

**LAUREL OAKS**

**Declaration**

of

**Covenants, Conditions and Restrictions**

**THIS DECLARATION** is made by **Keystone Homes, Inc.**, a Georgia corporation, hereinafter referred to as "Declarant."

**WITNESSETH:**

**WHEREAS**, Declarant is the developer of certain real property located in City of Aiken, Aiken County, South Carolina, known as **Laurel Oaks**, more particularly described as follows:

ALL that certain piece, parcel or lot of land, with any improvements thereon, situate, lying and being in the City of Aiken, in Aiken County, South Carolina, containing 18.22 acres and one (1) lot as shown on plat recorded in Plat Book 38 at page 343, records of the RMC for Aiken County, South Carolina; reference being made to said plat for a more complete description thereof.

**NOW, THEREFORE**, Declarant hereby declares that all of said real property shall be held, sold and conveyed subject to the following covenants, conditions, restrictions and easements which shall run with the real property for the purpose of protecting the value and desirability thereof. This Declaration shall be binding upon and shall inure to the benefit of Declarant, its successors and assigns, and all persons who may hereafter

acquire any right, title or interest in said real property, or any portion thereof.

ARTICLE I  
DEFINITIONS

**Section 1.** "Laurel Oaks" means that certain residential development comprised of the real property hereinabove described and is referred to herein as "Laurel Oaks."

**Section 2.** "Person" means a natural person, corporation, partnership, limited liability company, association, trust or other entity, or any combination thereof.

**Section 3.** "Association" means Laurel Oaks Association, Inc., a South Carolina nonprofit corporation. "Board of Directors" and "Board" each mean the elected governing body having charge of the affairs of the Association. "Member" means a person entitled to a membership in the Association pursuant to this Declaration.

**Section 4.** "Lot" means any parcel of land designated for separate ownership and occupancy shown upon any recorded as-built plat of Laurel Oaks. Unless the context indicates otherwise, the term Lot includes all improvements on the Lot. "Home" means the improvements on a Lot intended for use and occupancy as a residence.

**Section 5.** "Lot Owner" means the person who holds legal title to a Lot in Laurel Oaks. Unless the Association has satisfactory proof to the contrary, legal title to a Lot is deemed to be vested in the person holding title according to records of the Registrar of Mesne Conveyances of Aiken County, South Carolina. The holder of a Mortgage is not a Lot Owner.

**Section 6. "Common Areas"** means all real property, including the improvements thereon, owned by the Association for the common use and enjoyment of the Lot Owners.

**Section 7. "Yard Area"** means those portions of a Lot, excluding the Home thereon, requiring landscaping and grounds maintenance for the preservation of the overall appearance and aesthetic quality of Laurel Oaks.

**Section 8. "Mortgage"** means a mortgage, deed to secure debt, deed of trust or other instrument conveying a lien upon or security title to property.

**Section 9. "Declarant"** means **Keystone Homes, Inc.**, any entity into which it may be merged or consolidated, and any entity to which it assigns the rights, powers and privileges, and which assumes the duties and obligation of Declarant under this Declaration.

## ARTICLE II

### EASEMENTS

**Section 1. Easements for Use of Common Area.** Every Lot Owner shall have an easement of use and enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot. The Association may adopt reasonable rules governing the use and enjoyment of the Common Area.

**Section 2. Easements for Access and Utilities.** Easements for ingress and egress are reserved for the Association and the Lot Owners as shown on the recorded plat of Laurel Oaks. Laurel Oaks is subject to the drainage and utility easements and other matters shown and noted on the recorded plat of Laurel Oaks. An easement is reserved to the Association

for the installation and maintenance of utilities and drainage facilities upon all property (all Lots and the Common Area) in Laurel Oaks, and the Association may grant easements for the installation and maintenance of utilities and drainage facilities in Laurel Oaks to utility companies and governmental authorities.

**Section 3. Easements for Construction and Encroachments.** Each Lot shall be subject to an easements to permit the construction, reconstruction and maintenance of Homes on adjoining Lots. In the construction, reconstruction and maintenance of each Home, certain eaves, roof overhangs, brick veneer, wooden siding or other building materials will or may encroach upon the air space or real estate of the adjoining Lot. There is hereby created on each Lot so affected an easement four (4) feet in width for such encroachments or overhangs created by such construction, reconstruction and maintenance, together with the right to maintain and repair such encroachments or overhangs so long as the same shall exist.

**Section 4. Easement for Emergencies.** The Association shall have an easement to enter upon any Lot and the Home thereon for emergency, security, safety and other purposes reasonably necessary for the protection of persons and property in Laurel Oaks, which right may be exercised by the officers, agents, employees and managers of the Association, and policemen, firemen, emergency medical technicians and similar emergency personnel in the performance of their duties. This right of entry shall only include the right of the Association to enter upon a Lot or the Home thereon to inspect or cure any condition which may increase the possibility of a fire or other hazard in the absence of the Lot Owner or occupant thereof, or in the event such Lot Owner or occupant fails or

refuses to cure the hazardous condition. Except in an emergency situation, entry shall only be during business hours and after notice to the Lot Owner or occupant.

**Section 5. Buffers.** Buffers as shown on the recorded plat of Laurel Oaks shall be maintained as required by the City of Aiken as a barrier between Laurel Oaks and the adjacent property.

### ARTICLE III

#### MEMBERSHIP AND VOTING RIGHTS

**Section 1. Membership.** Each Lot Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

**Section 2. Voting Rights.** With the exception of Declarant, Members shall be entitled to one (1) vote for each Lot owned. When legal title is vested in more than one person, all such persons shall be Members; however, collectively, they shall have only one (1) vote. If only one of such persons is present or represented by proxy at a meeting of the membership, that person or his proxy shall be entitled to cast the vote appertaining to such Lot; however, if more than one of those persons are present or represented by proxy, the vote appertaining to such Lot shall be cast only in accordance with their unanimous agreement, and such agreement shall be conclusively presumed if any one of them purports to cast the vote appertaining to such Lot without protest being made forthwith by any of the others to the person presiding over the meeting. The Declarant shall be entitled to three (3) votes for each Lot owned until (a) December 31, 2004; (b) all Lots have been conveyed to and sold by Declarant; or (c) Declarant voluntarily relinquishes its right to three (3) votes for each Lot owned;

whichever occurs first. Thereafter, Declarant shall be entitled to one (1) vote for each Lot owned.

#### ARTICLE IV

#### RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

**Section 1. Property for Common Use.** The Association may acquire, hold and dispose of real and personal property of every nature. The Association shall accept the Common Area and any other real or personal property conveyed to it by Declarant.

**Section 2. The Common Area.** The Association shall be responsible for the exclusive management of the Common Area, and shall maintain the same in a clean and attractive condition, and in good order and repair. The Association shall maintain the entrance features of Laurel Oaks in an attractive condition, and may provide lighting for the entrance to Laurel Oaks.

**Section 3. Yard Areas.** The Association shall maintain each Yard Area in a clean and attractive condition, and in good order and repair. The Association shall have an easement in and to each Yard Area for the maintenance and care of the same, including, but not limited to, the seeding, watering and mowing of grass, the planting, pruning and cutting of trees and shrubbery, and other general landscaping and grounds maintenance.

**Section 4. Rules.** The Board of Directors shall have the power to adopt and enforce reasonable rules governing Laurel Oaks which shall be consistent with the rights and duties established by this Declaration. Any authority granted to the Board herein to adopt rules for specific purposes shall not limit its general authority to adopt rules granted by this section.

**Section 5. Expressed and Implied Rights.** The Association shall perform all duties and obligations required by this Declaration. The Association may also exercise all rights, powers and privileges granted by this Declaration and the Articles of Incorporation and Bylaws of the Association, and every other right, power or privilege reasonably implied from or reasonably necessary to exercise any expressed right, power or privilege.

**Section 6. Enforcement.** All Lot owners and their family members, occupants, tenants, contract purchasers and guests shall be subject to this Declaration and all rules promulgated hereunder. The Association and each Lot Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by this Declaration. Failure by the Association or any Lot Owner to enforce any covenant or restrictions herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Board of Directors may impose sanctions against a Lot Owner for violations of this Declaration and the rules of the Association, including suspension of the Lot Owner's right to vote in the Association, and reasonable monetary fines which shall be the personal obligation of the Lot Owner and which shall constitute a lien upon his Lot. If the Association institutes legal action against a Lot Owner to enforce this Declaration or the rules of the Association, such Lot Owner shall be liable for court costs and reasonable attorney's fees actually incurred by the Association, and the same shall constitute a lien upon his Lot.

ARTICLE V

COVENANT FOR MAINTENANCE ASSESSMENTS

**Section 1. Creation of Lien and Personal Obligations of Assessments.** The Declarant and each subsequent Lot Owner for each Lot owned within Laurel Oaks hereby covenant and agree to pay to the Association annual and special assessments which shall be established and collected as herein provided. The annual and special assessments, together with interest, late charges, court costs, reasonable attorney's fees actually incurred, and any other costs of collection, shall be a continuing lien upon the Lot against which each assessments is made, and shall also be the personal obligation of the person who was the Lot Owner of the Lot on the date the assessments became due. The personal obligation for delinquent assessments shall not pass to the Lot Owner's successors in title unless expressly assumed by them. The obligations of this article shall bind each Lot and each Lot Owner regardless of whether ownership was acquired by deed or operation of law, and regardless of whether so expressed in the deed or other document of title. No Lot Owner may avoid liability for the assessments provided for herein by abandonment, nonuse or waiver of the use or enjoyment of his Lot or the Common Area, or otherwise.

**Section 2. Purpose of Assessments.** Assessments shall be used exclusively for expenses of the Association reasonably incurred in the performance of its duties and responsibilities, including the maintenance of reasonable reserves, and to promote the health, safety and welfare of the residents of Laurel Oaks.

**Section 3. Annual Assessments.** The Board of Directors shall levy an annual assessment for each calendar year. The amount of the annual assessment shall be established by the Board at least thirty (30) days



in advance of the assessment period, and written notice thereof shall be sent to every Lot Owner. A Lot shall become subject to annual assessments six (6) months after the Home constructed thereon has received final approval by the City of Aiken, South Carolina, or when the Home thereon is occupied as a residence, whichever occurs first. The annual assessments for Lots which become subject to annual assessments during an assessment year shall be prorated and paid based on the number of whole months remaining in the assessment year.

**Section 4. Special Assessments for Capital Improvements.**

The Association may levy, in any assessment year, a special assessment applicable to that specific year only for the purpose of defraying, in whole or in part, the cost of construction, reconstruction, repair or replacement of a capital improvements upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the Members voting at a meeting of the membership of the Association called for the purpose of considering a special assessment. If Declarant is entitled to three (3) votes per Lot pursuant to Article III, Section 2 hereof, such special assessments shall also require the assent of the Declarant.

**Section 5. Uniform Rate of Assessment.** Both annual and special assessments shall be set at a uniform rate for all Lots; provided, however, that the Board of Directors may provide that Lots owned by Declarant may be assessed at a lesser uniform rate until they are sold by Declarant or occupied as residences.

**Section 6. Status Certificates.** The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a

specific Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

**Section 7. Effect of Nonpayment of Assessments.** Any assessments not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of ten (10%) percent per year. The Association may also impose a reasonable monthly late charge upon delinquent assessments for each month the assessment remains unpaid. The Association may foreclose the lien of the delinquent assessment against the Lot, and the Association may bring an action of law against the Lot Owner personally obligated to pay the delinquent assessments.

**Section 8. Subordination of the Lien to Mortgages.** The lien of the assessments established herein shall be subordinate to first mortgages made in good faith and for value, and secondary purchase money mortgages made in good faith and for value, provided that neither the grantee nor any successor grantee of any secondary purchase money mortgage is the seller of the Lot. Sale or transfer of a Lot shall not effect the assessment lien; provided, however, that the sale or transfer of a Lot by mortgage foreclosure, or conveyance in lieu thereof, of a first mortgage or a secondary purchase money mortgage to which the assessment lien is subordinate shall extinguish the assessment lien as to payments which became due prior to such sale or transfer. After a sale or transfer of a Lot by mortgage foreclosure, or conveyance in lieu thereof, the Lot and the now Lot Owner shall be subject to the lien and personal obligation for all assessments thereafter becoming due.

ARTICLE VI  
ARCHITECTURAL CONTROL

**Section 1. In General.** Laurel Oaks is subject to architectural and environmental review in accordance with this article and such standards as may be promulgated by the Architectural Control Committee ("the ACC"). The Board of Directors shall have the authority to enforce this article and the standards promulgated by the ACC in courts of competent jurisdiction on behalf of the Association. Each Lot Owner acknowledges that the decor, color scheme and design of his Home are consistent and harmonious with other Homes in Laurel Oaks and agrees to maintain his Lot and Home in such a manner as to maintain and perpetuate visual harmony with Laurel Oaks.

**Section 2. Procedure.** The ACC shall have exclusive jurisdiction over all original construction, improvements, fences and landscaping in Laurel Oaks, and all subsequent reconstruction, modifications, additions or alterations thereto. The ACC may promulgate standards and procedures governing its area of responsibility and practice. Plans and specifications showing the nature, kind, shape, color, size, materials and location of all original construction, improvements, fences and landscaping, and all subsequent reconstruction, modifications, additions or alterations thereto shall be submitted to the ACC for approval as to quality of workmanship and design, harmony of external design with existing structures, and location in relation to surrounding structures, topography and finish grade elevation. In the event the ACC fails to approve or disapprove such plans and specifications or to request additional information reasonably required for a proper determination within sixty (60) days after submission, the plans and specifications shall be deemed

approved. A majority of the ACC may appoint one (1) member to act on behalf of the entire committee and the decisions of such appointee shall bind the committee. Nothing contained herein shall be construed to limit the right of any Lot Owner to remodel the interior of his Home or to paint the interior of his Home any color desired.

**Section 3. Membership of ACC.** The ACC shall consist of three (3) members. As long as Declarant owns one or more Lots, Declarant shall appoint members to and remove members from the ACC. When Declarant ceases to be a Lot Owner, the Board of Directors shall appoint members to and remove members from the ACC. The terms of the members appointed by Declarant shall expire upon the taking of office of the appointees of the Board. Members of the ACC shall serve without compensation.

## ARTICLE VII

### INSURANCE

**Section 1. Association Insurance.** The Association shall maintain public liability insurance covering the Common Area, the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents, and, if reasonably available, liability insurance for its directors and officers. The Association may also maintain hazard insurance for insurable property owned or maintained by the Association. All insurance maintained by the Association shall be in such amounts and upon such terms and conditions deemed appropriate by the Board of Directors. All insurance proceeds payable to the Association shall be used or disbursed in a manner deemed appropriate by the Board.

**ARTICLE VIII**

**DESTRUCTION OF HOMES**

**Section 1. Total Destruction.** In the event of the total destruction of a Home, the Lot Owner shall promptly reconstruct his Home. Reconstruction shall commence within a reasonable time, not to exceed sixty (60) days from the date of the destruction. The reconstruction shall be approved by the Architectural Control Committee, and shall be in conformity with the plans and specifications of the original structure so destroyed, subject to any changes or modifications approved by the Architectural Control Committee. Notwithstanding the foregoing, no Lot Owner shall be required to reconstruct his Home, if the Lot Owner is relieved of the obligations of this section by the Board of Directors. In such event, the Lot Owner shall promptly clear the Lot of debris and leave the same in a neat and orderly condition.

**Section 2. Partial Destruction.** In the event of partial destruction of a Home, the Lot Owner shall, within a reasonable time, cause the damage to be repaired, subject to the approval of the Architectural Control Committee, in conformity with the plans and specifications of the original structure. Any change or alteration must be approved by the Architectural Control Committee. In no event shall any damage to a structure be left unrepaired for more than sixty (60) days.

**ARTICLE IX**

**EXTERIOR MAINTENANCE**

**Section 1. Association's Responsibility.** The Association shall, from time to time, clean and paint the exterior of the Homes in Laurel

Oaks, and shall clean and maintain all gutters and downspouts attached thereto.

**Section 2. Lot Owner's Responsibility.** Subject only to the Association's responsibilities under Section 1 of this article, each Lot Owner covenants to keep the exterior of his Home in a clean and attractive condition and in good order and repair. If a Lot Owner fails to maintain the exterior of his Home in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board, shall have the right, through its agents and employees, to enter upon such Lot and to repair, maintain, and restore the exterior of the Home thereof; provided, that the Lot Owner of such Lot shall have failed to repair, maintain and restore the exterior of his Home after having received at least thirty (30) days' written notice from the Board specifying the nature of the repairs, maintenance or restoration deemed necessary by the Board. The cost of any such exterior maintenance incurred by the Association shall be added to and become part of the assessment to which such Lot is subject, and the Association may recover such cost in the same manner as payments of delinquent assessments are enforced hereunder.

## ARTICLE X

### PARTY WALLS

**Section 1. General Rules of Law to Apply.** Each wall which is built as a part of the original construction of the Homes in Laurel Oaks and placed on the dividing line between two Lots shall constitute a party wall, and, to the extent consistent with this article, the general rules of law governing party walls and liability for property damage due to negligence or willful acts or omission shall apply thereto.

**Section 2. Sharing of Repair and Maintenance.** The cost of reasonable repair and maintenance of a party wall shall be shared by the Lot Owners who make use of the wall in proportion to their use thereof.

**Section 3. Destruction by Fire or Other Casualty.** If a party wall is destroyed or damaged by fire or other casualty, any Lot Owner who has used the wall may restore it, and if the other Lot Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Lot Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omissions.

**Section 4. Weatherproofing.** Notwithstanding any other provisions of this article, a Lot Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such element.

**Section 5. Right to Contribution Runs with the Land.** The right of any Lot Owner to contribution from any other Lot Owner under this article shall be appurtenant to the land and shall pass to such Lot Owner's successors in title.

**Section 6. Arbitration.** Any dispute concerning a party wall or this article shall be subject to binding arbitration. Each affected Lot Owner shall choose one (1) arbitrator, and such arbitrators shall choose one (1) additional arbitrator, and the decision shall be by a majority of all arbitrators.

ARTICLE XI  
GENERAL PROVISIONS

**Section 1. Use Restrictions.** Laurel Oaks shall be used exclusively for residential purposes, subject to the covenants, conditions, restrictions and reservations contained in this Declaration. Only one Home may be erected on a Lot. All Homes shall be single-family dwellings which do not exceed three (3) stories in height. No building shall be erected, altered, placed or permitted to remain on any Lot, unless approved by the Architectural Control Committee. No house trailer, mobile home or modular home shall be placed upon or permitted to remain in Laurel Oaks. No structure of a temporary character, trailer, motor home, tent, shack or other outbuilding shall be used as a residence on any Lot. Notwithstanding the foregoing, Declarant may maintain a temporary office in Laurel Oaks during the constructions period.

**Section 2. Annexation.** Additional Lots and Common Area may be annexed to Laurel Oaks with the consent of two-thirds (2/3) of the Members. If Declarant is entitled to three (3) votes per Lot pursuant to Article III, Section 2 hereof, such annexation shall also require the assent of Declarant.

**Section 3. Subdivision of Lots.** No Lot shall be subdivided without the approval of the Architectural Control Committee; provided, however, that Declarant may alter the dimensions of any Lot or Lots prior to the sale of any such Lot or Lots by Declarant to a Lot Owner. In no event shall there be more than ninety-five (95) Lots in Laurel Oaks.

**Section 4. Parking.** The Board of Directors may adopt rules governing the parking of vehicles, water craft and equipment in Laurel Oaks, including, but not limited to, the designation of certain areas for the



parking of non-passenger vehicles, trucks, recreational vehicles, trailers, motorcycles, water craft and equipment, and including the prohibition of the parking of the same in Laurel Oaks.

**Section 5. Signs.** No sign of any kind shall be displayed to the public view in Laurel Oaks except one sign of not more than five square feet advertising a Lot for sale or rent, or signs used by Declarant or a builder, lender or utility company to advertise during the construction and sales period. The Board of Directors may adopt rules governing the use of signs in Laurel Oaks, including, but not limited to, their size, height, location, design, color and text. The Board may adopt and require the use of a uniform sign to advertise a Lot for sale or rent.

**Section 6. Mailboxes.** The Architectural Control Committee shall approve all mailboxes in Laurel Oaks. The Board of Directors may adopt and require the use of a uniform mailbox in Laurel Oaks or may require that all mailboxes in Laurel Oaks be of a uniform design and construction. In either event, only mailboxes which conform to the requirements of the Board may be used in Laurel Oaks.

**Section 7. Security.** The Association may provide security for Laurel Oaks. The Board of Directors may adopt rules governing the security and protection of Laurel Oaks.

**Section 8. Termite Control.** The Board of Directors may provide for periodic inspections and treatment of all Homes in Laurel Oaks for subterranean termites and other wood destroying organisms, and may include the cost thereof in the annual assessments, or the Board may require Lot Owners to have their Homes so inspected and treated. The Board may require Lot Owners to repair any damages revealed by such inspections.

**Section 9. Pets.** No animals, livestock or poultry of any kind shall be raised, bred or kept in Laurel Oaks, except that no more than two (2) normal household pets may be kept in each Home, provided that such pets are not kept, bred or maintained for any commercial purpose. No pets shall be permanently kept or maintained outside of the Home on any Lot. The Board of Directors may adopt rules governing pets in Laurel Oaks.

**Section 10. Garbage, Clotheslines, Etc.** No equipment, woodpiles or storage piles shall be placed or maintained upon any Lot or the Common Area. No clotheslines shall be placed or maintained upon any Lot or the Common Area. Each Lot Owner shall promptly remove from Laurel Oaks all rubbish, trash and garbage resulting from the use and occupancy of his Lot. Notwithstanding the foregoing, the Board may adopt rules governing the maintenance of equipment, the storage of firewood and the design, number and location of garbage receptacles in Laurel Oaks.

**Section 11. Garage Doors.** Garage doors shall remain closed at all times except when vehicles are entering or exiting garages. No hazardous materials shall be maintained in any garage which shall constitute a safety hazard, or which would vitiate or impair the fire and extended coverage insurance on the Home of which the garage is a part.

**Section 12. Exterior Antennas.** External radio and television antennas and satellite dishes may not be used in Laurel Oaks unless the Board of Directors adopts rules governing the use and display thereof.

**Section 13. Nuisances.** No noxious or offensive activity shall be permitted in Laurel Oaks nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood, nor shall any portion of Laurel Oaks be used in any way for any purpose which may endanger the health of or unreasonably disturb the residents of Laurel Oaks.

Surface water shall not be obstructed or diverted from drainage facilities. No business activities of any kind whatsoever shall be conducted on any Lot, except business activities of Declarant during the construction period, and business activities of the Association required or permitted hereunder.

**Section 14. Oil and Mining Operations.** No oil drilling, oil development operations, oil refining, quarrying or mining operations of any kind shall be permitted in Laurel Oaks, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted in Laurel Oaks. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted in Laurel Oaks.

**Section 15. Management Agreements.** Any agreement for professional management of the affairs of the Association, or any agreement providing for services to the Association by Declarant, may not exceed one year, and must provide for termination by either party without cause, and without payment of a termination fee, upon thirty (30) days' written notice to the other party.

**Section 16. Indemnification.** The Association shall indemnify every officer and director against any and all expenses, including attorney's fees, reasonably incurred by or imposed upon any officer or director in connection with any action, suit or other proceeding (including settlement of any suit or proceeding if approved by the current Board of Directors) to which he may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistakes of judgment, negligent or otherwise, but shall be liable only for their own individual willful misfeasance, malfeasance, misconduct and bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf

of the Association (except to the extent that such officers or directors may also be Members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled.

**Section 17. Dedication of Common Area.** The Association may dedicate or transfer all or any part of the Common Area to any utility company or governmental authority for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication or transfer shall be effective without the express consent and acceptance of such utility company or governmental authority, and unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3) of the Members has been recorded. If Declarant is entitled to three (3) votes per Lot pursuant to Article III, Section 2 hereof, such dedication or transfer shall also required the written assent of Declarant. This section shall not limit the right of the Association to grant drainage and utility easements pursuant to Article II, Section 3 hereof.

**Section 18. Amendment.** This Declaration may be amended by an instrument signed by not less than two-thirds (2/3) of the Lot Owners. If Declarant is entitled to three (3) votes per Lot pursuant to Article III, Section 2 hereof, any amendment shall also required the written assent of Declarant. As long as Declarant owns one or more Lots, no amendment to this Declaration shall impose a greater restriction on the use or development of Lots owned by Declarant, without the written assent of Declarant. Any amendment must be recorded. Notwithstanding the foregoing, Declarant

may alter the dimensions of a Lot or Lots by the filing of Supplemental Declarations and revised plats prior to the sale of any such Lot or Lots by Declarant to the Lot Owner.

**Section 19. Term and Severability.** This Declaration shall run with and bind Laurel Oaks and shall be and remain in effect perpetually to the extent permitted by law. Without limiting the foregoing, all easements contained herein, all covenants contained herein restricting Laurel Oaks to certain uses, and all affirmative obligations of Lot Owners contained herein, including, but not limited to, the obligation to pay Association assessments, shall run with and bind Laurel Oaks and shall be and remain in effect perpetually to the extent permitted by law. Invalidity of any provision of the Declaration by judgment or court order shall in no way affect the other provisions hereof which are hereby declared to be severable, and which shall remain in full force and effect.

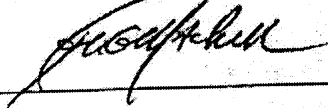
**Section 20. Perpetuities.** If any of the covenants, conditions, restrictions or other provisions of this Declaration shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of those persons named in the Articles of Incorporation of the Association as the initial members of its Board of Directors.

**Section 21. Number and Gender.** This Declaration is written predominately in the singular number of the masculine gender. Unless a contrary construction is required by the context, for all purposes under this Declaration, the singular number shall include the plural, and the masculine gender shall include the feminine and neuter genders.

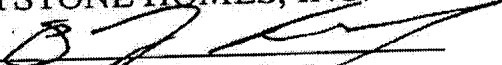
**Section 22. Interpretation and Construction.** The provisions of this Declaration shall be construed together and given that interpretation or construction which will best effect the intent of the general plan of development of Laurel Oaks. The provisions hereof shall be liberally interpreted, and, if necessary, they shall be so extended or enlarged by implication so as to make them fully effective.

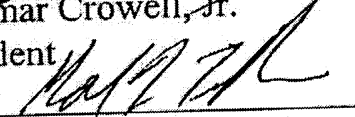
**IN WITNESS WHEREOF,** Declarant has caused this Declaration to be executed and sealed by its duly authorized officers this 11<sup>th</sup> day of May, 2000. Crowell and Co., Inc. has caused this Declaration to be executed and sealed by its duly authorized officers this 11<sup>th</sup> day of May, 2000, for the purpose of submitting Laurel Oaks to this Declaration.

IN THE PRESENCE OF:

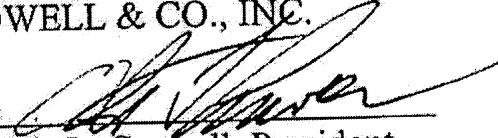
  
Gloria Denton

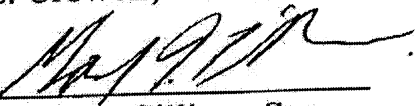
KEYSTONE HOMES, INC.

BY:   
O. Lamar Crowell, Jr.  
President

ATTEST:   
Mark L. Gilliam, Sec.

CROWELL & CO., INC.

BY:   
Otis L. Crowell, President

ATTEST:   
Mark L. Gilliam, Sec.

STATE OF GEORGIA )  
 )  
COUNTY OF COLUMBIA )

PERSONALLY appeared before me the undersigned witness and made oath that (s)he saw the within Crowell & Co., Inc. by Otis L. Crowell, President, and Keystone Homes, Inc. by O. Lamar Crowell, Jr., President, sign, seal and as their act and deed deliver the within Protective Covenants and that (s)he with the other subscribing witness witnessed the execution thereof.

*[Handwritten Signature]*

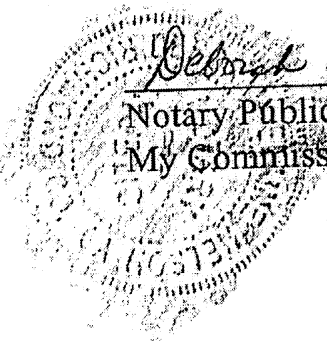
SWORN to before me this  
11<sup>th</sup> day of May, 2000.

*Deborah Elaine Nelson* (L.S.)

Notary Public for Georgia

My Commission expires:

NOTARY PUBLIC,  
RICHMOND COUNTY GEORGIA  
MY COMMISSION EXPIRES  
AUGUST 20, 2002



RECORDED

5-15-00 @ 10204

R.M.C.

AIKEN COUNTY

*Judith Warner*

MICHAEL K. FARMER