit. Further, the right of any owner to contribution from the owner of the adjoining unit for reimbursement of said insurance premiums paid, shall be appurtenant to the land and shall pass to such owner's successors in title.

(e) If a unit within a dwelling is not habitable by reason of damage, and if the owner of said unit does not begin repair or reconstruction within thirty (30) days following the damage or destruction, the owner of the adjoining unit thereby affected shall have the right to proceed with repair and/or reconstruction of the damaged or destroyed unit, so as to protect the value of his particular unit. Although the owner of a damaged or destroyed unit shall have thirty (30) days following said damage or destruction to begin repair or reconstruction, for the protection of the owner of the remaining unit, notice shall be given by such remaining owner to the owner of the damaged or destroyed unit no later than twenty (20) days following said damage or destruction of the remaining unit's owner's intent to begin the repair or reconstruction on his own initiative, in order to protect his interest. If the owner of the remaining unit shall begin or complete such repair or reconstruction pursuant to the exercise of his rights under the terms of this document, he shall be entitled to contribution, which right shall be appurtenant to the land and shall pass to such owner's successors in title.

(f) If any owner desires to sell his lot or sub-lot, he may, in order to assure a prospective purchaser that no adjoining owner has a right of contribution as provided in this Article, request of

the adjoining owner or owners a certification that no right of contribution exists , whereupon it shall be the duty of each adjoining owner to make such certification immediately upon request and without charge. If the adjoining owner claims the right of contribution , the certification shall contain a recital of the amount claimed and the basis therefor .

27. TERMS. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of twenty-five (25) years from the date these covenants are recorded , after which time said covenants shall be automatically extended for successive periods of five (5) years unless a instrument signed by a majority of the sub-lot owners of the lots has been recorded , agreeing to change said covenants , in whole or in part . In determining a majority of the sub-lot owners , the owner(s) of each sub-lot , including the Declarant , shall have one vote for each sub-lot owned .

28. HOMEOWNERS' ASSOCIATION. In order to establish, regulate, and maintain certain common areas within the subdivision for the general use and benefit of all lot owners, each and every sub-lot owner, in accepting a deed or contract for deed for any sub-lot in the subdivision, including any individual, individuals, or entity that might acquire an ownership interest in any sub-lot by virtue of a devise or intestate succession or by other method, including but not limited to the holder of a mortgage as security in good faith for value which acquires an interest through foreclosure; agrees to and shall be a member of and be subject to the obligations and duly enacted by-laws and rules of the Summerwalk Homeowner's Association, Inc., a non-profit corporation. (For membership rules, see Paragraph 29 hereinafter, entitled "HOMEOWNERS' ASSOCIATION MEMBERSHIP.") Declarant agrees to establish such a corporation and to convey to it, prior to or at the time that thirty (30) lots are sold in the subdivision, all common areas as designated on the plats of the subdivision (or on such subsequent plats as the Declarant may commission), said plat or plats to be recorded simultaneously with a written declaration furnishing notice that said corporation has been established and said common areas are being conveyed to said corporation, PROVIDED, HOWEVER, that Declarant specifically reserves the right to itself and its heirs, administrators, successors, and assigns for the option of first refusal to re-acquire said common area or areas at a total cost of One Dollar (\$1.00) if the common area or areas so designed on said plat or plats are ever abandoned or offered for sale by the Summerwalk Homeowners' Association, Inc. The Declarant shall not be a member of the Homeowners' Association in its capacity as a developer and shall not be required to pay any membership fees or annual dues or assessments as may be levied from time to time by the Association. However, insofar as each individual shall be a member of and be subject to the obligations and duly enacted by-laws and rules of the Summerwalk Homeowners' Association, Inc.

29. HOMEOWNERS' ASSOCIATION MEMBERSHIP. At such time as an ownership interest is acquired in a sub-lot pursuant to the terms of Paragraph 28 above referenced, a share of stock in Summerwalk Homeowners' Association, Inc., shall be transferred to each sub-lot owner upon the payment of the then established share value, which share shall be non-assignable and shall be transferable only with the conveyance of the lot from time to time. As referenced below, membership in the Homeowners' Association shall be appurtenant to and may not be separated from, ownership of the property which is subject to assessment. As any sub- lot within the subdivision is re-conveyed, the ownership of the one share of Summerwalk Homeowners' Association, Inc., shall automatically vest in the owner shall notify the Association of the conveyance of said lot and shall immediately deliver custody and possession of the original share of stock in the Association to the Association. The Association shall be charged with effecting a change of name on the corporate books and issuing a new share of stock to the new lot owner, simultaneously cancelling the old share of stock. In the event a sub-lot shall be sold without notice being given to the Association, and if the share of stock is not

delivered within thirty (30) days from the date of sale to the Association, then said share of stock belonging to the selling sub-lot owner shall be marked as cancelled on the books of the Association, and the secretary of the Association shall issue a new share of stock to the new sub-lot owner, dated the date of the deed recordation.

30. ASSESSMENTS. Any Grantee, his heirs, executors, administrators, successors, and assigns, in accepting a deed or contract for deed to a sub-lot in the subdivision, covenants and agrees to pay from time to time as the Summerwalk Homeowners' Association, Inc., shall elect the pro rata share of the expenses incurred by the Association for the establishment and maintenance of the common area of the subdivision provided for the benefit of residents of and property owners in the subdivision. Such assessment shall be levied by the Association in accordance with its by-laws. The assessment in this regard shall be paid promptly when same becomes due, and in the event of a sub-lot owner's failure to pay same promptly when due, the amount of assessment, together with interest at the legal rate and the penalty as established below and as regulated from time to time by the Association, shall constitute a lien upon the premises of each resident or property owner and shall remain a lien until paid in full, and may be enforced in equity as in the case of any lien foreclosure. The sale or transfer of any sub-lot in the subdivision shall not effect any lien for assessments provided herein. If any owner of a sub-lot desires to sell his sub-lot, he may, in order to assure a prospective purchaser that no charges or assessments remain unpaid, request from the Homeowners' Association, a written certification that no past due charges or assessments exist, whereupon it shall be the duty of the Homeowners' Association to so certify immediately upon request and without charge. As the case may be, the Association may also certify that certain charges remain unpaid, in which event the Association shall not be required to transfer membership on its books or allow the exercise of any rights or privileges of membership by any member unless and until all the assessments and charges due have been paid. The by-laws of Summerwalk Homeowners' Association, Inc., shall provide that after the initial assessment amount has been established by Declarant, that said assessment may be increased or decreased as it is necessary to defray expenses for the maintenance of the common areas. The failure of a resident or property owner to pay any assessment may be enforced either jointly or severally by the Homeowners' Association, by the Declarant, or by other property owners in the subdivision. Membership in the Homeowners' Association shall be appurtenant to and may not be separated from, ownership of the property which is subject to assessment. The owner of every sub-lot (Each lot contains two sub-lots) in the subdivision shall be a member of the Association and shall be entitled to one (1) vote. In the event of a joint ownership of a sub-lot, said owners will be entitled to only one (1) vote as determined between them; and if an agreement cannot be reached by said joint owners at the time of the vote, then the vote shall not be counted.

31. INITIAL FEES AND ASSESSMENTS. There shall be an initial membership fee assessment in the amount of fifty dollars (\$50.00) (which amount shall be subject to change as improvements are erected and as the value of the property in the subdivision increases) for each sub-lot for the privilege of being a member of the Summerwalk Homeowners' Association, Inc. This initial fee shall be paid to the association at the time of the purchase of the lot. This is a one-time fee for each sub-lot, and once a lot has been purchased from Declarant, there will be no additional membership fee at the time of subsequent conveyance or transfer of title. This initial membership fee shall be used to establish

a reserve account for the Association, which money shall be used for the maintenance of the common areas, the subdivision entrance, street or road signs, and any gate or gate house that might be erected at the main entrance to the subdivision, and for any other matters that the Association should desire and deem necessary for the safety, comfort, welfare, and enjoyment of the owners of the lots in the subdivision. The Association shall have the right to determine the amount of funds necessary to maintain the common areas on a yearly basis, and to levy the assessment on each of the property owners. Notice of the Assessment shall be given by regular United States mail to the mailing address which every property owner shall be required to give the Association at the time of acquiring an ownership interest in any lot. If a lot owner is delinquent for a period of thirty (30) days, a second notice will be sent to said lot owner. In the event said lot owner does not correct such deficiency in the second thirty (30) day period, from the date said levy became past due, interest shall accrue at the then current legal rate, (prime rate from due date), and an additional fee of thirty dollars (\$30.00) shall be charged in order to compensate the Association for any expenses it might incur.

32. SUBORDINATION OF ASSESSMENTS AND/OR CHARGES AND/OR LIENS TO MORTGAGES.

(a) The lien and permanent charge of the monthly assessments (together with the interest thereon and cost of collection) authorized herein with respect to any sub-lot is hereby made subordinate to the lien of any mortgage placed on such lot if, but only if, all such assessments with respect to such lot having a due date on or prior to the date such mortgage is filed for record have been paid.

(b) Such subordination is merely a subordination and shall not relieve the property owner of the mortgaged property of his personal obligation to pay all assessments coming due at a time when he is the property owner; shall not relieve such property from the lien and permanent charge provided from herein (except to the extent a subordinated lien and permanent charge is extinguished as a result of any such subordination as against a mortgage or such mortgagee's assignee or transferee by foreclosure or levy and execution); and no sale or transfer of such property to the mortgagee or to any other person pursuant to a decree of foreclosure or pursuant to any proceeding executing upon the property shall relieve any existing or previous property owner of such property or the then and subsequent property owners for liability for any assessment provided for hereunder coming due after such sale or transfer.

(c) Notwithstanding the foregoing, the Homeowners' Association may at any time, either before or after any mortgage or mortgages are placed on such property, waive, relinquish or quit-claim in whole or in part the right of the Homeowners' Association to assessments provided for hereunder with respect to such property coming due during the period while such property is or may be held by a mortgagee or mortgagees pursuant to such sale or transfer.

33. CHANGE OR AMENDMENT. Until such time as the original Declarant substitute the Homeowners' Association in their place and stead pursuant to the terms of Paragraph 32 hereinafter, the terms and provisions of these restrictions may only be changed or amended by an instrument in writing signed by all of the Declarants. After the Declarant withdraw from active involvement in the management of the subdivisions pursuant to the terms of paragraph 28 hereinafter, the terms and provisions of these restrictions may only be changed or amended by an instrument in writing signed by 75% of the lot owners in said subdivision, PROVIDED, HOWEVER, that it shall also be necessary to have the consent of the original Declarants (or the survivors of them). So that no questions can exist, it is the intent of this provision that a 75% agreement be obtained in addition to the vote of the Declarant. Further, at such time as the original Declarant shall determine that the purposes of the

subdivision have been largely accomplished, they can so declare this in an instrument in writing, in recordable form, and withdraw from active involvement, affirmatively stating at the time in said document that the right to manage or control the subdivision has been relinquished to the Homeowners' Association. The owner(s) of each sub-lot, including the Declarant herein, shall have one (1) vote for each sub-lot owned. In the event of joint ownership of a lot or lots, and if an agreement cannot be reached by said joint owners of the lot at the time of the vote, then the vote shall not be counted.

34. SUBSTITUTION OF HOMEOWNER'S ASSOCIATION FOR DECLARANT. At such time as the original Declarant, who control and maintain the property during the developmental phase of the subdivision, shall determine that the purposes of the subdivision have been largely accomplished, they can so declare this in an instrument in writing in recordable form, and withdraw from active involvement in the management of the subdivision, affirmatively stating at the time in said document that the right to manage or control said subdivision has been relinquished to the Homeowners' Association. In this event, and upon the recordation of such an instrument relinquishing the right to manage or control said subdivision to the Homeowners' Association, all references to Declarant in this Declaration of Protective Covenants, Restrictions and Easements for Summerwalk, shall be read so that the phrase "Homeowners' Association," is taken in the place and stead of "Declarant," thereby vesting control and management of the subdivision in all respects in the Homeowners' Association. (NOTE: The substitution of the Homeowners' Association for the "Declarant" shall not be read so that the option of first refusal for re-acquiring the common areas shall belong to the Association or in change amendments to subdivision regulations in paragraph 33. In all events, this right shall belong to the Declarant. (See paragraph 33 Above.) In no event shall any provision of this instrument be interpreted to allow the Homeowners' Association to force such a decision from the Declarant; only the voluntary determination of the Declarant as referenced herein, in an instrument in recordable form, shall be sufficient to accomplish this purpose.

35. ENFORCEMENT. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages , or both, as the case may be.

36. SEVERABILITY. Invalidation of any one of these covenants by Judgment or Court Order shall in no wise affect any of the other provisions , which shall remain in full force and effect.

All of the covenants , restrictions , reservations and servitudes set forth herein shall run with the land and grantee , by accepting the deed to such premises , accepts the same subject to such covenants , restrictions , reservations , and servitudes and agrees for himself , his heirs , administrators, successors and assigns to be bound by each of such covenants , restrictions , reservations , and servitudes jointly , separately , and severally .

