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**DECLARATION OF
COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
KESWICK AT PARK WEST**

TABLE OF CONTENTS

<u>Article</u>	<u>Page</u>
I. DEFINITIONS.....	2
II. PLAN OF DEVELOPMENT; ASSOCIATION PROPERTY; RULES AND REGULATIONS:	5
III. MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION; BOARD; DURATION OF ASSOCIATION.....	10
IV. COVENANT TO PAY ASSESSMENT FOR OPERATING EXPENSES; ESTABLISHMENT OF LIENS; COLLECTION OF ASSESSMENTS; RIGHTS OF DECLARANT AND MORTGAGEES;	11
V. METHOD OF DETERMINING ASSESSMENTS AND ALLOCATION OF ASSESSMENTS.....	13
VI. OPERATING EXPENSES.....	17
VII. INSURANCE AND CONDEMNATION.....	20
VIII. EASEMENTS.....	23
IX. MAINTENANCE AND REPAIR.....	26
X. ARCHITECTURAL CONTROL.....	28
XI. USE RESTRICTIONS	31
XII. SUBJECTING ADDITIONAL PROPERTY TO THESE PROTECTIVE COVENANTS..	38
XIII. ENFORCEMENT; NON-MONETARY DEFAULTS; ASSOCIATION REMEDIES.....	39
XIV. AMENDMENT AND MODIFICATION	41
XV. GENERAL PROVISIONS.....	43

Exhibit A Legal Description of the Property

Exhibit B Preliminary Subdivision Plan ("Site Plan")

DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS
FOR
KESWICK AT PARK WEST

THIS DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR KESWICK AT PARK WEST ("Protective Covenants") is made this 3 day of DEC., 2002, by CENTEX HOMES, a Nevada general partnership, its successors and assigns ("Declarant").

WHEREAS, Declarant is the owner in fee simple of the real property more particularly described on Exhibit A ("Property").

WHEREAS, Declarant desires to develop a community to be known as "Keswick" (referred to as "Keswick" or the "Subdivision") on the Property as hereinafter set forth; and

WHEREAS, upon the acquisition of any additional property that is permitted to be subjected to these Protective Covenants as provided herein, Declarant, in its sole discretion, has the right, but not the obligation, to submit such additional property to the terms and provisions of these Protective Covenants as hereinafter set forth; and

WHEREAS, Declarant has deemed it desirable for the efficient preservation of the values and amenities established to create a South Carolina non-profit corporation known as the Keswick at Park West Owners Association, Inc., to which there have been and will be delegated and assigned: (i) certain powers and duties of ownership, operation, administration, maintenance and repair of portions of the Property, including, but not limited to, the "Association Property" (as hereinafter defined); (ii) the enforcement of the covenants and restrictions contained herein; and (iii) the collection and disbursement of the "Operating Expenses" (as hereinafter defined); and

WHEREAS, in order to develop and maintain Keswick as a planned residential community and to preserve the values and amenities of such community, it is necessary to declare, commit and subject the Property and the improvements now or hereafter constructed thereon to certain land use covenants, restrictions, reservations, regulations, burdens, liens, and easements; and to delegate and assign to the Association certain powers and duties of ownership, administration, operation, maintenance and enforcement; and

NOW, THEREFORE, in consideration of the premises and covenants herein contained, Declarant hereby declares that the Property shall be owned, held, used, transferred, sold, conveyed, demised and occupied subject to the covenants, restrictions, easements, reservations, regulations, burdens and liens hereinafter set forth, all of which shall run with the Property and any part thereof and which shall be binding upon all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns.

ARTICLE I
DEFINITIONS

A. "Additional Property" means any real property that is contiguous to the Property or located within Park West and acquired by the Declarant as provided in Section C.1 of Article II, which is permitted to be subjected to the terms of these Protective Covenants in accordance with the provisions of Section C of Article II.

B. "Amendment(s)" mean(s) any and all amendments to these Protective Covenants, all of which shall be consecutively numbered beginning with the "First Amendment to the Declaration of Protective Covenants and Restrictions for Keswick at Park West and each of which shall be properly adopted pursuant to the terms of the Association Documents and recorded in the Public Records; provided, however, the failure to so consecutively number such amendments shall not impair their validity hereunder and such amendments to the extent not otherwise numbered will be deemed to have been numbered in chronological order of their appearance in the Public Records.

C. "Articles" mean the Articles of Incorporation of the Association.

D. "Assessments" mean the assessments for which all Owners are obligated to the Association and include "Individual Lot Assessments", "Individual Expense Assessments" and "Special Assessments" (as such terms are defined in Article V hereof) and any and all other assessments which are levied by the Association in accordance with the Association Documents.

E. "Association" means Keswick at Park West Owners Association, Inc., a South Carolina corporation not for profit.

F. "Association Documents" mean in the aggregate these Protective Covenants, the Articles and Bylaws and all of the instruments and documents referred to or incorporated therein, including, but not limited to, amendments to any of the foregoing, as applicable.

G. "Association Property" means the lands, systems, facilities, rights, easements and personal property which may be deeded, leased, granted, reserved, assigned or transferred to the Association, as described in Section E of Article II hereof, or as designated Association Property by the Declarant prior to the Turnover Date, and thereafter by the Association, together with all improvements thereon and equipment, facilities and rights associated therewith.

H. "Board" means the Board of Directors of the Association.

I. "Bylaws" mean the Bylaws of the Association.

J. "Committee" means the Architectural Control Committee established and empowered as provided in Article X.

K. "Contributing Lot" means any Lot which (a) has been issued a certificate of occupancy for a Dwelling Unit constructed thereon by the appropriate governmental agency, or (b) is designated a Contributing Lot by the Declarant in the deed of conveyance or any other instrument recorded among the Public Records of the County, upon which an affirmative covenant to pay Assessments, as more particularly set out in Article IV hereof, is imposed.

L. "Contributing Lot Owner" means the Owner of a Contributing Lot.

M. "County" means Charleston County, South Carolina.

N. "Declarant" means Centex Homes, a Nevada general partnership, and any successor or assign thereof, which acquires any Lot from Declarant for the purpose of development and to which Centex Homes specifically assigns all or part of the rights of Declarant hereunder by an express written assignment recorded in the Public Records of the County.

O. "Development Review Board" means the individuals (or the entity comprised of individuals) designated in the Park West Documents to review and approve development plans and architectural plans for any proposed Improvements to the Property pursuant to the terms of the Park West Documents.

P. "Director" means a member of the Board.

Q. "Dwelling Unit" means a residential dwelling unit in Keswick intended as an abode for one family constructed upon a Lot.

R. "Final Plat" means a final subdivision plat approved by the Town consistent with the Site Plan for all or a portion of the Property and recorded in the Public Records of the County.

S. "Improvement" means any building, fence, wall, patio area, driveway, walkway, antenna, satellite dish, sign, mailbox, pool, tennis court, deck, or other structure or improvement, including landscaping, which is constructed, made, installed, attached, placed or developed within or upon, or removed from, any portion of the Property, or any change, alteration, addition or removal of any such structure or improvement other than normal maintenance and repair which does not materially alter or change the exterior appearance, condition and color of same.

T. "Institutional Mortgagee" means any lending institution holding an interest in a Dwelling Unit or Lot pursuant to a first mortgage covering a Dwelling Unit or Lot. Institutional Mortgagees shall include, but not be limited to (i) the successors and assigns of such lending institutions, (ii) any "secondary mortgage market institution" who typically purchase, insure or guaranty mortgages (such as the Federal National Mortgage Association, the Veterans Administration ("VA"), the Federal Housing Administration ("FHA"), the Department of Housing and Urban Development ("HUD"), and similar entities), (iii) Declarant, if Declarant holds a mortgage on any portion of the Property.

U. "Interest" means the maximum nonusurious interest rate allowed by law on the subject debt or obligation, and if no such rate is designated by law, then twelve percent (12%) per annum.

V. "Legal Fees" mean reasonable fees for attorney and paralegal services incurred in connection with: (i) negotiation and preparation for litigation, whether or not an action is actually begun, through and including all trial and appellate levels and post-judgment proceedings; (ii) collection of past due Assessments including, but not limited to, preparation of notices and liens; and (iii) court costs through and including all trial and appellate levels and post-judgment proceedings.

W. "Lot" means a portion of the Property as shown on a Final Plat, upon which a Dwelling Unit is permitted to be erected.

X. "Keswick" or the "Subdivision" means the single-family residential town home community planned for development on the Property.

Y. "Member" means a member of the Association.

Z. "Operating Expenses" mean the expenses for which Owners are liable to the Association as described in these Protective Covenants and any other Association Documents and include, but are not limited to, the costs and expenses incurred by the Association in administering, operating, reconstructing, maintaining, financing, repairing, replacing or improving the Association Property, or any portion thereof and improvements thereon and all costs and expenses incurred by the Association in carrying out its powers and duties hereunder or under any other Association Documents.

AA. "Open Space Area" means those portions of the Property identified on a Final Plat or the Site Plan as a delineated parcel of land for use as a private open space area or other open or natural area to be owned and maintained by the Association.

BB. "Owner" means the owner of the fee simple title to a Lot and includes Declarant for so long as Declarant is the owner of the fee simple title to a Lot but excluding those having such interest merely as security for the performance of any obligation and excluding purchasers under executory contracts of sale of a Lot.

CC. "Park West" means the name given to the approved planned unit development being developed by Declarant and others in the Town, of which the Subdivision is a portion.

DD. "Park West Declarations" mean (i) the Declaration of Covenants, Conditions and Restrictions for the Park West Association, Inc. recorded in Book P294, Page 275, of the Public Records, and (ii) the Declaration of Covenants, Conditions and Restrictions for the Park West Amenity Association, Inc. recorded in Book C296, Page 678, of the Public Records, and all amendments thereto whereby portions of the real property in Park West are submitted or required to be submitted to the terms and conditions thereof from time to time.

EE. "Park West Associations" mean the Park West Master Association, Inc., a South Carolina nonprofit mutual benefit corporation, and the Park West Amenity Association, Inc., a South Carolina nonprofit mutual benefit corporation, organized to administer the Park West Declarations, for the purpose of maintaining, operating, repairing and replacing certain common and recreational areas located within Park West as more particularly defined therein.

FF. "Park West Documents" mean the Park West Declarations, the Articles of Incorporation and Bylaws of the Park West Associations, any rules and regulations promulgated by such associations, the design review standards and development guidelines published from time to time by the Development Review Board, and all of the documents and instruments referred to therein and any amendments to any of such documents.

GG. "Person" means a natural individual or any other entity with the legal right to hold title to real property.

HH. "Ponds" means those portions of the Property shown on the Site Plan or a Final Plat as a delineated parcel of real property which contains all or any portion of a storm water retention or detention pond, or similar body of water designed and developed as part of the Storm Water Management System.

II. "Property" means the real property more particularly described on Exhibit A attached hereto. The term "Property" shall also mean any additional real property made subject to these Protective Covenants as provided for herein by the recordation of a Supplement.

JJ. "Protective Covenants" means this document and any amendments and supplements hereto.

KK. "Public Records" means the office of the RMC Office for Charleston County, South Carolina.

LL. "Site Plan" means the preliminary subdivision plan (or plans, if applicable) of Keswick approved by the Town, for the real property currently comprising the Property, as such Site Plan may be supplemented or amended from time to time to reflect modifications which are approved by the Town, the current version of which is attached as Exhibit "B".

MM. "Storm Water Management System" means the drainage areas, drainage easements, retention areas, storm water piping systems, drains, catch basins and other related apparatus and facilities intended to provide storm water management and control for the Property.

NN. "Total Planned Lots" means the total number of Lots planned for Keswick by the Site Plan as such may exist from time to time and as reflected by the Site Plan as may be updated from time to time with the approval of the Town. For the purposes hereof, the term "Total Planned Lots" shall mean forty (40) Lots, as such number may be adjusted to reflect changes in the Site Plan which are approved by the Town.

OO. "Town" means the Town of Mt. Pleasant, Charleston County, South Carolina.

PP. "Turnover Date" means the earlier of (i) the date when seventy-five percent (75%) of the Total Planned Lots have been improved with a Dwelling Unit and conveyed to an Owner other than a successor Declarant for use as a primary residence, (ii) the date on which Declarant records in the Public Records a document relinquishing its control of the Association to the members at large, or (iii) the date that is seven (7) years following the date these Protective Covenants are first recorded in the Public Records.

ARTICLE II
PLAN OF DEVELOPMENT;
ASSOCIATION PROPERTY; RULES AND REGULATIONS

A. Park West. Park West is being developed as a multi-phase planned unit development comprised of residential, recreational and commercial property in accordance with the approved master development plan for Park West and the related development approvals of the applicable governmental authorities. The Subdivision is located within Park West and will be developed in a manner consistent

with the approved plan of development for Park West. The Park West Association is responsible for the maintenance of the "Areas of Common Responsibility" (as defined in the Park West Declaration), which are available for the use and enjoyment of all residents and occupants of Park West in accordance with the Park West Declaration. The Park West Amenity Association is responsible for the maintenance of certain recreational areas and facilities (which are more particularly defined in the Park West Amenity Declaration), which are available for the use and enjoyment of all residents and occupants of Park West in accordance with the Park West Amenity Declaration.

B. Keswick. Declarant plans to develop Keswick as a residential town home community consisting of Lots approved for the construction and occupancy of one (1) single family attached Dwelling Unit per Lot, and containing a total of forty (40) Lots and the Association Property located on the Property. Additional subsequent stages, if any, may consist of Lots and Association Property located within any additional property made subject to these Protective Covenants pursuant to Section A of Article XII as shown on a Final Plat of such property.

Declarant's general plan of development of Keswick contemplates the construction of Dwelling Units thereon and, further, that various improvements will be constructed on the Lots and other portions of the Property which will enhance Keswick and benefit the Owners of all Lots, however there is no obligation imposed by these Protective Covenants on the Declarant to build a Dwelling Unit on any particular Lot. Declarant's general plan of development further contemplates that such Dwelling Units shall be whatever types of structures Declarant may choose (subject to the applicable zoning and density requirements of the applicable governmental authorities). Declarant's general plan of development of Keswick is reflected by the Site Plan and may also include whatever facilities and amenities Declarant considers in its sole judgment to be appropriate to the community. Declarant reserves the right to increase or decrease the number of Lots reflected and/or permitted by the Site Plan as approved by the Town in accordance with applicable law, and such change shall not require an amendment to these Protective Covenants.

C. Association Property. The Association Property is for the use, enjoyment, and benefit of the Association and the Owners, the residents of the Property, and their respective guests and invitees, tenants, the Institutional Mortgagees, and subject to the ordinances of the Town, and any other person authorized to use the Association Property or any portion thereof by Declarant or the Association for all proper and reasonable purposes and uses for which same are reasonably intended, subject to the terms of these Protective Covenants, and the terms of any easement, restriction, reservation or limitation of record affecting the Association Property or contained in the deed or instrument conveying the Association Property to the Association.

1. Storm Water Management System. The portions of the Storm Water Management System located upon the Property, including any Ponds, shall be kept and maintained by the Association. The Association shall use and maintain those portions of the Storm Water Management System on the Property substantially in the same fashion as constructed by Declarant in accordance with the requirements of the Town and all other applicable governmental authorities.

2. Ponds. The portions of the Property designated on any Final Plat as Ponds shall always be kept and maintained as an area for water retention, drainage and water management purposes in compliance with applicable governmental and water management district requirements. Such Ponds

shall be a part of the Stormwater Management System and the Association Property and shall be maintained, administered, and owned by the Association.

3. Wetland Areas. Those portions of the Property designated on any Final Plat as wetlands, wetland areas, or similarly-named areas ("Wetland Area") shall be part of the Association Property and owned, maintained, and administered by the Association. Declarant hereby reserves and grants an easement in favor of the Association throughout all portions of the Property for the purpose of access to and protection of such Wetland Areas and no Owner shall do any act which may interfere with the performance of the Association in its obligations hereunder. The Wetland Areas are subject to restriction as provided by applicable law and as set forth in Section V of Article XI.

4. Roadways and Rights of Way. Any portion of the Property shown on a Final Plat as a public roadway, street (collectively, "Roadway") or right of way ("Right of Way") and all improvements thereon shall be dedicated to the Town or other applicable governmental agency as a public right-of-way for ingress and egress to and from all portions of the Property. Except as described below, the Association shall have no responsibility for the maintenance thereof, but shall have the right, to provide supplemental maintenance together with the Town or other governmental agency, as the Board may determine in its sole discretion. Provided, however, the Association is responsible for maintaining, repairing and replacing (i) the street identification signs in the Project, (ii) the street trees installed by Declarant within the Rights-of-Way, and (iii) any additional landscaping installed by Declarant within a Right-of-Way designated for maintenance by the Association as shown on a Final Plat or as otherwise required by the Town. The expenses incurred by the Association for the maintenance of such items within the Rights-of-Way shall be an Operating Expense of the Association.

The street lights within the Property, whether located within the Roadway or upon a Lot, shall be owned and maintained by the applicable utility company providing the electricity to illuminate the street lights. The Association shall have no responsibility to maintain any common street lighting within the Property or to pay for any utility services used in connection with the street lighting, unless the applicable electric service provider requires or permits the Association to pay the cost of electricity consumption for illuminating the street lights and the Association assumes payment for such costs (in which event such costs shall be an Operating Expense). The electrical consumption costs associated with illuminating the street lighting in the Property shall either (i) be allocated among the Owners as determined by the electric service provider, and included on the utility company's periodic bills payable by some or all of Owners (as determined by the electric company) for electricity service provided to such Owners' Lots, or (ii) be an Operating Expense of the Association and included in the Budget to determine the annual Individual Lot Assessment. If the electric company charges the Owners directly for the costs of illuminating the street lights, the Association shall have no obligation or responsibility for the costs of such electricity or for the manner in which such costs are allocated among the Owners.

5. Buffer Areas. Any portion of the Property shown on a Final Plat as a buffer, buffer area, landscape buffer or otherwise established for the purpose of providing a natural or landscaped buffer area between the Property and the adjacent streets or property ("Buffer Areas") shall be used and maintained by the Association substantially in the same fashion as constructed by Declarant. To the extent that any portion of a Buffer Area is located upon any Lot, an easement upon the applicable portion of such Lot is hereby reserved in favor of Declarant and the Association as provided in Section B.8 of Article VIII. Use of the Buffer Areas is restricted as provided in Section GG of

Article XI. Easements for the benefit of Declarant and the Association are reserved as shown on the Final Plat for the purpose of allowing access to the Buffer Areas to perform maintenance, inspection, and all other actions necessary to keep and maintain the Buffer Areas as required herein and in accordance with the requirements of the Town and other applicable governmental authorities.

6. Open Space Areas. Any portion of the Property shown on a Final Plat as a separate parcel of property for use as an open or natural area ("Open Space Areas") shall be owned by the Association. Any Open Space Area shall be used and maintained by the Association in accordance with any applicable requirements and regulations of the Town and the applicable governmental authorities. Portions of the Open Space Areas may contain other Association Property or Association Property Improvements, such as Ponds, mail kiosks, entry signage, landscaping, and pedestrian access areas. Such areas and Improvements shall be used and maintained by the Association substantially in the same fashion as constructed or installed by Declarant and as may otherwise be specifically set forth in this Declaration

7. Entry and Signage Areas. Any subdivision entrance landscaping, signage, lighting and associated Improvements ("Entry Improvements") located within the Buffer Areas or within other portions of the Property shown on a Final Plat as an entry area or easement ("Entry Area") or signage area or easement ("Signage Area") shall be used and maintained by the Association in substantially the same fashion as landscaped and constructed by Declarant. To the extent that any portion of an Entry Area or Signage Area is located upon any Lot, an easement upon the applicable portion of such Lot is hereby reserved in favor of Declarant and the Association as provided in Section B.8 of Article VIII.

8. Other Property. In addition to the Association Property specifically described in this Section C of Article II, Association Property shall also consist of such other property, real or personal, and interests therein as may be determined by Declarant to be of use or benefit to the Association, its Members or Keswick and designated as Association Property by Declarant.

9. Maintenance of Other Property benefiting the Association. In addition to the Association Property specifically set forth in these Protective Covenants, the maintenance responsibility of the Association may include, without limitation, any landscaping on public roadways or other property adjacent to the Property selected by the Board for maintenance and determined by the Board as benefiting Keswick with the approval of the owner of such property or the governmental authority responsible for maintenance of same.

10. Right to Add Additional Improvements. Such portions of the Association Property upon which Declarant has constructed, or hereinafter constructs, Improvements shall be kept and maintained for use in a manner consistent with the nature of such Improvements located, or to be located thereon. Until the Turnover Date, Declarant reserves the right, but shall not be obligated, to construct additional facilities upon the Association Property. Until the Turnover Date, the decision as to whether to construct additional facilities and the construction thereof shall be in the sole discretion of Declarant.

11. Administration and Costs of Maintenance. Except as specifically provided to the contrary herein, all costs associated with operating and maintaining the Association Property shall be the obligation of the Association; and included in the Operating Expenses of the Association. The Association Property shall be conveyed to the Association in accordance with the provisions of Section

C.14 of this Article II. The administration, management, operation and maintenance of the Association Property shall be the responsibility of the Association, all as is provided herein and in the other Association Documents.

12. Private Use. Except as may be otherwise expressly provided for herein, for the term of these Protective Covenants, the Association Property is not for the use and enjoyment of the public, but is expressly reserved for the private use and enjoyment of Declarant, the Association, and the Lot Owners in Keswick, their family members, guests, invitees and lessees, and any other Person authorized to use the Association Property or any portion thereof by Declarant or the Association but only in accordance with these Protective Covenants and the laws of the Town and the applicable governmental authorities.

13. Declarant's Rights to Use Association Property. Declarant, subject to the ordinances of the Town, hereby expressly reserves the right to use the Association Property and the Lots in connection with the sale and marketing by Declarant of Dwelling Units in Keswick and additional properties developed by Declarant, including, but not limited to, the holding of sales and marketing meetings, sales promotions and related activities.

14. Conveyance of Association Property. Declarant agrees that fee simple title to the Association Property shall be conveyed to the Association by deed, bills of sale, easements or leases, as applicable, and the Association is obligated to accept, fee simple title to the Association Property, as applicable, subject to: (i) the terms and provisions of these Protective Covenants; (ii) all applicable Association Documents; (iii) real estate taxes for the year of such conveyance; (iv) all applicable zoning ordinances; and (v) utility and drainage easements. Provided, however, if the Property is subject to the requirements of VA, FHA, the Federal Home Loan Mortgage Corporation or any other governmental or quasi-governmental agency which insures, guaranties, or purchases mortgages, the conveyance of Association Property shall be effectuated no later than the date that HUD insures the first mortgage in the portion of the Property in which the Association Property is located. At the time of conveyance of the Association Property or any portion thereof, the Association shall be required to accept such conveyance of the Association Property or portions thereof and the personal property and improvements appurtenant thereto. The Association hereby agrees to accept the Association Property and the personal property and improvements appurtenant thereto "AS IS", without any representation or warranty, expressed, implied, in fact or by law, as to the condition or fitness of the Association Property or portions thereof and the personal property and improvements thereon, subject to the obligation of Declarant to convey the Association Property to the Association free of any liens or encumbrances, including, but not limited to, any mortgages, deeds of trust, or mechanic's or materialmen's liens for any work performed by or on behalf of such developers for the completion of the Improvements to the Association Property.

Notwithstanding anything contained in these Protective Covenants to the contrary, the Association Property shall not be mortgaged or conveyed by the Association without the approval of two-thirds (2/3) of the Members (other than Declarant). All rights of the mortgagee shall be subordinate to the rights of the Association and its Members.

In addition, if prior to the Turnover Date, the Property is subject to the requirements of VA, FHA, the Federal Home Loan Mortgage Corporation or any other governmental or quasi-governmental agency which insures, guaranties, or purchases mortgages, the Association Property

cannot be mortgaged or conveyed by the Association without the prior approval of HUD (and VA, if applicable and if a separate approval is required).

15. Rules and Regulations. The Association shall, from time to time, impose rules and regulations regulating the use and enjoyment of the Association Property. The rules and regulations so promulgated shall, in all respects, be consistent with the provisions of the Association Documents. The right to use the Association Property shall be subject to the rules and regulations established by the Association. The rules and regulations shall not apply to Declarant as an Owner.

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION;
BOARD; DURATION OF THE ASSOCIATION

A. Membership and Voting Rights. Each Member shall be entitled to the benefit of, and be subject to, the provisions of the Association Documents. The qualification of Members of the Association, the manner of their admission to membership, the manner of the termination of such membership and the manner of voting by Members shall be established and terminated as set forth below:

1. Membership in the Association for Owners other than Declarant shall be established by the acquisition of ownership of fee title to a Lot as evidenced by the recording of an instrument of conveyance among the Public Records of the County. Otherwise, voting rights attributable to an ownership interest shall vest upon the recording of these Protective Covenants. Where title to a Lot is acquired by conveyance from a party other than Declarant by means of sale, gift, inheritance, devise, judicial decree or otherwise, the person, persons or entity thereby acquiring such Lot shall not be a Member unless or until such Owner shall deliver a true copy of a deed or other instrument of acquisition of title to the Association, but if the Lot so acquired is a Contributing Lot as defined in these Protective Covenants, the person, persons or entity thereby acquiring such Lot shall be deemed to be a Contributing Lot Owner upon the acquisition of such Lot and liable to the Association for Assessments attributable to such Lot in accordance with the provisions of Article IV and V, regardless of the membership status of such Contributing Lot Owner.

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

i. "Class A Members" shall be all Members, with the exception of Declarant, and shall be entitled to one (1) vote for each Lot owned.

ii. "Class B Member(s)" shall be Declarant who shall be entitled to three (3) votes for each Lot owned by Declarant. Class B membership shall cease and be converted to Class A membership upon the Turnover Date.

On the Turnover Date, Class A Members, including Declarant, shall assume control of the Association and elect the Board.

3. The designation of different classes of membership is for the purposes of establishing the number of votes applicable to certain Lots, and, nothing herein shall be deemed to

require voting solely by an individual class on any matter which requires the vote of Members, unless otherwise specifically set forth in Association Documents.

4. No Member may assign, hypothecate or transfer in any manner his membership in the Association except as an appurtenance to his Lot.

5. Any Member who conveys or loses title to a Lot by sale, gift, devise, bequest, judicial decree or otherwise shall, immediately upon such conveyance or loss of title, no longer be a Member with respect to such Lot and shall lose all rights and privileges of a Member resulting from ownership of such Lot, but shall remain personally liable to the Association for any unpaid Assessments levied upon the subject Lot which accrue during the period of such Person's ownership of the Lot.

6. There shall be only one (1) vote for each Lot, except for the Class B Member(s) as set forth herein. If there is more than one Member with respect to a Lot as a result of the fee interest in such Lot being held by more than one person, then all such persons shall be Members, but no more than one vote shall be cast with respect to any Lot. The vote for any such Lot shall be exercised as the Members holding an interest in such Lot determine among themselves. In the event of disagreement, the decision of Members holding a majority of interest in such Lot shall govern. Fractional voting shall not be allowed. Unless otherwise notified by a co-owner as to a dispute between the co-owners regarding their vote prior to the casting of that vote, the vote of any co-owner shall be conclusively presumed to be the majority vote of the Owners of that Lot.

7. Unless a higher percentage is required by these Protective Covenants, the Bylaws, or the Articles, a quorum shall consist of persons entitled to cast at least twenty percent (20%) of the total number of votes of the Members.

B. Board. The Association shall be governed by the Board, which shall be appointed, designated or elected, as the case may be, as set forth in the Bylaws.

C. Duration of Association. The duration of the Association shall be perpetual, as set forth in the Articles.

ARTICLE IV

COVENANT TO PAY ASSESSMENTS FOR OPERATING EXPENSES; ESTABLISHMENT OF LIENS; COLLECTION OF ASSESSMENTS; COLLECTION BY DECLARANT; CERTAIN RIGHTS OF DECLARANT AND INSTITUTIONAL MORTGAGEES;

A. Affirmative Covenant to Pay Operating Expenses. There is hereby imposed upon each Contributing Lot and Contributing Lot Owner (with the exception of Declarant for so long as Declarant pays the Deficit during the Guarantee Period referred to in Section F of Article V) the affirmative covenant and obligation to pay to the Association (in the manner herein set forth) all Assessments, including, but not limited to, the Individual Lot Assessments, Special Assessments and Individual Expense Assessments. Each Owner (except, if applicable as provided in Section F of Article V, Declarant) by acceptance of a deed or other instrument of conveyance conveying a Lot within the Property from Declarant, whether or not it shall be so expressed in such deed or instrument, shall be

obligated and agrees to pay to the Association all Assessments for Operating Expenses in accordance with the provisions of the Association Documents.

B. Establishment of Liens. Any and all Assessments made by the Association in accordance with the provisions of the Association Documents with Interest thereon and costs of collection, including, but not limited to, Legal Fees, are hereby declared to be a charge and continuing lien upon each Contributing Lot against which each such Assessment is made. Each Assessment against a Contributing Lot, together with Interest thereon, including, but not limited to, Legal Fees, shall be the personal obligation of the Contributing Lot Owner of such Contributing Lot. Said lien shall be effective only from and after the time of the recordation amongst the Public Records of the County of a written, acknowledged statement by the Association setting forth the amount due to the Association as of the date the statement is signed. Upon full payment of all sums secured by that lien, the party making payment shall be entitled to a satisfaction of the statement of lien in recordable form. Provided, however, where an Institutional Mortgagee of record obtains title to a Contributing Lot as a result of foreclosure of its first mortgage or deed in lieu of foreclosure, such acquirer of title, its successors or assigns, shall not be liable for the share of Assessments pertaining to such Contributing Lot or chargeable to the former Contributing Lot Owner thereof which became due prior to the acquisition of title as a result of the foreclosure or deed in lieu thereof, unless the Assessment against the Contributing Lot in question is secured by a claim of lien for Assessments that is recorded prior to the recordation of the mortgage which was foreclosed or with respect to which a deed in lieu of foreclosure was given.

C. Collection of Assessments. In the event any Contributing Lot Owner shall fail to pay any Assessment (or installment thereof) charged to such Contributing Lot Owner within fifteen (15) days after the same becomes due, then the Association, through its Board, shall have any and all of the following remedies to the extent permitted by law, which remedies are cumulative and which remedies are not in lieu of, but are in addition to, all other remedies available to the Association:

1. To accelerate the entire amount of any Assessments for the remainder of the calendar year notwithstanding any provisions for the payment thereof in installments.

2. To advance on behalf of the Contributing Lot Owner(s) in default funds to accomplish the needs of the Association up to and including the full amount for which such Contributing Lot Owner(s) is liable to the Association and the amount or amounts of monies so advanced, together with Interest and all costs of collection thereof, including, but not limited to, Legal Fees, may thereupon be collected by the Association and such advance by the Association shall not waive the default.

3. To file an action in equity to foreclose its lien at any time after the effective date thereof. The lien may be foreclosed by an action in the name of the Association in like manner as a foreclosure of a mortgage on real property.

4. To file an action at law to collect said Assessment plus Interest and Legal Fees, without waiving any lien rights or rights of foreclosure in the Association.

5. To charge Interest on such Assessment or installment thereof from the date it becomes due, as well as a late charge of Twenty-Five Dollars (\$25.00) by the Association to defray additional collection costs.

D. Collection by Declarant. In the event for any reason the Association shall fail to collect the Assessments, then, in that event, Declarant shall at all times have the right prior to the Turnover Date

it not the obligation): (i) to advance such sums as the Association could have advanced as set forth above; and (ii) to collect such Assessments and any sums advanced by Declarant (if applicable); using the remedies available to the Association against a Contributing Lot Owner as set forth in Section C of Article IV, which remedies Declarant is hereby entitled to exercise.

E. Rights of Declarant to Pay Assessments and Receive Reimbursement. Declarant shall have the right, but not the obligation, at Declarant's sole option, to pay any of the Assessments which are in default and which may or have become a charge against any Contributing Lots. Further, Declarant shall have the right, but not the obligation, at Declarant's sole option, to pay taxes, insurance premiums, fidelity bond premiums or other required items of Operating Expenses on behalf of the Association where the same are overdue and where lapses in policies or services may occur. In such event, Declarant shall be entitled to immediate reimbursement from the Association plus Interest and any costs of collection including, but not limited to, Legal Fees, and the Association shall execute an instrument in recordable form to this effect and deliver the original of such instrument to Declarant if Declarant is entitled to reimbursement.

F. Rental and Receiver. If an Owner remains in possession of his Dwelling Unit and the claim of lien of the Association against his Lot is foreclosed, the court, in its discretion, may require the Owner to pay a reasonable rental for the Dwelling Unit, and the Association is entitled to the appointment of a receiver to collect the rent.

G. Assignment of Claim and Lien Rights. The Association, acting through its Board, shall have the right to assign its claim and lien rights for the recovery of any unpaid Assessments and any other moneys owed to the Association, to any third party.

H. Unpaid Assessments Certificate. Within fifteen (15) days after written request by any Owner or any Institutional Mortgagee holding or making a mortgage encumbering any Lot, the Association shall provide the Owner or Institutional Mortgagee a written certificate as to whether or not the Owner of the Lot is in default with respect to the payment of Assessments or with respect to compliance with the terms and provisions of these Protective Covenants, and any person or entity who relies on such certificate in purchasing or in making a mortgage loan encumbering any Lot shall be protected thereby.

I. Application of Payments. Any payments made to the Association by any Owner shall first be applied towards any sums advanced and paid by the Association for taxes and payment on account of superior mortgages, liens or encumbrances which may have been advanced by the Association in order to preserve and protect its lien, next toward reasonable attorneys' fees incurred by the Association incidental to the collection of assessments and other moneys owed to the Association by the Owner and/or for the enforcement of its lien; next towards interest on any Assessments or other moneys due to the Association, as provided herein, and next towards any unpaid Assessments owed to the Association, in the inverse order that such Assessments were due.

ARTICLE V

METHOD OF DETERMINING ASSESSMENTS AND ALLOCATION OF ASSESSMENTS

A. Determining Amount of Assessments. The total anticipated Operating Expenses for each calendar year shall be set forth in the budget ("Budget") prepared by the Board as required under

the Association Documents. The total anticipated Operating Expenses (other than those Operating Expenses which are properly the subject of a Special Assessment) shall be apportioned equally among the Contributing Lots by dividing the total anticipated Operating Expenses as reflected by the Budget, other than those Operating Expenses which are properly the subject of a Special Assessment (adjusted as hereinafter set forth), by the total number of Contributing Lots (as evidenced by the issuance of a certificate of occupancy), with the quotient thus arrived at being the "Individual Lot Assessment". Provided, however, the first Budget and all subsequent Budgets prepared during the Guarantee Period referred to in Section F of Article V, shall be based upon a full build-out of Keswick and the Individual Lot Assessment shall be determined by dividing the amount of the total anticipated Operating Expenses at full build-out by the number of the Total Planned Lots. Any assessment for legal expenses incurred by the Association to begin legal proceedings against Declarant shall be deemed an Operating Expense which is properly the subject of a Special Assessment and not the subject of a regular Individual Lot Assessment.

B. Assessment Payments. The Individual Lot Assessments shall be payable in advance in monthly, quarterly, annual or semi-annual installments with the due dates being established by the Board. The Individual Lot Assessments, and the installments thereof, as well as all Assessments provided for herein and all installments thereof may be adjusted following the guarantee Period from time to time by the Board to reflect changes in the number and status of Contributing Lots (thus apportioning all such Assessments and installments thereof among all Contributing Lots in existence at the time such installment is due) or changes in the Budget or in the event that the Board determines that the Assessments or any installment thereof is either less than or more than the amount actually required. When a Contributing Lot not in existence when the Assessment was determined ("New Improved Lot") comes into existence during a period with respect to which an Assessment or installment thereof has already been assessed, the New Improved Lot shall be deemed assessed the amount of such Assessment or installment thereof which was assessed against Lots which qualified as Contributing Lots in existence at the time of such Assessment, prorated from the date the New Improved Lot comes into existence through the end of the period in question. If the due date for such Assessment or installment thereof occurred on or prior to the date the New Improved Lot came into existence, said prorated amount thereof shall be immediately due and payable on the date the New Improved Lot comes into existence.

C. "Special Assessments" include, in addition to other Assessments designated as Special Assessments in the Association Documents and whether or not for a cost or expense which is included within the definition of "Operating Expenses", those Assessments which are levied for capital improvements which include the costs (whether in whole or in part) of constructing or acquiring improvements for, or on, the Association Property or the cost (whether in whole or in part) of reconstructing or replacing such improvements. It is recognized and declared that Special Assessments shall be in addition to, and are not part of, any "Individual Lot Assessment". Any such Special Assessments assessed against Contributing Lots and Contributing Lot Owners thereof shall be paid by such Contributing Lot Owners in addition to any other assessments. Special Assessments shall be assessed in the same manner as the Individual Lot Assessment. Special Assessments shall be paid in such installments or in a lump sum as the Board shall, from time to time, determine. Notwithstanding the foregoing, in any fiscal year of the Association after the Turnover Date, the levying of any Special Assessment shall require the affirmative assent of at least two-thirds (2/3) of all Contributing Lot Owners represented in person or by proxy at a meeting called and held in accordance with the Bylaws. In any fiscal year of the Association prior to the Turnover Date, the levying of any Special Assessment which exceeds five (5%) of the budgeted Operating Expenses of the Association for that fiscal year, shall

quire the affirmative assent of at least two-thirds (2/3) of all Contributing Lot Owners represented in person or by proxy at a meeting called and held in accordance with the Bylaws.

D. Individual Expense Assessments. Individual Expense Assessments include any assessment levied against any Lot Owner occasioned by such Lot Owner's or any such Lot Owner's family members, guests, invitees or lessees and their family members, guests and invitees use, maintenance, or treatment of the Association Property or Lots or such person's non-compliance with the Association Documents including, but not limited to, non-compliance of Homes and any other improvements or personal property contained therein with the standards set forth in the Association Documents, or as adopted from time to time by the Association, which causes the Association or Declarant to incur additional costs and expenses which would not have been incurred if the Lot Owner's or the Lot Owner's family members, guests, invitees or lessees and their family members, guests and invitees had been in compliance with the foregoing ("Noncompliance"). The amount of the Individual Expense Assessment(s) shall be equal to any such additional costs incurred. The Individual Expense Assessment and any late charges relating thereto shall be assessed against the Lot Owner(s) in Noncompliance and collected and enforced in the same manner as any other Assessments hereunder as provided herein.

It is recognized and declared that Individual Expense Assessments shall be in addition to and not part of any other Assessment, any such Individual Expense Assessment assessed against a Lot Owner shall be paid by such Lot Owner in addition to any other Assessment.

E. Liability of Contributing Owners for Individual Assessments. By the acceptance of a deed or other instrument of conveyance of a Lot in the Property, each Owner thereof acknowledges that each Contributing Lot and the Contributing Lot Owners thereof are jointly and severally liable for their own Individual Lot Assessment and their applicable portion of any Special Assessments as well as for all Individual Expense Assessments for which they are liable as provided for herein, provided that during the Guarantee Period referred to in Section F of this Article V, any Contributing Lot owned by Declarant shall not be subject to Assessment so long as Declarant pays the Deficit as provided in said Section F of this Article V. Such Contributing Lot Owners further recognize and covenant that they are jointly and severally liable with the Contributing Lot Owners of all Contributing Lots for the Operating Expenses (subject to any specific limitations provided for herein such as, but not limited to, the limitation with respect to matters of Special Assessments, the limitations on the liability of Institutional Mortgagees and their successors and assigns, and as provided below, the limitations on Contributing Lots owned by Declarant during the Guarantee Period so long as Declarant pays the Deficit). Accordingly, subject to such specific limitations, it is recognized and agreed by each Owner who is or becomes a Contributing Lot Owner, for himself and his heirs, executors, successors and assigns, that in the event other Contributing Lot Owners fail or refuse to pay their Individual Lot Assessment or any portion thereof or their respective portions of any Special Assessments or any Individual Expense Assessments, then the remaining Contributing Lot Owners may be responsible for increased Individual Lot Assessments or Special Assessment or other Assessments due to the nonpayment by such other Contributing Lot Owners, and such increased Individual Lot Assessment or Special Assessment or other Assessment can and may be enforced by the Association and Declarant in the same manner as all other Assessments hereunder as provided in the Association Documents.

F. Declarant Funding During Guarantee Period. Declarant covenants and agrees with the Association and the Contributing Lot Owners that for the period commencing with the date of

recording of these Protective Covenants and ending upon the sooner to occur of the following: (i) the date upon which thirty five (35) Lots have become Contributing Lots, or (ii) the date that is two (2) years after the date of first recording of these Protective Covenants ("Guarantee Period"), that that (a) the Individual Lot Assessment will be determined by spreading the total anticipated Operating Expenses at full build-out as set forth in the Budget, by the number of Total Planned Lots; and (b) Declarant will pay the "Deficit," being the difference, if any, between the Operating Expenses (other than those Operating Expenses which are properly the subject of a Special Assessment) incurred by the Association during the Guarantee Period, and the amounts assessed as Individual Lot Assessments (referred to below) against the Contributing Lots and the "Working Capital Contributions" set forth below, which will be used to defray initial start up expenses. Thus, during the Guarantee Period, Declarant shall not be obligated to pay any Assessments with respect to any Contributing Lots owned by Declarant. Declarant hereby reserves the right to extend the Guarantee Period to a date ending no later than the Turnover Date at Declarant's sole election by providing written notice to the Association of such election at least thirty (30) days prior to the expiration of a Guarantee Period. After the Guarantee Period terminates, Declarant shall be obligated to pay Assessments for each Contributing Lot owned by Declarant as set forth in Section A of this Article V.

Declarant's obligation to fund the Deficit during the Guarantee Period as set forth above, together with Interest thereon and costs of collection, including, but not limited to, Legal Fees, are hereby declared to be a charge and continuing lien upon each Lot owned by Declarant. Said lien shall be effective only from and after the time of the recording amongst the Public Records of the County of a written, acknowledged statement by the Association setting forth the amount due to the Association as of the date the statement is signed. Upon full payment of all sums secured by that lien, Declarant shall be entitled to a satisfaction of the statement of lien in recordable form

G. Working Capital Contribution. Each Owner who purchases a Lot from Declarant shall pay to the Association at the time legal title is conveyed to such Owner a "Working Capital Contribution". The Working Capital Contribution shall be an amount equal to a two months' share of the Individual Lot Assessment in effect at the time. The purpose of the Working Capital Contribution is to insure that the Association will have cash available for initial start up expenses including, but not limited to Operating Expenses, to meet unforeseen expenditures or to acquire additional equipment and services deemed necessary or desirable by the Board. Working Capital Contributions are not advance payments of Individual Lot Assessments and shall have no effect on future Individual Lot Assessments.

H. Exempt Property. Operating Expenses shall be assessed only against Contributing Lots which are subject to Assessment under the provisions hereof, and all other portions of the Property shall be exempt therefrom including, but not limited to, the Association Property, any and all Lots or other portions of the Property which may from time to time be withdrawn from the provisions of these Protective Covenants by Declarant, any Lot which is not by definition a Contributing Lot, and during the Guarantee Period for so long as Declarant pays the Deficit as provided in Section F of this Article V, any Contributing Lots owned by Declarant.

I. Assessment under Park West Declarations. The Park West Declarations require that all "Owners" in Park West (as the term "Owner" is defined in those documents), including the Lot Owners in Keswick, will be assessed for the payment of assessments to the Park West Associations in order to fund the expenses incurred by those associations for maintaining certain common areas and amenities within Park West (as more particularly defined and described in such documents) for the benefit of the

residents of Park West. So long as the Park West Associations shall require, the Association shall collect said assessments on behalf of the Park West Associations. Each Owner who is subject to assessment by the Park West Associations will remit to the Association, a payment for the applicable assessments which are required to be made to the Park West Associations when their assessments are due. The Association shall thereafter remit such payment to the Park West Associations. The Park West Associations also have lien rights against each Lot which they may foreclose in the event of the non-payment of any assessment due to the applicable Park West Association.

Notwithstanding the requirement that each Owner in the Subdivision who is subject to assessment by the Park West Associations remit their payments for assessments imposed by the Park West Documents to the Association, the assessments and other charges payable to the Park West Associations are separate from and in addition to, the assessments and other charges which are payable to the Association and provided for in these Protective Covenants. Neither Declarant nor the Association makes any representation as to the amount of the assessment or other charges payable pursuant to the Park West Documents or as to any other matter which is addressed or controlled by the Park West Documents. For a complete and accurate description of the rights and obligations of the Owners as set forth in the Park West Documents (including but not limited to, the assessment obligations for the benefit of the Park West Associations) all Owners should refer to the Park West Documents or contact a representative of the Park West Associations.

ARTICLE VI OPERATING EXPENSES

The Assessments for Operating Expenses of the Association are payable by each Contributing Lot Owner to the Association notwithstanding the fact that Declarant may not have yet conveyed title to the Association Property to the Association. The following operating expenses of the Association are hereby declared to be Operating Expenses which the Association is obligated to assess and collect and which the Contributing Lot Owners are obligated to pay as provided herein or as may be otherwise provided in the Association Documents:

A. Taxes. Any and all taxes levied or assessed at any and all times by any and all taxing authorities including all taxes, charges, assessments and impositions and liens for public Improvements, special charges and assessments and water drainage districts, and in general all taxes and tax liens which may be assessed against the Association Property and against any and all personal property and Improvements, which are now or which hereafter may be placed thereon, including any interest, penalties and other charges which may accrue thereon shall be considered Operating Expenses. Any and all taxes levied or assessed against the Lots shall be the obligation of the respective Owners thereof.

B. Utility Charges. All charges levied for utilities providing services for the Association Property whether supplied by a private or public firm shall be considered Operating Expenses. It is contemplated that this obligation will include all charges for water, gas, electricity, telephone, sewer trash removal, and any other type of utility or any other type of service charge. All charges levied for utilities providing services to the Lots shall be the obligation of the respective Owners thereof, except for trash and recycling collection and removal services for the Dwelling Units and if provided by the Association in accordance with Section C below, irrigation for the Lots. If the applicable electric service provider requires or permits the Association to pay the charges for the electricity supplied to illuminate the street lights, such charges shall be an Operating Expense. Otherwise, the electric consumption costs

for illuminating the street lights shall be allocated among the Owners (as determined by the electric service provider) and billed directly to the affected Owners, and the Association shall have no obligation or responsibility for the costs of such electricity or for the manner in which such costs are allocated among the Owners.

C. Common Irrigation System. If the Association provides a common irrigation sprinkler system, and the consumption of the water supply for such service is monitored by a master meter for the Subdivision, the charges for water consumption in the operation of the common irrigation system shall be an Operating Expense.

D. Waste and Recycling Services. The Association shall be providing trash and recycling collection and removal services for the Dwelling Unit by entering into a contract with a private waste removal contractor. The charges for trash and recycling collection and removal service for the Dwelling Units shall be an Operating Expense.

E. Termite Contract. The Association shall enter into and maintain a contract with a licensed reputable pest control operator under which the Association shall pay a fixed annual fee for the services of such pest control operator in performing annual termite inspections of the buildings in which the Dwelling Units are located, and providing any treatment or services necessary to eliminate the presence of termites or other wood-destroying insects from all or any portion of a building. The cost incurred by the Association in maintaining such contract and in providing any other pest control services for the Dwelling Units and the buildings, shall be an Operating Expense of the Association.

F. Insurance. The premiums on any policy or policies of insurance required to be maintained under these Protective Covenants and the premiums on any policy or policies the Association determines to maintain even if not required to be maintained by the specific terms of these Protective Covenants shall be Operating Expenses.

G. Destruction of Buildings or Improvements on the Association Property. Any sums necessary to repair or replace, construct or reconstruct damages caused by the destruction of any building upon the Association Property by fire, windstorm, flood or other casualty regardless of whether or not the same is covered in whole or in part by insurance shall be Operating Expenses. In the event insurance money shall be payable, such insurance money shall be paid to the Association who shall open an account with a banking institution doing business in the County, for the purpose of providing a fund for the repair and reconstruction of damage. The Association shall pay into such account, either in addition to the insurance proceeds or in the event there are no insurance proceeds, such sums as may be necessary so that the funds on deposit will equal the costs of repair and reconstruction of the damage or destruction. The sums necessary to pay for the damage or destruction as herein contemplated shall be considered Operating Expenses but shall be raised by the Association under the provisions for Special Assessments as provided in Section C of Article V of these Protective Covenants and subject to the limitations therein set forth with respect to Special Assessments. The Association agrees that it will commence the Special Assessments process to provide the funds for the cost of reconstruction or construction within ninety (90) days from the date the destruction takes place and shall go forward with all deliberate speed so that the construction or reconstruction, repair or replacement, shall be completed within a reasonable period of time from the date of damage.

H. Maintenance, Repair and Replacements. Operating expenses shall include all expenses necessary to keep and maintain, repair and replace any and all buildings, other Improvements, personal property and furniture, fixtures and equipment upon the Association Property, including landscaping, lawn and sprinkler service, in a manner consistent with the development of Keswick and in accordance with the covenants and restrictions contained herein, and in conformity with all orders, ordinances, rulings and regulations of any and all federal, state, County and Town governments having jurisdiction over the Property as well as the statutes and laws of the State of South Carolina and the United States. This shall include any expense attributable to the maintenance and repair and replacement of pumps or other equipment, if any, located upon or servicing Keswick pursuant to agreements with utility corporations. Any expenses for replacements which would not be in the nature of normal repair and maintenance shall be the subject of a Special Assessment as provided in Section C of Article V of these Protective Covenants and subject to the limitations thereon set forth with respect to Special Assessments. If the Association is permitted by the owner of property in close proximity to the Property or the governmental authority responsible for maintaining same to provide additional maintenance for such property, and the Board elects to do so in order to enhance the overall appearance of the Property, then the expense thereof shall be an Operating Expense.

I. Exterior Maintenance of Lots. Operating expenses shall include all expenses necessary to keep and maintain, repair and replace those portions of the Lots for which the Association is responsible as provided in Section A.2 of Article IX.

J. Indemnification. The Association covenants and agrees that it will indemnify and save harmless Declarant, and the members of the Board from and against any and all claims, suits, actions, damages, and/or causes of action arising from any personal injury, loss of life, and/or damage to property sustained in or about the Property or the appurtenances thereto from and against all costs, Legal Fees, expenses and liabilities incurred in and about any such claim, the investigation thereof or the defense of any action or proceeding brought thereon, and from and against any orders, judgments and/or decrees which may be entered therein. The costs of fulfilling the covenant of indemnification herein set forth shall be deemed to be Operating Expenses.

Included in the foregoing provisions of indemnification are any expenses that Declarant may be compelled to incur in bringing suit for the purpose of compelling the specific enforcement of the provisions, conditions and covenants contained in these Protective Covenants to be kept and performed by the Association. The indemnification provisions of this Section G of Article VI shall not apply to any expenses which may be incurred by Declarant to avoid the performance of any of the obligations to be kept and performed by Declarant, or any liability which may be incurred by an Owner as the Owner of a Lot.

K. Administrative and Operational Expenses. The costs of administration of the Association including, but not limited to, any secretaries, bookkeepers and other employees necessary to carry out the obligations and covenants of the Association shall be deemed to be Operating Expenses. In addition, it is contemplated that the Association may retain a management company or companies or contractors (any of which management companies or contractors may be, but are not required to be, a subsidiary, affiliate or an otherwise related entity of Declarant) to assist in the operation of the Association Property and other obligations of the Association hereunder. The fees or costs of this or any other management company or contractors so retained shall be deemed to be part of the Operating

Expenses hereunder. All contracts with management companies shall contain a provision that allows the Association to unilaterally terminate the contract without cause after ninety (90) days notice.

L. Compliance with Laws. The Association shall take such action as it determines necessary or appropriate in order for the Association Property and the Improvements thereon to be in compliance with all applicable laws, statutes, ordinances and regulations of any governmental authority, whether federal, state, county or local, including, without limitation, any regulations regarding zoning requirements, setback requirements, drainage requirements, sanitary conditions and fire hazards, and the cost and expense of such action taken by the Association shall be an Operating Expense.

M. Failure or Refusal of Lot Owners to Pay Individual Lot Assessments. Funds needed for Operating Expenses due to the failure or refusal of Contributing Lot Owners to pay the Assessments levied shall, themselves, be deemed to be Operating Expenses and properly the subject of an Assessment; provided, however, that any Assessment for any such sums so needed to make up a deficiency due to the failure of Lot Owners to pay a Special Assessment shall, itself, be deemed to be a Special Assessment subject to the limitations thereon with respect to Lots owned by Declarant.

N. Extraordinary Items. Extraordinary items of expense under these Protective Covenants such as expenses due to casualty losses and other extraordinary circumstances shall be the subject of a Special Assessment subject to the limitations thereon with respect to Lots owned by Declarant set forth in Section C of Article V.

O. Costs of Reserves. The funds necessary to establish an adequate reserve fund ("Reserves") for periodic maintenance, repair, and replacement of the Association Property, the facilities and Improvements on the Association Property, and any other facilities or Improvements within the Project for which the Board determines a Reserve to be appropriate, in amounts determined sufficient and appropriate by the Board from time to time shall be an Operating Expense. Reserves shall be deposited in a separate account to provide such funds and reserves. The monies collected by the Association on account of Reserves shall be and shall remain the exclusive property of the Association and no Lot Owner shall have any interest, claim or right to such Reserves or any fund composed of same.

P. Miscellaneous Expenses. The cost of all items or costs or expenses pertaining to or for the benefit of the Association, the Association Property or the Lots, or any part thereof, not herein specifically enumerated and which is determined to be an appropriate item of Operating Expense by the Board shall be an Operating Expense.

ARTICLE VII INSURANCE AND CONDEMNATION

The Association shall purchase and maintain the following insurance coverage subject to the following provisions, and the cost of the premiums therefor shall be a part of the Operating Expenses:

A. Casualty Insurance. Property and casualty insurance in an amount equal to the then full replacement cost, exclusive of land, foundation, excavation and other items normally excluded from such coverage, of all Improvements and personal property which is owned, or to be owned, by the Association and now or hereafter located upon the Association Property, which insurance shall afford protection against such risks, if any, as shall customarily be covered with respect to areas similar to the Association

Property in developments similar to Keswick in construction, location and use. The Association shall have no obligation to provide or obtain property damage and casualty insurance on the Dwelling Units or any portion thereof, but shall have the right, at its sole option, to obtain a blanket property damage and casualty insurance policy covering the Dwelling Units as provided in Section G below.

B. Public Liability Insurance. A comprehensive policy of public liability insurance naming the Association and, until Declarant's ownership of Lots within the Property ceases, Declarant, as named insureds thereof insuring against any and all claims or demands made by any person or persons whomsoever for injuries received in connection with, or arising from, the operation, maintenance and use of the Association Property and any improvements located thereon, and for any other risks insured against by such policies with limits of not less than One Million Dollars (\$1,000,000) for damages incurred or claimed by any one person for any one occurrence; not less than One Million Dollars (\$1,000,000) for damages incurred or claimed for any one occurrence; and for not less than Fifty Thousand Dollars (\$50,000) property damage per occurrence with no separate limits stated for the number of claims.

C. Fidelity Coverage. Adequate fidelity coverage to protect against dishonest acts of the officers and employees of the Association and the Directors and all other who handle and are responsible for handling funds of the Association shall be maintained in the form of fidelity bonds, which requirements shall be reasonably determined by the Board.

D. Other Insurance. Such other forms of insurance and in such coverage amounts as the Association shall determine to be required or beneficial for the protection or preservation of the Association Property and any improvements now or hereafter located thereon or in the best interests of the Association, including if applicable, any "blanket coverage" property damage or casualty insurance that the Association elects to provide and maintain for the Dwelling Units, as provided in Section G below.

E. Cancellation or Modification. All insurance policies purchased by the Association shall provide that they may not be canceled (including for nonpayment of premiums) or substantially modified without at least ten (10) days prior written notice to the Association and to each first mortgage holder named in the mortgage clause.

F. Condemnation. In the event the Association receives any award or payment arising from the taking of any Association Property owned in fee or any part thereof as a result of the exercise of the right of condemnation or eminent domain, the net proceeds thereof shall first be applied to the restoration of such taken areas and improvements thereon to the extent deemed advisable by the Association and the remaining balance thereof, if any, shall be placed in a reserve fund of the Budget.

G. Property Damage and Casualty Insurance on the Dwelling Units.

1. Each Owner shall maintain a property damage and casualty insurance or "hazard" insurance policy, with full replacement coverage, to protect against casualty damage to their Lot and Dwelling Unit. Such property damage and casualty insurance policies shall be contain an endorsement affording thirty (30) days prior notice to the Association by certified mail in the event of cancellation, non-renewal, modification or reduction in coverage. If applicable, such policies shall reflect a replacement cost amount for the applicable Dwelling Unit at or above the per square

foot rate required by the Board in accordance with subparagraph G.3 below. Such policies shall also be in such form and comply with such requirements that may be established by the Board from time to time to address changes or trends in the insurance industry, changes in the number, size and type of Dwelling Units or any other matter that affects or is affected by the property damage and casualty insurance coverage maintained on the Dwelling Units.

2. Each Owner shall provide a copy of such Owner's current homeowners property damage and casualty insurance policy, all replacements and renewals thereof, to the Association. If an Owner fails or refuses to provide the Association with a copy of such insurance policy (or renewal or other reasonable evidence of the availability of current property damage and casualty insurance coverage on the Owner's Dwelling Unit) within thirty (30) days following the Association's written notice to provide such insurance policy or evidence, the Association shall have the right to obtain and purchase such insurance as required by this Section on behalf of such Owner. In such event, the costs incurred by the Association procuring such insurance, shall be assessed against the applicable Owner as an Individual Expense Assessment levied against the Owner's Lot.

3. Declarant (prior to the Turnover Date) or the Board shall have the right to determine the minimum per square foot replacement cost of the Dwelling Units pursuant to an appraisal obtained by Declarant (or the Board, as applicable) for such purpose. Declarant (prior to the Turnover Date) or the Board shall have the right to thereafter require that the replacement cost coverage reflected in all property damage and casualty insurance policies on the Dwelling Units be at or above the minimum per square foot replacement cost amount reflected in such appraisal. Following the completion of the appraisal, the Board shall hold a meeting in accordance with the Bylaws and upon the approval of a majority of the Directors, the Board shall adopt a resolution establishing the per square foot replacement cost amount reflected in the appraisal as the required minimum replacement cost amount for the Dwelling Units. The Board shall notify the Members of the minimum replacement cost amount established by the Board by written notice, and if necessary, each Owner shall have a period of thirty (30) days thereafter to comply with this requirement by providing the Association with reasonable written evidence that the property damage and casualty insurance coverage for such Owner's Dwelling Unit reflects a per square foot replacement cost amount of coverage at or in excess of the minimum required per square foot replacement cost amount in effect at the time. The Board may periodically update or revise the minimum per square foot replacement cost amount to reflect the amount determined by a current appraisal performed by an independent licensed appraiser. Provided however, the frequency at which such amount is updated or modified shall be no more often than once every two (2) years.

4. The Association shall have the right (but not the obligation), at its sole option, to procure or maintain a "blanket" property damage and casualty or "hazard" insurance policy on all of the Dwelling Units (or a portion or portions of all of the Dwelling Units) for the purpose of providing additional protection against casualty damage to multiple Dwelling Units, which blanket insurance (if any) shall be secondary to the insurance maintained by the Owners on the Dwelling Units.

5. The Board may establish a committee for the purpose of making recommendations to the Board on matters of insurance, including the requirements associated with the property damage and casualty insurance maintained by the Owners on the Dwelling Units. If applicable, the Board may delegate to any such insurance committee, all or a portion of its obligations and rights

under this Section or any other rights or obligations associated with insurance matters in these Protective Covenants.

6. The provisions of this Section G shall not apply to any Dwelling Units owned by Declarant, which Declarant shall insure under Declarant's corporate insurance policy (or policies).

ARTICLE VIII EASEMENTS

A. Recognition of Existing Easements. Each Owner, by acceptance of a deed or other instrument of conveyance, recognizes and consents to the easements reserved and/or granted with respect to the Property under these Protective Covenants.

B. Grant and Reservation of Easements. Declarant hereby reserves and grants the following perpetual easements over and across the Property as covenants running with the Property for the benefit of the Owners, the Association, Declarant and any other parties identified in this Section B of Article VIII for the following purposes:

1. Utility and Services Easements. Easements in favor of governmental and quasi-governmental authorities, utility companies, telecommunications companies, cable television companies, ambulance or emergency vehicle companies, garbage collection, and mail carrier companies, over and across all roads existing from time to time within the Property, and over, under, on and across the Association Property, as may be reasonably required to permit the foregoing, and their agents and employees, to provide their respective authorized services to and for the Property. Also, easements as may be allowed over, under, on and across Association Property for the installation, maintenance, repair and providing of utility services, equipment and fixtures in order to adequately serve the Property including, but not limited to, electricity, telephones, sewer, water, lighting, irrigation, drainage, television antenna and cable television facilities, and electronic security. However, such easements affecting title to any Lot which serve any other portion of the Property shall only be subsurface, and they shall only be for utility services actually constructed, or reconstructed, and for the maintenance thereof, unless otherwise approved in writing by the Owner of the Lot. An Owner shall do nothing on his Lot which interferes with or impairs the utility services using these easements. The Board or its designee shall have a right of access to each Lot to inspect, maintain, repair or replace the utility service facilities contained under the Lot and to remove any improvements interfering with or impairing the utility services or easement herein reserved; provided such right of access shall not unreasonably interfere with the Owner's permitted use of the Lot.

2. Easement for Encroachment. If (i) any Improvements which are constructed as Association Property or upon Association Property, or (ii) any Improvements which are specifically described in the following sentence and are constructed upon a Lot, encroach upon a Lot because of the placement, construction, reconstruction, repair, movement, settling or shifting of such Improvements, and such Improvements have been constructed, reconstructed or repaired in accordance with the provisions of these Protective Covenants, an easement for the encroachment and for its maintenance shall exist so long as the encroachment remains, provided, however, that in no event shall such an easement exist for willful encroachments. This Section B. 2 of Article VIII shall only apply to Improvements upon a Lot which constitute completed building Improvements which do not encroach more than three (3) feet into or upon an adjacent Lot, and shall not include fences, walls, patios, antennas, driveways, walkways, sign, mailboxes, pools, tennis courts, landscaping or other structures or

Improvements which are not a completed building Improvement. If any Lot Improvement of the type described above encroaches upon the Association Property as a result of construction, reconstruction, repair, shifting, settlement or movement of the subject Lot Improvements, and such Improvements have been constructed, reconstructed or repaired in accordance with the provisions of these Protective Covenants, an easement for the encroachment and for its maintenance shall exist so long as the encroachment remains, provided, however, that in no event shall such an easement exist for willful encroachments. Notwithstanding the foregoing, no Lot Improvement shall be installed by an Owner that encroaches upon any portion of the Property shown on a Final Plat as an "H.O.A. Easement", without the prior written approval of the Board.

3. Easement to Enter Upon Lots. An easement or easements for ingress and egress in favor of Declarant, the Committee, the Association, including the Board or the designee of the Board, to enter upon the Lots for the purposes of inspecting any existing Improvements, construction, proposed construction of Improvements, or fulfilling its duties and responsibilities of ownership, maintenance and/or repair in accordance with the Association Documents, including the making of such repairs, maintenance or reconstruction as are necessary for the Association Property. Specifically, Declarant shall have the right to enter upon a Lot for the purpose of performing periodic structural inspections of the Dwelling Unit on such Lot and the exterior portions of the building in which the Dwelling Unit is located as provided in Section D of Article IX. Declarant shall give reasonable notice of its intent to take such action to all affected Owners, except in the event of an emergency.

4. Easement Over Association Property. An easement of use and enjoyment in favor of all Owners, their family members, guests, invitees and lessees in and to the Association Property which shall be appurtenant to and shall pass with title to every Lot, subject to the following:

i. the right of the Association to suspend the voting rights and rights to use the Association Property of any Owner for any period during which Assessments against his Lot(s) remain unpaid;

ii. the right of the Association to grant permits, licenses and easements over the Association Property for utilities and other purposes reasonably necessary or useful for the proper maintenance or operating of the Property; and

iii. all provisions set forth in the Association Documents.

5. Drainage and Irrigation Easement; Storm Water Control Maintenance Easement. An easement for drainage, flowage and irrigation over, under and upon the Property in favor of the Association and each of the Owners including, but not limited to, reasonable rights of access for persons and equipment to construct, install, maintain, alter, inspect, remove, relocate, replace, and repair the Storm Water Management System, including (but not limited to) the Ponds, and to maintain and correct drainage or surface water runoff in order to maintain reasonable standards of health, safety and appearance. Such rights expressly include the right to cut any trees, bushes or shrubbery, make any gradings of the soil or take any other similar action that Declarant or the Association deem reasonably necessary or appropriate. After such action has been completed, Declarant or the Association shall grade and seed the affected property and otherwise restore the affected property to its original condition to the extent practicable, but shall not be required to replace any trees, bushes or shrubbery necessarily removed. Declarant or the Association shall give reasonable notice of its intent to take such action to all affected Owners.

No Owner shall do any act which may interfere with the performance of the Association in its obligation to maintain, repair, replace and operate the Storm Water Management System..

6. Additional Easements. Declarant (until the Turnover Date) and the Association, on their behalf and on behalf of all Owners, each shall have the right to (i) grant and declare additional easements over, upon, under and/or across the Association Property in favor of Declarant or any person, entity, public or quasi-public authority or utility company, or (ii) with the consent of the applicable party affected by any easement benefiting the Property or the party who acquired or is benefited by any easement affecting the Property (as applicable), modify, relocate, abandon or terminate existing easements benefiting or affecting the Property. In connection with the grant, modification, relocation, abandonment or termination of any easement, Declarant reserves the right to relocate roads, parking areas, utility lines, and other improvements upon or serving the Property. So long as the foregoing will not unreasonably and adversely interfere with the use of Lots for dwelling purposes, no consent of any Owner or any mortgagee of any Lot shall be required or, if same would unreasonably and adversely interfere with the use of any Lot for dwelling purposes, only the consent of the Owners and Institutional Mortgagees so affected shall be required. To the extent required, all Owners hereby irrevocably appoint Declarant and/or the Association as their attorney-in-fact for the foregoing purposes.

7. Sale and Development Easement. Declarant reserves and shall have an easement over, upon, across and under the Property as may be reasonably required in connection with the development, construction, sale and promotion, or leasing, of any Lot or Dwelling Unit within the Property or within any other property owned by Declarant, provided that no such easement shall be located within or upon any Dwelling Unit and shall not materially adversely impair or diminish any Owner's use or enjoyment of such Owner's Lot or Dwelling Unit.

8. Buffer Area, Entry Area, and Signage Area Easement. An easement for the installation, maintenance, repair, and replacement of any Entry Improvements or other facilities located in the Buffer Areas, Entry Areas, and Signage Areas is reserved in favor of Declarant and the Association over, upon, across and under the Buffer Areas, Entry Areas, and Signage Areas. Easements for the benefit of Declarant and the Association for access to maintain and administer such facilities and areas are reserved as shown on the Final Plat.

9. Blanket Easement. An easement is hereby reserved in favor Declarant and the Association over the Lots and Association Property for the installation, maintenance, repair and replacement of landscaping, a common cable television system, a common sprinkler system, entrance sign or features, or any other item for the common enjoyment and benefit of the Owners. No Owner shall damage, destroy, alter or otherwise disrupt any of such items so installed. Each Owner shall hold the Association and/or Declarant harmless from the cost of repairing or replacing any of such items which are damaged or destroyed by the acts of such Owner, his family, his guests or invitees. The Association shall have the right to levy an Individual Expense Assessment against an Owner's Lot for the purpose of recovering any costs incurred by the Association or Declarant for the repair or replacement of any of such items that are damaged or destroyed by such Owner's acts.

10. Pedestrian Easement. An easement is reserved and dedicated as shown on the Final Plat for the purpose of public pedestrian access over that portion of the Property shown on the Final Plat as a 15' Water & Pedestrian Easement. No Owner shall take any action or perform any work or the installation of Improvements that would limit or disrupt the rights of any party benefited by such easement or would interfere with the purpose for which this easement is granted.

C. Assignments. The easements reserved hereunder may be assigned by Declarant or the Association in whole or in part to any Town, County or state government or agency thereof, or any duly licensed or franchised public utility, the Park West Association, or any other designee of Declarant. The Owners hereby authorize Declarant and/or the Association to execute, on their behalf and without further authorization, such grants of easement or other instruments as may from time to time be necessary to grant easements over and upon the Property or portions thereof in accordance with the provisions of these Protective Covenants.

All easement rights reserved or granted to Declarant shall terminate upon Declarant no longer owning any Lots, Dwelling Units or interests in such on the Property for sale in the ordinary course of business. In addition, the easement rights granted or reserved by Declarant hereunder are not to be construed as creating an affirmative obligation to act on the part of Declarant.

ARTICLE IX MAINTENANCE AND REPAIR

A. By the Association.

1. Except as otherwise specifically set forth herein, the Association shall repair, maintain and replace any and all Improvements located on the Association Property *commencing with the completion of same by Declarant and conveyance to the Association*. The improvements shall be maintained in the same condition as originally constructed by Declarant. In the event of any damage or destruction to the Association Property or to the improvements and facilities located thereon by fire, storms, acts of God, acts of government, acts of third parties or other calamity, the Association shall be required to rebuild such improvements and facilities as quickly as practicable.

2. The Association shall be responsible for maintaining the grass, plants, shrubs, trees, and landscaping, (hereinafter the "Yard Improvements") on the Lots installed by the Declarant or the Association, and if a common irrigation system is installed by Declarant, the Association shall be responsible for irrigating and watering the Yard Improvements on the Lots by the operation and maintenance of the common irrigation system which would provide water and irrigation for the landscaped portions of the Association Property and the Yard Improvements on the Lots. Any Yard Improvements installed by an Owner shall be maintained by such Owner and the Association shall have no responsibility for Yard Improvements installed by an Owner, unless the maintenance of any Yard Improvements installed by an Owner is approved by the affirmative vote of a majority of the Members of each Class, and the prior written consent of the Association (but only to the extent that such consent specifically provides that the Association will maintain such added landscaping), provided, however, that: (i) the Association shall not be responsible for maintaining any fence installed on any Lot or any Yard Improvements inside of such fence installed; (ii) the Association's obligation to maintain shall not include the obligation to replace any plant, shrub or tree for any reason; and (iii) the Association shall not be responsible for repair or replacement of any Yard Improvements when such repair or replacement is necessitated by work done by or at the request of any Owner or any utility company or governmental authority. .

The Association shall be responsible for maintaining the termite contract referred to in Section E of Article VI, which shall provide for annual termite inspections and any treatment deemed necessary to eliminate termites or other wood-destroying insects from the Dwelling Units or the buildings in which the Dwelling Units are located.

Except as specifically provided for in this Section A.2 of Article IX, the Association shall have no responsibility to maintain or repair any Lot or Dwelling Unit or any portion thereof, or for insuring any Dwelling Unit (or portion thereof) or other Improvements on any Lot, and shall not be liable for any damage to any Dwelling Unit, except such damage caused by the Association, its duly authorized agents or employees.

The Association shall have the right, but not the obligation, by the affirmative vote of a majority of the Members of each Class, to accept certain items, areas or Improvements on a Lot for maintenance by the Association, including, but not limited to, Yard Improvements installed by an Owner. Such acceptance shall be in writing and may be subject to such terms and conditions, including, but not limited to, a special assessment or increased annual assessment for that Lot, as the Association might establish in such written acceptance.

B. By the Lot Owners.

1. Any maintenance on a Lot that is not the responsibility of the Association, whether by the terms of these Protective Covenants or by written acceptance of same, shall be the responsibility of the Owner of such Lot. Such maintenance by an Owner shall include, but not be limited to, the repair, maintenance and replacement of the driveway upon the Lot, Yard Improvements which are specifically excluded by the provisions of Section A.2 of this Article IX, maintenance, repair, and replacement (including painting) of all portions of the Dwelling Unit located on such Lot, including (but not limited to) the roof. Each Owner shall keep his Lot and Dwelling Unit in an orderly condition and shall keep the improvements thereon in a suitable state of repair. If an Owner does not perform exterior maintenance of his Lot and Dwelling Unit, the Association shall have the right (but not the obligation), through its agents and employees, by the affirmative vote of not less than two-thirds (2/3) of the Board of Directors, to enter upon such Lot and to repair, maintain and restore the Lot or exterior of the Dwelling Unit erected thereon, and the cost of such exterior maintenance, plus a surcharge of 15% for administration, shall be assessed as an Individual Expense Assessment in accordance with Section D of Article V. Prior to such entry, the Association shall give written notice to the Owner stating: (i) the specific item(s) needing maintenance; (ii) the corrective action to be taken; (iii) a time, not less than 60 calendar days from the date of the notice, in which the Owner is to perform the necessary maintenance; and (iv) a statement that, if the Owner fails to perform the maintenance within such time period, the Association will exercise its right to perform the maintenance and that the Owner will be assessed with the costs thereof as provided in this Article IX.

C. Party Walls. Each wall which is built as a part of the original construction of a Dwelling Unit and placed on the dividing line between the Lots and all reconstruction or extensions of such walls shall constitute party walls. To the extent not inconsistent with the provisions of this Section C.2 of Article IX, the general rules of law regarding party walls, lateral support, in-below ground construction and of liability for property damage due to negligence or willful acts or omissions shall apply.

1. The Owners of contiguous Lots who share a party wall shall both equally have the right to use such wall, provided that such use by one Owner does not interfere with the use and enjoyment of the party wall by the other Owner.

2. The following provisions shall apply to all party walls constructed in the Subdivision: (i) 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; (ii) If a party wall is destroyed or damaged by fire or

other casualty, any Owner who has used the wall may restore it. If other Owners make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use; subject, however, to the right of any Owners to call for a larger contribution from the others under any rule of law regarding liability for negligence or willful acts or omissions; (iii) The Owner may construct or reconstruct a party wall subject to and within the limitations of architectural control and other limitations of these Protective Covenants with the right to go upon the adjoining Lot to the extent reasonably necessary to perform the construction. The construction shall be done expeditiously. Upon completion of the construction, the Owner shall restore, as is reasonably practicable, the adjoining Lot to as near the same condition which prevailed on or before the commencement of the construction; (iv) The right of any Owner to contribution from any other Owner under this Section B.3 shall be appurtenant to the land and shall pass to the Owner's successors in title; and (v) If any Owner desires to sell his Dwelling Unit, he may, in order to assure a prospective purchaser that no adjoining Owner(s) has a right of contribution as provided in this Article, request that the adjoining Owner(s) provide a certification that no right of contribution exists. It shall be the duty of each adjoining Owner to make a certification as to whether there is any pending claim of contribution immediately upon request and without charge.

3. Any Owner proposing to modify, make additions to rebuild his Dwelling Unit in any manner which requires the alteration or disturbance of any party wall shall obtain the written consent of the adjoining Owner prior to commencing the applicable work. The provisions of this Article shall also apply to any fence, other barrier or shared Improvement between Lots which is installed by Declarant and to any replacement thereof authorized by the Committee. Otherwise the upkeep of any fence barrier or improvement shall be the responsibility of the Owner who had such item installed.

4. In the event of a dispute between Owner with respect to the repair or rebuilding of a party wall or other shared Improvement, then upon the written request of one of such Owners addressed to the Association, the matter shall be submitted to the Board, who shall decide the dispute, and the decision of the Board shall be final and conclusive upon the Owners.

D. Shared Fences. Any fence installed by Declarant upon the boundary lines in between two Lots (a "Shared Fence") shall be shared by the Owners of the Lots that share the same boundary line on which the fence is located. The rights and obligations of the Owners who share a fence shall be the same with respect to a Shared Fence, as the rights and obligations set forth in Section C.2 and Section C.4 above with respect to Party Walls. The Shared Fences shall not be replaced, modified or altered in any way without the prior written approval of the Committee in accordance with Article X.

E. Structural Inspections by Declarant. Declarant shall have the right to perform periodic inspections of the structural Improvements located upon each Lot, including but not limited to, the roof, foundation, and exterior wall of the Dwelling Unit situated on the Lot. Declarant shall provide an Owner with reasonable advance notice of Declarant's intent to perform such inspection. Each Owner shall cooperate with Declarant as is reasonably necessary for Declarant to be able to complete an accurate and thorough inspection of the structural components of such Owner's Dwelling Unit. No Owner shall take any action that would disrupt, prevent or limit Declarant's ability to perform such inspection(s).

ARTICLE X ARCHITECTURAL CONTROL

A. Establishment. "Committee" shall mean the architectural control committee, which shall be the governing body charged with using its best efforts to promote and ensure a high level of design,

quality, harmony and conformity throughout the Property consistent with these Protective Covenants. Until the Termination of Declarant Control, referred to below, Declarant shall constitute the Committee, and may approve Plans and Submissions or take other actions on behalf of the Committee in Declarant's own name or in the name of the Committee. After the Termination of Declarant Control, the Committee shall be composed of at least three (3) individuals appointed by the Board, each of which shall be an Owner. The Committee shall act by simple majority vote. In the event of death, resignation or other removal of any Board appointed member of the Committee, the Board shall appoint a successor member. No member of the Committee shall be entitled to compensation for, or be liable for claims, causes of action or damages arising out of services performed pursuant to these Protective Covenants. Declarant shall cease to control and constitute the Committee on the earlier of: (a) the date on which Declarant records in the Public Records a document declaring the termination of its control of the Committee, or (b) at such time as Declarant no longer owns a Lot within the Property, or (c) the date which is seven (7) years following the date these Protective Covenants is first recorded in the public land records (which may be referred to in these Protective Covenants as "Termination of Declarant Control").

B. Purpose of the Committee. The Committee is established to provide a system of review for the construction or modification of all Improvements within the Property. No Improvement shall be commenced, improved or altered, nor shall any grading, excavation or change of exterior color or other work which in any way alters the exterior appearance of an Improvement be done without the prior written approval of the Committee.

C. Development Standards. The Committee is empowered to publish or modify from time to time, design and development standards for the Property, including, but not limited to, standards for the following ("Standards"): (i) architectural design of Improvements, including, but not limited to, design standards for any Dwelling Unit or other Improvement constructed upon a Lot; (ii) fences, walls and similar structures; (iii) exterior building materials and colors; (iv) exterior appurtenances relating to utility installation; (v) signs and graphics, mailboxes, satellite dishes and exterior lighting; (vi) decks, pools and pool decks, side yards and related height bulk and design criteria; (vii) pedestrian and bicycle ways, sidewalks and pathways; and (viii) all buildings, landscaping and Improvements on lands owned or controlled by the Association. After Termination of Declarant Control, a copy of any Standards promulgated by the Committee shall be subject to approval by the Board. A copy of the Standards will be made available to all Members. The Owners shall adhere and comply with all Standards promulgated by the Committee with respect to all Improvements and items to which such Standards apply.

D. Requirement of Committee Approval. No Improvement of any kind shall be erected, placed or maintained, and no addition, alteration, modification or change to any Improvement shall be made without the prior written approval of the Committee. For purposes of these Protective Covenants, Declarant Improvements means any Improvement erected, placed, or maintained with the approval of Declarant, including, without limitation, any building, wall, fence, swimming pool, or screened enclosure, constructed, installed or placed by or with the approval of Declarant prior to the Termination of Declarant Control (collectively, "Declarant Improvements"). Declarant Improvements are not subject to the approval of the Committee and are deemed to conform to the plan of development for the Property.

E. Obtaining Committee Approval. In order to obtain the approval of the Committee, a complete set of plans and specifications ("Plans") for proposed Improvements shall be submitted to the Committee for its review. The Plans shall include, as appropriate, the proposed location, grade,

elevations, shape, dimensions, exterior color plans, approximate costs, and nature, type and color of materials to be used. The Committee may also require the submission of additional information and materials as may be reasonably necessary for the Committee to evaluate the proposed Improvement or alteration ("Submissions"). The Committee shall have the right to refuse to approve any proposed Plans that, in its sole discretion, are not suitable or desirable. Any and all approvals or disapprovals of the Committee shall be in writing and shall be sent to each respective Owner submitting same. In the event the Committee fails to approve or to disapprove in writing any Plans and/or Submissions after: (i) submission to the Committee of the last item of the Plans and Submissions requested by the Committee, so that the Committee has a complete package of all Plans and Submissions requested by the Committee; and (ii) thirty (30) days have elapsed since submission and written request for approval or disapproval was delivered to the Committee by the Owner; then said Plans and Submissions shall be deemed to have been approved by the Committee provided, however, that no Improvement shall be erected or shall be allowed to remain which violates any conditions or restrictions contained in these Protective Covenants, or which violates any applicable zoning or building ordinance or regulation. The approval by the Committee relates only to the aesthetics of the Improvements shown on the Plans and Submissions and not to their sufficiency or adequacy. Each Owner shall be responsible for obtaining all necessary technical data and to make application to and obtain the approval of the appropriate governmental agencies prior to commencement of any construction.

F. Scope of Review. The Committee shall review and approve or disapprove all Plans and Submissions solely on the basis of aesthetic standards as to the aesthetic quality of materials and workmanship to be used, suitability and harmony of location, structure and external design in relation to surrounding topography and structures and the overall benefit or detriment which would result to the immediate vicinity and to the Property as a whole and any other factors deemed relevant to the review by the Committee in its opinion, reasonably exercised. The Committee shall take into consideration the aesthetic aspects of the architectural design, placement of buildings, color schemes, exterior finishes and materials and similar features, and shall not be responsible for reviewing, nor shall its approval of any Plans be deemed approval of, any design or plan from the standpoint of structural safety or conformance with building or other codes.

G. Variance from Standards. The Committee may authorize, in a reasonable manner so as not to destroy the general scheme or plans of the development of the Property, variances from compliance with any Standards which it has promulgated pursuant to its authority when circumstances such as topography, natural obstructions, hardship, aesthetics or environmental considerations may require. If any such variances are granted, no violation of the restrictions contained in these Protective Covenants shall be deemed to have occurred with respect to the matter for which the variance was granted. The granting of such a variance shall not operate to waive any of the terms and provisions of these Protective Covenants for any purpose, except as to that particular property and particular provision hereof or Standards promulgated hereby which are covered by the variance. Such variance shall be evidenced in writing.

H. Enforcement. There is specifically reserved unto the Committee the right of entry and inspection upon any Lot or other portion of the Property for the purpose of determination by the Committee whether there exists any Improvement which violates the terms of any approval by the Committee or the terms of these Protective Covenants. Except in emergencies, any exercise of the right of entry and inspection by the Committee hereunder should be made only upon reasonable notice given to the Owner of record at least twenty-four (24) hours in advance of such entry. The Association, acting

pursuant to the direction of the Committee, is specifically empowered to enforce the provisions of these Protective Covenants by any legal or equitable remedy, and in the event it becomes necessary to resort to litigation to determine the propriety of any Improvement, or to remove any unapproved Improvements, the prevailing party in such litigation shall be entitled to recover all Legal Fees incurred in connection therewith. The Association shall indemnify and hold harmless any member of the Committee from all costs, expenses and liabilities, including attorneys fees incurred by virtue of any member's service as a member of the Committee, provided such member acted in good faith and without malice.

I. Subcommittees and Delegation of Authority. The Committee may establish subcommittees for the purpose of acting on behalf of the Committee with respect to similar circumstances, situations, or types of Improvements, such as a swimming pool subcommittee or a subcommittee which would deal with modifications of existing Improvements or additional new Improvements ancillary to an existing Dwelling Unit, in contrast to the construction of initial Improvements upon a previously unimproved Lot. All rights and powers of the Committee may be delegated to such subcommittee with regard to the subject matter of the subcommittee. The rights and powers of the Committee may be assigned to a management company, an architect, design professional or other entity, or any portion of such rights and powers applicable to a particular subcommittee or area of similar circumstance.

J. Park West Development Review Board Approval. In addition to the approval of the Committee in accordance with these Protective Covenants, as is provided in the Park West Documents, no construction of any Improvement shall be commenced or maintained anywhere in Park West without the prior written approval of the Park West Development Review Board (or other entity which may be authorized and empowered for such purposes from time to time pursuant to the Park West Documents). The procedures and requirements for obtaining the approval of the Development Review Board (or other applicable entity, if any) are set forth in the Park West Documents and are separate from and in addition to, the procedures and requirements set forth in this Article X. No Improvement shall be permitted on the Lots which violates any of the requirements of the Park West Documents, and notwithstanding the requirement for the Committee's approval of all proposed Improvements pursuant to this Article X, the Committee shall have no obligation to verify whether or not the Plans and Submissions for such Improvements comply with the Park West Documents or any other requirements of any applicable governmental authority or agency with respect to such Improvements.

ARTICLE XI USE RESTRICTIONS

For purposes of this Article XI, unless the context otherwise requires, Owner shall also include the family, invitees, guests, licensees, lessees and sublessees of any Owner, and any other permitted occupants of a Dwelling Unit. All the Property shall be held, used and enjoyed subject to the following limitations and restrictions, subject to the exemption of Declarant in Section FF of this Article XI and if applicable, subject to any modifications set forth in a Supplement pertaining to the Additional Property.

A. Residential Use. The Dwelling Units shall be for single family residential use only. No commercial occupation or activity may be carried on in Keswick without the consent of the Board except such occupation or activities permitted to be carried on by Declarant under these Protective Covenants, and any activities or occupations that satisfy the criteria set forth in Section B of this Article XI. In addition, temporary guests are permitted so long as they do not create an unreasonable source of noise or

annoyance to the other residents of the Property. No more than one Dwelling Unit may be built on one Lot.

B. Nuisances. No obnoxious or offensive activity shall be carried on about the Lots or in or about any improvements, Dwelling Units, or on any portion of Keswick nor shall anything be done therein which may be or become an unreasonable annoyance or a nuisance to any Owner. No use or practice shall be allowed in or around the Dwelling Units which is a source of annoyance to Owners or occupants of Dwelling Units or which interferes with the peaceful possession or proper use of the Dwelling Units or the surrounding areas. No loud noises or noxious odors shall be permitted in any improvements, Dwelling Units or Lots. Without limiting the generality of any of the foregoing provisions, no horns, whistles, bells or other sound devices (other than security devices used exclusively for security purposes), noisy or smoky vehicles, large power equipment of large power tools, unlicensed off-road motor vehicles or any items which may unreasonably interfere with television or radio reception of any Owner shall be located, used or placed on any Lot, or exposed to the view of other Owners without the prior written approval of the Board and/or the Committee, if required.

C. Non-Residential Activities or Uses. No trade, business, profession or commercial activity, or any other non residential use shall be conducted on the Property or within any Lot or Dwelling Unit without the consent of the Board except that an Owner or occupant residing in a Dwelling Unit may conduct business activities within the Dwelling Unit so long as: (i) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Dwelling Unit; (ii) the business activity conforms to all zoning requirements for the Property; (iii) the business activity does not involve door-to-door solicitation of residents noticeably greater than that which is typical of Dwelling Units in which no business activity is being conducted; and (v) the business activity is consistent with the residential character of the Subdivision, and does not constitute a nuisance, a hazardous or offensive use, or a threat to the security or safety of others, of the Subdivision; (iv) the business activity does not, in the Board's judgment, generate a level of vehicular or pedestrian traffic or a number of vehicles being parked in the Subdivision which is as the Board determines in its sole discretion. The foregoing limitations shall not preclude occasional garage sales, moving sales, rummage sales, or similar activities, provided that such activities may not be held on any one Lot more than once in any three-month period and, when held, may not exceed three consecutive days in duration. The foregoing shall not prohibit an Owner from leasing his Dwelling Unit.

D. Outside Storage of Personal Property. The personal property of any Owner shall be kept inside the Owner's Dwelling Unit, except for patio furniture and accessories, and other personal property commonly kept outside, which must be kept in the rear of the Lot and must be neat appearing and in good conditions.

E. Parking and Vehicular Restrictions. Declarant shall provide at least the minimum number of parking spaces required by the Town for the Subdivision, if applicable. The Owner of each Lot shall be responsible for the maintenance of any parking space(s) located on their Lot. The Owner of each Lot shall provide the Association with the make, model, color and license plate number of each vehicle owned or normally driven by the Owner and his family, any person regularly residing with the Owner, and/or any lessee or sublessee of such Owner. The Association shall be responsible for the maintenance of any parking spaces located within the Association Property for the Subdivision. Except for any parking space(s) located on or within Association Property that are specifically assigned to an

Owner by the Association, any parking space(s) located within the Association Property for the Subdivision shall be used for visitor parking, only.

Vehicles may be parked or stored only on portions of a Lot improved for that purpose, i.e., garage, driveway, carport or parking pad. No unenclosed parking shall be constructed or maintained on any Lot except a paved driveway and an attached paved parking pad, which pad shall be designed for the parking of not more than 2 vehicles. Any driveway or parking pad constructed upon any Lot shall have either an asphaltic concrete surface, a cement concrete surface, or brick pavers.

No mobile house trailer (whether on or off wheels), vehicle or enclosed body of the type which may be placed on or attached to a vehicle (known generally as "campers"), or commercial vehicle of any kind shall be parked on the street within the Subdivision, nor shall any such vehicle be parked or kept on any Lot. Furthermore, no boat or boat trailer shall be parked on the street within the Subdivision. No tractor trailer trucks or cabs shall be parked on any street or Lot within the Subdivision.

No vehicle of any type which is abandoned or inoperative shall be stored or kept on any Lot in such manner as to be seen from any other Lot, any street within the Subdivision or any Open Space Area and no automobiles or mechanical equipment may be dismantled or allowed to accumulate on any Lot.

F. No Improper Uses. No improper, offensive, hazardous or unlawful use shall be made of any Dwelling Unit nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to any person using any portion of the Property. All valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction over the Property shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction over the Property, relating to any Dwelling Unit shall be corrected by, and at the sole expense of the Owner of the Dwelling Unit.

G. Trash and Other Materials. Each Owner shall regularly pick up all garbage, trash, refuse or rubbish on his Lot, and no Owner or resident shall place or dump any garbage, trash, refuse, rubbish or other materials on any other portions of the Property. Garbage, trash, refuse or rubbish that is required to be placed at the front of the Lot in order to be collected may be placed and kept at the front of the Lot after 5:00 p.m. on the day before the scheduled day of collection, and any trash facilities must be removed on the collection day. All garbage, trash, refuse or rubbish must be placed in appropriate trash facilities or bags. All containers, dumpsters or garbage facilities shall be stored inside a Dwelling Unit or within enclosed areas in the rear yard of the Lot. No noxious or offensive odors shall be permitted.

H. Leases. No portion of a Dwelling Unit (other than an entire Dwelling Unit) may be rented. All leases must be in writing and shall provide that the Association shall have the right to terminate the lease upon default by the tenant in observing any of the provisions of these Protective Covenants, the Articles, Bylaws, of applicable rules and regulations, or of any other agreement, document or instrument governing the Lots or Dwelling Units. A copy of the proposed lease must be delivered to the Association prior to occupancy by the tenant. No lease shall be for a period of less than six (6) months without the approval of the Board. The Owner of a leased Dwelling Unit shall be jointly and severally liable with his tenant to the Association to pay any claim for injury or damage to property caused by the negligence of the tenant. Every lease shall be subordinated to any lien filed by the Association whether before or after such lease was entered into.

With respect to any tenant or any person present in any Dwelling Unit or any portion of the Property other than an Owner and the members of his immediate family permanently residing with him in the Dwelling Unit, if such person shall materially violate any provision of these Protective Covenants, the Articles, or the Bylaws, or shall create a nuisance or an unreasonable and continuous source of annoyance to the residents of the Property, or shall willfully damage or destroy any Association Property or personal property of the Association, then upon written notice by the Association such person shall be required to immediately leave the Property and if such person does not do so, to the extent permitted by applicable law, the Association may commence an action to evict such tenant or compel the person to leave the Property and, where necessary, to enjoin such person from returning. The expense of any such action, including Legal Fees, may be assessed against the applicable Owner as an Individual Expense Assessment, and the Association may collect such Assessment and have a lien for same as elsewhere provided. The foregoing shall be in addition to any other remedy of the Association. The Association shall provide notice to the Owner of a leased Dwelling Unit concurrently with any notices sent to the tenant of such Dwelling Unit pursuant to this Section H of Article XI, and such Owner shall have the right to participate in any hearings or eviction proceedings involving the tenant of such Owner's Dwelling Unit. The right of eviction provided for in this section shall be inserted in every lease, but the omissions from the lease agreement of such right shall not affect the right to evict as set forth herein.

I. Temporary Buildings and Accessory Buildings. No tents, trailers, shacks or other temporary buildings or structures shall be constructed or otherwise placed upon the Property except in connection with construction, development, leasing or sales activities performed by Declarant. No temporary structure may be used as a Dwelling Unit. No garden shed, storage shed, out-building, accessory building or structure, or other permanent structures which are detached from the main structure of the Home shall be constructed or placed upon the Property unless approved by the Committee in accordance with Article X.

J. Garages. No garage shall be permanently enclosed so as to make such garage unusable by an automobile, and no portion of a garage originally intended for the parking of an automobile shall be converted into a living space or storage space and no garage opening shall have a screen covering without the consent of the Committee. The foregoing shall not include any garages used or formerly used by Declarant as an office or other area in connection with the sale of Dwelling Units, which are Declarant Improvements and not subject to the restrictions in this Article XI. All garage doors shall remain closed when vehicles are not entering or leaving the garage.

K. Animals and Pets. Only common domesticated household pets may be kept on any Lot or in a Dwelling Unit, not to exceed a total of three (3) per Dwelling Unit with the prior consent of the Board but in no event for the purpose of breeding or for any commercial purposes whatsoever. No other animals, livestock, reptiles or poultry of any kind shall be kept, raised, bred or maintained on any portion of the Property. Permitted pets shall only be kept subject to and in accordance with such rules and regulations as shall be promulgated from time to time by the Board. Under no circumstances may a pit bull be permitted on the Property. Any pet must not be an unreasonable nuisance or annoyance to other residents on the Property: The Board may adopt rules and regulations concerning animals which are more restrictive than the provisions of these Protective Covenants including rules requiring that all animals be kept on a leash when on the Association Property or outside a fenced yard and that animals be restricted to designated areas within the Association Property and that Owners are responsible for cleaning up any mess that a pet created within any Lot or the Association Property. The Board may

require any pet to be immediately and permanently removed from the Property due to a violation of this Section.

Each Owner who determines to keep a pet thereby agrees to indemnify the Association and Declarant and hold them harmless against any loss or liability of any kind or character whatsoever arising from or growing out of his having any animal on the Property.

L. Additions and Alterations. No Dwelling Unit shall be enlarged by any addition thereto or to any part thereof, and no Owner shall make any improvement, addition, or alteration to the exterior of his Dwelling Unit, including, without limitation, the painting, staining, or varnishing of the exterior of the Dwelling Unit or re-roofing with shingles of a different color or material, without the prior written approval of the Committee, which approval may be withheld for purely aesthetic reasons. No Dwelling Unit shall be enlarged by any addition thereto or to any part thereof, and no Owner shall make any improvement, addition, or alteration to the exterior of his Dwelling Unit, without the prior written approval of the Committee, which approval may be withheld for purely aesthetic reasons. No Owner shall undertake the re-roofing with shingles of a different color or material, or other wise make any Improvements or alterations to any portion of a Dwelling Unit that is to be maintained, repaired and replaced by the Association as provided in Article IX.

M. Increase in Insurance Rates. No Owner may engage in any action that may reasonably be expected to result in an increase in the rate of any insurance policy or policies covering or with respect to any portion of the Property not owned by such Owner.

N. Air Conditioning Units. Only central air conditioning units are permitted, and no window, wall, or portable air conditioning units are permitted.

O. Clotheslines and outside Clothes Drying. No clotheslines or clothespoles shall be erected, and no outside clothes-drying is permitted, except where such activity is advised or mandated by governmental authorities for energy conservation purposes, in which event the Committee shall have the right to approve the portions of any Lot used for outdoor clothes-drying purposes and the types of devices to be employed in this regard, which approval must be in writing.

P. Outside Antennas, and Satellite Dishes. No Owner may erect or maintain a television or radio receiving or transmitting antenna, satellite dish or similar apparatus or equipment unless: (i) such apparatus is two (2) feet or less in diameter, (ii) the apparatus is screened from public view and located behind the Dwelling Unit either in the rear yard or affixed to the rear roof, (iii) the apparatus is not visible while standing at any point along the property boundary line in front of the house that abuts or is adjacent to a street, right-of-way or sidewalk; and (iv) the Committee has approved the apparatus, its location and the type of screening.

Q. Flagpoles. Except for any Flagpoles installed by the Declarant, no Owner may erect or install a flagpole or decorative banner on any portion of a Lot, including freestanding detached flagpoles or banners, and those that are attached to a Dwelling Unit, without the prior written approval of the Committee.

R. Garbage Containers, Oil and Gas Tanks, Air Conditioners. All garbage and refuse containers, air conditioning units, oil tanks, bottled gas tanks, and all permanently affixed swimming

pool equipment and housing shall be underground or placed in walled-in or landscaped areas as approved by the Committee so that they shall be substantially concealed or hidden from any eye-level view from any street or adjacent property.

S. Signs. Except for unit identification signs required by the Town, no signs shall be placed upon any Lot, and no signs shall be placed in or upon any Dwelling Unit which are visible from the exterior of the Dwelling Unit, without the prior written consent of the Committee, with the exception of one (1) "for sale" or "open house" sign limited to six (6) square feet in size, and also limited by any design Standards promulgated by the Committee and applicable to such signs. Additionally, signs of not more than six (6) square feet expressing support of or opposition to political candidates or other issues which will appear on the ballot of a primary, general or special election may be permitted, provided that such political signs shall not be placed on a Lot earlier than 60 days before such election and shall be removed within 2 days after such election.

T. Window Treatments and Hurricane Shutters. Window treatments shall consist of drapery, blinds, decorative panels, or other tasteful window covering, and no newspaper, aluminum foil, sheets or other temporary window treatments are permitted, except for periods not exceeding one (1) week after an Owner or tenant first moves into a Dwelling Unit or when permanent window treatments are being cleaned or repaired.

Hurricane shutters are permitted as long as the prior approval of the Committee is obtained prior to the installation of the hurricane shutters.

U. Surface Water Management. No Owner or any other person shall do anything to adversely affect the surface water management and drainage of the Property, without the prior written approval of the Committee and any controlling governmental authority, including, but not limited to, the excavation or filling in of any Lot, provided the foregoing shall not be deemed to prohibit or restrict the initial construction of Improvements upon the Property by Declarant in accordance with permits issued by controlling governmental authorities. In particular, no Owner shall install any landscaping or place any fill on the Owner's Lot which would adversely affect the drainage of any contiguous Dwelling Unit. No structures, trees or shrubs shall be placed on any drainage or utility easements or any other portion of the Storm Water Management System, except by Declarant, without the prior written consent of the Committee and the applicable governmental authorities and utility providers.

V. Wetlands. No Owner shall remove native vegetation that become established within any wetland areas, wetland buffer areas, or riparian buffer areas located on or adjacent to any portion of the Property. Removal includes dredging, the application of herbicide, and cutting. No Owner shall add or introduce additional vegetation or other forms of plantlife or landscaping within any wetland areas, wetland buffer areas, or riparian buffer areas located on or adjacent to any portion of the Property. Owners should address any question regarding authorized activities within any wetland areas, wetland buffer areas, or riparian buffer areas to the applicable governmental authorities. No Owner may construct or maintain any building, residence, or structure, or undertake or perform any activity in any wetland areas, buffer areas and any upland conservation areas without the prior approval of the Association and the applicable governmental authorities and utility providers.

W. Use of Ponds. The Ponds shall always be kept and maintained only as an area for water retention, drainage and water management purposes in compliance with applicable governmental and

water management district requirements and the Owners are prohibited from using the Ponds for recreational purposes, including swimming, boating, fishing or any other similar activity. With respect to those Lots which may abut a Pond, Lot Owners are prohibited from using the Ponds for irrigation purposes. In addition, (a) no boat house, dock, building, landing, mooring pile, pier or ramps for boats or aircraft shall be erected on or adjoining any Lot; (b) no Lot shall be increased in size by filling in the water on which it abuts; (c) no boat canal or other waterways shall be dug or excavated into any Lot; and (d) no slope of waterfront abutting any Lot shall be altered in any manner whatsoever.

X. Swimming Pools. No swimming pools, spas, or the like, shall be installed or permitted on any Lot in the Subdivision without the prior written consent of the Committee given in accordance with Article X, except that small, inflatable wading pools shall be permitted. Inflatable wading pools larger than five feet by five feet (5'X5') shall be permitted only in the rear yard of a Lot.

Y. Fences and Walls. Except for the Shared Fences to be installed by Declarant, no fence or wall shall be erected on any Lot. Nothing in this Section shall be deemed to apply to or regulate retaining walls made necessary by the slope or grade of any Lot or Lots, nor shall anything in this Section apply to any fence installed by the Declarant at any entrance to or along any street within the Subdivision.

Notwithstanding the prohibition of fences or walls on the Lots (other than the Shared Fences), with the approval of the Committee, an Owner may erect a fence within that portion of a Buffer Area that abuts such Owner's Lot, subject to the provisions of this Section Y. Any fence proposed by an Owner for installation with the adjacent Buffer Area must be approved by the Committee and be designed and constructed in accordance with any applicable Standards published by the Committee for such fences. Upon the Committee's approval, the Owner proposing such fence shall install the fence at the Owner's sole expense. Upon the completion of any such fence in the Buffer Area, the fence shall become Association Property and owned by the Association as part of the Buffer Area. Following completion of any such fence in the Buffer Area, the Association shall maintain, repair and replace such fence, the costs of which shall be an Operating Expense. The Association shall have the right, at its sole option, without the consent of the Owner who installed the fence, to (i) modify or alter any fence installed within the Buffer Area, or (ii) remove or relocate any such fence without obligation to replace the fence or to install a new fence in the location from where the original fence was removed or relocated.

Z. Mailboxes. No mailboxes are permitted without the consent of the Committee, except for mailboxes which are identical to mailboxes originally provided for the Dwelling Units by Declarant.

AA. Building Setbacks; Building Location. No Dwelling Unit shall be erected or maintained on any Lot outside of the building envelope shown on the applicable Final Plat or as otherwise required or permitted by the zoning ordinances of the Town. For purposes of these building setback requirements, decks, porches, patios, stoops, eaves, overhangs, bay windows, chimneys, carports and other similar projections shall be deemed to be part of the Dwelling Unit only to the extent that the same are deemed to be part of a dwelling unit under the zoning ordinances of the Town as it exists as of the date of issuance of a certificate of occupancy for such Dwelling Unit. Any Dwelling Unit erected on a Lot other than a corner Lot shall face the street on which the Lot abuts. On corner Lots, a Dwelling Unit may be erected so as to face the intersection of the 2 streets on which the Lot abuts.

BB. Septic Tanks; Wells. No septic tank shall be installed, used or maintained on any Lot. No well shall be installed, used or maintained on any Lot for human domestic water consumption, nor shall any well be connected in any manner whatsoever to the water mains, laterals and piping serving the Dwelling Unit, which mains furnish domestic water from sources beyond the boundaries of the Lot.

CC. Removal of Trees. Except in the case of an emergency situation that does not permit any delay, no living tree larger than 3 inches in diameter at a point measured 3 feet off the ground shall be removed from any Lot without the approval of the Committee. The foregoing provision shall apply only to Lots that have been occupied pursuant to a certificate of occupancy issued by the Town.

DD. Damage and Destruction. In the event any Improvement contiguous with a Dwelling Unit is damaged or destroyed by casualty or for any other reason, the Owner of the Dwelling Unit shall repair and restore the damaged Improvement as soon as is reasonably practical to the same condition that the Improvement was in prior to such damage or destruction, unless otherwise approved by the Committee.

EE. Subdivision and Partition. No Lot on the Property shall be subdivided without the Committee's prior written consent except by Declarant.

FF. Construction. All construction, landscaping or other work which has been commenced on any Lot shall be continued with reasonable diligence to completion and no partially completed Dwelling Unit or other Improvement shall be permitted to exist on any Lot, except during such reasonable time period as is necessary for completion. The Owner of each Lot shall at all times keep contiguous public streets free from any dirt, mud, garbage, trash or other debris resulting from any such construction on the subject Owner's Lot.

GG. Buffer Areas. The Lot Owners are prohibited from disturbing the landscaping within the Buffer Areas and from making any alterations to the Buffer Area, including (but not limited to) clearing, pruning, grading, landscape installation or removal, or other land disturbing activities of any kind.

HH. Certain Rights of Declarant. The provisions, restrictions, terms and conditions of this Article XI shall not apply to Declarant as an Owner.

ARTICLE XII

SUBJECTING ADDITIONAL PROPERTY TO THESE PROTECTIVE COVENANTS

A. Additional Property acquired by Declarant. Prior to the Turnover Date, Declarant shall have the right, without the approval or joinder of the Association, the Owners or any other Person (except if applicable, the consent of HUD/VA as provided in Section C of this Article XII, to bring under the provisions of these Protective Covenants and thereby add to the Keswick community, any real property owned or acquired by Declarant which is contiguous to the Property or which is contiguous with a public or private street adjacent to the Property or which is located within the Park West planned unit development ("Additional Property"), provided that the Town has approved such Additional Property for subdivision into Lots, each of which is appropriate for the construction of one (1) single family attached dwelling unit. To the extent that such Additional Property is thereafter made part of Keswick by a Supplement, reference herein to the Property shall be deemed to include such Additional Property, and

the number of Total Planned Lots shall be increased by the number of Lots (if any) depicted on the final subdivision plat of such Additional Property.

After the Turnover Date, upon the vote or written consent of the Owners of not less than ninety (90%) of the Lots, any real property which is contiguous to the Property or which is contiguous with a public or private street adjacent to the Property may be brought under the provisions of these Protective Covenants and thereby added to the Keswick community, provided that the annexation of such real property is for the purposes of reflecting changes or modifications to the Site Plan which have been approved by the Town. To the extent that any contiguous property approved for annexation by the Owners after the Turnover Date is thereafter made part of Keswick by a Supplement, reference herein to the Property shall be deemed to include such property.

B. Association Property within Annexed Property. If any real property is hereafter made part of Keswick and subjected to these Protective Covenants by the recording of a Supplement as provided above, any Association Property located within such newly annexed portion of the Property shall be conveyed to the Association prior to the date the first Lot in such property is conveyed to an Owner as provided in Section C.14 of Article III.

C. HUD/VA Approval. If prior to the Turnover Date, the Property is subject to the requirements of VA, FHA, the Federal Home Loan Mortgage Corporation or any other governmental or quasi-governmental agency that insures, guaranties, or purchases mortgages, the annexation of any additional property requires the prior approval of HUD/VA.

D. Withdrawal. Prior to the Turnover Date, Declarant reserves the right to amend this Declaration at any time, without prior notice and without the consent of any Person (except if applicable, the consent of HUD/VA as provided above) for the purpose of removing certain portions of the Property then owned by Declarant from the provisions of these Protective Covenants to the extent that such real property was included originally in error or as a result of changes in the plans for Bridgewater desired by Declarant.

ARTICLE XIII ENFORCEMENT; NON-MONETARY DEFAULTS; ASSOCIATION REMEDIES

A. Non-Monetary Defaults. In the event of a violation by any Owner or any tenant of an Owner, or any person residing with them, or their guests or invitees, (other than the non-payment of any Assessment or other monies) of any of the provisions of these Protective Covenants, the Articles, the Bylaws or the rules and regulations of the Association, the Association shall notify the Owner and any tenant of the Owner of the violation, by written notice. If such violation is not cured as soon as practicable and in any event within seven (7) days after such written notice, or if the violation is not capable of being cured within such seven (7) day period, if the Owner or tenant fails to commence and diligently proceed to completely cure such violation as soon as practicable within seven (7) days after written notice by the Association or if any similar violation is thereafter repeated, the Association may, at its option:

1. Impose a fine against the Owner or tenant as provided in Section B of this Article XIII;
- and/or

2. Commence an action to enforce the performance on the part of the Owner or tenant, or for such equitable relief as may be necessary under the circumstances, including injunctive relief; and/or
3. Commence an action to recover damages; and/or
4. Take any and all actions reasonably necessary to correct such failure, which action may include, where applicable, but is not limited to, removing any addition, alteration, improvement or change which has not been approved by the "Committee" or erected in accordance with the Committee's approval (as herein defined), or performing any maintenance required to be performed by these Protective Covenants.

All expenses incurred by the Association in connection with the correction of any failure, plus a service charge of ten percent (10%) of such expenses, and all expenses incurred by the Association in connection with any legal proceedings to enforce these Protective Covenants, including reasonable Legal Fees, shall be assessed against the applicable Owner as an Individual Expense Assessment in accordance with Section ___ D of Article V. The Association shall have a lien for any such Individual Expense Assessment and any interest, costs or expenses associated therewith, including Legal Fees incurred in connection with such Assessment, and may take such action to collect such Assessment or foreclose said lien as in the case and in the manner of any other Assessment as provided above. Any such lien shall only be effective from and after the recording of a claim of lien in the Public Records of the County in which the Property is located.

B. Fines. The amount of any fine shall be determined by the Board. Prior to imposing any fine, the Owner or tenant shall be afforded an opportunity for a hearing after reasonable notice to the Owner or tenant of not less than fourteen (14) days, which notice shall include (i) a statement of the date, time and place of the hearing, (ii) a statement of the provisions of these Protective Covenants, Bylaws or rules and regulations which have allegedly been violated, and (iii) a short and plain statement of the matters asserted by the Association. The Owner of a leased Dwelling Unit shall have the right to participate in any hearing involving the tenant of such Dwelling Unit, and the Association shall provide notice to the Owner of such Dwelling Unit concurrently with the Association's notice to the tenant of the subject Dwelling Unit. The Owner or tenant shall have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge and respond to any material considered by the Association. At the hearing, the Board shall conduct a reasonable inquiry to determine whether the alleged violation in fact occurred, and if the Board so determines, it may impose such fine as it deems appropriate by written notice to the Owner or tenant. If the Owner or tenant fails to attend the hearing as set by the Board, the Owner or tenant shall be deemed to have admitted the allegations contained in the notice to the Owner or tenant. Any fine imposed by the Board shall be due and payable within ten (10) days after written notice of the imposition of the fine, or if a hearing is timely requested within ten (10) days after written notice of the Board's decision at the hearing. Any fine levied against an Owner shall be deemed an Individual Expense Assessment, and if not paid when due all of the provisions of these Protective Covenants relating to the late payment of Assessments shall be applicable. If any fine is levied against a tenant and is not paid within ten (10) days after same is due, the Association shall have the right to evict the tenant as hereinafter provided.

C. Negligence. An Owner shall be liable and may be assessed by the Association for the expense of any maintenance, repair or replacement rendered necessary by his act, neglect or carelessness, to the extent otherwise provided by law and to the extent that such expense is not met by the proceeds of

insurance carried by the Association. Such liability shall include any increase in insurance rates occasioned by use, misuse, occupancy or abandonment of a Lot or Dwelling Unit or the Association Property.

D. Responsibility of an Owner for Occupants, Tenants, Guests, and Invitees. To the extent otherwise provided by law, each Owner shall be responsible for the acts and omissions, whether negligent or willful, of any person residing in his Dwelling Unit, and for all guests and invitees of the Owner or any such resident, and in the event the acts or omissions of any of the foregoing shall result in any damage to the Association Property, or any liability to the Association, the Owner shall be assessed for same as in the case of any other Assessment, limited where applicable to the extent that the expense or liability is not met by the proceeds of insurance carried by the Association. Furthermore, any violation of any of the provisions of these Protective Covenants, the Articles, or the Bylaws, by any resident of any Dwelling Unit, or any guest or invitee of an Owner or any resident of a Dwelling Unit, shall also be deemed a violation by the Owner, and shall subject the Owner to the same liability as if the violation was that of the Owner.

E. Right of the Association to Evict Tenants, Occupants, Guests and Invitees. If a tenant shall materially violate any provision of these Protective Covenants, the Articles, or the Bylaws, or shall create a nuisance or an unreasonable and continuous source of annoyance to the residents of the Property, or shall willfully damage or destroy any Association Property or personal property of the Association, then upon written notice by the Association such person shall be required to immediately leave the Property. If such tenant fails to leave the Property, to the extent permitted by applicable law, the Association is authorized to commence an action to evict such tenant or compel the person to leave the Property and, where necessary, to enjoin such person from returning. The expense of any such action, including Legal Fees, may be assessed against the applicable Owner as an Individual Expense Assessment, and the Association may collect such Assessment and have a lien for same as elsewhere provided. The foregoing shall be in addition to any other remedy of the Association. The Association shall provide notice to the Owner of a leased Dwelling Unit concurrently with any notices sent to the tenant of such Dwelling Unit pursuant to this Section, and such Owner shall have the right to participate in any hearings or eviction proceedings involving the tenant of such Owner's Dwelling Unit. The right of eviction provided for in this section shall be inserted in every lease, but the omissions from the lease agreement of such right shall not affect the right to evict as set forth herein.

F. No Waiver. The failure of the Association to enforce any right, provision, covenant or condition which may be granted by these Protective Covenants, the Articles, or the Bylaws, shall not constitute a waiver of the right of the Association to enforce such right, provision, covenant or condition in the future.

G. Rights Cumulative. All rights, remedies and privileges granted to the Association pursuant to any terms, provisions, covenants or conditions of these Protective Covenants, the Articles or the Bylaws, shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to constitute an election of remedies, nor shall it preclude the Association from executing any additional remedies, rights or privileges as may be granted or as it might have by law

ARTICLE XIV AMENDMENT AND MODIFICATION

The process of amending or modifying these Protective Covenants shall be as follows:

A. Prior to Turnover Date. Until the Turnover Date and except as specifically provided otherwise in this Section A of Article XIV, Declarant may amend these Protective Covenants without the approval of any Member provided the amendment does not materially alter or change any Owner's right to the use and enjoyment of such Owner's Lot or of the Association Property as set forth in these Protective Covenants, and the amendment does not adversely affect the title to any Lot. During any such period prior to the Turnover Date, these Protective Covenants may not be amended without the written joinder of Declarant. Any other amendments of these Protective Covenants prior to the Turnover Date, shall require the vote or written consent of sixty-seven percent (67%) of the votes held by each class of Members of the Association as such classes are set forth in the Association Documents; provided, however, that the percentage of the votes attributable to each class of Members of the Association necessary to amend a specific provision of these Protective Covenants shall not be less than the prescribed percentage (if any) of affirmative votes required for action to be taken under that provision.

B. After the Turnover Date. After the Turnover Date, and except for the annexation of additional property which shall be accomplished pursuant to the provisions of Section A of Article XII, these Protective Covenants may be amended by: (i) the consent of the Owners owning sixty-seven percent (67%) of all Lots; together with (ii) the approval or ratification of a majority of the Board. The aforementioned consent of the Owners owning sixty-seven percent (67%) (or such higher percentage, if applicable) of the Lots may be evidenced by a writing signed by the required number of Owners or by the affirmative vote of the required number of Owners at any regular or special meeting of the Association called and held in accordance with the Bylaws evidenced by a certificate of the Secretary or an Assistant Secretary of the Association.

C. Scrivener's Errors. Amendments for correction of scrivener's errors or other nonmaterial changes may be made by Declarant alone until the Turnover Date and by the Board thereafter and without the need of consent of the Owners.

D. Amendments to Declarant's Rights. No amendment to these Protective Covenants shall be effective which shall impair or prejudice the rights or priorities of Declarant, the Association or of any Institutional Mortgagee under the Association Documents without the specific written approval of such Declarant, Association and/or Institutional Mortgagee affected thereby. Furthermore, no amendment to these Protective Covenants shall be effective which would prejudice the rights of a then Owner or his family members, guests, invitees and lessees to utilize or enjoy the benefits of the then existing Association Property unless the Owner or Owners so affected consent to such amendment in writing or unless such amendment is adopted in accordance with the procedures required for adoption of an amendment to these Protective Covenants after the Turnover Date. Additionally, no amendment to these Protective Covenants shall be effective which shall eliminate or modify the provisions of Section G of Article XIII and any such amendment shall be deemed to impair and prejudice the rights of Declarant hereunder.

E. FHA/VA Approval Prior to Turnover Date. As long as the "Class B" membership exists, if the Property is subject to the requirements of VA, FHA, the Federal Home Loan Mortgage Corporation or any other governmental or quasi-governmental agency which insures, guaranties, or purchases mortgages, amendment of these Protective Covenants requires the prior approval of HUD/VA, except for amendments permitted under Sections A and C of this Article XII.

F. Certification and Recording of Amendments. A true copy of any amendment to these Protective Covenants shall be sent certified mail by the Association to Declarant and to all Institutional Mortgagees holding a mortgage on any portion of the Property requesting notice. The amendment shall become effective upon the recording of a Certificate of Amendment to these Protective Covenants setting forth the amendment or modification amongst the Public Records of the County.

G. Amendments to Satisfy Lending Requirements. Declarant may, without the consent of any Owners, file any amendments which may be required by an Institutional Mortgagee for the purpose of satisfying its planned unit development criteria or such other criteria as may be established by such mortgagee's secondary mortgage market purchasers, including, without limitation, VA, FHA, the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation; provided, however, any of Declarant's filed amendments must be in accordance with any applicable rules, regulations and other requirements promulgated by the HUD.

ARTICLE XV GENERAL PROVISIONS

A. Conflict with Other Association Documents. In the event of any conflict between the provisions hereof and the provisions of the Articles and/or Bylaws and/or rules and regulations promulgated by the Association, the provisions of these Protective Covenants shall control.

B. Notices. Any notice or other communication required or permitted to be given or delivered hereunder shall be deemed properly given and delivered upon the mailing thereof by United States mail, first class, postage prepaid, to: (i) any Owner, at the address of the person whose name appears as the Owner on the records of the Association at the time of such mailing and, in the absence of any specific address, at the address of the Dwelling Unit owned by such Owner; and (ii) the Association, certified mail, return receipt requested, at 2430 Mall Drive, Suite 450, North Charleston, South Carolina 29406, or such other address as the Association shall hereinafter notify Declarant and the Owners of in writing; and (iii) Declarant, certified mail, return receipt requested, at 2430 Mall Drive, Suite 450, North Charleston, South Carolina 29406, or such other address or addresses as Declarant shall hereafter notify the Association of in writing, any such notice to the Association of a change in Declarant's address being deemed notice to the Owners. Upon request of an Owner, the Association shall furnish to such Owner the then current address for Declarant as reflected by the Association records.

C. Enforcement. The covenants and restrictions herein contained may be enforced by Declarant (so long as Declarant holds an equitable or legal interest in any Lot and/or Dwelling Unit), the Association, any Owner and any Institutional Mortgagee holding a mortgage on any portion of the Property in any judicial proceeding seeking any remedy recognizable at law or in equity, including damages, injunction or any other form of relief against any person, firm or entity violating or attempting to violate any covenant, restriction or provision hereunder. The failure by any party to enforce any such covenant, restriction or provision herein contained shall in no event be deemed a waiver of such covenant, restriction or provision or of the right of such party to thereafter enforce such covenant, restriction or provision. The prevailing party in any such litigation shall be entitled to all costs thereof including, but not limited to, Legal Fees. All rights, remedies and privileges granted to the parties entitled to enforce the covenants, restrictions and provisions of these Protective Covenants pursuant to any terms, provisions, covenants or conditions of these Protective Covenants, the Articles or the Bylaws, shall be deemed to be cumulative, and the exercise of any one or more shall neither be deemed to

constitute an election of remedies, nor shall it preclude a party entitled to enforce the covenants, restrictions and provisions of these Protective Covenants from executing any additional remedies, rights or privileges as may be granted or as it might have by law.

D. Captions, Headings and Titles. Article and Section captions, headings and titles inserted throughout these Protective Covenants intended as a matter of convenience only and in no way shall such captions, headings or titles define, limit or in any way affect the subject matter or any of the terms and provisions thereunder or the terms and provisions of these Protective Covenants.

E. Context. Whenever the context so requires or admits, any pronoun used herein may be deemed to mean the corresponding masculine, feminine or neuter form thereof, and the singular form of any nouns and pronouns herein may be deemed to mean the corresponding plural form thereof and vice versa.

F. Severability. In the event that any of the provisions of these Protective Covenants now or hereafter conflict with the provisions of any applicable law or requirement, the provisions of the applicable law shall control unless the law permits these Protective Covenants to override the applicable law, in which event these Protective Covenants shall control. In the event any of the provisions of these Protective Covenants shall be deemed invalid by a court of competent jurisdiction, said judicial determination shall in no way affect any of the other provisions hereof, which shall remain in full force and effect, and any provisions of these Protective Covenants deemed invalid by a court of competent jurisdiction by virtue of the term or scope thereof shall be deemed limited to the maximum term and scope permitted by law. In the event that any court should hereafter determine that any provision of these Protective Covenants is in violation of the rule of property known as the "rule against perpetuities" or any other rule of law because of the duration of a time period, such provision shall not thereby become invalid, but instead the duration of such time period shall be reduced to the maximum period allowed under such rule of law, and in the event the determination of the duration of such time period requires measuring lives, such measuring life shall be that of the incorporator of the Association.

G. Certain Rights of Declarant. Declarant reserves and Declarant and its nominees shall have the right to enter into and transact on the Property any business necessary to consummate the sale, lease or encumbrance of Dwelling Units or real property including, but not limited to, the right to maintain models and a sales and/or leasing office, place signs, employ sales and leasing personnel, use the Association Property and show Dwelling Units, and Declarant reserves and shall have the right to make repairs to the Association Property and to carry on construction activity for the benefit of the Property. Declarant and its nominees may exercise the foregoing rights without notifying the Association. Any such models, sales and/or leasing office, signs and any other items pertaining to such sales or leasing efforts shall not be considered a part of the Association Property and shall remain the property of Declarant. This Section G may not be suspended, superseded or modified in any manner by any amendment to these Protective Covenants unless such amendment is consented to in writing by Declarant. This right of use and transaction of business as set forth herein and the other rights reserved by Declarant in the Association Documents may be assigned in writing by Declarant in whole or in part. The rights and privileges of Declarant as set forth in this Section G, which are in addition to, and are in no way a limit on, any other rights or privileges of Declarant under any of the Association Documents, shall terminate upon Declarant no longer owning any portion of the Property (and having any equitable or legal interest therein) or upon such earlier date as Declarant shall notify the Association in writing of Declarant's voluntary election to relinquish the aforesaid rights and privileges.

H. Disputes as to Use. In the event there is any dispute as to whether the use of the Property or any portion or portions thereof complies with the covenants, restrictions, easements or other provisions contained in these Protective Covenants, such dispute shall be referred to the Board, and a determination rendered by the Board with respect to such dispute shall be final and binding on all parties concerned therewith. Notwithstanding anything to the contrary herein contained, any use by Declarant of the Property or any parts thereof in accordance with Section G of this Article XII shall be deemed a use which complies with these Protective Covenants and shall not be subject to a contrary determination by the Board.

I. Delegation. The Association, pursuant to a resolution duly adopted by the Board, shall have the continuing authority to delegate all or any portion of its responsibilities for maintenance, operation and administration, as provided herein, to any managing agency or entity selected by the Board from time to time and whether or not related to Declarant. All contracts with management companies shall contain a provision that allows the Association to unilaterally terminate the contract without cause after ninety (90) days notice.

J. Term. These Protective Covenants and the terms, provisions, conditions, covenants, restrictions, reservations, regulations, burdens and liens contained herein shall run with and bind the Property and inure to the benefit of Declarant, the Association, Owners, and their respective legal representatives, heirs, successors and assigns for a term of twenty-five (25) years from the date of recording these Protective Covenants amongst the Public Records of the County, after which time these Protective Covenants shall be automatically renewed and extended for successive periods of ten (10) years each unless at least one (1) year prior to the termination of such twenty-five (25) year term or any such ten (10) year extension there is recorded amongst the Public Records of the County an instrument agreeing to terminate these Protective Covenants signed by Owners owning two-thirds (2/3) of the Lots, and Institutional Mortgagees holding first mortgages encumbering two-thirds (2/3) of all Lots encumbered by first mortgages held by Institutional Mortgagees, upon which event these Protective Covenants shall be terminated upon the expiration of the fifty (25) year term or the ten (10) year extension during which such instrument was recorded.

K. Rights of Mortgagees.

1. Right to Notice. The Association shall make available for inspection upon request, during normal business hours or under reasonable circumstances, the Association Documents and the books, records and financial statements of the Association to Owners and the holders, insurers or guarantors of any first mortgages encumbering any portion of the Property. In addition, evidence of insurance shall be issued to each Owner and mortgagee holding a mortgage encumbering a Dwelling Unit upon written request to the Association.

2. Rights of Listed Mortgagee. Upon written request to the Association, identifying the name and address of the holder, insurer, or guarantor (such holder, insurer or guarantor is herein referred to as a "Listed Mortgagee") of a mortgage encumbering a Lot and the legal description of such Lot the Association shall provide such Listed Mortgagee with timely written notice of the following:

- i. Any condemnation, loss or casualty loss which affects any material portion of the Association Property;
- ii. Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association;

iii. Any proposed action which would require the consent of mortgagees holding a mortgage encumbering a Lot; and

iv. Any failure by an Owner owning a Lot encumbered by a mortgage held, insured or guaranteed by such Listed Mortgagee to perform his obligations under the Association Documents, including, but not limited to, any delinquency in the payment of Assessments, or any other charge owed to the Association by said Owner where such failure or delinquency has continued for a period of sixty (60) days.

3. Right of Listed Mortgagee to Receive Financial Statement. Any Listed Mortgagee shall, upon written request made to the Association, be entitled to financial statements for the Association for the prior fiscal year free of charge and the same shall be furnished within a reasonable time following such request.

4. Payment of Taxes and Insurance Premiums. The Institutional Mortgagees, jointly or singly, may pay taxes or other charges which are in default and which have or may become a charge or lien against any of the Association Property and may pay overdue premiums on hazard insurance policies or secure new hazard insurance coverage upon the lapse of a policy covering property owned by the Association. The persons, firms or corporations making such payments shall be owed immediate reimbursement by the Association.

L. Approval of Association Lawsuits by Owners. Notwithstanding anything contained herein to the contrary, the Association shall be required to obtain the approval of three-fourths (3/4) of all Members (at a duly called meeting of the Members at which a quorum is present) prior to the payment of legal or other fees to persons or entities engaged by the Association for the purpose of suing, or making, preparing or investigating any lawsuit, or commencing any lawsuit other than for the following purposes:

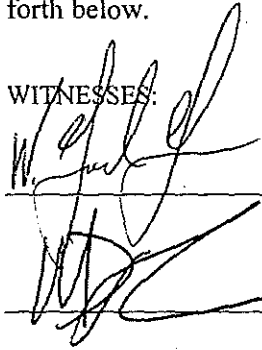
1. the collection of Assessments;
2. the collection of other charges which Owners are obligated to pay pursuant to the Association Documents;
3. the enforcement of the use and occupancy restrictions contained in the Association Documents;
4. in an emergency where waiting to obtain the approval of the Owners creates a substantial risk of irreparable injury to the Association Property or to Owner(s) (the imminent expiration of a statute of limitations shall not be deemed an emergency obviating the need for the requisite vote of three-fourths (3/4) of the Members);
5. filing a compulsory counterclaim; or
6. termination of employment relationship or enforcement of a contract.

M. Compliance with Provisions. Every person who owns, occupies or acquires any right, title, estate or interest in or to any Lot except as elsewhere herein provided does and shall be conclusively deemed to have consented to and agreed to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to these restrictions is contained in the instrument by which such person acquired an interest in such property.

N. Rights and Requirements of Governmental Authorities. Any governmental authority or agency, including, but not limited to the Town and the County, their agents, and employees, shall have the right of immediate access to the Property at all times if necessary for the preservation of public health, safety and welfare. Should the Association or its Board fail to maintain the Association Property in accordance with the specifications set forth in the applicable governmental approvals for Keswick for an unreasonable time, not to exceed ninety (90) days after written request to do so, the Town, the County and any other applicable governmental authority, by and through the affirmative action of a majority of the governing body, shall have the same right (but not the obligation), power and authority as is herein given to the Association and its Board to enforce these Protective Covenants and levy Assessments necessary to maintain the Association Property, it being understood that in such event the applicable governing body may elect to exercise the rights and powers of the Association or its Board, to the extent necessary to take any action required and levy any Assessment that the Association might have taken, either in the name of the Association or otherwise, to cover the cost of maintenance of any Association Property. The rules granted herein shall be supplemental to any governmental authority the Town and County may have, and application of this provision shall not diminish, limit, or restrict the right of the Town and County to apply any other legal rights it may have.

IN WITNESS WHEREOF, Declarant has signed these Protective Covenants on the dates set forth below.

WITNESSES:



(SEAL)

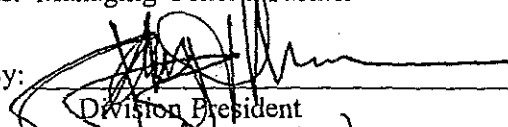
DECLARANT:

CENTEX HOMES, a Nevada general partnership

By: Centex Real Estate Corporation,
a Nevada corporation

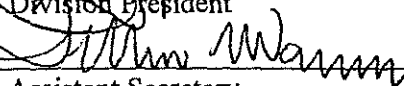
Its: Managing General Partner

By:



Division President

Attest:



Assistant Secretary

Date:

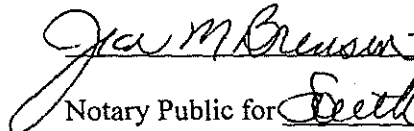
12/3/02

STATE OF SOUTH CAROLINA §

COUNTY OF CHARLESTON §

The foregoing instrument was acknowledged before me, this 3 day of DECEMBER, 2002, by Jay Thrower, Division President of Centex Real Estate Corporation, a Nevada corporation, the Managing General Partner of Centex Homes, a Nevada general partnership.

(SEAL)



Notary Public for South Carolina

My Commission Expires:

My Commission Expires January 25, 2005

EXHIBIT "A"

Legal Description of the Property

LYING and being in the Town of Mt. Pleasant, Charleston County, South Carolina, and being more particularly described as follows:

BEING all of the real property shown on that certain plat entitled "FINAL SUBDIVISION PLAT SHOWING KESWICK AT PARK WEST, PARCEL 32, A 6.872 ACRE TRACT OF LAND, PROPERTY OF CENTEX HOMES, A NEVADA GENERAL PARTNERSHIP, LOCATED IN THE TOWN OF MT. PLEASANT, CHARLESTON COUNTY, SOUTH CAROLINA" prepared by Seamon, Whiteside and Associates, Inc., recorded on August 2, 2002, in Plat Book EF, Page 775, in the RMC Office for Charleston County, said plat being incorporated herein by reference, which includes **Parcels A through J, inclusive, and the 2.152 acres consisting of Ponds and Buffer Areas designated for ownership and maintenance by the "HOA"**, all in Keswick at Park West, as shown on the aforementioned recorded plat, to which plat reference is hereby made for a more particular description of same.

F. 2

Keswick at Park West

1 40 0000

