e DECLARATION

OF

COVENANTS, CONDITIONS AND RESTRICTIONS

OF

LEXINGTON HILLS

A PLANNED COMMUNITY

THIS DECLARATION, is made and executed on the date hereinafter set forth by Lexington Development Co., LLC., hereinafter referred to as "Declarant".

WITNESSETH:

WHEREAS, Declarant is the owner of certain real property in the County of Lexington, State of South Carolina which is being developed as a masterplanned residential community known as Lexington Hills (herein "Lexington Hills"); which shall be developed by Declarant in phases and/or sections, sometimes also referred to as villages, within Lexington Hills all as more particularly set forth in the bonded and/or final plats for such phases and/or villages within Lexington Hills.

NOW, THEREFORE, Declarant hereby declares that all of the property to be known as Lexington Hills or any phases, sections or villages therein shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property known as Lexington Hills, or later added to these Covenants, Conditions and Restrictions by Supplemental Declaration or Amendment and shall be

binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and/or assigns, and shall inure to the benefit of the Declarant and each subsequent owner of any lot within Lexington Hills.

ARTICLE I

DEFINITIONS

Section 1. "Declarant" shall mean and refer to Lexington Development Co., LLC., its successors and/or assigns, the owner and developer of Lexington Hills.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any single family residential building Lot and any improvements thereon which is a part of Lexington Hills, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Lexington Hills" or "Property" shall mean and refer to that certain real property known as Lexington Hills and any such additions thereto as may hereafter be added to these Covenants, Conditions and Restrictions by Supplemental Declaration or otherwise.

Section 4. "Subdivision Plat" shall mean and refer to any recorded bonded or final plat of any section, phase or village within Lexington Hills, as they may be added to these Covenants, Conditions and Restrictions by Supplemental Declaration and as may be recorded at Office of the Register of Deeds for Lexington County, South Carolina.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of Lexington Hills not designated as common areas or elements or designated as streets or public or private right of way.

Section 6. "Architectural Review Committee" shall mean that committee of three (3) or more representatives appointed by the Declarant and/or the Declarant's successor, which committee shall have the right to review all building plans for structures to be constructed on any lot within Lexington Hills.

Section 7. "Common Areas or Elements" shall mean and refer to those areas and elements within Lexington Hills which are for the common use and benefit of all of the owners of lots within Lexington Hills, including the primary entrances to Lexington Hills, all secondary entrances to all phases or villages, and all appurtenant landscaping, lighting and irrigation and all detention ponds for the surface water drainage system; and all as shall be shown on any recorded bonded or final plats for Lexington Hills.

Section 8. "Property Owners Association (POA)" shall mean the corporation organized and existing for the purpose of owning and caring for the common property and elements within Lexington Hills; all as may be designated on the Subdivision Plat for Lexington Hills or conveyed by the Declarant to the POA or otherwise acquired by the POA.

Section 9. "Assessment" shall mean the charge which may be assessed against lot owners in Lexington Hills by the Property Owners Association (POA) to pay for the cost of maintenance of

common areas and elements owned and maintained by the Property Owners Association (POA). Assessment may be in such amount and for such periods as may be designated by the Property Owners Association (POA). In addition to charges which might be imposed by the Property Owners Association (POA). Each lot owner shall be subject to an assessment to be imposed by South Carolina Electric & Gas Co. (SCE&G) on individual lot owners monthly electric charges for the pro-rata cost of street lights within Lexington Hills.

ARTICLE II

ARCHITECTURAL CONTROL

Section 1. Architectural Review and Approval. No residence, building, fence, wall, or other structure shall be commenced, erected or maintained upon the Property, or any lot in Lexington Hills nor shall any exterior addition to or change or alteration therein be made until the plans, specifications, plot plan and landscaping showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design, location in relation to surrounding structures and topography and conformance with these Covenants, Conditions and Restrictions by the Declarant, its successors and/or assigns, or its designee, or by an Architectural three Review Committee (ARC) composed of (3) or more representatives appointed by the Declarant or its successor. the event the Declarant, its designee or the said ARC, or its designated sub-committee, fails to approve or disapprove such

design and location within thirty (30) days after said plans, specifications, plot plan and landscaping have been submitted to it, approval shall be deemed to have been given. The ARC may employ the services of an architect to assist the ARC in such review process (herein the "Review Architect") and the Review Architect may charge a review fee of up to \$100.00 to the applicant to defray the cost of such review proceedings which fee shall be paid by the applicant concurrently with the application of the plans, specifications and plot plan to be reviewed. No plans, specifications, plot plan and landscaping shall be reviewed if the review fee has not been paid by the applicant.

The Declarant, the ARC or the Review Architect may from time to time issue a policy statement with regard to the standards for the improvements in Lexington Hills as a guide for applicants in the design of plans, specifications, plot plan and landscaping for improvements in Lexington Hills; but in the event of any conflict with any such policy statements and these Restrictive Covenants, these Restrictive Covenants shall control.

Section 2. Minimum Building Size. The Supplemental Declaration for each village or sub-phase of lots within Lexington Hills shall contain restrictions upon the minimum building size of residences to be constructed within such village or sub-phase of Lexington Hills; such minimum building size being expressed as a minimum gross square footage being heated and air conditioned area, excluding porches, decks, garages or other unfinished areas. The Declarant, its designee or Architectural Review Committee, shall

have the authority to vary the minimum square footage requirement by up to ten (10%) percent of the minimum square footage requirement stated on such supplemental declarations.

Outbuildings or storage sheds are permitted subject to approval by the Declarant, its designee or the Architectural Review Committee, but shall not be considered in the calculation of minimum square footage requirements.

Section 3. Setbacks. No building shall be located on any Lot within Lexington Hills nearer to the street on which the building faces or nearer to the back and side lot lines of such lot as shown on the recorded Subdivision Plat for such village or phase in which such lot is located. For the purpose of this covenant, eaves, steps and open porches and decks shall not be considered part of the building; provided, however, that this shall not be construed to permit any portion of the building on a Lot to encroach upon another Lot as shown on the recorded Subdivision Plat. The Declarant, its successors and/or assigns, reserves the right to alter the front and side setback restrictions as may be set forth in the Supplemental Declaration to these Restrictive Covenants and to permit and allow unintentional violations of same.

Section 4. Subdivision of Lots. No Lot as set forth in the recorded Subdivision Plat shall be further subdivided nor reduced in size nor used as a street without the written consent of the Declarant.

Section 5. Noxious and Offensive Activity. No noxious or offensive activity shall be carried upon any Lot or within any

building constructed thereon, nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood. No business nor commercial activity shall be conducted on any Lot nor within any building located on any Lot except that the Declarant, or any builder, with the consent of the Declarant, shall have the right to construct a model home on any of the Lots. goats, poultry, cows, horses or other livestock shall be quartered No condition shall be allowed to exist on any Lot on any Lot. which is unsanitary and/or constitutes a nuisance to neighboring property nor shall any junk cars or other inoperable vehicle be allowed to remain on any Lot; nor any school buses, commercial trucks or vehicles, commercial equipment or mobile homes be allowed to remain on any Lot; and nothing shall be done by any Owner of any Lot nor condition permitted on any Lot which shall cause to pollute the soil within Lexington Hills. trailers, motorhomes, etc. that may be stored on any lot shall be within the garage if possible and if not stored in a garage, shall be sufficiently screened so as not to be visible from the street or any other lot.

Section 6. Easements. The Declarant reserves unto itself, its successors and/or assigns easements for utilities, storm drainage and other purposes as shown on the recorded Subdivision Plats for Lexington Hills. All easements reserved for this purpose shall be perpetual and inalienable. These easements and rights expressly include the right to cut any trees, bushes, or shrubbery and rake any grading of soil, or to take any other similar action

reasonably necessary to provide economical and safe utility or other installation and to maintain reasonable standards of health, safety and appearance. Such use of rights-of-way and easements may be exercised by the Declarant and/or its assignees or licensee, (i.e. governmental agencies or utility provider[s]). No structures including walls, fences or planting shall be erected upon any part of the property which shall interfere with the rights of ingress and egress and for the use by the Declarant and/or its assignee or licensee of the easements and rights of way for the purpose In addition to the easements shown on the recorded intended. Subdivision Plats of Lexington Hills, perpetual easements for drainage and the installation and maintenance of gas lines, electricity, cable lines, lighting, telephone, water, sewer and other utilities are reserved as shown or referenced on the subdivision plat or in separate recorded easement(s) to utility providers; and where not reserved on the subdivision plat or in a separate recorded easement(s) to utility providers, a perpetual easement five feet (5') more or less is hereby reserved along the front, sides and rear of lot lines on each said lot. obstruction higher than two feet (2') above the center line of road, nor planting, object, tree, shrubbery, fence, or other thing shall be placed or allowed to remain on the front five feet (5') of any lot. The Declarant, its successors and/or assigns expressly reserves the right to alter any easement described and delineated on the recorded subdivision plats or described in this section.

Section 7. Water & Sewer. All water distribution and sewer shall be through the public water and sewer system of the Joint Municipal Water and Sewer Commission of Lexington, South Carolina with wells being prohibited. Each Lot owner shall be responsible for payment of any tap fees assessed by the provider of the public water and sewer system.

Section 8. Erosion Control. A sediment and erosion control plan shall be used for each lot by the Owner (or builder) of each Lot to prevent erosion and sediment from entering onto any other Lot, street or stream. The Declarant shall not be responsible for erosion control on individual Lots after ownership is transferred.

Section 9. Drainage. Where drainage easement(s) appear on the subdivision plats, the Owners of those Lots affected shall maintain easement(s) in a satisfactory and sanitary manner and in no way shall alter, block, or otherwise hinder the removal of surface water.

Section 10. Driveways. A concrete or otherwise paved driveway from the street to the residence, and similar parking shall be provided for each home and for each and every vehicle routinely parked on any Lot.

Section 11. Fences. No fencing shall be erected without first obtaining the approval of the Declarant, it designee or the Architectural Review Committee. No front yard fencing shall be approved, meaning no fence shall be erected forward of the house on any Lot and no fence shall exceed six feet (6') in height.

Section 12. Firearms, Weapons, Etc. No firearms, weapons, pellet guns, sling shots, or BB guns may be fired or used in any area in Lexington Hills.

Section 13. Parking. No continuous on-street parking shall be permitted. Gatherings involving large numbers of visitors may park their vehicles on the streets for a limited time only dependent on the nature of the event but in no event longer than twenty-four (24) continuous hours.

Section 14. Vehicles. No abandoned or inoperative vehicle(s), tractor(s), trailer(s), school bus(es) or other heavy equipment shall be parked or stored on any Lot except during construction periods of homes and appurtenances. No go cart(s), two, three or four wheeled vehicle(s) shall be used in any manner which causes annoyance to the neighborhood or any other Lot Owner.

Section 15. Signs. No signs shall be erected on any Lot posted on any building except "For Sale" or "Sold" signs which shall not exceed two feet (2') by three feet (3') in dimension. No lighted signs shall be permitted.

Section 16. Landscaping; Removal of Tress. The determination of a landscaping plan or trees to be removed, and the method of removal, in order to construct a building in accordance with the plans and specifications on a Lot shall be reserved to the Declarant or the Architectural Review Committee and shall be submitted to the Architectural Review Committee for approval with the plans, specifications and plot plan by the Lot Owner or his builder prior to the commencement of construction of any residence.

Section 17. General. No structure of a temporary character, tent, shack, garage, barn or other out-building shall be used on any Lot as temporary or permanent housing. No litter or other material of unsightly nature, not natural to a well-kept and sightly neighborhood, will be retained or allowed to remain on any Lot. No clothes lines, exposed garbage containers, dog houses, satellite antenna or satellite dish [except satellite dishes twenty-four inches (24") and under], skateboard ramp, playground sets, or debris or articles of any unsightly nature are to erected or used on any Lot where they may easily be seen from any road or other Lot. Such articles shall be placed in the rear of the property and be adequately screened from the view of others with shrubbery.

ARTICLE III

PROPERTY OWNERS ASSOCIATION

Section 1. Common Areas and Elements. There shall exist within Lexington Hills areas of common ownership which shall include, but not necessarily be limited to, the primary entrances and secondary entrances to villages all appurtenant landscaping, lighting and irrigation and the detention ponds for the surface water drainage system and such common areas and elements shall be designated on the subdivision plats for Lexington Hills or any phase or village therein. The ownership and maintenance of the common areas and elements within Lexington Hills shall be reposed in a corporation to be known as Lexington Hills Property Owners Association, Inc.

Section 2. Property Owners Association. The Lexington Hills Property Owners Association, Inc. shall be owned on a prorata basis all of the Lot Owners within Lexington Hills with each Lot Owner shall be vested with a prorata undivided interest in the Property Owners Association based upon the total number of completed lots in Lexington Hills. There will be no charge assessed against the Lot Owners for the granting of the undivided interest in the Property Owners Association; provided, however, that each Lot Owner shall be subject to assessment by the Property Owners Association as required for the future maintenance of the Common Areas and Elements within Lexington Hills. The Property Owners Association shall be governed by a board of directors consisting of three (3) members appointed by a majority vote of the members of the Property Owners Association with each Lot Owner being entitled to one (1) vote each for each Lot owned. Directors shall serve for a period of one (1) year and shall serve without remuneration except for reimbursement of out-of-pocket expenses.

Section 3. Assessments. The Property Owners Association shall have the right to charge an assessment against each lot owners within Lexington Hills for the prorata maintenance of the Common Areas and Elements within Lexington Hills. In the event that any Lot Owner fails to pay the assessment assessed by the Property Owners Association, such assessment shall become a lien against that Owner's Lot and shall be recorded in the same manner as other liens in the Office of the Register of Deeds for Lexington County, South Carolina and the Property Owners Association shall have the

right to maintain such action as necessary to collect such assessment from any Lot Owner failing to pay such assessment following demand for same; and in the event that legal action shall become necessary to collect any unpaid assessment, such Lot Owners shall be assessed legal fees and costs for the maintenance of such action.

Section 4. By-Laws. Concurrently with the recordation of these Restrictive Covenants, the Declaration will cause to be filed a copy of the By-Laws of Lexington Hills Property Owners Association, Inc. (herein the "By-Laws") and the terms and conditions and stipulations of the By-Laws are incorporated into these Restrictive Covenants and binding upon all lot owners in Lexington Hills.

ARTICLE IV

GENERAL PROVISIONS

Section 1. Enforcement. The Declarant, its successors and/or assigns, or any Lot Owner, shall have the right to enforce, by any proceeding at law or in equity, these Covenants, Conditions and Restrictions. Failure by the Declarant or by any Lot Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no wise affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. These Covenants, Conditions and Restrictions shall run with and bind the land for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than eighty (80%) percent of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Lot Owners. Any amendment must be recorded.

Section 4. Annexation. Additional property and Common Area may be annexed to these Covenants, Conditions and Restrictions by Supplemental Declaration by the Declarant.

Section 5. Record - Actual Notice of Covenants, Conditions and Restrictions. In order to provide record notice to any interested party that Lexington Hills is subject to and burdened by these Covenants, Conditions and Restrictions, the same shall be recorded with the office of the Register of Deeds for Lexington County, South Carolina in the appropriate record books; and in order to provide actual notice of the terms of these Covenants, Conditions and Restrictions to any purchaser and/or Owner of any Lot in Lexington Hills, a portion or all or a condensed summarization of these Covenants, Conditions and Restrictions may be included in deed(s) from the Declarant to any subsequent purchaser and/or Lot Owner within Lexington Hills; provided, however, in the event of a conflict or ambiguity between the terms of any portion or of the condensed summarization of these

Covenants, Conditions and Restrictions as may appear in any deed and the original of these Covenants, Conditions and Restrictions which is filed with the Office of the Register of Deeds for Lexington County, the original of record with the Lexington Register of Deeds shall control.

Section 6. Condition of Property. Record notice is hereby given to all lot owners in Lexington Hills that all lots are sold in "as is" condition and the Declarant shall not be responsible for the maintenance of any streets, utilities, common area or elements. Streets are owned or shall be owned and maintained by the County of Lexington. Any conveyance of lots in Lexington Hills by the Declarant is also made subject to all restrictions and easements of record including any which may be shown on any recorded Subdivision Plat. It is also made subject to all zoning and other governmental regulations of the County of Lexington and any other governmental agency (local, state, or federal) existent prior to or subsequent to these Covenants, Conditions and Restrictions and the By-Laws.

WITNESSES:

LEXINGTON DEVELOPMENT CO. LLC.

BY: SOUTHLAND DEVELOPMENT CO., LLC.

Its Managing Member

BY: GRQ, Inc.

dames P. Craig, President

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Pursuant to Section 30-5-30 South Carolina Code of Law 1976, as amended, the undersigned, as Notary Public for the state aforesaid, does hereby certify that Lexington Development Co., LLC. by Southland Development Co., LLC., its Managing Member by GRQ, Inc. by James P. Craig, its President, as maker of the foregoing instrument, personally appeared before me this day and acknowledged the due execution of the forgoing instrument.