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JUDITH WARNER
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AIKEN COUNTY, SC

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~~Daniel K. Slone
McGuireWoods LLP
901 E. Cary Street
Richmond, VA 23219-4030~~

Declarant: North Augusta Riverfront Company, LLC

Hammond's Ferry
NORTH AUGUSTA'S RIVERFRONT

HAMMOND'S FERRY BOOK OF OPERATING PRINCIPLES

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NORTH AUGUSTA RIVERFRONT COMPANY, LLC, a Delaware limited liability company (the "Founder" and Grantor/Grantee for indexing purposes only) makes this Declaration as of the 3 day of Feb, year of 2006.

STATEMENT OF PURPOSE

Hammond's Ferry is a mixed-use community in North Augusta, South Carolina, and is being developed as a new "traditional neighborhood". The Founder records this Hammond's Ferry Book of Operating Principles (the "Book") and establishes the Hammond's Ferry Neighborhood Association, Inc. (the "Neighborhood Association") to enhance community life, to institute and enforce certain covenants and restrictions, to provide for further maintenance of the Residential Neighborhood and Neighborhood Commons (as hereinafter defined), and to allow for self-governing of Hammond's Ferry by its Owners.

It is anticipated that a separate declaration entitled "Business District Declaration of Codes, Covenants and Easements for Non-Residential Property in Hammond's Ferry" to establish a business district within Hammond's Ferry (the "Business District Declaration") will be recorded to create the Hammond's Ferry Business District Association, Inc. (the "Business District Association") and to regulate and maintain the commercial portions of Hammond's Ferry. The plan for Hammond's Ferry and the relationship between the various recorded instruments is described in the Master Declaration.

This Book relates to residential property wherever located within Hammond's Ferry.

DECLARATION

The Founder hereby establishes the Potential Neighborhood as all of that property in North Augusta, Aiken County, South Carolina, described on Exhibit A and submits to this Book that portion of the Potential Neighborhood described in Exhibit B (the "Residential Neighborhood").

The Founder hereby declares that this Book, including Appendix I of this Book, shall run with the land and be binding upon all parties having any right, title or interest in the Residential Neighborhood, and shall inure to the benefit of every Owner in the Residential Neighborhood or any portion of it and to the benefit of the Founder.

Except to the extent expressly provided in this Book and any Supplemental Declaration, all of the rights, powers, and duties of the Neighborhood Association and the Owners, who are Members of the Neighborhood Association, including the Owner's voting rights, shall be governed by the Articles and Bylaws of the Hammond's Ferry Neighborhood Association, Inc. The Neighborhood Association shall also have all of the rights, powers, and duties provided in the South Carolina Nonprofit Corporation Act of 1994, as amended from time to time.

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1 Overview

Hammond's Ferry is a mixed-use Traditional Neighborhood Development located within a 200-acre site along an approximately one-mile stretch of the Savannah River in North Augusta, South Carolina and directly across the river from downtown Augusta, Georgia. The riverfront neighborhood will serve as the "front porch" for the State of South Carolina, where residents and visitors alike will be able to participate in a variety of recreational and civic activities. Hammond's Ferry is intended as a mixed-use community where, in addition to single and multi-family residences, offices, retail and civic uses thrive.

Hammond's Ferry is a public-private initiative involving the City of North Augusta and North Augusta Riverfront Company, LLC, which is a subsidiary of LeylandAlliance LLC, of Tuxedo, New York. The master plan provides for a maximum of approximately 1500 new homes, condominiums and apartments, together with business and civic uses, parks and public spaces.

While Hammond's Ferry is village-like in its design and is located within the City of North Augusta, it does not have a separate town government. Certain needs of Hammond's Ferry are met primarily by two separate entities, each of which is established by a separate recorded declaration:

- Under the terms of this Book, the Neighborhood Association will maintain all of the Neighborhood Association common areas, which are called the "Neighborhood Commons" and are more particularly defined in Chapter 7 of this Book. The Neighborhood Association also helps preserve neighborhood harmony by facilitating neighborhood discussion, stimulating an understanding of the neighborhood goals and enforcing the covenants when necessary.
- Under the terms of the Business District Declaration, it is anticipated that the Business District Association will address the special needs of the commercial properties within Hammond's Ferry. Pursuant to the Business District Declaration, the Business District Association will provide commercial-type maintenance and services appropriate to the Business District, including maintenance of all of the Business District common areas or "Business Commons," which are more particularly defined in Chapter 7. The Business District Association may also function as a merchants' association for advertising and business development.

Membership in the Associations may change from time to time as the use of a property changes. The owners of all property within Hammond's Ferry will be part of one association or the other, and subject to either the Book or the Business District Declaration (with the possible exception of mixed-use buildings as described below) depending on the use of the property. All residential property owners will be members of the Neighborhood Association. Live/work property owners

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will also be members of the Neighborhood Association. All commercial property owners will be members of the Business District Association. Mixed-use building owners will be members of the Business District Association, but in some cases the residential portion of a mixed-use building, if separately owned, may be placed in the Neighborhood Association.

The Neighborhood has the potential to be enhanced through its affiliation with a not-for-profit corporation, the Hammond's Ferry Foundation, Inc., (the "Foundation") organized as a charitable institution under Section 501(c)(3) of the Internal Revenue Code. Participation in the Foundation is voluntary. The Foundation seeks to address some of the civic, cultural and social needs of Hammond's Ferry, and to engage in charitable activities. It may sponsor concerts and art festivals to enrich the community. It may also encourage events intended just to bring people together, to meet each other and to enjoy being part of a community.

While each entity operates independently, certain entities may work together and may enter into contractual agreements. In particular, the Business District Association may be required to make contributions to the Neighborhood Association for the shared use and maintenance of certain facilities.

2.1 Community Life, Part I: The Neighborhood Association

All Owners of Parcels in the Residential Neighborhood are automatically Members of the Neighborhood Association during the period of their ownership. Membership in the Neighborhood Association is a legal right and obligation attached to the property. New Parcel owners become Members in the Neighborhood Association upon transfer of title to the land. Except as expressly provided, when Owners vote on matters addressed in this Book, their vote is weighted in the same way as relative values are assigned to Parcel types, as discussed in Chapter 5, Part II. Owner votes on matters set forth in the Bylaws or Articles may be on a different basis, as provided in those documents.

This Chapter contains some of the most important provisions concerning Neighborhood Association operation and voting procedure. Additional provisions are contained in the Neighborhood Association's Bylaws and Articles.

Neighborhood Association Operation

The operation of the Neighborhood Association relies on the following individuals:

- **The Board of Directors ("Board")**. Most decisions about the Neighborhood Association are the responsibility of the Board, acting on the Owners' behalf. Unless specifically provided otherwise, the Board has the authority to act on behalf of the Neighborhood Association and to make all decisions necessary for the operation of the Neighborhood Association, the care of the Neighborhood Commons and the enforcement of covenants contained in this Book. The Founder initially appoints the directors. Owners begin electing some of the directors when at least 100 Parcels in the Residential Neighborhood have been sold to Owners other than the Founder or its designated entities.
- **President**. The President, who is also elected by the Board, is the chief executive of the Residential Neighborhood and is empowered to make decisions within the scope of authority described by the Board and this Book. The President executes the details of projects authorized by the Board and handles matters that arise between Board meetings, within the scope of authority established in the Bylaws or by the Board. The President must be a member of the Board. Candidates for President must be sitting on the Board with time remaining equal to the term of the President's office.

The Board will also elect a Vice President, a Secretary, a Treasurer and other such officers as described in the Bylaws. These officers have the following responsibilities:

- **Vice President.** A Vice President takes the place of the President and performs the duties of the President whenever the President is absent or unable to act. If neither the President nor a Vice President is able to act, the Board shall appoint some other member of the Board to act in the place of the President on an interim basis. A Vice President also performs such other duties as required by the Board or by the President and, except as specified, has all of the general powers and duties of a Vice President of a corporation organized under the South Carolina Nonprofit Corporation Act of 1994, as amended from time to time. If there is more than one Vice President, the Board determines which Vice President acts.
- **Secretary.** The Secretary (i) keeps the minutes of all meetings of the Neighborhood Association and of the Board; (ii) has charge of such books and papers as the Board directs; (iii) maintains a register listing the place to which all notices to Owners and Mortgagees are to be delivered; (iv) upon request delivers statements of all unpaid assessments applicable to a particular parcel to be conveyed; (v) executes notices of delinquent assessment(s); (vi) executes notices of and releases of liens for delinquent assessments; and (vii) performs the duties of a Secretary described in the Bylaws and the South Carolina Nonprofit Corporation Act of 1994, as amended from time to time.
- **Treasurer.** The Treasurer is responsible for managing (i) the Neighborhood Association's funds and securities; (ii) keeping full and accurate financial records and books of account showing all receipts and payments; (iii) preparing all required financial data; (iv) depositing money and valuables in the appropriate bank or other institution as designated by the Board; and (v) in general, performing of all the duties of a treasurer of a corporation organized under the South Carolina Nonprofit Corporation Act of 1994, as amended from time to time.

The President and Directors are not paid for their services; however, they are reimbursed for actual expenses.

Election Procedure

The Board regulates election procedure and sets policy concerning voter registration and the casting of ballots. The Bylaws contain additional provisions concerning the election procedure.

Elections, Casting Votes. Once the Owners have the right to elect Class A Directors, as described in Articles of Incorporation for the Neighborhood Association, then the Owners directly elect the relevant directors to the Board.

- **The Board.** An Owner may cast his votes for as many candidates as there are Directors to

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be elected. An Owner is not required to use all his votes; however, no cumulative voting shall be permitted. For example, if there are three seats to be filled and the Owner has one vote, the Owner may cast one vote each for one, two or three candidates, but shall not cast more than one vote for any particular candidate. If the Owner is eligible to cast two votes, the Owner may cast two votes a piece for each of up to three candidates. The candidates receiving the highest number of votes shall be declared elected. Directors may be elected by a plurality; a majority is not required.

Board Meetings

The Board usually meets on a monthly basis but may meet more or less often depending on the community's needs. The Board must meet at least annually, or more frequently as the Board decides. Notice of Board meetings is to be posted or Owners otherwise notified of the meeting schedule. Owners are welcome to attend Board meetings, but their right to participate in discussion may be limited by meeting rules established and published by the Board. The Board may go into executive session to discuss certain issues including possible or pending litigation and personnel matters.

Voting. Voting at a Board meeting requires presence of at least one-half of the Directors in office immediately prior to the beginning of the meeting, in person or by telephone conference. While face to face meetings are beneficial and should be conducted when practicable, it may be difficult at times to get a quorum of Directors together in a timely manner. Any action required to be taken by vote of the Board may be taken in the absence of a meeting (or in the absence of a quorum at a meeting) by unanimous consent. With the approval of all Directors and if permitted by law, meetings may be conducted by telephone. Rules about quorums and voting procedures for the Board are provided in the Bylaws and may be affected by applicable statutes.

Neighborhood Meeting and Voting

Although the elected Board makes most decisions, election of the Board and certain other decisions require the participation of all Owners. Notice of each annual or regularly scheduled meeting of the Neighborhood Association must be sent or delivered personally at least 10 but not more than 60 days before each meeting. The notice must state the time and place of the meeting.

Notice of any other Neighborhood Meetings must be sent at least 10 but not more than 60 days before such a meeting. This notice must state the time, place and purpose of the meeting. Notice of any meeting at which Owners are to vote on amendments to the Articles, a plan of merger, a proposed sale of assets, or the dissolution of the Neighborhood Association must be given as required by Section 33-31-705 of the Code of Laws of South Carolina (the "South Carolina Code").

Rules about notice of meetings for amending articles of incorporation and other actions, quorums and voting procedures are provided in the Bylaws and may also be affected by applicable

statutes. For those decisions requiring Owners' approval, a Neighborhood Meeting provides a public opportunity for discussion and voting.

Records

The Board must keep a record of all Board meetings and other Neighborhood Association meetings. For each action taken, the record should state the vote and a description of the action approved and, where applicable, the reasons why the action was considered necessary and a summary of the information on which the decision was based. Any Owner has the right to review the Neighborhood Association's records, at reasonable times, and can make copies or pay to have copies made for a reasonable fee. To the extent permitted by law, certain records may not be made available to Owners if genuine privacy considerations exist.

The Neighborhood Association should use available technology for effective, timely communication to Owners.

Use of Professional Management

The Board may hire a professional manager, either an individual or a management company, for the Neighborhood Association. Some typical duties of the manager are as follows:

- Determining day-to-day maintenance needs and dispatching personnel or service providers as necessary (although major contracts would go through the Board and possibly a bidding process as well),
- Supervising vendors, employees and service providers and making payment to them,
- Collecting assessments (including past-due notices as necessary),
- Keeping the books and records of the Neighborhood Association and preparing budgets and financial statements (and working with an accountant as necessary),
- Mailing or posting notices of meetings, election information and other communications to Owners, and
- Answering inquiries from Owners (and referring some questions to the Board or its attorney as necessary).

In contrast, Board members are not paid (except to be reimbursed for expenses). The Board selects the manager and must work with the manager and provide guidelines. Board members make such policy decisions as adopting the budget and determining assessment levels, making significant employment decisions and approving major contracts. They decide what major repair or replacement projects will be undertaken and the general level of service to be provided.

2.2 Community Life, Part II: Neighbors

This Book doesn't have long lists of rules. Instead, the concept is simple: neighbors shouldn't create unreasonable disturbances or unsafe conditions *and* neighbors should tolerate a certain amount of activity, noise, pets and exuberant children as part of a vibrant community.

Use of the Parcel

Residential and Business Uses. Hammond's Ferry is intended as a mixed-use community where, in addition to single and multi-family residences, offices, retail and civic uses thrive. Non-residential uses are subject to the Business District Declaration and the Master Declaration. These commercial and civic uses are an integral part of a pedestrian-friendly community and allow people to obtain some goods and services and interact without having to use an automobile. Businesses must use reasonable measures to dispose of garbage properly and to minimize the impact of noise and odor on the surrounding area. However, residents near businesses need to recognize that a certain amount of noise and odor may be unavoidable.

Home-based Businesses. Subject to the City of North Augusta's legal requirements, a home-based business that does not generate significant noise, odor, parking demand or traffic is permitted in the Residential Neighborhood. The Board may establish reasonable hours of operation for home-based businesses that are visited by individuals.

Garage Sales. Garage sales, estate or yard sales, sample sales and similar kinds of sales activity from residential Parcels is permitted on an occasional basis in accordance with the City of North Augusta's legal requirements. The holding of frequent sales from a particular residence will be considered a business and may be regulated, limited or prohibited by the Neighborhood Association.

Leasing. Residential Parcels or separate Residential Units within a Parcel, such as an outbuilding apartment may be rented, so long as the Occupants comply with the covenants for neighborhood life contained in this chapter. The Neighborhood Association may establish a minimum lease term. Tenants may use any Neighborhood Association's recreational facilities through a limited number of recallable recreational Memberships. An Owner's house and any outbuilding on a Parcel shall not be rented to two different parties. For example, the outbuilding cannot be rented to a different party than the renter of the main building, but the Owner may live in the main house and rent the outbuilding, or vice versa. The Neighborhood Association may prohibit the leasing of any Parcel or Residential Unit within a Parcel while the Owner is in default in the

payment of Assessments and may attach rentals if the Parcel or Residential Unit within the Parcel is leased while the default exists.

Safety and Appearance

Generally. Each Owner must keep his Parcel in good order and repair and free from debris. The Hammond's Ferry Design Code (the "Design Code") or the Neighborhood Association may regulate placement and maintenance of garbage and trash containers and fuel or gas storage tanks (including the prohibition of such tanks) and other matters affecting the attractiveness or safety of Parcels.

Signage. No sign, advertisement or notice of any type (other than those erected by the Founder or the Neighborhood Association or those specifically approved by the Hammond's Ferry Design Committee ("HFDC")) shall be erected or displayed on any Parcel. "For Sale" or "For Rent" signs are allowed but are limited to a uniform size, style, design and placement as specifically permitted by the HFDC. Political campaign signs are permitted, subject to reasonable regulation.

Vehicles: The Hammond's Ferry Design Code or the Neighborhood Association may regulate or prohibit the parking of trailers, recreational vehicles, nonfunctioning, oversized or excessive number of vehicles or equipment, and may require that garage doors be kept closed except when entering or leaving the garage.

Sports Equipment: Play structures, such as basketball hoops and swing sets, must be kept in good repair and their location may be limited, in accordance with the Hammond's Ferry Design Code, to back yards or alleys. The Neighborhood Association may regulate or prohibit large play structures such as skateboard ramps that are visible from outside the Parcel.

Temporary Structures: The Hammond's Ferry Design Code may prohibit or regulate construction trailers, tents, shacks, barns, sheds or other structures of a temporary character that are visible from outside the Parcel. However, reasonable occasional use of tents for festive occasions or children's backyard camping is part of life and should be enjoyed.

Pets

Pets are welcome so long as the pets do not cause an unsafe condition, unreasonable disturbance or annoyance or public nuisance. The Neighborhood Association may regulate the number, type and size of pets (including particular breeds of dogs deemed to create unreasonable danger) and may prohibit the keeping of animals other than customary household pets, which it may define. The Neighborhood Association may designate specific areas within the Neighborhood Commons where pets may be walked, may prohibit pets on other areas, may require pet owners to collect and dispose of animal waste and may require pets to be on leash. Owners must also comply with City of North Augusta leash laws and other laws concerning pets at all times.

Rules and Regulations

The writing of rules is one way to address specific issues that arise within the community. The Neighborhood Association may adopt or amend Rules and Regulations interpreting or expanding upon the basic principles of this Chapter and other portions of this Book, including but not limited to, rules about vehicles, sports equipment, temporary structures and satellite dishes. Rules should strive to address the problem in the least restrictive way. A copy of the current Rules and Regulations will be made available upon request.

Separate Rules and Regulations may also be enacted by the Founder. Copies of these Rules and Regulations will be made available upon request.

Effective Date. Rules and Regulations of the Neighborhood Association take effect immediately upon approval by the Board, or at a later date selected by the Board. If requested by at least 10% of the Owners, a special meeting must be called and, if a quorum is present, any Rule or Regulation may be repealed by majority vote of the Owners, present in person or by proxy. Rules and Regulations of the Founder are effective upon their adoption by the Founder and may not be repealed by the Owners during the Period of Founder Control.

The Board should review the Rules and Regulations adopted by the Neighborhood Association regularly and remove or amend those that are unnecessary or overly restrictive. The Board may not remove or amend Rules and Regulations of the Founder during the Period of Founder Control.

The Rules and Regulations, as adopted from time to time, and whether adopted by the Neighborhood Association or the Founder, are incorporated by reference into this Book. In the event of a conflict between any provisions in the Rules and Regulations and this Book, the provisions of this Book control.

Enforcement

Each Owner and the Owners' family members, guests and tenants are required to abide by the covenants contained in this Book, which are covenants running with the land, and any Rules and Regulations adopted by the Neighborhood Association and the Founder. Each Owner is responsible for assuring such compliance, and any violation by family members, guests or tenants may be considered to be a violation by the Owner. The Board is empowered, on behalf of the Neighborhood Association, to take necessary legal steps to enforce the covenants contained in this Book.

The Board will endeavor to notify the Owner of the date of the Board meeting at which a violation of this Book, the Design Code, or the Rules and Regulations will be discussed. After giving opportunity for the Occupant (and Owner, if different) to be heard, the Board may take any of the following actions:

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- **Fines.** The Board has the right to assess fines up to the maximum allowed by law and may restrict the resident's use of the Neighborhood Commons for up to sixty (60) days or until the violation is remedied, whichever is longer. However, the primary goal of this Chapter is not to punish but to resolve problems. The Neighborhood Association may suggest or approve agreements and suspend payment of a fine if the agreement is honored. Fines shall be charged against the Parcel as an Individual Parcel Assessment and shall constitute a lien on the Owner's Parcel. This lien is collectible in the same manner as other Assessments set out in the Book. Any fines collected shall be contributed to the general fund of the Neighborhood Association.
- **Pets.** If the Board finds that a pet causes an unsafe condition, unreasonable disturbance or annoyance or public nuisance, it may require the Owner or Occupant to take steps to cure or limit the offensive condition. If such steps are ineffective, if the resident or Owner fails to cooperate or if the pet is considered to create an unsafe condition or unreasonable disturbance or annoyance, the Neighborhood Association may require that an Owner or Occupant permanently remove the pet from the Residential Neighborhood.
- **Corrective Action for Enforcement Rights.** If the Board determines that any Owner is in violation of this Book, the Design Code, or applicable Rules and Regulations, or has failed to maintain any part of a Parcel (including the yard and any wall, fence, or building for which the Owner is responsible) in a clean, attractive and safe manner, in accordance with the provisions of this Book, the Design Code or applicable Rules and Regulations, the Board shall notify the Owner of its findings and may assess fines. If the violation continues for ten (10) days after notice to the Owner, the Neighborhood Association shall have the right without liability to enter the Parcel to correct, repair, restore, paint and maintain any part of such Parcel, including but not limited to landscaping, and to have any objectionable items removed from the Parcel. The Board may reduce or eliminate the time for notice if it believes the condition creates a hazard. All costs related to such action are to be assessed to the Owner as an Individual Parcel Assessment. The Board may also assess a management fee for activities that it must take to correct, repair, restore, paint or maintain any part of such Parcel on behalf of an Owner. If, in accordance with this section, authorized agents of the Association enter upon any Parcel to abate or remove a violation or breach of this Book, the Design Code, or the Rules and Regulations, neither the Person entering the Parcel nor the Person directing the entry shall be deemed liable for any manner of trespass for such action. This paragraph shall not apply to Parcels so long as they are owned by the Founder.
- **Tenant Violations.** If, after notice to both the Owner and Occupant and opportunity for a hearing, the Board determines that a tenant has violated this Book, the Design Code, or the Rules and Regulations, the Neighborhood Association may assess fines against the Owner. In addition, if the violation continues for ten (10) days after notice to the Owner of the findings, or if the Occupant materially violates the same covenant more than once in any one-year period, the Neighborhood Association shall have the right to evict the

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tenant, except Occupants who are members of the Owner's family. Each Owner by acceptance of a deed irrevocably appoints the Neighborhood Association as its agent and attorney-in-fact in such an eviction action. All costs related to such action shall be charged to the Owner as an Individual Parcel Assessment.

- **Additional Remedies.** All remedies listed in this section are non-exclusive and may be applied cumulatively. The Neighborhood Association shall also have the right to bring suit to enforce the covenants contained in this Book, the Design Code, and Rules and Regulations, including the right to an injunction and to recover damages for any violation
- **Failure to Enforce Not a Waiver of Rights.** No delay or failure on the part of the Neighborhood Association to invoke any available remedy in respect to a violation of any provision of this Book shall be held to be a waiver by the Neighborhood Association of (or an estoppel of the Neighborhood Association to assert) any right available to the Neighborhood Association upon recurrence or continuance of such violation or the occurrence of a different violation, nor shall there be imposed upon the Founder, the Neighborhood Association, the Neighborhood Association's board or the HFDC a duty to take any action to enforce this Book, the Design Code, or the Rules and Regulations.

Initiation of Litigation by the Neighborhood Association

The Neighborhood Association shall not initiate any judicial or administrative proceeding without prior approval by Owners entitled to cast 75% of the total votes other than those of the Founder in the Neighborhood Association. However, no such approval shall be required for actions or proceedings:

- Initiated during the Period of Founder Control;
- Initiated to enforce the provisions of this Book, including collection of assessments and foreclosure of liens;
- Initiated to challenge ad valorem taxation or condemnation proceedings;
- Initiated against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies; or
- To defend claims filed against the Neighborhood Association or to assert counterclaims in proceedings instituted against it.

3.1 Physical Surroundings, Part I: The Neighborhood Commons

The open space, recreational areas and other commonly used portions of the Residential Neighborhood, called the Neighborhood Commons may be owned by the Neighborhood Association. In most cases, the Neighborhood Association will hold title to the Neighborhood Commons in fee simple. In other cases, the Neighborhood Association's ownership may be in the form of easements, leases or other rights. Similarly, open space, recreational and other commonly used portions of the Business District may be owned by the Business District Association and are known as the Business Commons. The Business District Association may also have an easement, lease, or other rights in the Business Commons.

Community Areas

Most of the Neighborhood Commons in Hammond's Ferry are intended for the mutual benefit and enjoyment of the community. The Neighborhood Commons of Hammond's Ferry shall include any streets and alleys that are not publicly dedicated but are intended for public use, and sidewalks, street trees, tree/furniture zones, designated parking zones and street lighting that are not dedicated to the City of North Augusta or, if dedicated, require a higher level of maintenance than the City provides. Neighborhood Commons may include areas that are privately owned, areas that are publicly owned but maintained by agreement with the Founder and areas that are owned by the Neighborhood Association. Areas shall become Neighborhood Commons if they are shown on the plat referenced in Exhibit B as Neighborhood Commons or if shown as such in any Supplemental Declaration. The boundary or character of a Neighborhood Commons may be changed by Supplemental Declaration.

Use of the Neighborhood Commons

Every Owner has, and is hereby granted, a non-exclusive easement for appropriate use and enjoyment of the Neighborhood Commons. This easement passes with title to the Owner's Parcel and is automatically extended to Occupants provided that (i) the Owner of the property that they occupy shall be responsible for the manner of such use, and (ii) the Owner may withdraw consent for such use by written notice to the Neighborhood Association. The easement is subject to the Neighborhood Association's right of regulation in accordance with this Book and is also subject to any limitations that may be contained in the conveyance of that portion of the Neighborhood Commons to the Neighborhood Association.

Open-Air Markets, Festivals and Other Events. Hammond's Ferry is intended to be a vibrant community with activity that brings people together. The Board may permit use of portions of the Neighborhood Commons for various events. The following are examples:

- Farmers' Market or other open-air market.
- Festivals, parades, block parties or other events intended to enrich and enliven the community.
- Private parties, weddings and events.

As part of these events, the Board may rent or assign space for pushcarts, kiosks, stands or temporary sales structures and may permit the erection of tents and banners. Such uses may be only for special events or on a recurring basis. However, other than where specified in this Book, no contract shall be for a period of longer than a year, including all renewal options. Any revenue from events is to benefit the Neighborhood Association, the Foundation or other charitable or community-enriching organization.

Rules of Usage of Community Areas. Use of Neighborhood Commons must be in accordance with this Book and the Rules and Regulations. The City of North Augusta owns and operates parks within and around Hammond's Ferry. Owners of Parcels within Hammond's Ferry must abide by City rules and regulations, and requirements governing the use of the parks. Neither the Founder nor the Association shall be responsible of Owner's use of the parks dedicated to the City. If the Neighborhood Association sponsors an event in a City park, Owners, Occupants, and their guests must abide not only by the City rules and regulations for park use, but also by any Rules and Regulations of the Neighborhood Association pertaining to park use during the event.

Club Membership. The Neighborhood Association may permit limited use and access to non-Owners of all or a portion of the Neighborhood Commons and amenities, such as swimming pools and meeting rooms, if any, through the sale of recallable club memberships or other fees. Any such revenue is to benefit the Neighborhood Association. Occupants in the Business Districts are allowed to use the Neighborhood Association amenities, provided that they pay a fee to use the facilities that is equal to the fee (or portion of a larger fee) that the Neighborhood Association Owners are charged to use the same amenities.

Damage or Destruction of Neighborhood Commons. If any Neighborhood Commons or Improvements on a Neighborhood Commons is damaged or destroyed by an Owner or Occupant of a Parcel within Hammond's Ferry, or by family members, guests (but not including individuals in Hammond's Ferry as customers or clients of the Owner) or agents of the Owner or Occupant, the Owner shall be liable for such damage or destruction and the Owner must, within fifteen (15) days after it occurs, repair the damage in a good and workmanlike manner and restore any damaged Neighborhood Commons, Improvement or facility to its existing state before the damage or destruction occurred. In circumstances where the Neighborhood Association or the Founder determines that a shorter response period is appropriate, the fifteen

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(15) day period may be shortened. If the Owner does not repair the damage as described above, then the Founder or the Neighborhood Association may repair the damage at the Owner's expense. The Owner may also be charged a management fee if the Neighborhood Association is required to repair the damage on behalf of the Owner because the Owner does not repair the damage. If the damage is unsightly or dangerous as determined by the Founder or the Neighborhood Association at its sole discretion, the Founder or the Neighborhood Association has the right to repair the damage immediately and charge the Owner responsible for the damage for the cost of the damage plus a management fee after the repair has been completed. The cost of the repairs becomes a Special Assessment on the Parcel of the Owner and constitutes a lien on the Owner's Parcel. This lien is collectible in the same manner as other Assessments set out in the Book. The Founder or the Neighborhood Association may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity to enforce the provisions of this Section.

Delegation of Use; Sale. Any Owner may temporarily delegate his right of enjoyment in the Neighborhood Commons to any Occupants of the Owner's Parcel and to its customers, invitees or guests, subject to the terms of this Book and any Rules and Regulations established from time to time. This right cannot be conveyed except as an appurtenance to Parcels within Hammond's Ferry. The Founder, the Neighborhood Association, or any owner of a portion of the Neighborhood Commons may dedicate or convey all or any part of such area to any public agency or authority with the consent of the Founder or, if the Founder no longer owns any property within Hammond's Ferry, then with the consent of the Board.

Limitation of Liability. The Neighborhood Association is not an insurer of safety and makes no warranty and assumes no liability for any loss or injury.

Maintenance and Capital Improvements

The Neighborhood Association is responsible for the management, control and improvement of the Neighborhood Commons. At a minimum, it must keep the Neighborhood Commons clean and in good repair. The Neighborhood Association may also make capital improvements to the Neighborhood Commons and may modify the uses of the Neighborhood Commons. Any changes to the Neighborhood Commons must be approved in accordance with the architectural review standards of Chapter 4.

To the extent reasonably necessary, the Neighborhood Association has, and is hereby granted, an easement over each Parcel for maintenance of the Neighborhood Commons. The Neighborhood Association also has, and is hereby granted, an easement with respect to any improvements constructed on the Neighborhood Commons that unintentionally encroach on a Parcel, whether due to any minor deviation from the subdivision plat of Hammond's Ferry or the settling or shifting of any land or improvements.

Roads, Utilities, Drainage

The Neighborhood Association manages the various systems within the community that are part of the Neighborhood Commons. The Neighborhood Association has the benefit of certain easements, and also has the power to grant easements to others, such as granting to a utility company rights for utility installation and maintenance. Those to whom easements are granted (such as, but not limited to, utility companies and the City) have the right to maintain their facilities within the easements. While the Neighborhood Association has the right to maintain various systems as set forth below, where the City of North Augusta is responsible for certain utilities, the Neighborhood Association must obtain City approval prior to conducting any maintenance activities within easements granted to the City. The following are some of the Neighborhood Association's rights and responsibilities:

Common Road Regulation. To the extent permitted by law, the Neighborhood Association may make Rules and Regulations concerning driving and parking within the Residential Neighborhood and may construct traffic calming devices as approved by the Board, with Founder approval during the Period of Founder Control, post speed limit or other traffic signs and take any other reasonable measures to discourage excessive speed and encourage safe driving on the Common Roads. While parking requirements for all uses in Hammond's Ferry may be set forth in the Zoning Ordinance, additional parking requirements, such as limiting parking duration or requiring decals for Owners or Occupants, may be set forth in an Owner's deed, in a Supplemental Declaration filed on a Parcel, or in the Rules and Regulations. Each Owner, Occupant, and their tenants and guests shall comply with all applicable parking requirements. Any failure to comply shall be a violation of this Book as well as a violation of the document creating the parking requirement. To the extent permitted by local government, the Neighborhood Association may enforce any violation in accordance with Chapter 2 and may tow offenders.

Surface Water or Stormwater Management System. The Neighborhood Association has the power to maintain proper drainage within the Residential Neighborhood. In the exercise of this power, the Neighborhood Association shall have a blanket easement and right on, over, under and through the ground within the Residential Neighborhood to inspect, maintain and correct drainage of surface water and other erosion controls. This easement includes the right to cut or remove any vegetation, grade soil or take any other action reasonably necessary for health or safety or to comply with governmental requirements. The Neighborhood Association shall notify affected Owners and Occupants (except in an emergency) and shall restore the affected property to its original condition as nearly as practicable.

Utility Easements. The Neighborhood Association has a blanket easement upon, across, over, through and under the Residential Neighborhood for access, installation, replacement, repair and maintenance of all public and private utility and service systems. These systems include, but are not limited to, water, sewer, irrigation, drainage, telephone, electricity, television, security, cable or communication lines and other equipment. By virtue of this easement the Neighborhood

Association may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits. However, the exercise of this easement must not unreasonably disturb each Owner's reasonable use of his Parcel. If authorized by majority vote of the Board, the Neighborhood Association may assign all or a portion of its rights under this paragraph to one or more utility providers.

Police Powers. The Neighborhood Association has a blanket easement throughout the Residential Neighborhood for private patrol services and for police powers and services supplied by local, state and federal governments as needed to lawfully carry out their duties, including clearing emergency vehicle access. The reservation of such easement does not imply that any such service shall be provided.

Purchase or Conveyance of Neighborhood Commons

Purchase of Neighborhood Commons. The Neighborhood Association may acquire additional Neighborhood Commons. The decision to acquire additional Neighborhood Commons (other than that added by the Founder), whether by purchase or lease or other means, shall be authorized by a majority of the Board. If the purchase or lease is costly enough to be considered a substantial capital expense, it must be approved as described in Chapter 5.

Sale or Long-Term Lease of Neighborhood Commons. As described elsewhere in this chapter, the Board may rent or assign space in the Neighborhood Commons on a short-term basis for open-air markets, festivals, parties, weddings and other events and may dedicate part or all of the Neighborhood Commons to the public. Although it would be unusual, the Neighborhood Association may sell, donate or grant long-term leases for small portions of the Neighborhood Commons or exchange parts of the Neighborhood Commons for other property inside or outside Hammond's Ferry when the Board finds that it benefits the community in at least one of the following two ways:

- The conveyance is intended to benefit the community in ways other than the revenue, if any, to be derived from the transaction. For instance, the Neighborhood Association may convey or exchange property if necessary to improve access to Hammond's Ferry or to improve utility service. The Neighborhood Association may also convey property to the Foundation or other community-oriented organizations.
- The revenue to be derived is significant and the use and appearance of the Neighborhood Commons is not significantly impaired. For instance, the Neighborhood Association might sell or lease small amounts of space for cellular telephone transmission equipment, subject to design approval in the architectural review process.

Any decision to donate, sell, exchange or lease any portion of the Neighborhood Commons made in the regular course of activities of the Neighborhood Association must be approved by a majority of the Board, and for as long as the Founder owns any Parcels in Hammond's Ferry, the

Founder. Any decision to donate, sell, exchange or lease any portion of the Neighborhood Commons made outside of the regular course of activities of the Neighborhood Association must be approved by a majority of the Board, by two-thirds of the votes of the Neighborhood Association cast or a majority of the voting power, whichever is less, and for as long as the Founder owns any Parcels in Hammond's Ferry, the Founder.

Corrective Instruments. The Neighborhood Association, by approval of a majority of the Board, may also execute corrective instruments, settle boundary line disputes and resolve other title matters concerning the Neighborhood Commons.

Dedication and Condemnation

Dedication is the voluntary conveyance of title to a municipality or other governmental entity, while condemnation is the taking of property by a government or other authority having the power of eminent domain. Any dedication or conveyance is subject to acceptance by the applicable governmental agency.

Dedication. If any portion of the Common Roads has not previously been dedicated to the public, the Board may, by majority vote, cause the Neighborhood Association to convey title to or dedicate the Common Roads to the appropriate public authority. Any other dedication of the Neighborhood Commons must be approved in the same manner as a conveyance of the Neighborhood Commons.

Condemnation. If all or any part of the Neighborhood Commons is taken by, or an offer is accepted in lieu of condemnation from, any authority having the power of eminent domain, all compensation and damages shall be paid to the Neighborhood Association. The Board shall have the right to act on behalf of the Neighborhood Association with respect to any negotiation or litigation relating to the offer or taking.

Association Insurance and Reconstruction

Insurance can protect the Association's assets and financial security. However, insurance is a large and sometimes volatile item in the Association's budget. At least once each year, the Board should review types of insurance and terms and limits of coverage for insurance held by the Association. Changes in replacement costs or anticipated liabilities can make existing insurance coverage inadequate. In rare cases, if coverage becomes too expensive, the Association may make a decision to drop certain coverage or to take a higher deductible.

Types of Insurance. The following are examples of insurance the Association should consider:

- **Property and Casualty Insurance.** The Board shall obtain property and casualty insurance for Neighborhood Commons including structures or other improvements that can and should be insured for damage or other loss. Some policies provide coverage for "all

risks" (or "perils") not excluded. Others insure against loss from named perils such as fire, vandalism, malicious mischief, earthquake and wind. If it is available, the Board should consider obtaining flood insurance (if in a flood-prone area). Care should be taken that sufficient coverage is obtained to comply with any co-insurance percentage provided for in the policy. Preferably, the policy should stipulate an "agreed value" of the property to avoid the problems presented by co-insurance provisions.

- Commercial General Liability. The Board shall obtain commercial general liability insurance in such amounts as the Board determines from time to time.
- Director Liability Insurance. The Board may obtain liability insurance insuring against liability for actions taken by members of the Board, officers of the Association and advisory members in the performance of their duties. The Board may also obtain fidelity insurance for its employees.
- Other Coverage. The Board shall obtain and maintain workman's compensation insurance if and to the extent necessary to meet the requirements of law and such other insurance as the Board may determine from time to time.

Repair and Reconstruction after Fire or Other Casualty. If improvements to the Neighborhood Commons are damaged, the Board shall arrange for and supervise prompt repair and restoration of the improvements. The Board obtains funds for repair or reconstruction first from the insurance proceeds, second from reserves for the repair and replacement of such improvements and third from any Special Assessments that may be necessary.

Notice to Owners

Several of the activities described in this Book may also require prior approvals and/or permits from the City of North Augusta. Owners must ensure that they are acting in accordance with City requirements and laws and have obtained any and all necessary governmental approvals and permits. Examples of activities that may require City approvals or permits include, but are not limited to, the holding of open-air markets or festivals, the installation of street signs or traffic calming devices, and the repair or reconstruction of structures or Improvements after a fire.

3.2 Physical Surroundings, Part II: Private Domains

The design for Hammond's Ferry is intended to maximize land usage and sense of community by providing gracious squares and parks while offering intimate and private yards and gardens for individual use. Hammond's Ferry follows principles of traditional neighborhood design, which uses the individual houses and other buildings to form the streetscape. Their facades help form the walls of "outdoor rooms" - comfortable spaces where residents can enjoy walking, playing and relaxing.

This chapter enables some of the special design considerations of traditional neighborhood development through easements and other provisions concerning the buildings and lots. A related chapter, Part II of Chapter 2, provides covenants for daily living.

Relationship Between Parcels

As provided by the Design Code, certain buildings within the Residential Neighborhood may be attached townhouses or the dwellings may be detached but placed on or near the property line. The easements in this section are intended to enable reasonable cooperation between neighboring Owners. The Neighborhood Association may make rules for maintenance and use of easement areas and shared improvements that are to be uniformly applied to all similarly configured Parcels.

Parcel Lines. The re-subdivision of any Parcel or the separate conveyance of any part of a Parcel other than as an easement is prohibited except if performed by the Founder or approved by the Board. The specific consent of the Hammond's Ferry Design Committee ("HFDC") is required to otherwise modify the boundary lines of any Parcel. Additional approval by the City of North Augusta may also be required.

Structural Party Walls. Each Owner grants to the Owner of each adjacent Parcel the right and easement to maintain and to utilize any exterior or interior wall that forms a party wall between them. A wall will be considered a party wall only if it provides structural support for the buildings, or parts of a building, on more than one Parcel. Maintenance of each surface of the party wall shall be the sole responsibility of the Owner whose building faces such surface. Each Owner shall be liable and responsible if, in connection with that Owner's use and maintenance of the party wall, the Owner damages the adjacent Owner's building or the wall itself. The cost of any other repairs to the party wall shall be shared equally by the adjacent Owners.

Exterior Walls. An exterior wall which supports the building on only one Parcel, or which encloses a courtyard on one Parcel, shall not be considered a party wall. The Neighborhood

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Association may make Rules and Regulations concerning use and maintenance of such walls, including assigning responsibility between the adjoining Owners for painting and repair and granting access over the adjoining Parcel as reasonably necessary to maintain the wall. All such maintenance and repair shall be in accordance with the Neighborhood Association's Rules and Regulations.

Yard Easements. To allow the most efficient use of a Parcel while complying with governmental setback requirements, a portion of a Parcel along a lot line may be subject to an easement for use by the adjoining Parcel Owner. The Owner of a Parcel subject to such an easement will usually be the beneficiary of a similar easement burdening another Owner's Parcel, unless the Parcel is a corner lot or is larger than the adjoining Parcel. Such easements may be designated on the plat, in the Design Code or recorded in the deed from the Founder to the first Owner of the burdened Parcel. Such easement area may be up to four feet wide and shall run along a boundary line. Subject to regulation under the Design Code, the beneficiary of such an easement shall have the use and maintenance responsibility for the easement area and, subject to this Chapter 3, may place fences, patios and other non-permanent fixtures (but not primary structures or above ground HVAC equipment, decks, or other permanent fixtures) upon the easement area.

Roof Overhang; Footings. For certain building types, such as side yard houses, which are to be built along a property line, the Design Code may permit roofs, gutters, soffits, downspouts and other features to overhang this property line and may allow footings and rain leaders to intrude into the adjacent property. To the extent allowed by the Design Code and local governmental regulations, the adjacent property shall be subject to an easement for such intrusion. However, roofs, gutters, downspouts and rain leaders may not discharge water onto the surface of the adjacent property as a point source.

Townhouse or Row House Roof. If a townhouse or row house wall or parapet exists along or very near a property line, the Owner of the townhouse or row house to be constructed on the adjacent property shall have the right to flash into the existing building in accordance with industry standards in order to make the new building watertight. This right includes the right to make minor cuts on the existing building and to secure flashing or other materials to the existing building, so long as the structural integrity and water tightness of the existing building is not impaired. The cost of this flashing shall be borne by the Owner of the new building, but the maintenance of this connection shall be a shared expense between adjacent property Owners.

Owner Insurance

The loss of a building due to fire or other casualty affects the entire block. Insurance is necessary to make sure that each Owner has the funds available to rebuild after a casualty.

Parcel Coverage. Each Owner shall obtain casualty insurance for Improvements on its Parcel. Coverage shall be in an amount not less than necessary to comply with the co-insurance

percentage stipulated in the policy, but in any event not less than 80% of the value (based upon replacement cost) of the insurable improvements constructed on the Parcel. If requested by the Neighborhood Association, an Owner shall provide evidence of such insurance to the Neighborhood Association.

Casualty. If fire or other casualty damages or destroys a building or any other Improvements on a Parcel, the Owner of that Parcel shall proceed to rebuild and restore the Improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the HFDC. Construction and restoration must be diligently pursued and completed within a reasonable period of time. If the Owner fails to clear and secure a Parcel within 30 days after a casualty, the Neighborhood Association may, in accordance with the provisions of Part I of Chapter 3, remove debris, raze or remove portions of damaged structures and perform any other clean up the Neighborhood Association deems necessary to make the Parcel safe and attractive. The cost of such clean-up shall be assessed to the Owner as an Individual Parcel Assessment.

4.1 Architectural Standards, Part I: Hammond's Ferry Design Code; Town Architect; HFDC

Improvements within Hammond's Ferry will be designed and built by different homeowners, architects and builders. Each of these individuals will contribute to the shaping of the community.

The Design Code, which includes the Riverfront Code, the Pattern Book, a lot protocol plan, and other design guidelines that may be developed, adopted, and used from time to time, communicates the basic elements that are essential for creation of this residential community. It is intended to conform to "traditional neighborhood" or urban design principles and contains features of both a conventional architectural code and a zoning code.

Copies of the Design Code are available from the Neighborhood Association, the HFDC or Founder. Because the Design Code may change from time to time, it is important that an Owner obtain approval based on the current version of the Design Code before undertaking any change or improvement of his or her property.

Town Architect

The Founder, or the Board after the Founder no longer owns any Parcels in the Neighborhood, may appoint a Town Architect, whose job it is to understand and interpret the Design Code. The Town Architect may have a professional degree in architecture or urban design, or otherwise be a design professional with qualifications deemed appropriate by the Founder. The Town Architect does not, however, need to be licensed to practice in South Carolina.

Founder and Hammond's Ferry Design Committee Roles

The community attracts its residents based on the anticipation that it will, in general, be constructed in accordance with the Founder's vision. The Design Code represents a component of that vision. No Improvement will be made nor building permit for an Improvement sought without written approval of the Improvement by the HFDC. The HFDC will review Improvements using the Design Code procedures set forth in the Master Declaration, as it is amended from time to time. The HFDC has the sole and absolute ability to review and approve applications. Owners must obtain building permits as necessary from the City of North Augusta.

The City shall review proposed plans approved by the HFDC and may require changes to meet City requirements prior to issuing a building permit.

4.2 Architectural Standards, Part II: Review Process

Initial construction is dramatic, as each street takes shape. The facades of the buildings and the streetscape landscaping form the community's outdoor rooms, and the community described by the Design Code springs to life.

However, Hammond's Ferry will not be frozen in time. Communities, their needs and their built environments, continue to evolve after initial construction is complete. Homes are enlarged to suit a growing family. A tree falls and must be replaced. Children clamor for swimming pools, basketball hoops and swing sets. A puppy requires a fenced yard. The questions surrounding review of proposed modifications or alterations concern not just design but compatibility with the adjacent properties.

The Master Declaration outlines the method for review of both initial construction and modifications to ensure that as Hammond's Ferry matures it continues to follow the vision set out in the Design Code. In the event of any conflict between this Book and the Master Declaration, the Master Declaration shall prevail.

Notice to Owners

The contract for the construction or modification of a home is negotiated between the Parcel Owner and the contractor. Neither the Founder nor the HFDC are a party to that contract. Owners are ultimately responsible for assuring that the improvements constructed on the Parcel are in accordance with the approved plans and specifications. Because the Design Code and the applicable provisions of the Master Declaration may change from time to time, it is important that an Owner obtain or confirm that he or she has the current version of the Design Code and the applicable provisions of the Master Declaration before undertaking any change or improvements of his or her property. For the Owner's benefit, contracts should require the contractor to build or modify the improvements in accordance with plans and specifications approved by the HFDC. Receipt of the HFDC's Certificate of Completion and Release indicating compliance with the approved plans and specifications should be a condition of final payment on the contract.

Enforcement

In addition to the enforcement provisions in the Master Declaration, if any construction or installation is begun which has not been approved or which deviates from approved plans and specifications, the Board may by majority vote approve any of the following actions on behalf of the Neighborhood Association:

- Require the Owner to resolve the dispute through binding arbitration,
- Seek an injunction requiring the Owner to immediately stop construction and remove or correct any improvements that are not in compliance with approved plans.
- Bring suit seeking other remedies, including any combination of damages, specific performance, declaratory decree and/or permanent injunction or other remedy at law or in equity.

If the Neighborhood Association brings suit and the court finds that the construction was not approved or that the construction deviated from the approved plans or specifications, then the Neighborhood Association shall also be awarded reasonable attorney's fees and costs, even if the relief requested is not granted.

The HFDC may require the builder or Owner to post a deposit from which the HFDC may deduct published fines and costs of rectifying the deviation for failure to comply with the approved plans and specifications and rules for builder conduct. The collection of a fine shall not in any way diminish the available remedies at law or equity.

Failure to enforce any provision of this Chapter shall not be deemed a waiver of the right to do so at any time thereafter.

5.1 Finance, Part I: The Neighborhood Association Budget

The Board is responsible for managing the Neighborhood Association's financial affairs. Although the Directors cannot be expected to make perfect decisions, the Directors are required to act in accordance with good faith judgment concerning the best interests of the Neighborhood Association.

Accounting

The Neighborhood Association has two kinds of accounts: operating funds and reserve funds. Operating funds must be easily accessible and are used for day-to-day expenses. Reserve funds are the Neighborhood Association's savings and are to be invested to pay for major repair and replacement of the Neighborhood Commons.

The Neighborhood Association must prepare annual statements of its income and expenses, which are to be made available to each Owner. Unless required by law or the Board, annual statements do not need to be audited.

Budget

Financial planning begins with the annual budgeting process. The fiscal year of the Neighborhood Association begins January 1 of each year and ends on December 31 of that year, unless the Board selects a different fiscal year. The Board may appoint a committee to undertake the preparation of the budget, including holding hearings for Owners. It is recommended that at least thirty (30) days before the end of the fiscal year, the Board or its budget committee should hold a budget meeting to consider the proposed budget for the coming year. Notices of budget meetings should be provided so that Owners can attend. The budget is adopted by majority vote of the Board. At least two weeks before the fiscal year to which the budget applies, the Board shall send to each Owner a copy of the budget and notice of the amount of the General Assessment each Owner will owe.

Balancing a Budget. Like any budget, the Neighborhood Association's budget has two main categories: expenses and income. The Board is responsible for estimating the expenses of the Neighborhood Association for the upcoming year and then setting General Assessments—the Neighborhood Association's main source of income—at a level high enough to pay for the anticipated expenses. (The Neighborhood Association may have other minor income sources, such as interest on its accounts.)

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Expenses. Some of the expenses to be included in the budget are mandatory, such as taxes, insurance and required maintenance of the Neighborhood Commons. Anticipated fees for professional management of the Neighborhood Association, accounting services, legal counsel and other professional services should also be included in the budget. The Neighborhood Association also needs a certain amount of working capital—the cash flow necessary to make sure bills can be paid on time. Reserves, as discussed further below, should be considered. The Board may add to the budget the cost of improvements it would like to make to the community.

Budget Review. If General Assessments on Parcels are to be increased by more than 15% per parcel when compared to the previous year's General Assessment, and review is requested by petitions signed by at least 10% of all Owners requesting review within thirty (30) days after the budget is delivered to Owners, the Board is to call a special meeting to present the budget and to answer any questions. After presentation, the budget is deemed approved unless a quorum of the Owners is present and a majority of the voting interests reject the budget. If the budget is rejected, the Board must approve a new budget within ten (10) days and send a copy to each Owner. If, under the new budget, the General Assessments are to be increased by more than 15% per parcel, then the budget must be reviewed again according to the provisions of this paragraph.

Interim Rules. If the budget is challenged or if for any other reason the Board is late in approving the budget, Owners are not released from their obligation to pay General Assessments whenever the amount of such assessments is finally determined. Until a new budget is approved, each Owner must continue to pay the assessment at the rate established for the previous fiscal year.

Reserves and Deferred Maintenance

Although not required, it is recommended that the Neighborhood Association establish reserves for deferred maintenance, which are significant expenses that occur infrequently (in most cases, no more frequently than every five years). Without sufficient reserves, the Neighborhood Association will be required to levy a Special Assessment when these major expenses arise. Costs that occur more frequently or that are less expensive can probably be handled as an ordinary expense, although reserves may be established for these costs as well. The Founder may convey some Neighborhood Commons to the Neighborhood Association after building and, in some instances operating, Improvements on those Neighborhood Commons. The Improvements may, therefore, not be new and normal wear and tear may have occurred. Once the Neighborhood Association has ownership of these Neighborhood Commons and the associated Improvements, the reserves can be used to fund repairs, if any are necessary, associated with this normal wear and tear.

Using Reserves. When it is time to perform deferred maintenance, the Board can authorize use of the appropriate reserve fund. Reserve funds are an estimate; sometimes one reserve fund will

have excess funds while another will not have enough. If specifically authorized by the Board, reserves set aside for one purpose may be used for another purpose. (For instance, money set aside for resurfacing streets may be used for re-roofing a building.)

Calculating Reserves. The amount of reserve required is based on the life expectancy of the item, its replacement cost and the amount of money already in the fund. Different items will require different calculations and different reserve funds. Once the amount of the reserve is determined, the reserve funds may be included in the budget and funded each year from General Assessments.

Investing Reserves. Although separated for the Neighborhood Association's internal bookkeeping purposes, the various reserve funds can be deposited in a single bank or investment account, to be invested in a prudent way. Because the reserves are the Neighborhood Association's savings, reserves must be kept in an account separate from the Neighborhood Association's operating account and must require more than one signature to be accessed.

Excess Reserves. If there is an excess of reserves at the end of the fiscal year, the Board may decide to reduce the following year's assessments for reserves. If a majority of the Board determines (by vote) that a reserve is no longer necessary for its original purpose, the Board may assign all or part of the funds to a reserve for another purpose, or allocate the funds to the Neighborhood Association's operating account.

Unanticipated or Extraordinary Expenses

Sometimes extraordinary expenses will arise during the year that the Neighborhood Association has no choice but to pay. This may include any unexpected expenditures not provided by the budget or unanticipated increases over the budgeted amounts. If insurance rates rise dramatically, an insurance bill may be much higher than budgeted. A casualty may cause extensive landscape damage that is not covered by insurance. When the Neighborhood Association is faced with an expense that cannot be paid from operating funds, it has two choices:

Special Assessment. The Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense that this Book or the law requires the Neighborhood Association to pay, or for deferred maintenance or replacement for which reserves are insufficient. Special Assessments require approval by a majority of the members of the Board. The Board may choose to spread the Special Assessment over a period of up to five years.

Using Reserves. If specifically authorized by the Board, reserves may be used for extraordinary expenses that are not included in the annual budget. However, rebuilding that reserve should be a priority in the next budget. A Special Assessment may be used to pay back the reserve fund.

Capital Improvements

Most of the Neighborhood Association's expenses for the Neighborhood Commons are considered maintenance – repairing and replacing original improvements. However, the Neighborhood Association may wish to change or add to the Neighborhood Commons' facilities. Not all capital improvements are expensive. These changes can be as small as a new park bench or as large as a new building. (Conversely, not all major expenses are capital improvements: resurfacing a swimming pool is deferred maintenance, not a capital improvement.) Alterations and new improvements, except those proposed by the Founder, must go through the architectural review process.

Neighborhood Association expenditures for most capital improvements may be approved by the Board without membership approval. However, any Substantial Capital Improvement to the Neighborhood Commons approved by the Board must be ratified by a majority of the voting interests. A capital improvement will be considered substantial if the cost to the Neighborhood Association of the improvement is more than six percent (6%) of the Neighborhood Association's annual budget or if, when added to other capital improvements for the fiscal year, the sum is more than ten percent (10%) of the Neighborhood Association's annual budget. If the Substantial Capital Improvement is approved by the Owners, the Board shall determine whether it is to be paid from General Assessments or by Special Assessments, which the Board may spread over a period of time up to five years.

Zone Expenses

Zones are intended to provide a flexible means for providing additional maintenance or capital improvements to a portion of the Residential Neighborhood that has special needs. Zone boundaries may be designated at the time of the addition of the property by Supplemental Neighborhood Declaration or at any later time by the Board. Some expenses apply only to a certain Zone within the Residential Neighborhood:

- **Capital Improvements.** Any Zone may, by two-thirds (2/3) vote of the Owners within that Zone and approval of the Board, vote to assess all Owners within the Zone for capital improvements to Neighborhood Commons that will primarily benefit that Zone.
- **Additional Services.** Any Zone may, by majority vote of the Owners within that Zone and approval of the Board, vote to assess all Owners within the Zone for maintenance or services in addition to those normally provided by the Neighborhood Association. For front-yard landscape maintenance, the Board may define a Zone by Parcel type and may approve landscape service for that Zone, which shall be effective unless a majority of the Owners within that Zone object in writing to the landscape service.

If the assessment is approved, it will be assessed to and allocated among all Owners within that Zone or designated group as Individual Parcel Assessments.

Zones may be combined for such assessments. If more than one Zone is to vote, the Board shall determine whether approval and assessment is to be by Zone or by the combined group of Zones. If a group smaller than a Zone wishes to be assessed for capital improvements or services, all of those being assessed must agree to the assessment.

Contract for Maintenance

The Neighborhood Association may, but is not obligated to, act as agent for an Owner, if so requested by that Owner, to contract for routine maintenance and other services not required to be provided by the Neighborhood Association, the cost of which will be assessed to that Owner as an Individual Parcel Assessment. The terms and conditions of all such contracts are at the discretion of the Board.

5.2 Finance, Part II: Assessments

The cost of meeting the Neighborhood Association's expenses is divided among all the Owners by the assessments levied on Parcels.

Allocation of Assessments

The common expenses of the Neighborhood Association are to be allocated among the Parcels in accordance with the relative values described in the adjacent table. The allocation of the common expenses of the Neighborhood Association may be calculated for each Parcel by dividing the relative value assigned that Parcel, as shown in the adjacent table, by the sum of the values of all Parcels within the Residential Neighborhood. These are the Assessment Interests.

<i>Parcel Type</i>	<i>Relative Value</i>
Single Family	1.0 per Residential Unit
Multi-Family	0.5 per Residential Unit
Non-Sold Founder lots	1.0 per Residential Unit
Special Use Parcel	Determined by the Founder based on anticipated use

A single outbuilding with a studio or one-bedroom apartment is not subject to assessment if the primary residence on the Parcel is assessed at 1.0 or greater.

If an Owner combines two Parcels or parts of Parcels and uses them as a single Parcel, the Neighborhood Association may assess them as a single Parcel or by such other formula as is adopted by the Board and consistently applied.

Exempt Community. The following portions of Hammond's Ferry shall be exempt from the Assessments and liens created herein: (i) all property owned by the Founder except for any Parcel owned by the Founder on which a residential building has been constructed, in which case the assessments shall commence on the first day of the month following the date on which the applicable Governmental Entity issues a certificate of occupancy (temporary or permanent) for the building, (ii) all properties dedicated to and accepted by a public authority, (iii) all Neighborhood Commons, and (iv) any Parcel deemed exempt pursuant to the Paragraph below regarding Non-Profit Entities. Collectively, the property referred to in items (i) through (iv) of the preceding sentence shall constitute the "Exempt Community."

Non-Profit Entities. Parcels that are used by non-profit entities primarily for the benefit of residents of the Residential Neighborhood may have a zero allocation. The Founder may grant such exempt status of record at any time up to and including the time of conveyance of the Parcel to someone other than the Founder. Once granted, such exempt status continues so long as the use of the Parcel remains substantially the same. The Board also has the authority to grant exempt status for qualified entities upon terms and conditions established by the Board.

Determination by Neighborhood Association. The Board, using reasonable discretion, has the authority to determine the type of Parcel and may establish rules for the assessment of unimproved lots, determination of residential and commercial use and other matters relating to assessment. The Neighborhood Association's agent may enter and examine buildings at reasonable times for assessment purposes. An Owner shall have the right to a hearing before the Board to appeal an assessment evaluation; however, the decision of the Board after the hearing is final.

Transfer Fees

Certain assessments are paid upon the conveyance of property:

- **Foundation Contribution.** If the Founder creates a Foundation, then, once the Foundation is established, the buyer of a Parcel shall pay a Foundation Contribution to the Foundation to fund the entity's arts, cultural and community projects whenever a Parcel is conveyed other than (i) to the Founder, (ii) as a conveyance from the Founder or its designated entities to a builder for resale or to the first non-builder buyer, or (iii) as a conveyance from a builder for resale to the first non-builder buyer. If the buyer fails to pay the Foundation Contribution, the seller shall be responsible for this contribution. The Foundation Contribution shall initially be set at one-tenth of one percent (0.1%) of the purchase price. At the request of the Board of Directors of the Foundation, the Neighborhood Association may increase the amount of the Foundation Contribution to not more than one-quarter of one percent (0.25%) of the purchase price. After establishment of the Foundation, the Neighborhood Association shall, if requested by the Foundation collect the Foundation Contribution as agent for the Foundation. The Foundation shall have authority to enforce collection of Foundation Assessments in the same manner as the Neighborhood Association may enforce collection of General and Special Assessments.

The Foundation Contribution is not required to be paid by an institutional first mortgagee who acquires title as the result of a foreclosure or deed in lieu, but shall be paid by a third-party purchaser at foreclosure or upon the conveyance by the mortgagee to a subsequent Owner.

The Foundation. Neither the Founder nor the Neighborhood Association shall have any obligation to maintain the Foundation. If, once created, the Foundation ceases to exist, then the Neighborhood Association may elect to: (i) continue to collect the Foundation Contribution, but

utilize the collected funds for arts, cultural and community projects; (ii) direct the funds to another charitable organization having a similar purpose as the Foundation; or (iii) discontinue collection of the Foundation Contribution.

Collection of Assessments

Each Owner is required to pay all Assessments (General Assessments, Special Assessments, Individual Parcel Assessments, Zone Assessments and Foundation Contributions) assessed to that Parcel. The Neighborhood Association has the right to institute reasonable policies concerning late fees and interest, which such Owner is also required to pay. The Neighborhood Association may require Owners who are delinquent in paying their Assessments to pay Assessments on a pro-rated monthly or quarterly basis.

Commencement of Assessment Obligation. The Owner's obligation to pay Assessments begins on the first day of the month following: (i) the month in which the Parcel is made subject to this Book, or (ii) the month in which the Board first determines a budget and levies Assessments under this Book, whichever is later. The first annual General Assessment and Zone Assessment, if applicable, levied on a Parcel shall be adjusted according to the number of months remaining in the fiscal year at the time Assessments begin on the Parcel.

Owners pay Assessments in the manner and on the dates the Board establishes. Owners shall be required to provide a credit card number against which the Board may charge Assessments. The Board shall require advance payment of Assessments at closing of the transfer of title to a Parcel and may impose special requirements for Owners with a history of delinquency. If the Board elects, Assessments may be paid quarterly or in monthly installments. Unless the Board establishes otherwise, Assessments shall be due and payable in advance on the first day of each fiscal year.

Collection Costs. If any Assessment is still delinquent ten (10) days after the Neighborhood Association has delivered a warning letter to the Owner's last known address, the Neighborhood Association has the right to also charge the Owner with the Neighborhood Association's collection costs, including a reasonable attorney's fee, whether or not suit is brought. The Neighborhood Association may also establish late fees for delinquent payment of assessments.

Legal Remedies. The obligation to pay Assessments and costs is both a personal obligation of the Owner and a lien on the Parcel. (The past-due Assessments, plus late-fee, interest to the time of collection and the Neighborhood Association's attorney's fees and other collection costs are called the "Assessment Charge.") The Neighborhood Association may bring an action at law against the Owner personally obligated to pay the Assessment Charge, or may foreclose the lien in the manner permitted by the South Carolina Code or both.

- **Personal Obligation.** The Assessment Charge shall be the personal obligation of the person or entity that was the Owner of the Parcel at the time when the Assessment

Charge was levied, and of each subsequent Owner. No Owner may waive or otherwise escape liability for the Assessment Charge by abandonment of the Parcel.

- **Creation of Lien.** The Assessment Charge shall also be a continuing lien upon the Parcel against which the Assessment Charge is made. This lien, in favor of the Neighborhood Association, shall secure the Assessment Charge which is then due and which may accrue subsequent to the recording of the claim of lien and prior to entry of final judgment of foreclosure. Any subsequent Owner of the Parcel shall be deemed to have notice of the Assessment Charge. The lien shall be prior to all other subsequent liens and encumbrances except (i) real estate tax liens on that parcel, (ii) liens and encumbrances recorded prior to the recordation of the Book, and (iii) sums unpaid on and owing under any mortgage or deed of trust recorded prior to the perfection of the lien for Assessments. The provisions of this paragraph do not affect the priority of mechanics' and materialmen's liens.

The Neighborhood Association may bid for an interest in any Parcel foreclosed at such foreclosure sale, may acquire a Parcel, and may subsequently hold, lease, mortgage and convey the acquired Parcel.

Other Remedies. The Neighborhood Association shall have the right to suspend the voting rights and the right to use of the Neighborhood Commons by an Owner, and may prohibit the leasing of the Parcel for any period during which any Assessment against the Parcel remains unpaid.

Notice to Purchasers

If there are any Assessments unpaid on the Parcel, you will automatically become liable for those Assessments when you accept a deed. You should contact the Neighborhood Association before purchasing a Parcel to make sure no Assessments are owed. You should also inquire about Special Assessments which may have been assessed but which are not yet owed.

The Treasurer of the Neighborhood Association, or managing agent if one has been employed by the Board, upon request of any Owner or contract purchaser, will furnish a certificate signed by a member of the Board or individual designated by the Board stating whether assessments are paid to date by that Owner and whether any Special Assessments have been levied. Such a certificate, when signed by the appropriate individual designated by the Board, may be relied upon by a good faith purchaser or mortgagee. The Neighborhood Association may charge a reasonable amount for such statements.

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The Future

It's impossible to envision all the things that might happen as Hammond's Ferry grows and matures. This Book tries to give the residents the tools and flexibility they need to confront issues as they arise.

Additional Neighborhood Association Powers

The Neighborhood Association may, but is not obligated to provide any service allowed by law to be provided by a property owners' association under the South Carolina Code. The Board may, by majority vote, initiate or terminate any services, which shall take effect sixty (60) days after notice to the Owners, except in an emergency. As determined by the Board depending upon the nature of the service, the cost of any such additional service may be part of the common expenses of the Neighborhood Association, may be assessed as an Individual Parcel Assessment to affected Parcels or may be provided on a fee-for-service or other reasonable basis as determined by the Board.

Amendment

The Founder may amend this Book without the consent of any party (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Veterans Administration, Federal National Mortgage Neighborhood Association or any other generally recognized institution involved in the guarantee or purchase and sale of mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, (iii) to clarify the Book's provisions or correct errors or inconsistencies, (iv) to subject additional property to this Book or in connection with supplemental declarations or to withdraw property from the Residential Neighborhood, (v) to change a name pursuant to the Master Declaration, or (vi) to conform to any law then in effect.

The Founder may amend this Book without approval by the Owners or the Board during the period of time that the Founder has the right to appoint a majority of the Board. This Book may also be amended at any time by an instrument signed by the President or Vice President and Secretary of the Neighborhood Association, certifying approval in writing by Owners representing two-thirds (2/3) of the voting rights, with the following limitation:

- Rights reserved to the Founder may not be amended without the specific consent of the Founder.
- Provisions concerning voting rights and allocation of assessments cannot be amended without the consent of two-thirds (2/3) of each category (Class A and Class B) of affected

Parcel Owners, except that after the Period of Founder Control has terminated, only consent of two-third (2/3) of the Class A Parcel Owners will be required.

Any amendment takes effect upon its recordation in the Register of Mesne Conveyances of Aiken County, South Carolina.

Duration

The covenants and restrictions contained in this Book shall run with and bind the Residential Neighborhood and shall inure to the benefit of and be enforceable by the Founder, the Neighborhood Association and its Board, and all Owners of the Neighborhood Association, their respective legal representatives, heirs, successors or assigns for twenty (20) years, and shall be automatically extended for each succeeding twenty-year period unless an instrument signed by Owners representing 80% of the voting rights in the Neighborhood Association shall have been recorded, agreeing to terminate the Book as of a specified date; notwithstanding the foregoing, so long as the Founder owns any Parcels in the Neighborhood, the Founder's consent shall be required in order to terminate the Book.

Once the Founder no longer owns any Parcels in the Neighborhood, this Book may also be terminated at any time by:

- Unanimous Consent. The Book may be terminated at any time by the consent in writing of all Owners and the Founder, or
- Dedication of Neighborhood Commons. The Book may be terminated by owners representing two-thirds (2/3) of the votes in the Neighborhood Association, if the Neighborhood Commons have been accepted for dedication or taken by eminent domain by the appropriate unit of local government.

7 Definitions

Additional Community. "Additional Community" means the real property added to the Neighborhood in accordance with the Master Declaration.

Affiliate of the Founder. The "Affiliate of the Founder" means any Person directly or indirectly controlling, controlled by or under common control with the Founder. "Control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting securities, by contract, or otherwise, and the beneficial ownership of shares representing 10% or more of the votes entitled to be cast by a Person's voting shares.

Articles. "Articles" are the Articles of Incorporation of the Neighborhood Association.

Assessments. "Assessments" is the collective term for the following Neighborhood Association charges, all as further described in Chapter 5:

- **General Assessment.** The "General Assessment" is the amount allocated among all Owners to meet the Neighborhood Association's annual budgeted expenses.
- **Individual Parcel Assessment.** An "Individual Parcel Assessment" is a charge made to a particular Parcel Owner for charges relating only to that Parcel.
- **Special Assessment.** A "Special Assessment" may be charged to each Parcel for capital improvements or emergency expenses.
- **Zone Assessment.** A "Zone Assessment" is a charge made to a particular Parcel for expenses relating only to Parcels in that Zone.
- **Foundation Contribution.** If the Founder creates a Foundation, then, after the establishment of this entity, a "Foundation Contribution" to benefit the Foundation is paid upon each sale other than from the Founder or its designated entities to a builder for resale.

Board. "Board" is the Board of Directors of the Neighborhood Association.

Book. The "Book" is this Hammond's Ferry Book of Operating Principles, recorded in the Register of Mesne Conveyances of Aiken County, South Carolina, as amended from time to time.

Bylaws. The term "bylaws" refers to the bylaws of the Neighborhood Association, as amended from time to time.

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Certificate of Completion. The HFDC issues a "Certificate of Completion" in recordable form upon correction of all deficiencies noted in the Certificate of Substantial Conformance.

Certificate of Substantial Conformance. The HFDC issues a "Certificate of Substantial Conformance" when the primary building and landscaping are completed in substantial compliance with the approved plans and specifications. The certificate describes any minor areas of deficiency that need to be corrected.

Commercial Property. "Commercial Property" is a Parcel used for office, retail use or other business use, but does not include a live/work Parcel, the Residential Units of a mixed-use Parcel, or a home office on an otherwise Residential Parcel.

Common Roads. "Common Roads" are the streets and alleys located within the Residential Neighborhood that are intended for automobile traffic. Most of the Common Roads are intended to be dedicated to the public. Any Common Roads not dedicated to the public shall be part of the Neighborhood Commons.

Design Code. The "Design Code" is the Hammond's Ferry Design Code.

Founder. The "Founder" is North Augusta Riverfront Company, LLC, a Delaware limited liability company (a subsidiary of LeylandAlliance LLC, of Tuxedo, New York), and its successors as Founder.

Governmental Entity. A "Governmental Entity" is any local, state, or federal agency or authority with jurisdiction over activities occurring at Hammond's Ferry.

Hammond's Ferry. "Hammond's Ferry" is the community described in the Master Declaration.

Hammond's Ferry Commons. The "Hammond's Ferry Commons" comprises both the Neighborhood Commons and the Business Commons.

Hammond's Ferry Design Code. The "Hammond's Ferry Design Code" or the "Design Code" includes the Hammond's Ferry Riverfront Code, the Pattern Book, a lot protocol plan, and other design guidelines that may be developed, approved, and used from time to time. The Design Code establishes the plan for the development of Hammond's Ferry through its regulation of land use and architecture. The Design Code is originally adopted by the Founder and may be amended from time to time in accordance with the Master Declaration. The Design Code does not need to be recorded to be effective but shall be available from the HFDC.

Hammond's Ferry Design Committee. The "Hammond's Ferry Design Committee" or "HFDC" is the panel established by the Master Declaration to review and approve modifications to Parcels and to perform other tasks described in this Book and the Master Declaration.

Hammond's Ferry Riverfront Code. The "Hammond's Ferry Riverfront Code" is part of the Hammond's Ferry Design Code and is included as a non-binding exhibit to the zoning ordinance for Hammond's Ferry.

HFDC. The HFDC is the Hammond's Ferry Design Committee.

Improvements. "Improvements" mean any buildings, underground installations, slope alterations, lights, roads, driveways, utility facilities and lines, parking areas, fences, satellite dishes, rooftop installations, screening walls and barriers, retaining walls, stairs, decks, windbreaks, plantings, planted trees or shrubs, poles, signs, loading areas and any structures or landscaping improvements of every type and kind.

Including. Wherever the term "including" occurs in this Book, it shall be interpreted broadly and without limitations as "including but not limited to".

Lot. "Lot" means any portion of Hammond's Ferry now or hereafter designated as a Lot or parcel of land (other than Neighborhood Commons, dedicated public roads, or other areas dedicated to public use) on a recorded plat of subdivision or resubdivision of Hammond's Ferry or on a governmental approved site plan. If no plat is recorded, a Lot is each parcel of land (other than Neighborhood Commons, dedicated public roads, or other areas dedicated to public use) conveyed as a separate parcel of real estate, and includes any Improvements now or hereafter constructed on the Lot.

Master Declaration. The "Master Declaration" is the Hammond's Ferry Master Declaration of Codes, Covenants and Easements, recorded in the Register of Mesne Conveyances of Aiken County, South Carolina, as amended from time to time. The Master Declaration establishes architectural control, reserves certain rights to the Founder and places other restrictions on the use of Hammond's Ferry.

Member. Each adult owner of property in the Residential Neighborhood in Hammond's Ferry is a "Member" of the Neighborhood Association.

Mortgagee. A "Mortgagee" is the holder of a mortgage.

Neighborhood. The "Neighborhood" is that real property identified as such in the Master Declaration and any Supplemental Declarations.

Neighborhood Association. "Neighborhood Association" is Hammond's Ferry Neighborhood Association, Inc., a South Carolina nonprofit corporation.

Neighborhood Commons. "Neighborhood Commons" comprises real property within the Residential Neighborhood as designated on a plat or specifically conveyed to the Neighborhood Association, for the common use and enjoyment of all Owners. "Neighborhood Commons" also include any improvements on that real property, all utilities, utility easements and other easement

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rights or personal property for the Owner's common use, and any other property of any type specifically designated as Neighborhood Commons. The Neighborhood Commons may include areas dedicated to the public to the extent that the Neighborhood Association agrees to maintain, or is required to maintain, such property.

Occupant. "Occupant" means any Person who occupies and/or who is entitled to use a part of Hammond's Ferry as Owner, lessee or licensee, or in any other capacity other than as the beneficiary of an easement.

Owner. "Owner" is the record owner, whether one or more persons or entities, of fee simple title to any Parcel. Owners shall not include those having such interest merely as security for the performance of an obligation, or condominium associations (but shall include the condominium Owners individually).

Parcel. A "Parcel" means any plot or parcel of land designated for separate ownership or occupancy in the Neighborhood other than a common area, and a unit in a condominium association.

Period of Founder Control. The "Period of Founder Control" under the Book is that period during which the Founder may appoint the majority of the Directors on the Board.

Person. A "Person" is any natural person, corporation, partnership, trust, limited liability company, or other entity

Potential Neighborhood. The "Potential Neighborhood" is that real property identified on Exhibit A to this Book and any Supplemental Declarations.

Register. The "Register" is the Register of Mesne Conveyances of Aiken County, South Carolina, or such other place in Aiken County where real estate documents and records relating to title to real estate are maintained.

Residential Neighborhood. The "Residential Neighborhood" is that real property identified on Exhibit B to this Book and any Supplemental Declarations.

Residential Property. "Residential Property" is all property that is subject to the Book, plus additions and less withdrawals made according to the terms of the Book.

Residential Unit. A "Residential Unit" is an individual dwelling unit such as a single-family residence, townhouse or other attached dwelling (such as each half of a duplex unit), an apartment or condominium unit, or a residential dwelling within a mixed-use building.

Rules and Regulations. The "Rules and Regulations" mean any rules and regulations adopted from time to time by the Founder or the Neighborhood Association to implement the objectives of this Book.

Special Use Parcel. A "Special Use Parcel" is a Parcel of unconventional size, shape, location or use that calls for special design or economic considerations.

Supplemental Declaration. "Supplemental Declaration" is any instrument that may be recorded by the Founder or the Neighborhood Association as provided in the Book.

Wheeled Transport. "Wheeled Transport" means bicycles, scooters, skateboards, roller skates, roller blades, tricycles, wheelchairs, Segway Human Transport, wagons, baby strollers and similar means of transportation, working on wheels or tracks, whether or not motorized, but not including motorcycles, motorized go carts, all terrain vehicles or mini-bikes.

Zone. "Zones" are smaller areas within the Residential Neighborhood of distinct building types or character or Parcel type or character. Owners of property within a Zone may be assessed for maintenance of property primarily serving that Zone.

Zoning Ordinance. "Zoning Ordinance" means any applicable ordinances, regulation or provision enacted by the applicable governing body of the City of North Augusta, South Carolina, regulating, restricting, permitting or prohibiting the use of land and the construction of Improvements thereon and, for the purpose of this definition, shall include the conditions and provisions of any special or conditional use permit affecting any portion of Hammond's Ferry or any other government-controlled or directed process affecting any portion of Hammond's Ferry.

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Miscellaneous Provisions and Signatures

Authority. This Book shall be administered by the Founder until the Founder no longer owns any Parcels in Hammond's Ferry, and then by the Association or by any managing agent for Hammond's Ferry designated by the Neighborhood Association.

Effect of Invalidation. If any provision of this Book (including any attachment, exhibit, or items incorporated by reference) is held to be invalid or unenforceable by any court, the invalidity of such provision shall not affect the validity of the remaining provisions of this Book, which shall continue unimpaired and in full force and effect and shall be construed to the fullest extent practicable as if such invalid or unenforceable provision had not been included in this Book.

Interpretation. This Book shall be interpreted for the mutual benefit and protection of the Owners and Occupants of Hammond's Ferry and in furtherance of the basic goals of this Book. Any discrepancy, conflict or ambiguity which may be found herein shall be resolved and determined by the Founder or the Neighborhood Association (to the extent the Founder's rights under this Book have been assigned to the Neighborhood Association) and, in the absence of an adjudication by a court of competent jurisdiction to the contrary, such resolution and determination shall be final. This Book and rights of the Owners within Hammond's Ferry shall be governed by the laws of that State of South Carolina.

Exhibits and Appendices. All Exhibits and Appendices attached to this Book are incorporated by reference and made a part of this Book.

Captions; Capitalized Terms; Gender. The paragraph headings and captions appearing in this Book are inserted only as a matter of convenience and for reference and in no way limit or otherwise affect the scope, meaning or effect of any provisions of this Book. Terms that are capitalized in this Book shall have the meaning set forth in Chapter 7 of this Book unless the context plainly makes such meaning inappropriate. Whenever the singular number is used in this Book, the same shall also include the plural, and the masculine gender shall include the feminine and neuter genders, and vice versa, as the context requires.

Community Cooperation. Owners of property in Hammond's Ferry shall cooperate to utilize the Neighborhood Commons for the benefit of Hammond's Ferry. The Owners are encouraged to conduct events and undertakings to build a sense of community as well as to participate with surrounding neighborhoods in creating a "place" for Owners and their neighbors.

Compliance with Zoning Laws. All Owners shall comply with the Zoning Ordinance and all other applicable federal, state, and local laws including the City of North Augusta, South Carolina, noise and nuisance ordinances.

Constructive Notice and Acceptance. Each Owner, Occupant or other Person, by acceptance of a deed conveying title to a part of Hammond's Ferry, or the execution of a contract for the purchase thereof, or the acceptance of a lease or license therefore, or the taking possession thereof, whether from the Founder or other Owner or lessee, shall for itself, his successors and assigns, be deemed to (i) accept such deed, contract, lease, license or possession upon and subject to each and all of the provisions of this Book, and (ii) covenant, to and with the Founder, and the other Owners to keep, observe, comply with and perform the requirements of this Book, whether or not any reference to this Book is contained in the instrument by which such Person acquired his or her interest. Owners agree to refer to this Book in deeds, leases and licenses covering any portion of Hammond's Ferry in order to acknowledge that this Book is and shall be binding upon all Owners and Occupants, but the failure to do so shall not affect the binding nature of this Book on all future Owners within Hammond's Ferry.

Notice to the Founder. Any and all notices or other communication required or permitted by this Book, or by law to be served on or given to the Founder must be in writing and shall be deemed appropriately served and given when the notice or communication is personally delivered, or in lieu of such personal service, on the third business day after it is deposited in the United States mail, first class, postage prepaid, certified or registered mail, return receipt requested, addressed to the Founder as follows:

North Augusta Riverfront Company, LLC
Attn: N. Turner Simkins
406 West Avenue
North Augusta, SC 29841

with copies to:
J. Noel Schweers, III
One Tenth Street, Suite 750
Augusta, Georgia 30901

or to such other address as the Founder may specify by Supplemental Declaration executed by the Founder without need for the consent of any other Owners.

Notice to Owners. Notice to any Owner (other than the Founder) or Occupant or to any Mortgagee shall be deemed duly served when personally delivered to the Person to whom it is directed, or in lieu of such personal service, on the third business day after it is deposited in the United States mail, first-class postage prepaid, certified or registered mail, return receipt requested, addressed to (i) the Owner or Occupant at the address as shown in the applicable County or City tax records, or to such other address as designated by the Owner or Occupant, in writing to the Founder, as applicable; and (ii) to such Mortgagee at the address designated by the Mortgagee in writing to the Neighborhood Association.

Waiver. Neither the Founder, nor the HFDC, nor the Neighborhood Association or its Board nor their successors or assigns shall be liable for damages to any Owner, lessee, licensee, or Occupant by reason of any mistake in judgment, negligence, nonfeasance, action or inaction in

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the administration of the provisions of this Book, the Hammond's Ferry Design Code or the Rules and Regulations or for the enforcement or failure to enforce this Book, the Hammond's Ferry Design Code or the Rules and Regulations or any part thereof; and every Owner or Occupant, by acquiring an interest in Hammond's Ferry, agrees that he, she or it will not bring any action or suit against the Founder, Affiliates and principals of the Founder, the Affiliates and principals of the Founder, the HFDC or its members, the Neighborhood Association or its Board to recover damages or to seek equitable relief on account of their enforcement or non-enforcement of this Book.

Consent of Mortgagees. This Book contains provisions concerning various rights, priorities, remedies and interests of Mortgagees. When Mortgagees are specifically referenced, such provisions are to be construed as covenants for the protection of the Mortgagees on which they may rely in making loans secured by a mortgage on a Parcel. Accordingly, no amendment or modification of this Book specifically impairing such rights, priorities, remedies or interests of a Mortgagee shall be adopted without the prior written consent of the Mortgagees. This section shall not be construed, however, as a limitation upon the rights of the Founder or the Owners to make amendments other than those directly concerning mortgages. Any such required consent shall be given promptly and shall not be unreasonably withheld. Any consent not given or denied within 30 calendar days of receipt of request for consent shall be deemed given.

Re-recording. Unless this Book is terminated, the Neighborhood Association shall rerecord this Book or other notice of its terms at intervals necessary under South Carolina law to preserve its effect.

WITNESS the Hand and Seal of the duly authorized officer of North Augusta Riverfront Company, LLC, as of the day and year first above written.

Signed, sealed and delivered in the presence of:

NORTH AUGUSTA RIVERFRONT COMPANY, LLC

[Signature]
WITNESS No. 1

By: [Signature]
N. Turner Simkins
As its General Manager

[Signature]
WITNESS No. 2

STATE OF Georgia
COUNTY OF Richmond

Personally appeared before me the undersigned witness and made oath that s/he saw the within named N. Turner Simkins as the General Manager of North Augusta Riverfront Company, LLC sign, seal and, as the act and deed of said company, deliver the within-written Book of Operating Principles for the purposes therein mentioned and that s/he, with the other witness whose signature appears above, witnessed the execution thereof.

SWORN to before me this 3rd day of February, 2006.

[Signature]
Notary Public, Richmond County,
State of GA
My commission expires _____
(Notary Seal)

[Signature]
WITNESS No. 1



Appendix I: Early Years

This appendix contains information about how the community is to operate in the earlier years. It gives a timetable for various transitions from complete developer control to independence. When the transition is complete, this appendix is no longer necessary and may be disregarded.

Board

The Neighborhood Association is created before the sale of the first Parcel. When the community gets started, the Founder selects the first Board and operates the Neighborhood Association because, quite simply, there's no one else there to do it. The Founder also has a major interest in the Neighborhood Association activities during the development period. However, it is important for the Owners to gain experience in issues of concern to the Neighborhood Association, so that the Owners are prepared to take control of the Neighborhood Association when the Founder has completed the community. For that reason, the Founder has a lot of control, and the Owners have very little in the beginning years. However, as the community matures, the involvement of the Owners increases - initially, as the first resident is elected to the Board, and later, when control of the Board is delivered to the residents.

	<i>Occurs upon the first of the following...</i>	<i>What Happens Then...</i>
Transition Point I	<ol style="list-style-type: none"> 1. At least 100 Parcels have been purchased by individual Owners other than builders, or 2. Voluntary assent of the Founder. 	The Board has three members, all selected by the Founder until 100 Parcels have been sold to Owners (other than builders for resale). Once 100 Parcels have been sold to Owners (other than builders for resale), the Owners elect one member of the Board.
Transition Point II	<ol style="list-style-type: none"> 1. At least 250 Parcels have been purchased by individual Owners other than builders, or 2. Voluntary assent of the Founder. 	Once 250 Parcels have been sold to Owners (other than builders for resale), the Board increases in size to five members, and the Owners elect two members of the Board, while the Founder selects three members of the Board.

	<i>Occurs upon the first of the following...</i>	<i>What Happens Then...</i>
Transition Point III	<ol style="list-style-type: none"> 1. Completion of construction for all Parcels, or 2. Voluntary assent of the Founder. 	When all Parcels in the Neighborhood have been sold to Owners (other than builders for resale), the Founder no longer designates any directors and all directors are selected by the Owners.

The Neighborhood Commons

At the time that the first Parcels are conveyed to Owners, the Founder will still be developing portions of community, and this development will likely continue for a period of years. The Founder has reserved in the Book various easements and rights that it needs to be able to complete development of the community. The Founder may convey to the Neighborhood Association additional Neighborhood Commons as they are completed. The Neighborhood Association is required to accept these additional Neighborhood Commons for maintenance.

Finance

Founder's Assessments; Founder's Guarantee. The Founder or its designated entities shall be excused from payment of General Assessments during the Guarantee Period as defined below. The Founder guarantees to Owners that their General Assessments during the Guarantee Period shall not exceed the initial General Assessment (subject to the increases set forth below). The Founder agrees to pay any Neighborhood Association expenses incurred during the Guarantee Period and normally paid through General Assessments that exceed the amount produced by the General Assessments during that time. The Guarantee Period shall begin upon the recordation in the Register of Mesne Conveyances of Aiken County, South Carolina, of the first deed of conveyance of a Parcel in the Residential Neighborhood and shall end at the conclusion of the third subsequent full fiscal year (so that three (3) full fiscal years are guaranteed). The Guarantee Period shall then be automatically extended for successive six-month periods up to an additional three years unless terminated upon written notice by the Founder to the Neighborhood Association at least thirty (30) days before the end of then-current Guarantee Period. During the Guarantee Period, the General Assessments may be increased by up to 15% per year.

The Founder may, at its sole discretion, pay General Assessments on the Parcels it owns, rather than subsidize the Neighborhood Association expenses during the Guarantee Period.

Owner's Assessments. Each Owner begins paying annual General Assessments from the time the Parcel is conveyed, prorated to the month of closing. The Owner shall be required to pay the remainder of that year's General Assessments in advance. If there is a Special Assessment in effect for that Parcel, it will also be prorated to the month of closing.

Hammond's Ferry Book of Operating Principles

Assignment of Developer Rights

The Founder may assign all or any portion of its rights or obligations under the Book at any time to a successor or assign, or to the Foundation, or the Neighborhood Association.

Additional Information

Neither the Neighborhood Association nor the Founder makes any representation or assumes any liability for any loss or injury.

EXHIBIT A**Potential Neighborhood**

All that lot, tract or parcel of land containing approximately 195 acres lying to the South of the City of North Augusta Greenway Trail as shown on that certain Plat dated November 26, 2002, revised December 23, 2002, prepared by W. R. Toole Engineers, Inc. for the City of North Augusta and recorded in the records of the Register of Mesne Conveyances of Aiken County, South Carolina in Plat Book 46, page 97. The Project Area is bounded as follows: on the North by the City of North Augusta Greenway Trail, on the East by Georgia Avenue, on the South by the Savannah River and on the West by Campbell Town Landing Subdivision and other property of the City of North Augusta. Reference is hereby made to said plat for a more complete description of the Project Area.

EXHIBIT B**Description Of The Residential Neighborhood**

The Residential Neighborhood shall include all of the real property as described on that certain plat entitled "Conditional Final Plat for Hammond's Ferry Phase A1 located in the City of North Augusta, North Augusta, South Carolina" prepared by Davis & Floyd Engineering, Architecture, Environmental & Laboratory Services, dated January 5, 2006, and duly recorded on January 19, 2006, in the records of the Register of Mesne Conveyances of Aiken County, South Carolina, at Plat Book 50, pages 845-847, except for Lot 1, Block 4 and Lot 18, Block 10, which shall not be part of the Residential Neighborhood.

Active3035823.10

Hammond's Ferry Book of Operating Principles

DEEMED TO BE A TRUE AND CORRECT COPY
AS TAKEN FROM AND COMPARED WITH THE
ORIGINAL ON FILE IN THIS OFFICE

JAN 20 2006

Mark Hammond
SECRETARY OF STATE OF SOUTH CAROLINA

Hammond's Ferry

NORTH AUGUSTA'S RIVERFRONT

Articles of Incorporation of Hammond's Ferry Neighborhood Association, Inc.

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060120-0132 FILED: 01/20/2006
HAMMOND'S FERRY NEIGHBORHOOD ASSOCIATION, INC.
Filing Fee: \$25.00 ORIG



Hammond's Ferry

Mark Hammond

South Carolina Secretary of State

ARTICLE I

NAME

The name of the corporation is Hammond's Ferry Neighborhood Association, Inc., hereinafter called the "Neighborhood Association". This corporation is a public benefit corporation.

ARTICLE II

PURPOSES

The Neighborhood Association does not contemplate monetary gain or profit to the Members thereof, and the specific purposes for which it is formed are to provide for the management, maintenance and care of certain real estate within the development known or to be known as "Hammond's Ferry" located in North Augusta, South Carolina, as provided in the Hammond's Ferry Book of Operating Principles made by North Augusta Riverfront Company, LLC, a Delaware limited liability company, recorded in the Register of Mesne Conveyances of Aiken County, South Carolina (as the same may be amended or supplemented from time to time, the "Book" and to provide a means whereby the Members, acting together, may provide for the management, maintenance, care and operation of the Neighborhood Commons and for this purpose to: (a) enforce the Book and exercise all of the powers and privileges and perform all of the duties and obligations of the Neighborhood Association thereunder; (b) fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the Book and the Bylaws of the Neighborhood Association; (c) pay all expenses of the Neighborhood Association; (d) subject to the Book and the Bylaws, acquire, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Neighborhood Association; and (e) have and exercise any and all powers, rights and privileges which a corporation organized under the South Carolina Nonprofit Corporation Act of 1994, as amended, may by law now or hereafter have or exercise. No part of the net earnings of the Neighborhood Association shall inure (other than by providing management, maintenance and care of the Neighborhood Commons and other than by a rebate of excess membership dues, fees and assessments) to the benefit of any private individual.

ARTICLE III

DEFINITIONS

Except as expressly defined herein, all capitalized terms used herein shall have the respective meanings set forth in the Book.

ARTICLE IV **MEMBERSHIP**

The Neighborhood Association shall have Members. Every Owner of a Parcel subject to the Book shall be a Member of the Neighborhood Association. Membership of an Owner shall not be separated from ownership of such Parcel. Upon the closing of the sale of a Parcel, the membership appurtenant to the Parcel of the selling Owner shall cease and the purchasing Owner shall become a Member of the Neighborhood Association.

ARTICLE V **VOTING RIGHTS**

Section 5.1 Votes. Each Member shall be entitled to cast that number of votes equal to relative value allocated to his Parcel type under the Book. Where ownership of a Parcel is in more than one person or is held by an entity, voting shall be conducted in accordance with the Bylaws.

Section 5.2 Suspension of Voting Rights. The Board of Directors of the Neighborhood Association (the "Board") may suspend the voting rights of any Member subject to assessment under the Book during the period when any assessment shall remain delinquent, but upon payment of such assessment, the voting rights of such Member shall automatically be restored.

ARTICLE VI **BOARD OF DIRECTORS**

Section 6.1 Number and Classes of Directors. The number of directors shall be three, but shall be increased to five once 100 Parcels in the Residential Neighborhood have been purchased by Member other than the Founder or its designated entities. There shall initially be two classes of directors. Class A Directors shall be elected by the Members. Class B Directors shall be appointed by the Founder. Once 100 Parcels in the Residential Neighborhood have been purchased by Members other than the Founder or its designated entities, there shall be one (1) Class A Director elected at large by the Members, and two (2) Class B Directors shall be appointed by the Founder. Before such election, all directors shall be Class B Directors appointed by the Founder and there shall be no Class A Directors. Once 250 Parcels in the Residential Neighborhood have been purchased by Members other than the Founder or its designated entities, the number of directors shall increase to five (5), and there shall be two (2) Class A Directors elected at large by the Members, and three (3) Class B Directors shall be appointed by the Founder. After all the Parcels in the Neighborhood have been conveyed to Members other than the Founder or its designated entities, there shall be only one class of directors, all of whom shall be elected by the Members. The Founder may, at its sole option, accelerate the point(s) in time where there Members elect additional Class A Directors. The Class A Directors and Class B Directors need not be Members.

Section 6.2 Founder's Right to Appoint and Remove Directors. Founder shall have the right to appoint or remove Class B Directors.

Section 6.3 Election of Class A Directors. Each Class A Director shall be elected by a vote of the Members.

Section 6.4 Removal of Class A Directors. At any regular or special Duly Called Meeting of the Neighborhood Association where the meeting notice states that the purpose, or one of the purposes, of the meeting is removal of one or more Class A Directors, such Class A Director(s) may be removed, with or without cause, by a majority of the votes entitled to be cast by the Members.

Section 6.5 Vacancies. When there are no longer any Class B Directors on the Board, vacancies in the Board occurring for any reason other than the removal of a director by vote of the Members shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board. During the period when both Class A and Class B Directors are on the Board, if a vacancy occurs as to the Class A Director(s), the remaining directors (or, if none, the Founder) shall call a special meeting of the Neighborhood Association as soon as practical thereafter in order to elect new Class A Director(s). The Founder shall fill all vacancies of Class B Directors. Each person elected or appointed to fill a vacancy as described in this section shall serve the unexpired portion of the term of the director being replaced.

Section 6.6 Disqualification for Contracts with Founder. As long as the requirements of Section 33-31-831 of the Code of Laws of South Carolina (the "South Carolina Code") are met, no director shall be required to disqualify himself or herself upon any vote upon any management contract or other contract or lease or matter between the Founder (or any individual, partnership, corporation or other entity having an affiliation with the Founder) and the Neighborhood Association.

Section 6.7 Term of Office. Class A Directors, other than those elected to fill the unexpired portion of the term of a director being replaced as provided for in Section 6.5 above, shall serve until the second annual meeting following their election. Directors may be reelected for subsequent terms. Class B Directors shall serve until required to resign due to the transition provisions of Section 6.1 of these Articles of Incorporation or until removed by the Founder.

ARTICLE VII LIMIT ON LIABILITY AND INDEMNIFICATION

Section 7.1 Limit on Liability. In every instance in which the South Carolina Nonprofit Corporation Act of 1994, as it exists on the date hereof or may hereafter be amended from time to time, permits the limitation or elimination of liability of directors or officers of a corporation, the directors and officers of this Neighborhood Association shall not be liable to the Neighborhood Association or its Members.

Section 7.2 Mandatory Indemnification. The Neighborhood Association shall indemnify any individual who is, was or is threatened to be made a party to a civil, criminal, administrative, investigative or other proceeding (including a proceeding by or in the right of the Neighborhood Association or by or behalf of its Members) because such individual is or was a director or officer of the Neighborhood Association, or of any other legal entity controlled by the

Neighborhood Association, against all liabilities and reasonable expenses incurred by him or her on account of the proceeding in accordance with Sections 33-31-850 through 33-31-858 of the South Carolina Code, and, except such liabilities and expenses as are incurred because of his or her willful misconduct or knowing violation of the criminal law. Unless a determination has been made that indemnification is not permissible, the Neighborhood Association shall make advances and reimbursement for expenses incurred by any of the persons named above upon receipt of an undertaking from him or her to repay the same if it is ultimately determined that such individual is not entitled to indemnification. The Neighborhood Association is authorized to contract in advance to indemnify any of the persons named above to the extent it is required to indemnify them pursuant to this Section.

Section 7.3 Miscellaneous. The rights of each person entitled to indemnification under this Article shall inure to the benefit of such person's heirs, executors and administrators. Indemnification pursuant to this Article shall not be exclusive of any other rights of indemnification to which any person may be entitled, including indemnification pursuant to a valid contract, indemnification by legal entities other than the Neighborhood Association and indemnification under policies of insurance purchased and maintained by the Neighborhood Association or others. However, no person shall be entitled to indemnification by the Neighborhood Association to the extent he or she is indemnified by another, including an insurer.

ARTICLE VIII **DISSOLUTION**

If and when the Neighborhood Association is dissolved, all of the assets of the Neighborhood Association shall be transferred to another nonprofit owners' association or governmental agency having a similar purpose.

ARTICLE IX **AMENDMENT**

Subject to the Book, these Articles may be amended with the approval of two-thirds of the voting interests and, during the period in which the Founder may appoint Class B Directors, the consent of the Founder. The Board may amend these Articles in accordance with Section 33-31-1002 of the South Carolina Code, with the consent of the Founder during the time in which the Founder may appoint Class B Directors.

ARTICLE X **REGISTERED OFFICE AND AGENT**

The name of the registered agent is CT Corporation System, a corporation with a business office that is the same as the registered office. The post office and street address of the registered office is 75 Beattie Place, Greenville, SC 29601.

ARTICLE XI
INITIAL DIRECTORS

The initial directors and their respective addresses are:

N. Turner Simkins
406 West Avenue
North Augusta, South Carolina 29841

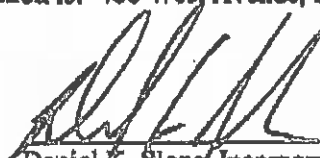
Howard Kaufman
16 Sterling Lake Road
Tuxedo, New York 10987-9735

Charles B. Walker
406 West Avenue
North Augusta, South Carolina 29841

ARTICLE XII
PRINCIPAL ADDRESS

The principle address of the corporation is: 406 West Avenue, North Augusta, South Carolina 29841.

Dated: September 12 2006



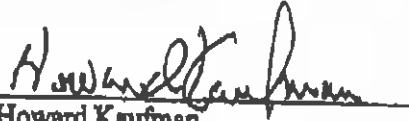
Daniel K. Slone, Incorporator

Address of Incorporator:
c/o McGuireWoods LLP
One James Center
901 East Cary Street
Richmond, Virginia 23219-4030

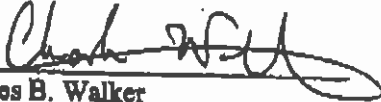
Initial Directors:



N. Turner Simkins



Howard Kaufman



Charles B. Walker

I hereby consent to the appointment as registered agent of the corporation.

CT Corporation System, Registered Agent

By: _____

Name: _____

Title: _____

Date: _____

I hereby consent to the appointment as registered agent of the corporation.

CT Corporation System, Registered Agent

By: 

Name: Judith E. Argo
Asst. Secretary & V. President

Title: _____

Date: 1/19/06

The State of South Carolina



Office of Secretary of State Mark Hammond

Certificate of Incorporation, Nonprofit Corporation

I, Mark Hammond, Secretary of State of South Carolina Hereby certify that:

HAMMOND'S FERRY NEIGHBORHOOD ASSOCIATION, INC.,
a nonprofit corporation duly organized under the laws of the State of South Carolina on January 20th, 2008, and having a perpetual duration unless otherwise indicated below, has as of the date hereof filed a Declaration and Petition for Incorporation of a nonprofit corporation for Religious, Educational, Social, Fraternal, Charitable, or other eleemosynary purpose.

Now, therefore, I Mark Hammond, Secretary of State, by virtue of the authority in me vested by Chapter 31, Title 33, Code of 1976 and Acts amendatory thereto, do hereby declare the organization to be a body politic and corporate, with all the rights, powers, privileges and immunities, and subject to all the limitations and liabilities, conferred by Chapter 31, Title 33, Code of 1976 and Acts amendatory thereto.

Given under my Hand and the Great
Seal of the State of South Carolina this
20th day of January, 2008.

A handwritten signature in cursive script that reads "Mark Hammond".

Mark Hammond, Secretary of State

CERTIFIED TO BE A TRUE AND CORRECT COPY
AS TAKEN FROM AND COMPARED WITH THE
ORIGINAL ON FILE IN THIS OFFICE

JAN 20 2006

Mark Hammond
SECRETARY OF STATE OF SOUTH CAROLINA



Articles of Incorporation
of
Hammond's Ferry Business District Association, Inc.

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Hammond's Ferry

000120-0131 FILED: 01/20/2006
HAMMOND'S FERRY BUSINESS DISTRICT ASSOCIATION, IN
Filing Fee: \$25.00 ORIG
Mark Hammond South Carolina Secretary of State

ARTICLE I

NAME

The name of the corporation is Hammond's Ferry Business District Association, Inc., hereinafter called the "Business District Association". This corporation is a public benefit corporation.

ARTICLE II

PURPOSES

The Business District Association does not contemplate monetary gain or profit to the Members thereof, and the specific purposes for which it is formed are to provide for the management, maintenance and care of certain real estate within the development known or to be known as Hammond's Ferry located in North Augusta, South Carolina, more particularly described as the "Business District" in the Declaration of Codes, Covenants and Easements for Non-Residential Property made by North Augusta Riverfront Company, LLC, a Delaware limited liability company, recorded in the records of the Register of Means Conveyances of Aiken County, County, South Carolina (as the same may be amended or supplemented from time to time, the "Business District Declaration"), and to provide a means whereby the Members, acting together, may provide for the management, maintenance, care and operation of the Business Commons and for this purpose to: (a) enforce the Business District Declaration and exercise all of the powers and privileges and perform all of the duties and obligations of the Business District Association thereunder; (b) fix, levy, collect and enforce payment by any lawful means of all charges or assessments pursuant to the Business District Declaration and the Bylaws of the Business District Association; (c) pay all expenses of the Business District Association; (d) subject to the Business District Declaration and the Bylaws, acquire, own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Business District Association; and (e) have and exercise any and all powers, rights and privileges which a corporation organized under the South Carolina Nonprofit Corporation Act of 1994, as amended, may by law now or hereafter have or exercise. No part of the net earnings of the Business District Association shall inure (other than by providing management, maintenance and care of the Business Commons and other than by a rebate of excess membership dues, fees and assessments) to the benefit of any private individual.

ARTICLE III

DEFINITIONS

Except as expressly defined herein, all capitalized terms used herein shall have the respective meanings set forth in the Business District Declaration. The "Period of Founder Control" shall be the period until the date upon which all of the commercial space has been conveyed to Members other than the Founder or its designated entities.

ARTICLE IV
MEMBERSHIP

The Business District Association shall have Members. Every Owner of a Commercial Parcel under the Business District Declaration shall be a Member of the Business District Association. Membership shall not be separated from ownership of such Parcel. Upon the closing of the sale of a Parcel, the membership appurtenant to the Parcel of the selling Owner shall cease and the purchasing Owner shall become a Member of the Business District Association.

ARTICLE V
VOTING RIGHTS

Section 5.1 Votes. Each Member shall be entitled to cast that number of votes equal to its Membership Interest under the Business District Declaration.

Section 5.2 Suspension of Voting Rights. The Board of Directors of the Business District Association (the "Board") may suspend the voting rights of any Member subject to assessment under the Business District Declaration during the period when any assessment shall remain delinquent, but upon payment of such assessment, the voting rights of such Member shall automatically be restored.

ARTICLE VI
BOARD OF DIRECTORS

Section 6.1 Number and Classes of Directors. The number of directors shall initially be three, all appointed by the Founder. The number of directors may be increased to five by the Board. There shall be two classes of directors until all Parcels have been sold in the Neighborhood. The Class A Director(s) shall be elected at large by the Members, and the Class B Directors shall be appointed by the Founder. Until 10,000 square feet of commercial space is built on Parcels that have been conveyed to Owners other than the Founder or its designated entities, all of the directors shall be Class B Directors. After 10,000 square feet of commercial space is built on Parcels that have been conveyed to Owners other than the Founder or its designated entities, and until the expiration of the Period of Founder Control, a majority of the directors shall be Class B Directors, and the remaining director(s) shall be a Class A Director(s). For a three-member board one Class A Director, and for a five-member board two Class A Directors, shall be elected at the first annual meeting following the date on which 10,000 square feet of commercial space has been built on Parcels that have been conveyed to Owners other than the Founder or its designated entities. After the Period of Founder Control ends, there shall be only one class of directors, all of whom shall be elected by the Members. The Class A Directors and Class B Directors need not be Owners.

Section 6.2 Founder's Right to Appoint and Remove Directors. Founder shall have the right to appoint or remove Class B Directors.

Section 6.3 Election of Class A Directors. Each Class A Director shall be elected by a vote of the Members.

Section 6.4 Removal of Class A Directors. At any regular or special duly called meeting of the Business District Association where the meeting notice states that the purpose, or one of the purposes, of the meeting is removal of one or more Class A Directors, such Class A Director(s) may be removed, with or without cause, by a majority of the votes entitled to be cast by the Members.

Section 6.5 Vacancies. When there are no longer any Class B Directors on the Board, vacancies in the Board occurring for any reason other than the removal of a director by vote of the Members shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board. During the period when both Class A and Class B Directors are on the Board, if a vacancy occurs as to the Class A Director(s), the remaining directors (or, if none, the Founder) shall call a special meeting of the Business District Association as soon as practical thereafter in order to elect new Class A Director(s). The Founder shall fill all vacancies of Class B Directors. Each person elected or appointed to fill a vacancy as described in this Section shall serve the unexpired portion of the term of the director being replaced.

Section 6.6 Disqualification for Contracts with Founder. As long as the requirements of Section 33-31-831 of the Code of Laws of South Carolina ("South Carolina Code") are met, no director shall be required to disqualify himself or herself upon any vote upon any management contract or other contract or lease or matter between the Founder (or any individual, partnership, corporation or other entity having an affiliation with the Founder) and the Business District Association.

Section 6.7 Term of Office. Class A Directors, other than those elected to fill the unexpired portion of the term of a director being replaced as provided for in Section 6.5 above, shall serve until the second annual meeting following their election. Directors may be reelected for subsequent terms. Class B Directors shall serve until required to resign due to the transition provisions of Section 6.1 of the Articles of Incorporation or until removed by the Founder.

ARTICLE VII

LIMIT ON LIABILITY AND INDEMNIFICATION

Section 7.1 Limit on Liability. In every instance in which the South Carolina Nonprofit Corporation Act of 1994, as it exists on the date hereof or may hereafter be amended from time to time, permits the limitation or elimination of liability of directors or officers of a corporation, the directors and officers of this Business District Association shall not be liable to the Business District Association or its Members.

Section 7.2 Mandatory Indemnification. The Business District Association shall indemnify any individual who is, was or is threatened to be made a party to a civil, criminal, administrative, investigative or other proceeding (including a proceeding by or in the right of the Business District Association or by or behalf of its Members) because such individual is or was a director or officer of the Business District Association, or of any other legal entity controlled by

the Business District Association, against all liabilities and reasonable expenses incurred by him or her on account of the proceeding in accordance with Sections 33-31-850 through 33-31-858 of the South Carolina Code, and, except such liabilities and expenses as are incurred because of his or her willful misconduct or knowing violation of the criminal law. Unless a determination has been made that indemnification is not permissible, the Business District Association shall make advances and reimbursement for expenses incurred by any of the persons named above upon receipt of an undertaking from him or her to repay the same if it is ultimately determined that such individual is not entitled to indemnification. The Business District Association is authorized to contract in advance to indemnify any of the persons named above to the extent it is required to indemnify them pursuant to this Section.

Section 7.3 Miscellaneous. The rights of each person entitled to indemnification under this Article shall inure to the benefit of such person's heirs, executors and administrators. Indemnification pursuant to this Article shall not be exclusive of any other rights of indemnification to which any person may be entitled, including indemnification pursuant to a valid contract, indemnification by legal entities other than the Business District Association and indemnification under policies of insurance purchased and maintained by the Business District Association or others. However, no person shall be entitled to indemnification by the Business District Association to the extent he or she is indemnified by another, including an insurer.

ARTICLE VIII **DISSOLUTION**

If and when the Business District Association is dissolved, all of the assets of the Business District Association shall be transferred to another nonprofit owners' association or governmental agency having a similar purpose.

ARTICLE IX **AMENDMENT**

Subject to Section 6.1, these Articles of Incorporation may be amended by the vote of two-thirds of the Membership Interests cast in person or by proxy at a Duly Called Meeting and during the period in which the Founder can appoint one or more Class B Directors, the consent of the Founder. The Board may amend these Articles in accordance with Section 33-31-1002 of the South Carolina Code, with the consent of the Founder during the time in which the Founder may appoint Class B Directors.

ARTICLE X **REGISTERED OFFICE AND AGENT**

The name of the registered agent is CT Corporation System, a corporation with a business office that is the same as the registered office. The post office and street address of the registered office is 75 Beattie Place, Greenville, SC 29601.

**ARTICLE XI
INITIAL DIRECTORS**

The initial directors and their respective addresses are:

N. Turner Simkins
406 West Avenue
North Augusta, South Carolina 29841


Howard Kaufman
16 Sterling Lake Road
Tuxedo, New York 10987-9735

Charles B. Walker
406 West Avenue
North Augusta, South Carolina 29841

**ARTICLE XII
PRINCIPAL ADDRESS**

The principle address of the corporation is: 406 West Avenue, North Augusta, South Carolina 29841.

Dated: January 12, 2006



Daniel K. Stone, incorporator

Address of Incorporator:
c/o McGuire Woods LLP
One James Center
901 East Cary Street
Richmond, Virginia 23219-4030

Initial Directors:



N. Turner Simkins



Howard Kaufman



Charles B. Walker

I hereby consent to the appointment as registered agent of the corporation.

CT Corporation System, Registered Agent

By: 

Name: Judith B. Arso
Asst. Secretary & V. President

Title: _____

Date: 1/19/06

The State of South Carolina



Office of Secretary of State Mark Hammond

Certificate of Incorporation, Nonprofit Corporation

I, Mark Hammond, Secretary of State of South Carolina Hereby certify that:

HAMMOND'S FERRY BUSINESS DISTRICT ASSOCIATION, INC., a nonprofit corporation duly organized under the laws of the State of South Carolina on January 20th, 2008, and having a perpetual duration unless otherwise indicated below, has as of the date hereof filed a Declaration and Petition for Incorporation of a nonprofit corporation for Religious, Educational, Social, Fraternal, Charitable, or other eleemosynary purpose.

Now, therefore, I Mark Hammond, Secretary of State, by virtue of the authority in me vested by Chapter 31, Title 33, Code of 1976 and Acts amendatory thereto, do hereby declare the organization to be a body politic and corporate, with all the rights, powers, privileges and immunities, and subject to all the limitations and liabilities, conferred by Chapter 31, Title 33, Code of 1976 and Acts amendatory thereto.

Given under my Hand and the Great Seal of the State of South Carolina this 20th day of January, 2008.

Mark Hammond

Mark Hammond, Secretary of State

2006003789

RESTRICTIVE COVENANTS
RECORDING FEES

\$45.00

PRESENTED & RECORDED:
02-03-2006 04:45 PM

JUDITH WARNER
REGISTER OF MESNE CONVEYANCES
AIKEN COUNTY, SC

By: JOYCE H EGGLE DEPUTY RMC

BK:RB 4044

PG:953-991

Prepared by and
When recorded
Return to:

Daniel K. Slone
McGuireWoods LLP
991 E. Cary Street
Richmond, VA 23219-4030

J. Noel Schweers III, PC
One Tenth St
Suite 500
Augusta GA 30901

Declarant: North Augusta Riverfront Company, LLC

Hammond's Ferry

NORTH AUGUSTA'S RIVERFRONT

Business District Declaration of Codes, Covenants and Easements for Non-Residential Property in Hammond's Ferry

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The NORTH AUGUSTA RIVERFRONT COMPANY, LLC, a Delaware limited liability company (the "Founder" and Grantor/Grantee for indexing purposes only), makes this Business District Declaration of Codes, Covenants and Easements for Non-Residential Property in Hammond's Ferry ("Business District Declaration") as of the 3 day of Feb, year of 2006.

STATEMENT OF PURPOSE:

Hammond's Ferry is a mixed-use community in North Augusta, South Carolina, and is subject to the Hammond's Ferry Master Declaration of Codes, Covenants and Easements recorded immediately prior hereto in the Register of Mesne Conveyances of Aiken County, South Carolina (the "Master Declaration"). A separate declaration for the residential property within Hammond's Ferry (the "Hammond's Ferry Book of Operating Principles" or "Book") has been or will be recorded to create a residential owners association (the "Neighborhood Association") and to regulate and maintain the residential portions of Hammond's Ferry. The plan for Hammond's Ferry and the relationship between the various recorded instruments is described in the Master Declaration.

This Declaration for the Hammond's Ferry Business District is intended to provide for the special needs of non-residential property wherever located within Hammond's Ferry.

DECLARATION:

The Founder hereby establishes the Mixed-Use Area as all of that property in North Augusta, South Carolina, described on Exhibit A, and submits to this Business District Declaration that portion of the Mixed-Use Area described in Exhibit B (the "Business District").

The Founder hereby declares that this Business District Declaration shall run with the land and be binding upon all parties having any right, title or interest in it, and which shall inure to the benefit of every Owner of the Business District or any portion of it and to the benefit of the Founder.

The Founder shall have the right, but not the obligation, from time to time in its sole discretion, to annex any portion of the Neighborhood and any property not a part of the Neighborhood but contiguous to the Business District property, or within one mile of any portion of the Business District (including any property separated from the Business District by a public street, body of water or other property) or any other property with a reasonable relationship to the Business District. Upon its addition, such property shall be deemed a part of the Business District. If the property is owned by an entity other than the Founder, the Supplemental Declaration shall be signed by the owner of the property and by the Founder. A Supplemental Declaration adding the additional property shall become effective upon being recorded in the Register of Mesne Conveyances of Aiken County, South Carolina. The Supplemental Declaration may modify, remove or add to the

provisions of this Business District Declaration if needed to reflect the different character of the additional property.

The Founder reserves the right to withdraw property from the Business District so long as not less than 80% of the Owners within the area to be withdrawn consent and access to the remaining portions of the Business District is preserved.

Additions will become part of the Business District and property withdrawn from this Business District Declaration will no longer be part of the Business District.

Except as expressly provided in the Master Declaration, the Neighborhood Association shall have no responsibility for maintenance of the Business District or regulation of its Business Commons, which shall be the responsibility of the Business District Association. If in any instance the provisions of this Business District Declaration are in conflict with the provisions of the Master Declaration, the provisions of the Master Declaration shall apply.

Unless the context indicates otherwise, capitalized terms are typically defined terms. If the terms are used in only one Part, they are typically defined in that part, and otherwise, they are defined in the Glossary (Part VII of this Business District Declaration).

Part I: The Business District Association

1.1 **Establishment.** The Hammond's Ferry Business District Association, Inc. (the "Business District Association"), shall be established under South Carolina law as a nonprofit corporation.

1.2 **Duties and Powers.** The Business District Association shall perform all duties required by this Business District Declaration, shall have all rights provided by this Business District Declaration, and shall enforce the terms of this Business District Declaration. Additionally, the Business District Association may provide any service allowed by law to be provided by a commercial property owners' association organized as a nonprofit corporation. If requested by at least 10% of the Members, a meeting of Members may be called and, if a quorum is obtained, Members representing a majority of the Membership Interests present at the meeting may repeal the offering of the additional service.

1.3 **Membership.** Every Owner of a Commercial Parcel shall be a mandatory Member of the Business District Association. Membership shall be appurtenant to and may not be separated from title to any Parcel. Owners of residential property in Hammond's Ferry containing no commercial operations or containing only home occupation, or live/work shall not be members of the Business District Association but shall be members of the Neighborhood Association.

1.4 **Membership Interest.**

(a) **Generally.** Both voting rights and Assessments shall be based on Membership Interest.

(b) **Commercial Parcels.** Owners of Commercial Parcels shall have one Membership Interest for each Development Unit. A Development Unit is defined as 1,000 gross square feet of enclosed building area (or fraction thereof) within the Parcel.

(c) Unimproved Lots. Lots that have been conveyed to an entity other than the Founder and that do not have a building that is substantially complete, shall have one Membership Interest but shall pay no assessments until the commencement of construction of any portion of the building on the Parcel. At that point, the Membership Interest shall be as described in (b) above and the Owner shall be responsible for assessments as set forth in Section 3.7.

(d) Exempt Parcels. Parcels that are used by nonprofit or governmental entities primarily for the benefit of Business District occupants or guests may be exempt from Assessments or pay reduced Assessments as determined on an annual basis by the Business District Association. They may be assigned a Membership Interest for voting purposes.

(e) Subdivision of Property. If ownership of a platted lot, or portion of a lot, is divided horizontally, the Membership Interest for that lot shall be divided among the owners of commercial space based on Development Units. The Business District Association shall provide a separate Assessment to each Owner of the horizontally divided lot.

(f) Determination by Association. The Board, using reasonable discretion, has the authority to determine the Membership Interest for a particular Parcel. The Board may establish rules for the determination of residential and commercial use and other matters relating to Membership and Assessment. The Business District Association's agent may enter and examine buildings after notice and at reasonable times for assessment purposes. An Owner shall have the right to a hearing before the Board to appeal an assessment evaluation; however, the decision of the Board after the hearing is final.

1.5 Exercise of Vote. When more than one person holds an interest in any Parcel, all such persons shall be Members. However, the number of votes for that Parcel shall not be increased, and the Members must determine among themselves how the Parcel's vote may be exercised. Corporations, partnerships and other entities shall notify the Business District Association of the natural person who shall be considered a Member of the Business District Association and exercise its vote. A Member may by written agreement appoint a commercial tenant to exercise the Parcel's voting rights. Such assignment may expire after a specified term and in any case may be revoked by the Member by delivery to the Business District Association of a signed revocation.

1.6 Board of Directors.

(a) Initial Composition. The Board shall initially consist of at least three persons who shall be originally appointed by the Founder. The Board may be expanded to a five-person Board in accordance with Subsection 1.6(b) below. When at least 10,000 square feet of commercial space has been built on Parcels that have been conveyed to

Owners other than the Founder or its designated entities, the Members shall be entitled to vote separately for one member of the Board of Directors, if the Board consists of three members, or two Directors, if the Board consists of five members and the Founder shall select the remaining positions. The Founder shall have the right to select a majority of the Board until all Parcels in the Neighborhood shall have been conveyed to Owners other than the Founder or its designated entities (the "Period of Founder Control"). The Founder may terminate its rights sooner.

(b) Later Composition. When the Founder no longer selects a majority of the Board, the Board shall determine from time to time the number of directors, which shall be either three or five Directors.

(c) Compensation. Directors shall receive no compensation for their services unless expressly provided for in resolutions adopted by the Members, but may be reimbursed for expenses.

1.7 Contracts. The Business District Association may contract with any party, including the Founder, for the performance of all or any portion of the management of the Business District Association and its maintenance and repair obligations. The cost of the contract shall be included within the General Assessment, Zone Assessment, Special Assessment or Individual Parcel Assessment, as applicable. The Business District Association may require that Members contract for certain routine exterior maintenance in order to provide a uniform level of care. The Business District Association also may, but is not obligated to, act as agent for an Owner, if so requested by that Owner, to contract for routine maintenance and other services not required to be provided by the Business District Association, the cost of which, including any management fee applied by the Business District Association, will be assessed to that Owner as an Individual Parcel Assessment. The terms and conditions of all such contracts shall be at the discretion of the Board.

1.8 Zones.

(a) Purpose. Within the Business District, a Parcel may be part of a Zone. Zones are intended to provide a flexible means for providing additional maintenance or capital improvements to a small portion of the Business District that has special needs. The Board may designate zone boundaries at the time of the addition of the property by Supplemental Declaration, or at any later time. It is possible for a Parcel to be in more than one Zone.

(b) Zone Expenses. Some expenses apply only to certain Zones within the Business District:

Part I: The Business District Association

- Capital Improvements. Any Zone may, by approval of Members representing two-thirds (2/3) of the Membership Interests within that Zone and approval of the Board, elect to assess all Members within the Zone for capital improvements to the Business Commons which will primarily benefit that Zone. Assessments for maintenance or replacement of Improvements in a Zone do not require approval of the Membership Interests in that Zone.
- Additional Services. Any Zone may, by approval of Members representing a majority of the Membership Interests within that Zone and approval of the Board, elect to assess all Members within the Zone for maintenance or services in addition to those normally provided by the Business District Association. For front-yard landscape maintenance, the Board may define a Zone by Parcel type and may approve landscape service for that Zone, which shall be effective unless a majority of the Membership interests within that Zone object in writing to the landscape service.

If the Assessment is approved, it will be assessed to and allocated among all Members within that Zone or designated group as Individual Parcel Assessments, in proportion to Membership Interests within the Zone or group.

(c) Combination of Zones. Zones may be combined for Zone Assessments. If more than one Zone is to vote, the Board shall determine whether approval and Assessment is to be by Zone or by the combined group of Zones. If a group smaller than a Zone wishes to be assessed for capital improvements or services, all of those being assessed must agree to the Assessment.

1.9 Additional Provisions. Additional provisions concerning the operation of the Business District Association and the Board are contained in the Articles and Bylaws.

Part II: The Business Commons

2.1 Establishment.

(a) Generally. Certain open space and other facilities intended for the common use of Business District Members, tenants and guests, including commercial guests, shall be considered Business Commons. It is anticipated that the Business Commons may include parking, landscaped areas, common signage, lighting, restrooms, water fountains, trash containers and other facilities. The Business Commons do not include any property owned by the Neighborhood Association, and the Business Commons are not dedicated for use by the general public. The Master Declaration provides the Neighborhood Association, its members, their tenants and their guests, an easement for use of the Business Commons.

(b) Ownership or Easement Rights. The Business Commons shall include real property, any improvements on that real property, all personal property for the Members' common use, and any other property of any type specifically designated as Business Commons. In most cases, the Business District Association will hold title to the Business Commons in fee simple. In other cases, the Business District Association's ownership may be in the form of easements, leases or other rights. Property or property rights conveyed to the Business District Association will be presumed to be Business Commons unless indicated otherwise. The Master Declaration provides the Business District Association, its members, their tenants and their guests, an easement for use of the Neighborhood Commons of the Residential Neighborhood.

(c) Public, Private Property. Public rights-of-way and other public or private properties located within reasonable proximity to the Business District may be maintained in the same manner as Business Commons if failure to do so would affect the appearance of or access to the Business District. If approved by both the owner of the property and the Business District Association, Business Commons may include portions of privately-owned property that are designed for use by all Members. The Business District Association may require the granting of an easement as a condition to maintaining the area as Business Commons.

(d) Exclusions. Except as provided above, Business Commons shall not include land shown on the plat as a Parcel or residential parcel, land specifically excluded by the Founder or land dedicated to the public.

(e) The Founder's Property. The Founder may retain title to the Business Commons and the Founder has the right to modify the design of the Business Commons and to make further improvements. Real property that is owned by the Founder may be used and maintained in the same manner as Business Commons if the Founder has given exclusive or nonexclusive easement rights for use and maintenance by the Business District Association as Business Commons, whether for an indefinite or a specified period of time. The Founder may, but is not obligated to, convey to the Business District Association fee title to the Business Commons, or any portion thereof and any improvements thereon at any time, and the Business District Association shall be required to accept any such conveyance.

(f) Easement for Enjoyment. Every Owner has, and is hereby granted, an easement for appropriate use and enjoyment of the Business Commons. This easement passes with title to a Parcel. Through the Owner, the Owner's commercial tenants, the customers and employees of the Owner and the Owner's commercial tenants, and the Owner's residential tenants and their family members, and guests also have the ability to use the Business Commons subject to the Owner's invitation and all relevant Rules and Regulations. The Owner's easement is subject to the Business District Association's right of regulation in accordance with this Business District Declaration and is also subject to any limitations that may be contained in the conveyance of that portion of the Business Commons to the Business District Association.

2.2 Maintenance; Capital Improvements.

(a) Maintenance. The Business District Association shall be responsible for the management, control and improvement of the Business Commons (including without limitation common signage, common area lighting and electricity) and shall keep the Business Commons attractive, clean and in good repair.

(b) Capital Improvements. Until all Parcels in Hammond's Ferry have been conveyed to Owners other than the Founder or its delegated entities, the Business District Association may make capital improvements to the Business Commons and may modify the uses of the Business Commons, but only with the consent of the Founder, which shall not be unreasonably withheld. If the capital improvement is to be paid by Special Assessment, it must be approved by a majority of the Owners other than the Founder, by assessment interests. Any repair or replacement of existing improvements shall not be considered a capital improvement.

(c) Easement. To the extent reasonably necessary, the Business District Association has, and is hereby granted, an easement over each Parcel for maintenance of the Business Commons. The Business District Association also has, and is hereby granted, an easement with respect to any improvements constructed on the Business Commons that encroach on a Parcel, whether due to any minor deviation from the subdivision plat of the Business District or the settling or shifting of any land or improvements.

2.3 Open-Air Markets, Festivals and Other Uses of Business Commons. The Business District is intended to be part of a vibrant community with activity that brings people together. The Board may permit use of portions of the Business Commons for various events. Examples of intended and encouraged uses include, but are not limited to:

(a) Commercial Parcel Extension. The Business District Association may temporarily assign a portion of the Business Commons to the private use of a Commercial Parcel Owner for use as an outdoor café associated with a restaurant, an outdoor sales area or other similar use. The Commercial Parcel Owner shall be responsible for maintaining any Business Commons so assigned and shall obtain and maintain adequate public liability insurance, subject to approval by the Business District Association. The assignment may be on a short-term basis or a long-term basis exceeding one year.

(b) Open-Air Market. The Board may rent or assign space for pushcarts, kiosks, stands or temporary sales structures and may permit the erection of tents and banners. Such uses may be only for special events or on a recurring basis, such as a Farmer's Market.

(c) Festivals. The Business District Association may schedule and permit the use of the Business Commons for festivals, outdoor art exhibits, parades, block parties and other special events.

Assignments or leases may require payment of rent or a fee to the Business District Association, the Merchants' Council, or other charitable or community-enriching organization. Except as provided in (a), no lease or assignment shall be for a period of longer than a year, including all renewal options.

2.4 Street Regulation.

(a) Permitted Regulation. To the extent allowed by law, the Business District Association may limit the length of time a car may be parked and may construct speed bumps or other traffic-calming measures, post speed limit or other traffic signs and take any other reasonable measures to discourage excessive speed and promote pedestrian safety. To the extent allowed by law, the Business District Association may assign or

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reserve parking and may require that owners or employees of businesses park at a distance from the business during business hours.

(b) Vehicles. To the extent allowed by law, the Business District Association may regulate or prohibit the parking within the Business District of trucks, buses or recreational vehicles, oversize vehicles, boats, vehicles which display advertising or the name of a business, and vehicles which are not in good running condition.

(c) Enforcement. The Business District Association may enforce any violation under this section in accordance with Section 4.11 and may tow or bar admittance to offenders. Any fees or fines collected under this section shall be contributed to the Business District Association's general fund to offset expenses.

(d) Additional Services. The Business District Association may, but is not required to, provide roving patrols, an information station or other visitor assistance.

(e) Limitation of Liability. The Business District Association and Founder do not make any representation concerning security or safety or assume any liability for any loss or injury.

2.5 Parking Lots. The Business District Association shall maintain any parking lots that are part of the Business Commons. The Business District Association may establish rules for the appropriate use of parking lots. The Founder, or the Business District Association after the Founder no longer owns any Parcels in the Business District, shall have the right to record a Supplemental Declaration to address details of structured or Business Commons parking.

2.6 Additional Easements in Favor of the Business District Association. The Business District Association shall have the following easements, which shall be non-exclusive and which may be exercised concurrently with any similar easements retained by the Founder.

(a) Streets. A nonexclusive easement for use of the streets, parking lots and driveways.

(b) Utility Easements. A blanket easement upon, across, over, through, and under the Business District for ingress, egress, installation, replacement, repair and maintenance of all public and private utility and service systems. These systems include, but are not limited to, water, sewer, irrigation systems, drainage, telephone, electricity, television, cable or communication lines and other equipment. By virtue of this easement the Business District Association, and its successors or assigns, may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits. However, the exercise of this easement will not unreasonably interfere with

each Owner's reasonable use of his Parcel. In addition, those to whom easements are granted, (such as, but not limited to, utility companies and the City) shall have the right to maintain their facilities within the easements. While the Business District Association has the right to maintain various systems as set forth in this Section, where the City of North Augusta is responsible for certain utilities, the Business District Association must obtain City approval prior to conducting any maintenance activities within easements granted to the City.

(c) Police Powers. A blanket easement throughout the Business District for private patrol services, and for police powers and services supplied by the local, state and federal governments.

(d) Drainage. A blanket easement and right on, over, under and through the ground within the Business District to maintain and to correct drainage of surface water and other erosion controls. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health, safety or appearance or to comply with governmental requirements. The Business District Association shall notify affected Owners (except in an emergency) and shall restore the affected property to its original condition as nearly as practicable. Those to whom easements are granted, (such as, but not limited to, utility companies and the City) shall have the right to maintain their facilities within the easements. While the Business District Association has the right to maintain various systems as set forth in this Section, where the City of North Augusta is responsible for certain utilities, the Business District Association must obtain City approval prior to conducting any maintenance activities within easements granted to the City.

2.7 Purchase or Conveyance of Business Commons.

(a) Additional Business Commons. The Business District Association may acquire additional Business Commons. The decision to acquire additional Business Commons (other than that contributed by the Founder), whether by purchase or lease or other means, shall be authorized by a majority vote of the Board of Directors. If the purchase or lease is costly enough to be considered a substantial capital expense, it must be approved as described in Chapter Five.

(b) Corrective Instruments. The Business District Association, by approval of a majority vote of the Board, may also execute corrective instruments, settle boundary line disputes and resolve other title matters concerning the Business Commons.

(c) Conveyance of Business Commons. In addition to the rights described elsewhere in this chapter to rent or assign space in the Business Commons on a short-term basis for open-air markets, festivals, parties and other events, the Business District Association may sell, donate or grant long-term leases for small portions of the Business

Part II: Commons

Commons or exchange parts of the Business Commons for other property inside or outside Hammond's Ferry when the Board finds that it benefits Hammond's Ferry in at least one of the following two ways:

- The conveyance is intended to benefit Hammond's Ferry in ways other than the revenue, if any, to be derived from the transaction. For instance, the Business District Association may convey or exchange property if necessary to improve access to properties within Hammond's Ferry or to improve utility service. The Business District Association may also convey property to other community-oriented organizations.
- The revenue to be derived is significant and the use and appearance of the Business Commons is not significantly impaired. For instance, the Business District Association might sell or lease small amounts of space for cellular telephone transmission equipment, subject to design approval in the architectural review process.

Any decision to donate, sell, exchange or lease any portion of the Business Commons made in the regular course of activities of the Business District Association must be approved by a majority of the Board, the HFDC, and for as long as the Founder owns any Parcels in Hammond's Ferry, the Founder. Any decision to donate, sell, exchange or lease any portion of the Business Commons made outside of the regular course of activities of the Business District Association must be approved by a majority of the Board, by two-thirds of votes of the Business District Association cast or a majority of the voting power, whichever is less, and for as long as the Founder owns any Parcels in Hammond's Ferry, the Founder.

(d) Dedication. If any portion of the Business Commons is utilized for roads and has not previously been dedicated to the public, the Board may, by majority vote, cause the Business District Association to convey title to or dedicate the Business Commons utilized for roads to the appropriate public authority. Any other dedication of the Business Commons must be approved in the same manner as a conveyance of the Business Commons.

(e) Condemnation. If all or any part of the Business Commons is taken by, or an offer is accepted in lieu of condemnation from, any authority having the power of eminent domain, all compensation and damages shall be paid to the Business District Association. The Board shall have the right to act on behalf of the Business District Association with respect to any negotiation or litigation relating to the offer or taking.

(f) Limitation. Except as specifically permitted by this Business District Declaration, there shall be no commercial use of the Business Commons, nor shall the Business Commons be subdivided or sold.

2.8 Damage or Destruction of Business Commons or Improvements by an Owner or Occupant.

(a) If any Business Commons or Improvements on a Business Commons is damaged or destroyed by an Owner or Occupant of a Parcel within Hammond's Ferry, or by family members, guests (but not including individuals in Hammond's Ferry as customers or clients of the Owner or Occupant) or agents of the Owner or Occupant, the Owner shall be liable for such damage or destruction and the Owner must, within fifteen (15) days after it occurs, repair the damage in a good and workmanlike manner and restore any damaged Business Commons, Improvement or facility to its existing state before the damage or destruction occurred. In circumstances where the Business District Association or the Founder determines that a shorter response period is appropriate, the fifteen (15) day period may be shortened. If the Owner does not repair the damage as described above, then the Founder or the Business District Association may repair the damage at the Owner's expense. The Owner will also be charged a management fee if the Business District Association is required to repair the damage on behalf of the Owner because the Owner does not repair the damage. If the damage is unsightly or dangerous, as determined by the Founder or the Business District Association at its sole discretion, the Founder or the Business District Association has the right to repair the damage immediately and charge the Owner responsible for the damage for the cost of the damage plus a management fee after the repair has been completed. The cost of the repairs becomes a Special Assessment on the Parcel of the Owner and constitutes a lien on the Owner's Parcel. This lien is collectible in the same manner as other Assessments set out in the Business District Declaration. The Founder or the Business District Association may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity to enforce the provisions of this Section.

(b) If an Owner's or an Occupant's business attracts customers or clients who engage in damaging or destructive behavior resulting in damage or destruction of any Business Commons or Improvements on Business Commons, and such damage or destruction occurs on at least two (2) occasions, the Business District Association may provide 20-days notice to the Owner that the Owner shall be liable for all future such acts of damage or destruction performed by the Owner's or Occupant's customers or clients.

2.9 Limitation of Liability. The Business District Association is not an insurer of safety and makes no warranty and assumes no liability for any loss or injury.

2.10 Neighborhood Commons. In addition to the Business Commons owned and maintained by the Business District Association, the Owners are intended to have access to, and contribute to the maintenance of, the common areas owned and maintained by the Neighborhood Association ("Neighborhood Commons"). The Business District Association by its Board has the authority to enter into agreements with the

Neighborhood Association for the use of recreational facilities and other Neighborhood Commons, to arrange for utilization and payments provided under the Master Declaration, and to pay a fee for such use that will be paid from General Assessments or other Assessments.

2.11 Note to Owners: Approvals by the City of North Augusta. Several of the activities described in this Business District Declaration may also require prior approvals and/or permits from the City of North Augusta. Owners must ensure that they are acting in accordance with City requirements and laws and have obtained any and all necessary governmental approvals and permits. Examples of activities that may require City approvals or permits include, but are not limited to, the holding of open-air markets or festivals, the installation of street signs or traffic calming devices, and the repair or reconstruction of structures or Improvements after a fire.

Part III: Finance

3.1 Fiscal Year. The fiscal year of the Business District Association shall begin January 1 of each year, unless the Board selects a different fiscal year.

3.2 Budget Items. The budget shall estimate total expenses to be incurred by the Business District Association in carrying out its responsibilities. These expenses shall include, without limitation, the cost of wages, materials, insurance premiums, services, supplies and other expenses for the rendering of all services required by this Business District Declaration or properly approved in accordance with this Business District Declaration. The Business District Association may build up and maintain reserves for working capital, contingencies and replacement of the Business Commons, which shall be included in the budget and collected as part of the annual General Assessment. The budget may also include reasonable amounts, as determined by the Board, for working capital for the Business District Association. If the Business Commons are taxed separately from the Parcels, the Business District Association shall include such taxes as part of the budget. Fees for professional management of the Business District Association, accounting services, legal counsel and other professional services may also be included in the budget.

3.3 Preparation and Approval of Annual Budget.

(a) Adoption by Board. At least one month before the end of the fiscal year, the Board shall, by majority vote, adopt a budget for the coming year and set the annual General Assessments at a level sufficient to meet the budget. At least two weeks before the fiscal year to which the budget applies, the Board shall send to each Member a copy of the budget in reasonably itemized form, which shall include the amount of General Assessments payable by Owners according to Membership Interest.

(b) Budget Review. If General Assessments on Parcels are to be increased by more than 15% per Parcel when compared to the previous year's General Assessment, and review is requested by petitions signed by at least 10% of all Owners within thirty (30) days after the budget is delivered to Owners, the Board is to call a meeting to present the budget and to answer any questions. After presentation, the budget is deemed approved unless a quorum of the Members is present and a majority of the existing voting interests reject the budget. If the budget is rejected, the Board must approve a new budget within ten (10) days and send a copy to each Owner. If, under the new budget, the

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General Assessments are to be increased by more than 15% per parcel, then the budget must be reviewed again according to the provisions of this paragraph.

(c) Effect of Failure to Prepare or Adopt Budget. The Board's failure or delay in preparing or adopting the annual budget for any fiscal year, or review of the budget under Section 3.3(b), shall not waive or release an Owner's obligation to pay General Assessments whenever the amount of such assessments is finally determined. In the absence of a current Business District Association budget each Owner shall continue to pay the assessment at the rate established for the previous fiscal period until notified otherwise.

3.4 Unbudgeted Expenses. Extraordinary expenses that are not originally included in the annual operating budget, or that represent unanticipated increases over budgeted items, may be paid in either of the following ways:

(a) Special Assessment. The Board may impose a Special Assessment for any unusual or emergency maintenance or repair or other expense that this Business District Declaration or the law requires the Business District Association to pay, or for deferred maintenance for which designated reserves are insufficient. The Board may choose to spread the Special Assessment over a period of up to five years.

(b) Reserves. Although not required, it is recommended that the Business District Association establish reserves for deferred maintenance and significant expenses that occur infrequently. Without significant reserves, the Business District Association will be required to levy a Special Assessment when these major expenses arise. If specifically authorized by the Board, reserves intended for another purpose may be used for extraordinary expenses that are not included in the annual budget. A Special Assessment may be used to pay back the reserve fund.

3.5 Capital Improvements.

(a) Approval. The Board may approve expenditure of funds for capital improvements, as further provided in Section 2.2. Any substantial capital improvement to the Business Commons approved by the Board must be ratified by a majority of the Members. If the Members approve the substantial capital improvement, the Board shall determine whether it shall be paid from General Assessments or by Special Assessment.

(b) Substantial Test. A capital improvement shall be considered substantial if the cost to the Business District Association of the improvement is more than six percent (6%) of the Business District Association's annual budget, or if, when added to other capital improvements for the fiscal year, totals more than ten percent (10%) of the Business District Association's annual budget.

Part III: Finance

(d) Founder Rights. This section shall not limit the right of the Founder to make improvements to the Business Commons.

3.6 Bookkeeping; Accounts; Use of Funds. The Business District Association shall maintain a general fund and shall keep books and records of its expenses in performing its duties under this Business District Declaration. Reserves shall be kept separate from other Business District Association funds, either in a single account for all reserves or separated by purpose. All Assessments, management fees, professional fees, fines and other moneys collected under this Business District Declaration shall be used only for maintenance, repair and replacement of the Business Commons, reserves, payment of taxes, government fees, capital improvements and other uses authorized by this Business District Declaration, including legal and professional fees.

3.7 Assessments. The cost of meeting the Business District Association's operating expenses is divided among all the Owners by the Assessments levied on Parcels:

(a) General Assessments. General Assessments are used to fund the Business District Association's budget. The fractional allocation of the common expenses of the Business District Association may be calculated for each Parcel within the Business District based on the relative number of Development Units as allocated at the time of purchase by the Founder until all Parcels in the Neighborhood have been conveyed to Owners other than the Founder or its designated entities, or by the Business District Association thereafter. The Founder may, at its sole discretion, pay Assessments on property to which it holds title. Assessments for undeveloped property shall be based on the relative number of Development Units for the Parcel as established by the Founder.

(b) Special Assessments. Special Assessments may be imposed for unbudgeted emergency expenses in accordance with Section 3.4, or for capital improvements in accordance with Section 3.5. Special Assessments are allocated in the same manner as General Assessments.

(c) Individual Parcel Assessments. The Business District Association may levy at any time an Individual Parcel Assessment against a particular Parcel for the purpose of defraying, in whole or in part, the cost of any special services to that Parcel, or any other charges designated in this Business District Declaration as an Individual Parcel Assessment. The Board may approve allocation of Individual Parcel Assessments in a manner other than by Membership Interest.

(d) Zone Assessments. The Business District Association may levy, at any time, an Assessment against a particular Parcel for the purpose of defraying, in whole or in part, the cost of expenses approved for a Zone in which the Parcel is located, in accordance with Section 1.8.

3.8 Foundation Contribution.

Part III: Finance

(a) Fees. After the Founder creates the Foundation, then from the time of the establishment of that entity, the buyer of a Parcel shall pay an Foundation Contribution to the Foundation to fund that Foundation's arts, cultural and community projects whenever a Parcel is conveyed to a new Owner other than (i) to the Founder, (ii) as a conveyance from the Founder or its designated entities to a builder for resale or to the first non-builder buyer, or (iii) as a conveyance from a builder for resale to the first non-builder buyer. If the buyer fails to pay the Foundation Contribution, the seller shall be responsible for this contribution. The Foundation Contribution shall initially be set at one-tenth of one percent (0.1%) of the purchase price. At the request of the Board of Directors of the Foundation, the Business District Association may increase the amount of the Foundation Contribution to not more than one-quarter of one percent (0.25%) of the purchase price. After establishment of the Foundation, the Business District Association shall, if requested by the Foundation collect the Foundation Contribution as agent for the Foundation. The Foundation shall have authority to enforce collection of Foundation Assessments in the same manner as the Business District Association may enforce collection of General and Special Assessments

No Foundation Contribution is required to be paid by an institutional Mortgagee who acquires title as the result of a foreclosure or deed in lieu. However, Foundation Contributions shall be paid by a third-party purchaser at foreclosure or upon the conveyance by the Mortgagee to a subsequent Owner.

(b) The Foundation. Neither the Founder nor the Business District Association shall have any obligation to maintain the Foundation after it is created. If the Foundation shall cease to exist, then the Business District may elect to: (i) continue to collect the Foundation Contribution, but utilize the collected funds for arts, cultural and community projects; (ii) direct the funds to another charitable organization having a similar purpose as the Foundation; or (iii) discontinue collection of the Foundation Contribution.

3.9 Collection of Assessments.

(a) Obligation for Assessments. Each Owner is required to pay all Assessments (General Assessments, Special Assessments, Individual Parcel Assessments, Zone Assessments, and Foundation Contributions) assessed to that Parcel. The Business District Association has the right to institute reasonable policies concerning late fees and interest, which the Owner is also required to pay.

(b) Payment of Assessments. The Business District Association shall set the date or dates the Assessments become due and may provide for collection of Assessments annually or in monthly, quarterly or semiannual installments. The annual General Assessments shall begin on the day of conveyance of the first Parcel to an Owner other than the Founder, prorated to the month of closing. Owners shall be required to provide a

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credit card number against which the Board may charge Assessments. The Board shall require advance payment of Assessments at closing of the transfer of title to a Parcel and may impose special requirements for Owners with a history of delinquency. Unless the Board establishes otherwise, Assessments shall be due and payable in advance on the first day of each fiscal year.

(c) Collection Costs. If any Assessment is still delinquent one week after the Business District Association has delivered a warning letter to the Owner's last known address, the Business District Association has the right to also charge the Owner with the Business District Association's collection costs, including a reasonable attorney's fee, whether or not suit is brought. The warning letter must state the amount of Assessments owed and that failure to respond by a specified date at least seven (7) days from the date of the letter will result in such additional charges.

(d) Legal Remedies. The obligation to pay Assessments and costs is both a personal obligation of the Member and a lien on the land. (The past-due Assessments, plus late-fee, interest to the time of collection and the Business District Association's attorney's fees and other collection costs are called the "Assessment Charge.") The Business District Association may bring an action at law against the Member personally obligated to pay the Assessment Charge, or may foreclose the lien in a manner similar to foreclosure of a mortgage lien, or both. The lien, once perfected, shall be prior to all other subsequent liens and encumbrances except (i) real estate tax liens on that Parcel, (ii) liens and encumbrances recorded prior to the recordation of the Business District Declaration, and (iii) sums unpaid on and owing under any mortgage or deed of trust recorded prior to the perfection of said lien. The provisions of this paragraph shall not affect the priority of mechanics' and materialmen's liens.

(e) Acquisition of Parcel. The Business District Association may bid for an interest in any Parcel foreclosed at such foreclosure sale, may acquire a Parcel, and may subsequently hold, lease, mortgage and convey the acquired Parcel.

(f) Other Remedies. The Business District Association shall have the right to suspend the voting rights and right to use of the Business Commons by an Owner, and may prohibit the leasing of the Parcel or attach rentals from the Parcel for any period during which any Assessment against the Parcel remains unpaid.

3.10 Founder's Assessments; Founder's Guarantee. The Founder or its designated entities shall be excused from payment of General Assessments during the Guarantee Period as defined below. The Founder guarantees to Owners that their General Assessments during the Guarantee Period shall not exceed the initial General Assessment (subject to the increases set forth below). The Founder agrees to pay any Association expenses incurred during the Guarantee Period and normally paid through General Assessments that exceed the amount produced by the General Assessments during that time. The Guarantee Period shall begin upon the recordation in the Register of Mesne

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Conveyances of Aiken County, South Carolina, of the first deed of conveyance of a Parcel in the Business District and shall end at the conclusion of the third subsequent full fiscal year (so that three full fiscal years are guaranteed). The Guarantee Period shall then be automatically extended for successive six-month periods up to an additional three years unless terminated upon written notice by the Founder to the Business District Association at least thirty (30) days before the end of then-current Guarantee Period. During the Guarantee Period, the General Assessments may be increased by up to 15% per year. Assessments for undeveloped property shall be based on the relative number of Development Units for the Parcel as established by the Founder.

The Founder may, at its sole discretion, pay General Assessments on the Parcels it owns, rather than subsidize the Business District Association expenses during the Guarantee Period.

Notice to Purchasers

If there are any Assessments unpaid on the Parcel, you will automatically become liable for those Assessments when you accept a deed. You should contact the Business District Association before purchasing a Parcel to make sure no Assessments are owed. You should also inquire about Special Assessments which may have been assessed but which are not yet owed.

The Treasurer of the Business District Association or managing agent if one has been employed by the Board, upon request of any Owner or contract purchaser, will furnish a certificate signed by a member of the Board stating whether assessments are paid to date by that Owner and whether any Special Assessments have been levied. Such a certificate, when co-signed by the secretary of the Business District Association, may be relied upon by a good faith purchaser or Mortgagee.

Part IV: Regulation of Commercial Use

4.1 Generally. Each Owner, by acceptance of a deed to property within the Business District or any other right to utilize any portion of the Mixed-Use Area for commercial purposes, recognizes that the Owner's property is part of the Business District and the larger community of Hammond's Ferry. Within the Business District, the proper balance of types of retail stores and other businesses, as well as the quality of those businesses, is critical to the success of the Business District and the entire community of Hammond's Ferry. The conditions of this Business District Declaration regarding operation of the business upon an Owner's Parcel within the Business District are part of the consideration for the granting of easements for use of the Business Commons to Members and the granting of deeds from the Founder to Owners or granting use privileges to other Owners. These restrictions shall run with the land and be binding upon Owners and their successors and assigns. Owners shall be responsible for assuring the compliance of their tenants through proper lease language, and violation of the conditions of this Business District Declaration by a tenant shall be deemed a violation by the Owner landlord as well.

4.2 Merchants' Council.

(a) Purpose. If created, the Merchants' Council shall promote the Business District for the mutual benefit of all businesses. Its responsibilities shall include advertising, special event programming and other promotional activities and all commercial signage for the Business District other than signs on individual businesses.

(b) Organization. Members of the Merchants' Council do not need to be Members of the Business District Association and shall include Commercial Parcel Owners, business owners and managers conducting businesses within the Business District. The Merchants' Council shall originally operate as a committee of the Business District Association. However, the Owners may, by approval of Members representing a majority of the Membership Interests, choose to incorporate the Merchants' Council and operate it as a separate entity.

(c) Membership: Board of Directors. The Merchants' Council's board of directors shall be selected by the Board of Directors of the Business District Association

Part IV: Regulation of Commercial Use

from among the Merchants' Council membership. The Members may, by majority vote, adopt bylaws for the Merchants' Council's operation, which may include a different method of selecting a board of directors.

(d) Funding. The Merchants' Council board of directors shall propose an annual budget to the Business District Association. At the discretion of the Business District Association, the Merchants' Council shall be entitled to receive a portion of the General Assessments. The Merchants' Council may also receive revenue from special events and services.

(e) Consent of the Founder. So long as the Founder selects a majority of the Board of Directors of the Business District Association, all actions of the Merchants' Council shall be subject to the Founder's review and approval, which shall not be unreasonably withheld or delayed.

(f) No Obligation. Neither the Founder nor the Business District Association shall have any obligation to create the Merchant's Council or to maintain after if it is created. Participation and membership in the Merchant's Council shall be voluntary.

4.3 Appearance, Hours of Operation. The Business District Association may regulate days and hours of operation, but shall not require operating hours less than nor in excess of those business hours normal in the region for similar types of businesses. The Business District Association may also regulate store window displays and general décor. The entrance and interior of the business shall be kept clean and inviting in appearance at all times. Wall and floor coverings, displays and all other furnishings shall be maintained in first-class condition.

4.4 Approval of Advertising. All advertising for the business to be conducted on the Parcel, whether for print, television, radio, handbills, outside sign or other media, shall be subject to the Business District Association's standards and regulations. The Business District Association may prohibit or regulate the distribution of handbills within the Business District.

4.5 Signage. A business shall display on the exterior of the building or upon any exterior glass surfaces or within twenty-four (24) inches of any window only those signs, advertising placards, names, insignia, trademarks, descriptive material or other identification that are specifically approved by the Business District Association and, as applicable, the Hammond's Ferry Design Committee. No hand-lettered signs may be displayed unless professionally prepared.

4.6 Leases. The provisions of this Business District Declaration, including but not limited to this Part IV, shall be deemed included in any lease of commercial space within the Business District. If any tenant is in violation of these provisions, the Business District Association may enforce these provisions against the Owner landlord, the tenant

or both, and is granted the right as the Owner's agent and attorney in fact in accordance with Section 4.11 to evict any tenant in violation of these provisions.

4.7 Prohibited Uses.

(a) **Nuisances, Unlawful Use.** No nuisance or immoral, improper, obscene, offensive or unlawful use shall be permitted to exist or operate on any Parcel. The Business District Association may from time to time define and determine unacceptable uses. All laws, building codes, orders, rules, regulations or requirements of any governmental agency having jurisdiction shall be complied with, by and at the sole expense of the Owner.

(b) **Insurance.** Nothing shall be done or kept on any Parcel or the Business Commons that will increase the rate of, or result in cancellation of, insurance for the Business Commons or any other Parcel or its content, without the prior written consent of the Business District Association.

(c) **Soliciting.** The Business District Association may regulate or prohibit soliciting within the Business District.

4.8 Attractiveness and Safety of Parcels. Each Owner shall keep all parts of its Parcel in good order and repair and free from debris. The Business District Association may regulate placement and maintenance of garbage and trash containers, and fuel or gas storage tanks and other matters affecting the attractiveness or safety of Parcels. No sign, advertisement or notice of any type or nature whatsoever (including "For Sale" or "For Rent" signs) shall be erected or displayed on any Parcel or portion of the Business Commons unless specifically permitted by the Design Code or pursuant to approvals granted thereunder. For parking lots that are privately owned, the Owner of the lot shall be responsible for maintenance. The Business District Association may set standards for parking lot maintenance and may require the lot owner to maintain the lot in accordance with the standards. No obstruction to visibility at street intersections shall be permitted.

4.9 Pets. Pets may be kept by an Owner or tenant on its Parcel but only if such pets do not cause an unsafe condition, unreasonable disturbance or annoyance or public nuisance within the Business District. Each Owner and its tenants shall be held strictly responsible to immediately collect and properly dispose of wastes and litter of their pets. The Business District Association reserves the right to regulate the number and size of pets; to prohibit the keeping of animals other than customary household pets, which it may define, acting reasonably; to designate specific areas within the Business Commons where pets may be walked and to prohibit pets on other areas; to require pets to be on leash; and to restrict the rights of tenants to keep pets. Owners and tenants shall be required to comply with all City of North Augusta laws relating to pets, including but not limited to, leash laws.

Part IV: Regulation of Commercial Use

4.10 Rules and Regulations. The Business District Association may from time to time adopt rules or amend previously adopted Rules and Regulations governing the details of the operation, use, maintenance and control of the Parcels, Business Commons and any facilities or services made available to the Owners. This right shall include without limitation the right to approve rental agents, contractors and subcontractors who do business within the Business District. Rules and Regulations shall take effect immediately upon approval by the Board, or at a later date selected by the Board. If requested by at least 10% of the Members, a meeting of Members may be called and, if a quorum is obtained, Members representing a majority of the Membership Interests present at the meeting may repeal any Rule or Regulation. A copy of the Rules and Regulations adopted from time to time shall be posted in a conspicuous place within the Business District or furnished to each Owner.

4.11 Enforcement.

(a) Owner's Responsibility. Each Owner and Owner's guests and tenants shall conform and abide by the covenants contained in this Business District Declaration and any Rules and Regulations which may be adopted from time to time by the Business District Association. Each Owner shall be responsible for assuring such compliance, and any violation by guests or tenants may be considered to be a violation by the Owner.

(b) Notice, Hearing and Fines. Any Owner who is believed to be in violation of this Business District Declaration or the Rules and Regulations shall be given notice, an opportunity to cure the violation within a specified time frame, and an opportunity to be heard if the violation is not cured within that time frame. After such hearing, the Business District Association shall have the right to assess fines, up to a maximum of \$500 for a single violation or \$50 per day for a continuing violation (to be adjusted according to increases in the cost of living after the date of this Business District Declaration) and may restrict the Owner's use of the Business Commons for up to sixty (60) days or until remedied, whichever is longer. The fines shall not begin to accrue until after the cure period has passed. However, the primary goal of this provision is not to punish but to conciliate and resolve problems. The Business District Association may suggest or approve agreements and withhold the requirement of paying a fine if the agreement is honored. Fines shall be charged against the Parcel as an Individual Parcel Assessment and shall constitute a lien on the Owner's Parcel. This lien is collectible in the same manner as other Assessments set out in the Business District Declaration. Any fines collected shall be contributed to the general fund of the Business District Association.

(c) Tenant Violations. If a tenant is believed to be in violation of the Declaration or Rules and Regulations, the Business District Association shall notify the Owner landlord and tenant and provide an opportunity for hearing. If the Business District Association determines after notice and opportunity for hearing that a tenant has violated this Business District Declaration or Rules and Regulations, the Business District

Part IV: Regulation of Commercial Use

Association may assess fines against the Owner landlord as provided in paragraph (b). In addition, if the violation continues for ten (10) days after notice to the Owner of the findings, or if the tenant materially violates either Declaration or Rules and Regulations more than once in any period of twelve (12) months, the Business District Association shall have the right to evict the tenant. Each Owner by acceptance of a deed irrevocably appoints the Business District Association as its agent and attorney-in-fact in such an eviction action. All costs related to such action shall be charged to the Owner as an Individual Parcel Assessment.

(d) **Corrective Action for Parcel Maintenance.** If the Business District Association determines after notice and hearing that any Owner has failed to maintain any part of the Parcel (including the yard and any wall, fence, building, garden structure or other structure) in a clean, attractive and safe manner, in accordance with the provisions of this Business District Declaration and applicable Rules and Regulations, the Business District Association shall notify the Owner of its findings and may assess fines as provided in paragraph (b). If the violation continues for ten (10) days after notice to the Owner, the Business District Association shall have the right without liability to enter upon such Parcel to correct, repair, restore, paint and maintain any part of such Parcel and to have any objectionable items removed from the Parcel. The Business District Association may reduce or eliminate the time for notice if it believes the condition creates a safety hazard. All costs related to such action shall be assessed to the Owner as an Individual Parcel Assessment.

(e) **Additional Remedies.** All remedies listed in this section are non-exclusive and may be applied cumulatively. The Business District Association shall also have the right to charge management fees for actions taken on behalf of Owners and to bring suit to enforce the Declaration and Rules and Regulations, as described in Section 6.5.

Part V: Insurance; Casualty

5.1 Review of Coverage. The Board shall review limits of coverage, and the cost of coverage, for each type of insurance at least once each year. The Board may reasonably choose after such analysis not to carry certain coverage, or to modify limits of coverage or assume a larger deductible. Notice of any such decision shall be sent to the Owners on a timely basis.

5.2 Property and Casualty Insurance. The Board shall obtain property and casualty insurance for Business Commons including structures or other improvements that can and should be insured for damage or other loss. Some policies provide coverage for "all risks" (or "perils") not excluded. Others insure against loss from named perils such as fire, vandalism, malicious mischief, earthquake and wind. If it is available, the Board should consider obtaining flood insurance (if in a flood-prone area). Care should be taken that sufficient coverage is obtained to comply with any co-insurance percentage provided for in the policy. Preferably, the policy should stipulate an "agreed value" of the property to avoid the problems presented by co-insurance provisions.

5.3 Commercial General Liability. The Board shall obtain commercial general liability insurance in such amounts as the Board may determine from time to time.

5.4 Director Liability Insurance. The Board may obtain liability insurance insuring against liability for actions taken by members of the Board, officers of the Association and advisory members in the performance of their duties. The Board may also obtain fidelity insurance for its employees.

5.5 Other Coverage. The Board shall obtain and maintain workman's compensation insurance if and to the extent necessary to meet the requirements of law and such other insurance as the Board may from time to time determine.

5.6 Parcel Coverage. Owner shall obtain casualty insurance for improvements on the Parcel. Coverage shall be in an amount not less than necessary to comply with the co-insurance percentage stipulated in the policy, but in any event not less than 80% of the insurable value (based upon replacement) of the improvements. If requested, Owners shall provide evidence of such insurance to the Business District Association. The

Business District Association may require Commercial Parcels to carry additional insurance, including but not limited to comprehensive general liability and, where applicable, liquor liability and special coverage for machinery and equipment.

5.7 Repair and Reconstruction after Fire or Other Casualty.

(a) **Business Commons.** If fire or other casualty damages or destroys any of the improvements on the Business Commons, the Board shall arrange for and supervise the prompt repair and restoration of the improvements, unless the Board approves other plans. The Board shall obtain funds for such reconstruction first from the insurance proceeds, then from reserves for the repair and replacement of such improvements, and then from any Special Assessments that may be necessary after exhausting insurance and reserves.

(b) **Parcels.** If fire or other casualty damages or destroys a building or any other improvements on a Parcel, the Owner of that Parcel shall immediately proceed to rebuild and restore the improvements to the condition existing immediately prior to such damage or destruction, unless other plans are approved by the Board. If the Owner fails to clean and secure a Parcel within thirty (30) days after a casualty, the Business District Association may, in accordance with the provisions of Section 4.11(d), remove debris, raze or remove portions of damaged structures and perform any other clean up the Business District Association deems necessary to make the Parcel safe and attractive. The cost of such clean up shall be assessed to the Parcel Owner as an Individual Parcel Assessment.

Part VI: General Terms

6.1 Amendment.

(a) By Members. This Declaration may be amended at any time by an instrument signed by the president or vice president and secretary of the Business District Association, certifying approval in writing by two-thirds (2/3) of the Membership Interests, and approval of the Founder while the Founder still owns any Parcels in the Business District.

(b) By the Founder. The Founder specifically reserves the absolute and unconditional right to amend this Business District Declaration without the consent or joinder of any party (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Veterans Administration, Federal National Mortgage Association or any other generally recognized institution involved in the guarantee or purchase and sale of mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, (iii) to clarify the Declaration's provisions or correct errors, or (iv) to subject additional property to this Business District Declaration or in connection with Supplemental Declarations or to withdraw property from the Business District, (v) to change a name pursuant to the Master Declaration, or (vi) to conform to applicable laws. The Founder may also amend this Book without approval by the Owners or the Board during the period of time that the Founder has the right to appoint a majority of the Board.

(c) Limitation. Whenever any action described in this Business District Declaration requires approval of greater than two-thirds (2/3) of the Membership Interests, amendment of that provision shall require the same percentage vote as would be required to accomplish that action directly.

(d) Recording. Any amendment shall take effect upon recording in the Register of Mesne Conveyances of Aiken County, South Carolina.

6.2 Duration; Termination. The covenants and restrictions and other provisions contained in this Business District Declaration shall run with and bind the Business

Part VI: General Terms

District and shall inure to the benefit of and be enforceable by the Business District Association, the Founder and all Members within the Business District, their respective legal representatives, heirs, successors or assigns for twenty years, and shall be automatically extended for each succeeding ten year periods unless, after the Founder no longer owns any Parcels in the Business District, an instrument signed by Owners representing 80% of the Membership Interests in the Business District Association shall have been recorded and consent of the Founder, agreeing to terminate the Business District Declaration as of a specified date.

This Declaration may also be terminated in any of the following ways:

(a) Unanimous Consent. The Business District Declaration may be terminated at any time by the consent in writing of all Owners and the Founder.

(b) Dedication of Business Commons. The Business District Declaration may be terminated by Owners representing two-thirds of the Membership Interests and consent of the Founder, if the Business Commons have been accepted for dedication or taken by eminent domain by the appropriate unit of local government.

6.3 Rerecording. Unless this Business District Declaration is terminated, the Business District Association shall rerecord this Business District Declaration or other notice of its terms at intervals necessary under South Carolina law to preserve its effect. If the Business District Association fails to rerecord this Business District Declaration, the Founder or any Owner may do so.

6.4 Interpretation. The provisions of this Business District Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of the Business District as an integral part of Hammond's Ferry but with separate needs as an area of primarily commercial character. If necessary in the event of a conflict, the provisions shall be interpreted in the manner, which gives the Business District the greatest autonomy. The invalidity of any part of this Business District Declaration shall not impair or affect the validity or enforceability of the rest of the Business District Declaration, which shall remain in full force and effect.

6.5 Enforcement of Declaration.

(a) Enforcement. Suit may be brought against any person, persons or entity violating or attempting to violate the provisions of this Business District Declaration, either to restrain violation or to recover damages, and against his or its property to enforce any lien created by this Business District Declaration. To enforce this Business District Declaration or the Rules and Regulations, the Founder or the Business District Association may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity.

Part VI: General Terms

(b) Initiation of Litigation by the Business District Association. The Business District Association shall not initiate any judicial or administrative proceeding unless first approved by a vote of Voting Members entitled to cast 75% of the total Class "A" votes in the Business District Association, except that no such approval shall be required for actions or proceedings:

- (i) initiated during the Period of Founder Control;
- (ii) initiated to enforce the provisions of this Business District Declaration, including collection of assessments and foreclosure of liens;
- (iii) initiated to challenge ad valorem taxation or condemnation proceedings;
- (iv) initiated against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies; or
- (v) to defend claims filed against the Business District Association or to assert counterclaims in proceedings instituted against it.

This subsection shall not be amended unless such amendment is approved by the same percentage of votes necessary to institute proceedings.

(f) No Waiver. Failure to enforce any provision of this Business District Declaration or the Rules and Regulations shall not be deemed a waiver of the right to do so at any time thereafter.

(g) Legal Fees. Any and all costs, including but not limited to attorneys' fees and court costs, which may be incurred by the Founder or the Business District Association in the enforcement of any of the provisions of this Business District Declaration, whether or not suit is brought, may be assessed as an Individual Parcel Assessment to the Owner against whom such action was taken.

6.6 Assignment of Founder Rights. The Founder may assign all or any portion of its rights or obligations at any time to a successor or assign, or to the Business District Association. If the Founder conveys all of its property within the Business District without assigning its rights, then the Founder's rights shall be automatically assigned to the Business District Association.

6.7 Notices. Any notice required to be sent to a Member shall be deemed to have been properly sent when mailed, postage prepaid, or hand delivered to the Parcel and, if different, to the last known address of the person who appears as Owner of the Parcel as

Part VI: General Terms

that address is stated on the records of the Business District Association at the time of the mailing.

6.8 **Gender and Number.** The use of the masculine gender herein shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

6.9 **Consent of Mortgagees.**

(a) **When Consent Required.** This Declaration contains provisions concerning various rights, priorities, remedies and interests of Mortgagees. When Mortgagees are specifically referenced, such provisions are to be construed as covenants for the protection of the Mortgagees on which they may rely in making loans secured by a mortgage on a Parcel. Accordingly, no amendment or modification of this Business District Declaration specifically impairing such rights, priorities, remedies or interests of a Mortgagee shall be adopted without the prior written consent of the Mortgagees. This section shall not be construed, however, as a limitation upon the rights of the Founder or the Owners to make amendments other than those directly concerning mortgages.

(b) **Timely Response.** Any such required consent shall be given promptly and shall not be unreasonably withheld. Any consent not given or denied within 30 calendar days of receipt of request for consent shall be deemed given.

6.10 **Law to Govern.** This Declaration shall be construed in accordance with the laws of the State of South Carolina.

6.11 **Master Declaration.** If in any instance the provisions of this Business District Declaration are in conflict with the provisions of the Master Declaration, the provisions of the Master Declaration shall apply.

Part VII: Glossary

Applicability: This Part applies to all capitalized terms within this Business District Declaration. Terms that are used in only one Part may be defined in that Part.

7.1 **Articles.** "Articles" are the Articles of Incorporation of the Business District Association.

7.2 **Assessments.** As further described in sections 3.7 and 3.8, "Assessments" is the collective term for the following charges:

(a) **General Assessment.** The "General Assessment" is the amount distributed among all Members to meet the Business District Association's annual budgeted expenses.

(b) **Special Assessment.** A "Special Assessment" may be charged to each Parcel for capital improvements or emergency expenses.

(c) **Individual Parcel Assessment.** An "Individual Parcel Assessment" is a charge made to a particular Parcel for charges relating only to that Parcel.

(d) **Foundation Contribution.** If the Founder creates a Foundation, the "Foundation Contribution" is paid upon each conveyance other than to the Founder or builder.

(e) **Zone Assessment.** A "Zone Assessment" is a charge made to a particular parcel for expenses relating only to Parcels in that Zone.

7.3 **Board.** "Board" is the Board of Directors of the Business District Association.

7.4 **Book.** The "Hammond's Ferry Book of Operating Principles" or "Book" recorded in the Register of Mesne Conveyances of Aiken County, South Carolina, as amended from time to time. The Book establishes the Neighborhood Association of Hammond's Ferry.

7.5 **Business Commons.** As further described in Section 2.1, "Business Commons" comprise open space and facilities in the Business District intended for the common use

Part VII: Glossary

and enjoyment of all Business District Owners, tenants and guests, including commercial guests and are subject to easements providing for their use by the Neighborhood Association and its Owners, their tenants and their guests.

7.6 **Business District.** The Business District is all that property which has been made subject to this Business District Declaration, plus additions and less withdrawals made pursuant to the terms of this Business District Declaration.

7.7 **Business District Association.** The Business District Association is the Hammond's Ferry Business District Association, Inc., a South Carolina nonprofit corporation. The Business District Association is comprised of owners of commercial property and is not intended to be a residential homeowner's association under state law.

7.8 **Business District Declaration.** The "Business District Declaration" is this instrument.

7.9 **Bylaws.** "Bylaws" are the Bylaws of the Business District Association.

7.10 **City.** "City" is the City of North Augusta, South Carolina.

7.11 **Commercial Parcel.** A "Commercial Parcel" is defined as a parcel of separately conveyable real property that includes permanent, enclosed space that is intended for office, retail or other commercial use. A Commercial Parcel includes those portions of the property that are used for residential purposes unless they can be conveyed separately from the commercial portion.

7.12 **Development Unit.** A "Development Unit" consists of 1000 gross square feet of enclosed building area.

7.13 **Founder.** The "Founder" is North Augusta Riverfront Company, LLC, a Delaware limited liability company, its successors and assigns, or any successor or assign of all or substantially all of its interests in the development of Hammond's Ferry. The Founder may also be an Owner for so long as the Founder is record owner of any Parcel.

7.14 **Hammond's Ferry.** "Hammond's Ferry" is property made subject to the Master Declaration.

7.15 **Hammond's Ferry Commons.** "Hammond's Ferry Commons" consist of Business Commons and Neighborhood Commons.

7.16 **Hammond's Ferry Design Code.** The "Hammond's Ferry Design Code" or the "Design Code" includes the Hammond's Ferry Riverfront Code, a Pattern Book, a lot protocol plan, and other design guidelines that may be developed, approved, and used from time to time in Hammond's Ferry. The Design Code establishes the plan for the

Part VII: Glossary

development of Hammond's Ferry through its regulation of land use and architecture. The Design Code is originally adopted by the Founder and may be amended from time to time in accordance with the Master Declaration. The Design Code does not need to be recorded to be effective but shall be available from the HFDC.

7.17 Hammond's Ferry Design Committee. The "Hammond's Ferry Design Committee" or "HFDC" is the panel established by the Master Declaration to review and approve modifications to Parcels and to perform other tasks described in this Business Declaration and the Master Declaration.

7.18 Master Declaration. The "Master Declaration" is the Hammond's Ferry Master Declaration of Codes, Covenants and Easements, recorded in the Register of Mesne Conveyances of Aiken County, South Carolina, as amended from time to time. The Master Declaration establishes architectural control, reserves certain rights to the Founder and places other restrictions on the use of Hammond's Ferry.

7.19 Member. Each Commercial Parcel Owner is a "Member" of the Business District Association, as provided in Part II of this Business District Declaration.

7.20 Membership Interest. As further provided in Section 1.4, both voting rights and Assessments shall be based on Membership Interest.

7.21 Merchant's Council. The Merchants' Council is organized under Section 4.2 as a committee of the Business District Association to promote the Business District for the mutual benefit of all businesses.

7.22 Mixed-Use Area. The "Mixed-Use Area" is that area shown on Exhibit A to this Business District Declaration.

7.23 Mortgage. A "Mortgage" is a deed of trust.

7.24 Mortgagee. A "Mortgagee" is the holder of a mortgage.

7.25 Neighborhood Association. The "Neighborhood Association" is the Hammond's Ferry Neighborhood Association, Inc., a South Carolina nonprofit corporation established by the Book.

7.26 Neighborhood Commons. "Neighborhood Commons" comprise open space and facilities in the Residential Neighborhood intended for the common use and enjoyment of all Residential Neighborhood Owners, tenants and guests, and are subject to easements providing for their use by the Business District Association and its Members, their tenants and their guests.

Part VII: Glossary

7.27 Owner. "Owner" is the record owner, whether one or more persons or entities, of the fee simple title to any Parcel within the Business District. The term "Hammond's Ferry Owner" shall also include owners of property within other portions of Hammond's Ferry. Owners shall not include those having such interest merely as security for the performance of an obligation.

7.28 Parcel. "Parcel" means any plot or Parcel of land designated for separate ownership or occupancy in the mixed use area other than a common area, and a unit in a condominium association.

7.29 Period of Founder Control. The "Period of Founder Control" is that period of time from the date of the recording of this Business District Declaration until the date upon which all Parcels in the Neighborhood shall have been conveyed to Owners other than the Founder or its designated entities. During the Period of Founder Control, the Founder has the right to appoint the majority of the Directors.

7.30 Wheeled Transport. "Wheeled Transport" means bicycles, scooters, skateboards, roller skates, roller blades, tricycles, wheelchairs, Segway Human Transport, wagons, baby strollers and similar means of transportation, working on wheels or tracks, whether or not motorized, but not including motorcycles, motorized go carts, all terrain vehicles, or mini-bikes.

7.31 Zone. A "Zone" is a portion of the Business District with particular maintenance requirements, as further described in Section 1.8.

WITNESS the Hand and Seal of the duly authorized officer of North Augusta Riverfront Company, LLC, as of the day and year first above written.

Signed, sealed and delivered in the presence of:

NORTH AUGUSTA RIVERFRONT COMPANY, LLC

[Signature]
WITNESS No. 1

By: [Signature]
N. Turner Simkins
As its General Manager

[Signature]
WITNESS No. 2

STATE OF Georgia
COUNTY OF Richmond

Personally appeared before me the undersigned witness and made oath that s/he saw the within named N. Turner Simkins as the General Manager of North Augusta Riverfront Company, LLC sign, seal and, as the act and deed of said company, deliver the within-written Declaration for the purposes therein mentioned and that s/he, with the other witness whose signature appears above, witnessed the execution thereof.

SWORN to before me this 3rd day of February, 2006.

[Signature]
Notary Public, Richmond County,
State of GA
My commission expires _____
(Notary Seal)

[Signature]
WITNESS No. 1

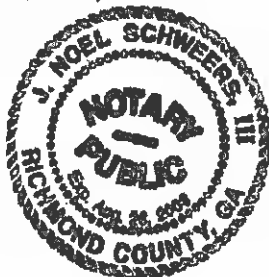


EXHIBIT A

Mixed-Use Area

All that lot, tract or parcel of land containing approximately 195 acres lying to the South of the City of North Augusta Greenway Trail as shown on that certain Plat dated November 26, 2002, revised December 23, 2002, prepared by W. R. Toole Engineers, Inc. for the City of North Augusta and recorded in the records of the Register of Mesne Conveyances of Aiken County, South Carolina in Plat Book 46, page 97. The Project Area is bounded as follows: on the North by the City of North Augusta Greenway Trail, on the East by Georgia Avenue, on the South by the Savannah River and on the West by Campbell Town Landing Subdivision and other property of the City of North Augusta. Reference is hereby made to said plat for a more complete description of the Project Area.

EXHIBIT B

Business District

The Business District shall include Lot 1, Block 4 and Lot 18, Block 10 as described on that certain plat entitled "Conditional Final Plat for Hammond's Ferry Phase A1 located in the City of North Augusta, North Augusta, South Carolina" prepared by Davis & Floyd Engineering, Architecture, Environmental & Laboratory Services, dated January 5, 2006, and duly recorded on January 19, 2006, in the records of the Register of Mesne Conveyances of Aiken County, South Carolina, at Plat Book 50, pages 845-847.

Active3038693.B



2006003787

RESTRICTIVE COVENANTS
RECORDING FEES

\$29.00

PRESENTED & RECORDED:
02-03-2006 04:45 PM

JUDITH WARNER
REGISTER OF DEEDS CONVEYANCE
ALLEN COUNTY, SC

By: JOYCE H EGGLE DEPUTY RMC

BK:RB 4044

PG:876-898

Prepared by
And when recorded
Return to:

Daniel K. Slone
McGuireWoods LLP
901 E. Cary Street
Richmond, VA 23219-4030
(804)775-1000

Declarant: North Augusta Riverfront Company, LLC



Hammond's Ferry

Master Declaration of Codes, Covenants and Easements

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NORTH AUGUSTA RIVERFRONT COMPANY, LLC, a Delaware limited liability company (the "Founder" and Grantor/Grantee for indexing purposes only) makes this **MASTER DECLARATION OF CODES, COVENANTS AND EASEMENTS** (the "Master Declaration") as of the 3 day of Feb., year of 2006.

DECLARATION:

The Founder, who is the owner and developer of all of the property in North Augusta, South Carolina, described on Exhibit A (the "Neighborhood") hereby submits the property described in Exhibit B and future additions as described below ("Hammond's Ferry") to this Master Declaration. The Founder hereby declares that the property subject to this Master Declaration shall be held, sold and conveyed subject to the covenants, restrictions and easements of this Master Declaration, which shall run with the land and be binding upon all owners of property within Hammond's Ferry (the "Owners"), their heirs, successors and assigns, and upon all other parties, heirs, successors and assigns having any right, title or interest in all or any part of Hammond's Ferry. Capitalized terms are typically defined terms, unless the context indicates otherwise. Definitions for these terms are provided in the Hammond's Ferry Book of Operating Principles (the "Book"), and the Business District Declaration of Codes, Covenants and Easements for the Non-Residential Property in Hammond's Ferry (the "Business District Declaration").

Part I:

Introduction and Overview

Hammond's Ferry is a mixed-use Traditional Neighborhood Development located within a 200-acre site along an approximately 1-mile stretch of the Savannah River in North Augusta, South Carolina and directly across the river from downtown Augusta, Georgia. The riverfront neighborhood will serve as the "front porch" for the State of South Carolina, where residents and visitors alike will be able to participate in a variety of recreational and civic activities. Hammond's Ferry is intended as a mixed-use community where, in addition to single and multi-family residences, offices, retail and civic uses thrive.

Hammond's Ferry is a public-private initiative involving the City of North Augusta and North Augusta Riverfront Company, LLC, which is a subsidiary of LeylandAlliance LLC, of Tuxedo, New York. The master plan provides for a maximum of approximately 1500 new homes, condominiums and apartments, together with business and civic uses, parks and public spaces.

While Hammond's Ferry is village-like in its design and is located within the City of North Augusta, it does not have a separate town government. Certain needs of Hammond's Ferry are met primarily by two separate entities, each of which is established by a separate recorded declaration:

- Under the terms of the Book, the Neighborhood Association will maintain all of the Neighborhood Association common areas, which are called the "Neighborhood Commons" and are more particularly defined in Chapter 7 of the Book. The Neighborhood Association also helps preserve neighborhood harmony by facilitating neighborhood discussion, stimulating an understanding of the neighborhood goals and enforcing the covenants when necessary.
- Under the terms of the Business District Declaration, the Business District Association will address the special needs of the commercial properties within Hammond's Ferry. Pursuant to the Business District Declaration, the Business District Association will provide commercial-type maintenance and services appropriate to the Business District, including maintenance of all of the Business District common areas or "Business Commons." The Business District

Association may also function as a merchants' association for advertising and business development.

Membership in the Associations may change from time to time as the use of a property changes. The owners of all property within Hammond's Ferry will be part of one association or the other and subject to either the Book or the Business District Declaration (with the possible exception of mixed-use buildings as described below) depending on the use of the property. All residential property owners will be members of the Neighborhood Association. Live/work property owners will also be members of the Neighborhood Association. All commercial property owners will be members of the Business District Association. Mixed-use building owners will be members of the Business District Association, but in some cases the residential portion of a mixed-use building, if separately owned, may be placed in the Neighborhood Association.

The Neighborhood has the potential to be enhanced through its affiliation with a not-for-profit corporation, the Hammond's Ferry Foundation, Inc., (the "Foundation") organized as a charitable institution under Section 501(c)(3) of the Internal Revenue Code. Participation in the Foundation is voluntary but the Foundation Contribution, which is paid to the Foundation upon the purchase of each Parcel within Hammond's Ferry as described in the Book and the Business District Declaration, is mandatory. The Foundation seeks to address some of the civic, cultural and social needs of Hammond's Ferry, and to engage in charitable activities. It may sponsor concerts and art festivals to enrich the community. It may also encourage events intended just to bring people together, to meet each other and to enjoy being part of a community.

While each entity operates independently, certain entities may work together and may enter into contractual agreements. In particular, the Business District Association may be required to make contributions to the Neighborhood Association for the shared use and maintenance of certain facilities.

Part II: Relationships Between the Associations

Each of the Associations is responsible for maintaining and sometimes even operating certain areas in Hammond's Ferry. To encourage operation as a single community, this section creates certain relationships between the Associations.

2.1 Easements for Use of the Hammond's Ferry Commons. To the extent there are open area commons controlled by the Neighborhood Association, the following rights will apply:

(a) Each Owner of property in Hammond's Ferry has the following non-exclusive easements in the Hammond's Ferry Commons for the benefit of such Owner and its tenants, employees, and guests for pedestrian and Wheeled Transport ingress and egress over all sidewalks and paths that are part of the Hammond's Ferry Commons, subject to applicable laws and the Rules and Regulations.

(b) Members of the Neighborhood Association may use the Business Commons for events with the written permission of the Founder or the Business District Association. Scheduling and arrangements for the use of Business Commons must be made through the Business District Association.

(c) Members of the Business District Association may use the Neighborhood Commons for events with the written permission of the Neighborhood Association or the Founder. Scheduling and arrangements for the use of all Neighborhood Commons must be made through the Neighborhood Association or the Founder.

(d) Members of the Business District Association who have residential occupants shall have an easement in the Neighborhood Commons to conduct non-commercial parties, weddings, gatherings, and other events on evenings, weekends, and holidays (during reasonable hours) provided that these undertakings are always conducted and supervised so that they occur in a safe fashion that does not create a nuisance to the properties surrounding the Neighborhood Commons and comply with this Master Declaration and laws and the Rules and Regulations (including the payment of

any applicable fees). Scheduling and arrangements for the use of all Neighborhood Commons must be made through the Neighborhood Association.

(e) Tenants and Occupants of residential property or commercial property who are not Members shall have the right to use the easement of the Member whose lot they occupy, provided that (i) the Member is and will be responsible for the manner of the occupant's use, and (ii) the Member may withdraw consent for the use by written notice to the appropriate Association.

2.2 Use of Neighborhood Association Amenities. Residential tenants in the Business District shall be allowed to use the Neighborhood Association amenities, provided that they pay a fee to use the facilities that is equal to the fee (or portion of a larger fee) that the Neighborhood Association Members are charged for the operation, maintenance and use of the same amenities and provided further that they comply with all applicable Rules and Regulations. Among other things, the fees payable for use of amenities by residential tenants in the Business District may include amounts based on the portion of the Assessments payable by Members of the Neighborhood Association that are allocable to such amenities. The Board of Directors of the Neighborhood Association shall determine such fees and such determination shall be final.

2.3 Rules of Park Usage. The City of North Augusta owns and operates most of the parks within and around Hammond's Ferry. Owners of Parcels within Hammond's Ferry shall abide by City rules, regulations, and requirements governing the use of the parks. Neither the Founder nor the Associations shall be responsible for Owners' use of the parks dedicated to the City. If either Association sponsors an event in a City park within Hammond's Ferry, Owners, Occupants, their tenants and guests must abide not only by the City rules and regulations for park use, but also by any Rules and Regulations of the relevant Association pertaining to park use during the event.

Part III: Architectural Standards and Review

The architectural standards for Hammond's Ferry are set forth in and the process for design approval will be governed by this document and the Hammond's Ferry Design Code (the "Design Code"), which includes the Hammond's Ferry Pattern Book, the Hammond's Ferry Riverfront Code (the "Riverfront Code"), a lot protocol plan, and other design guidelines that may be developed, approved, and used from time to time. The Design Code is a guideline that will serve as a benchmark for architectural designs and will help Hammond's Ferry to develop in a manner that is consistent with the community's overall vision.

Initial construction is dramatic, as each street takes shape. The facades of the buildings form the community's outdoor rooms, and the community envisioned by the Design Code springs to life. However, Hammond's Ferry is not frozen in time. Neighborhoods evolve after the initial construction is complete. Homes are enlarged to suit a growing family. A tree falls and must be replaced. Children clamor for swimming pools and basketball hoops. A puppy requires a fenced yard. The questions surrounding modification review concern not just design but compatibility with the adjacent properties.

This Part III provides a method for review of both initial construction and modifications.

3.1 Town Architect. The Founder, or the Board of Directors of the Neighborhood Association after the termination of the Period of Founder Control, may appoint a Town Architect, whose job it is to understand and interpret the Design Code. The Town Architect may have a professional degree in architecture or urban design or otherwise be a design professional with qualifications deemed appropriate by the Founder or by the Board of Directors of the Neighborhood Association after the termination of the Period of Founder Control. The Town Architect does not, however, need to be licensed to practice in South Carolina.

3.2 Hammond's Ferry Design Committee.

(a) Composition. The Hammond's Ferry Design Committee (the "HFDC"), shall have at least three members and no more than five members, with the number of members to be determined by the Founder. Until the Founder no longer owns any Parcels in the Neighborhood, or until the Founder voluntarily assents, the HFDC includes the following members, who are entitled to vote on all matters before the HFDC:

- The Town Architect, if there is one, fills one seat on the HFDC or the Founder appoints a similarly qualified substitute.
- The Founder appoints the remaining members. If the Founder abandons the position on the HFDC and fails to designate a successor or fails to appoint any other members, the positions are to be filled using the procedure described in Section 3.10.

(b) Staff Compensation. The HFDC may employ personnel or contract with individuals or companies as necessary to assist in the review process. Professionals and staff may be paid reasonable compensation for serving on the HFDC, as determined from time to time by the Founder, or if the Founder no longer appoints the HFDC, then the Boards of the Associations. All members of the HFDC shall be compensated for expenses.

(c) Review Fees. The HFDC may set its review fees to cover all or part of the expected cost of its operation.

3.3 Design Code. The Design Code is an architectural guideline for the Neighborhood. Other guidelines may be developed, approved, and used over time. The Design Code and other architectural guidelines are subject to modification by the Founder, until the Founder no longer owns any Parcels in the Neighborhood, and thereafter by the HFDC, from time to time for any of the following reasons:

(a) To correct errors or resolve conflicts with governmental requirements or make changes that the Founder or the HFDC, as appropriate, believes will better accomplish the objectives of Hammond's Ferry;

(b) To permit use of new materials or techniques for construction or landscape that are appropriate, in the opinion of the Founder or the HFDC, to Hammond's Ferry; or

(c) To recognize changing land use or market conditions over time, both from within and outside Hammond's Ferry.

3.4 Construction Subject to Review.

(a) Applicability. All plans and specifications for construction or modification of any structure or improvement of the property such as driveways, parking lots, fences, walls or walks or material landscaping element, such as trees or large shrubbery, must be reviewed and approved before construction in accordance with this Part III. No construction or clearing of a Parcel may begin until approved by the HFDC. Once construction begins, all construction must comply with the approved plans and specifications. Although this Chapter refers to "Parcels" and applies primarily to private property, it also applies to modification of the Hammond's Ferry Commons. Construction of any structure upon the Hammond's Ferry Commons (other than initial construction by the Founder), or modification of any existing structure, as well as any material alteration of the landscaping or topography of any Hammond's Ferry Commons, must be approved in advance by the HFDC.

(b) Scope. Review for both new construction and for modification includes materials and color selection and selection and placement of any ornamentation or functional accessories, including but not limited to the following:

- materials and color selection for the main building and any outbuilding (including roof, doors, windows and trim);
- landscaping, grading and any removal of trees;
- privacy walls or other fences and gates, driveways, walks, patios and other ground surface materials;
- antennas, satellite dishes or receivers, solar panels or other devices which are visible from outside the Parcel;
- fountains, swimming pools, whirlpools or other pools, awnings, and statues or other outdoor ornamentation;
- signage of any type; and
- permanent or semi-permanent play equipment, whether or not secured, such as tree houses, pools, basketball hoops, skateboard ramps and swing sets.

The listing of a category does not imply that such construction or use is permitted. Review is not required to repaint with originally approved paint and colors, or to replace the roof or other components with duplicates of those originally approved.

(c) Trees. The cutting, removal or intentional damage of existing trees (including excessive pruning or failure to use due care with equipment or when removing other trees permitted to be removed) is strictly regulated under the Design Code. All plans must comply with applicable drainage, water conservation, erosion control and stormwater detention requirements.

3.5 Standard for Review.

(a) Generally. Applications are approved based upon compliance with the Design Code in effect at the time of the submittal, compatibility with surrounding Parcels and Hammond's Ferry Commons and overall quality of design. The HFDC has the sole and absolute ability to review and approve applications. Strict compliance with the Design Code does not guarantee approval of an application. The HFDC may require changes to a plan to improve its aesthetic appearance even if the design meets the technical requirements of the Design Code. If the HFDC rejects an application due to overall design quality, despite compliance with the Design Code, the HFDC shall make suggestions for improving the design.

(b) Variances. The HFDC may grant variances from the Design Code based on existing topographical or landscape conditions, existing trees, accessibility, architectural merit, or other reason deemed sufficient by the HFDC, which might include solar orientation, etc. Any such variance must be in writing. Approval of a variance does not constitute a precedent for other applications, and such requests may be arbitrarily denied.

3.6 Review Procedure.

(a) Applications. HFDC may establish forms and procedures for the review of applications, including review costs and fees, if any, to be paid by the applicant. HFDC may provide lists of approved materials and may allow for staff review and approval of routine or minor matters.

(b) Notification; Construction; Inspection. HFDC shall use best efforts to notify the applicant of its decision within a reasonable period of time. However, a delay in reviewing an application shall not be deemed consent to construction. If approval is given and all necessary governmental permits and approvals are in place, then construction of the improvements may begin. If construction is not begun within six months after approval of the plans and specifications and there has been any change in the Design Code in the intervening months that would otherwise apply to the approved construction, then the approval will expire and the plans and specifications must be resubmitted.

Part II: Relationships Between the Associations

(c) Inspection. HFDC or its agent may inspect the property during construction but has no obligation to make any such inspection.

(d) Governmental Compliance. Members are responsible for making sure that construction conforms to governmental regulations and all local building codes. If the HFDC notes noncompliance, the Member will be required to make the necessary changes. However, HFDC is not responsible for compliance with governmental requirements or for identifying non-compliance. Members must obtain building permits as necessary from the City of North Augusta. The City shall review proposed plans approved by the HFDC and may require changes to meet City requirements prior to issuing a building permit.

(e) Fines; Enforcement. Failure to comply with the Design Code and build in accordance with approved plans and specifications and all Rules and Regulations, including, without limitation, improper cutting, removal or intentional damage to existing trees, is subject to fines that may be established by the HFDC. Improper cutting, removal or intentional damage to existing trees shall also be subject to a requirement that the tree be replaced with an approved species of comparable caliper, or, if approved by HFDC, a combination of trees totaling the caliper of the removed tree.

(f) Completion. When the primary building and landscaping are completed in substantial compliance with the approved plans and specifications, HFDC shall issue a Certificate of Substantial Conformance. The Certificate shall describe any areas of deficiency that need to be corrected. All fines and other enforcement shall be waived so long as the deficiencies are corrected within sixty (60) days. Upon correction of all deficiencies, HFDC shall issue a Certificate of Completion and Release in recordable form.

Notice to Owners

The contract for the construction or modification of a home or business is negotiated between the Parcel Owner and the contractor. Neither the Founder, nor the HFDC is a party to that contract. Owners are ultimately responsible for assuring that the improvements constructed on the Parcel are in accordance with the approved plans and specifications. Because the Design Code may change from time to time, it is important that Owners obtain or confirm that they have the current version of the Design Code before undertaking any change or improvement of their property. For the Owner's benefit, **contracts should require the contractor to build or modify the improvements in accordance with plans and specifications approved by the HFDC.** Receipt of the HFDC's Certificate of Completion and Release indicating compliance with the approved plans and specifications should be a condition of final payment on the contract.

3.7 **Builders.** The HFDC or Founder may establish a review and approval process for builders and other contractors to be permitted to build at Hammond's Ferry and to become members of the Hammond's Ferry Builder's Guild, a group of approved builders. Approval may be based on willingness to build in accordance with approved plans and specifications, quality of past work, client satisfaction and financial history. Builders must agree to comply with construction regulations, to dispose of construction debris properly and to build in accordance with the approved plans and specifications. Builders permitted to build in Hammond's Ferry may be required to post a deposit for compliance and damages. Failure to comply may result in fines, forfeiture of the deposit and revocation of the right to build in Hammond's Ferry.

3.8 **Liability.** The HFDC and its representatives are concerned primarily with aesthetic considerations, and are not responsible for compliance with governmental requirements or design or construction defects or use of materials affecting the safety or structural integrity of the building. Approval by the HFDC of an application shall not constitute a basis for any liability of the Founder, or members of the HFDC, Board of Directors or Association for failure of the plans to conform to any applicable building codes or inadequacy or deficiency in the plans resulting in defects in the improvements, or for the performance or quality of work of any contractor or architect approved by it, or for non-compatible or unstable soil conditions or soil erosion, or any other condition of the property.

3.9 **Modification Committee to the HFDC.** The HFDC may establish a committee to review and approve modifications of properties that are submitted after a Certificate of Substantial Conformance, as described in Section 3.6(f), has been issued.

3.10 **Final Composition of the HFDC.** Within sixty (60) days after the date that the Founder no longer owns any Parcels in the Neighborhood, or upon Founder's voluntary assent, a new three or five-person HFDC shall be appointed to replace the Founder-controlled HFDC. The Neighborhood Association shall determine the size of the HFDC. All HFDC members shall serve two-year (2) renewable terms.

(a) **Three-Person HFDC.** If the Neighborhood Association chooses to establish a three-person HFDC, the Neighborhood Association shall appoint two (2) members to the new HFDC. The remaining HFDC member shall be appointed by the Business District Association.

(b) **Five-Person HFDC.** If the Neighborhood Association chooses to establish a five-person HFDC, the Neighborhood Association shall appoint three (3) members to the new HFDC. The remaining HFDC Members shall be appointed by the Business District Association.

Part IV:

Environmental Protections

4.1 Environmental Compliance. Each Owner and Occupant shall comply with all laws relating to the discharge, storage and disposal of all hazardous or toxic wastes and substances, petroleum, petroleum by-products and other environmental contaminants (as any of the foregoing may now or in the future be defined by any Governmental Entity) on, at or from such Owner or Occupant's Parcel or otherwise relating to environmental protection. All Owners and Occupants shall comply with any environmental provisions included within the Design Code and the Rules and Regulations.

4.2 Clean-up; Indemnification. By accepting a deed to a Parcel, each Owner hereby agrees (i) to clean up and remove or contain (but only if permitted by law), in accordance with and to the extent required by any and all applicable federal, state and local laws, any hazardous or toxic substances or wastes or other environmental contaminants on or under the Owner's Parcel, or stored, generated, disposed of or discharged by the Owner or any Occupant of the Owner's Parcel or from the Owner's Parcel, and (ii) to indemnify, defend and hold harmless the Founder, any Affiliate of the Founder, the relevant Association, their agents and each of the other Owners from and against any and all foreseeable and unforeseeable claim, loss, damage, cost or expense (including, without limitation fines, clean-up costs, costs of relocating tenants, employees and agents, restoration costs, loss of income and attorneys' fees) incurred or suffered by the indemnified party as a result of any hazardous or toxic waste or substance or other environmental contaminant discharged from, stored at or disposed of at or from the indemnifying party's Parcel.

4.3 Nuisance. Whether otherwise permitted by a Governmental Entity, the Reviewing Body, the Founder or the relevant Association, as described in this Section, may prohibit any use or operation that creates objectionable noise, smoke, odors or which in any other way, in their reasonable opinion, will constitute a nuisance or degrade the value of Hammond's Ferry. While the Founder owns any Parcel in Hammond's Ferry, the Founder shall be the Reviewing Body for purposes of this Section. Thereafter, the appropriate Association related to the Parcel shall review nuisance issues.

Part V: Founder's Reserved Rights

5.1 Addition or Withdrawal of Property.

(a) Neighborhood. The Founder shall have the right, but not the obligation, for a period of thirty (30) years from the date of this Master Declaration, from time to time in its sole discretion, to add to Hammond's Ferry any part of the Neighborhood. This reserved development right may be exercised with respect to different portions of the Neighborhood at different times. No assurances are made as to the boundaries of those portions or order in which the portions will be added. Exercising any development right in any portion of the Neighborhood does not necessarily mean the right will be exercised in the remainder of the Neighborhood.

(b) Other Property. The Founder may also add to Hammond's Ferry: (i) property contiguous to the Neighborhood not a part of the Neighborhood, (ii) property any portion of which is within two miles of any portion of Hammond's Ferry (including any property separated from Hammond's Ferry by a public street, body of water or other property), or (iii) any other property with a reasonable relationship to Hammond's Ferry.

(c) Supplemental Declaration. A Supplemental Declaration adding the additional property shall become effective upon being recorded in the Register of Mesne Conveyances of Aiken County, South Carolina, and upon such recording the additional property shall become part of Hammond's Ferry, subject to this Master Declaration. The Supplemental Declaration may modify, remove or add to the provisions of this Master Declaration if needed to reflect the different character of the additional property, including a different assessment allocation.

(d) Withdrawal of Property. The Founder reserves the right to withdraw property from Hammond's Ferry so long as at least 80% of all Owners within the area to be withdrawn consent, and appropriate access to the remaining portions of Hammond's Ferry is preserved.

5.2 Use of Name. The Founder reserves the right to trademark the name "Hammond's Ferry" or other name of the community as a trade name owned by the Founder. An Owner or an Occupant may use the trademarked name to describe the location of the business, and may advertise a business as being located "in Hammond's Ferry" or other trademarked name. If requested by the Founder, the Owner or Occupant shall accompany

such use with a symbol or explanation concerning trademark or service mark registration of the name. An Owner or Occupant may not use the trademarked name in any other manner without the express permission of the Founder, which may be arbitrarily denied. The Founder shall have the right to change the name, Hammond's Ferry, for all or any part of the property subject to this Master Declaration. The Founder may, but is not required to, amend this Master Declaration to reflect the name change.

5.3 Reserved Easements. The Founder, its successors and assigns, is hereby granted all easements over, across, under and through Hammond's Ferry reasonably necessary to permit the Founder to continue and complete construction of the Neighborhood, whether or not that property is ultimately submitted to this Master Declaration, and all other properties owned by the Founder or its assigns which are adjacent to, or reasonably near, Hammond's Ferry (including property separated from Hammond's Ferry by a public road), whether or not such properties are developed as part of Hammond's Ferry. Without limiting the generality of the foregoing, the Founder shall have the following easements:

(a) Private Roads and Paths: A nonexclusive easement for use of any roads or streets within Hammond's Ferry which are not accepted for dedication to the public and which are intended for automobile traffic (including rear lanes or other similar access roads that are generally intended for use only by residents on that road), along with a nonexclusive easement for appropriate use of any pedestrian or bicycle paths. If such roads become a primary means of access to a community which is not made part of Hammond's Ferry, and Hammond's Ferry does not similarly use the roads of such community, such community shall contribute its pro rata share of the cost of Hammond's Ferry's road maintenance.

(b) Utility Easements: A blanket easement upon, across, over, through, and under Hammond's Ferry for ingress, egress, installation, replacement, repair and maintenance of all public and private utility and service systems. These systems and services include, but are not limited to, water, sewer, irrigation systems, drainage, telephone, electricity, natural gas, television, security, collection of garbage and recyclable materials, cable or communication lines and other equipment. By virtue of this easement the Founder, and its successors or assigns, may install and maintain facilities and equipment, excavate for such purposes and affix and maintain wires, circuits and conduits.

(c) Cable and fiber optic systems: Exclusive easements within all of Hammond's Ferry for installation, replacement, repair and maintenance of cable and fiber optic systems. By virtue of this easement the Founder, and its successors or assigns, may install and maintain facilities and equipment, excavate for such purposes and affix and

Part V: Founder's Reserved Rights

maintain wires, circuits and conduits. However, the exercise of this easement must not unreasonably disturb each Owner's right of quiet enjoyment of his Parcel.

(d) Police Powers: A blanket easement throughout Hammond's Ferry for private patrol services, and for police powers and services supplied by the local, state and federal governments. The reservation of such easement does not imply that any such service shall be provided.

(e) Drainage, Erosion Controls: A blanket easement and right on, over, under and through the ground within Hammond's Ferry to maintain and to correct drainage of surface water and other erosion controls. This easement includes the right to cut any trees, bushes or shrubbery, grade soil, or to take any other action reasonably necessary for health or safety or to comply with governmental requirements. The entity that exercises this easement shall be responsible for notifying the affected Owners (except in an emergency) but shall not be obligated to restore landscaping or other improvements. This easement may be exercised at the option of the Founder and shall not be construed to obligate the Founder to take any affirmative action to correct conditions.

(f) Encroachment: An easement for any improvements constructed on the Association Property which encroach on any Parcel, whether due to any minor deviation from the subdivision plat of Hammond's Ferry or the settling or shifting of any land or improvements.

(g) Maintenance of Hammond's Ferry Commons: An easement for maintenance and improvement of the Hammond's Ferry Commons at the Founder's discretion and, to the extent reasonably necessary, an easement over any Parcel for maintenance of the Hammond's Ferry Commons.

(h) Models, Sales and Management Offices: The right to maintain a sales office, a management office, a Neighborhood Information Center, and an unlimited number of models within Hammond's Ferry. These facilities may be located on any Parcel in Hammond's Ferry and may be relocated from time to time at the Founder's discretion. The sales office, management office, Neighborhood Information Center, and models may be owned by different entities, including builders and other entities that are unrelated to the Founder. At the end of its use as a sales or management office or model, the Parcel shall be owned by the owner of record, subject to all normal covenants and restrictions for Hammond's Ferry. Subject to state law and local ordinances, the Founder or its assigns, where such right is specified, may maintain signs on the Hammond's Ferry Commons and in the sales office, management office, Neighborhood Information Center, and models advertising Hammond's Ferry.

(i) Construction Equipment: To the extent reasonably necessary, an easement over, under and through any roads, whether public or private, and any other Association Property for construction equipment and any other purpose related to continued construction of any property within the Neighborhood.

5.4 Commercial Use of Images:

(a) The Founder shall have the following rights:

(i) The exclusive right to grant permission for the Hammond's Ferry Commons to be photographed, sketched, painted or its image otherwise reproduced for commercial use (including without limitation its use as a motion picture set or as a background for the display of fashions or other goods); and

(ii) The right to grant permission for similar reproduction of the exteriors of any other part of the Parcels that can be viewed from streets, alleys or the Hammond's Ferry Commons. Such exteriors may be reproduced without the consent of, or payment to, the Owners of the Parcels, but the above right is not intended to prevent any Owner from granting independent permission for any part of the Parcels owned exclusively by that Owner, in which case the consent of the Founder shall not be required.

(b) The Founder may collect a fee for its consent to the use of such images or for the providing of support services to photographers or others. The exercise of this right to collect a fee shall not interfere with normal and customary rights or architects as to structures designed by them. Consent of the Founder shall not be required for photography or other reproductions of the images of the Parcels in connection with any news or feature coverage, for academic purposes or by any governmental agency or entity appointed by a governmental agency for the purpose of promoting the City of North Augusta, the development of tourism or commerce or any other similar purpose.

5.5 Assignment. The Founder may at any time assign all or any portion of its rights under this Master Declaration to a related entity, a successor Founder, the Business District Association or the Neighborhood Association.

5.6 Rules and Regulations. The Founder may enact Rules and Regulations governing any of the matters addressed by this Master Declaration.

5.7 Damage or Destruction of Hammond's Ferry Commons or Improvements by an Owner or Occupant. If any Hammond's Ferry Commons or Improvement on any Hammond's Ferry Commons is damaged or destroyed by an Owner or Occupant of a Parcel within Hammond's Ferry, or by family members, guests or agents of the Owner or

Part V: Founder's Reserved Rights

Occupant, the Owner shall be liable for such damage or destruction and the Owner must, within fifteen (15) days after it occurs, repair the damage in a good and workmanlike manner and restore any damaged Hammond's Ferry Commons Improvement or facility to its existing state before the damage or destruction occurred. In circumstances where the Founder or the relevant Association determines that a shorter response period is appropriate, the fifteen (15) day period may be shortened. If the Owner does not repair the damage as described above, then the Founder or relevant Association may repair the damage. The Founder or relevant Association may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity to enforce the provisions of this Section.

Part VI: Amendment and Additional Terms

6.1 Amendment.

(a) Generally. This Master Declaration may be amended by the Founder at any time that the Founder has the right to designate a majority of the directors on the boards of directors of the Neighborhood Association or the Business District Association. Thereafter, amendment of this Master Declaration requires an instrument signed by the Presidents, or Vice Presidents, and Secretaries of both the Neighborhood Association and the Business District Association, certifying approval by their boards of directors. Rights reserved to the Founder may not be amended without the specific consent of the Founder. Any amendment shall take effect upon recording in the Register of Mesne Conveyances of Aiken County, South Carolina.

(b) Founder's Right. To the extent permitted by law, the Founder specifically reserves the absolute and unconditional right to amend this Master Declaration without the consent or joinder of any party (i) to conform to the requirements of the Federal Home Loan Mortgage Corporation, Veterans Administration, Federal National Mortgage Association or any other generally recognized institution involved in the guarantee or purchase and sale of mortgages, (ii) to conform to the requirements of institutional mortgage lenders or title insurance companies, (iii) to clarify the Declaration's provisions or correct errors, (iv) to subject additional property to this Master Declaration or to withdraw properties from this Master Declaration, or in connection with Supplemental Declarations, (v) to change a name pursuant to this Master Declaration, or (vi) to conform to applicable law.

(c) Recording. Any amendment shall take effect upon recording in the Register of Mesne Conveyances of Aiken County, South Carolina.

6.2 Rerecording. Unless this Master Declaration is terminated, the Founder or any other party may rerecord this Master Declaration or other notice of its terms at intervals necessary under South Carolina law to preserve its effect.

6.3 Enforcement.

(a) Deposit, Fines. The Founder and the relevant Associations may establish fines for failure to comply with this Master Declaration and any Rules and Regulations established by the Founder or the respective Associations. The collection of a fine shall not in any way diminish the available remedies at law or equity.

(b) Unapproved Construction. If any clearing, grading, construction, demolition or modification is begun which has not been approved or which deviates from approved plans and specifications, the Founder or the relevant Association may require the Owner to resolve the dispute through binding arbitration and/or may bring suit seeking damages, specific performance, declaratory decree and/or injunction, or any other remedy at law or in equity. If the Founder or the relevant Association brings suit and the court finds that the construction was not approved or that the construction deviated from the approved plans or specifications, then the Founder or the relevant Association shall also be awarded reasonable attorney's fees, even if the relief requested is not granted.

(c) Other Enforcement. To enforce any other provision of this Master Declaration, the Founder or either Association may bring an action for damages, specific performance, declaratory decree or injunction, or any other remedy at law or in equity. The Founder or either Association may also require and enforce the collection of a management fee if the Founder or the relevant Association is required to take action on behalf of a Member.

(d) No Waiver. Failure to enforce any provision of this Master Declaration shall not be deemed a waiver of the right to do so at any time thereafter.

6.4 Interpretation.

(a) Construction. The provisions of this Master Declaration shall be liberally construed to effectuate their purpose of creating a uniform and consistent plan for the development and operation of Hammond's Ferry as a community of the highest quality.

(b) Governmental Regulation. All provisions of this Master Declaration shall be subject to applicable government regulation or agreements.

(c) Conflict. In the event of a conflict between this Master Declaration and either the Book or the Business District Declaration, the terms of this Master Declaration shall govern.

Part VI: Amendment and Additional Terms

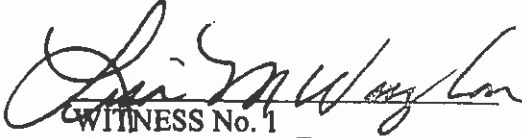
(d) Invalidity. The invalidity of any part of this Master Declaration shall not impair or affect the validity or enforceability of the rest of the Declaration, which shall remain in full force and effect.


6.5 Jurisdiction. Any suit concerning this Master Declaration must be brought in the court of appropriate jurisdiction for North Augusta, South Carolina. This Master Declaration shall be construed in accordance with the laws of the State of South Carolina.

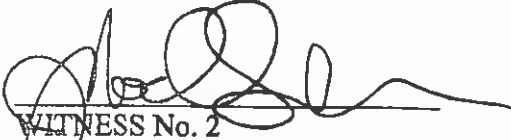
WITNESS the Hand and Seal of the duly authorized officer of North Augusta Riverfront Company, LLC, as of the day and year first above written.

Signed, sealed and delivered in the presence of:

NORTH AUGUSTA RIVERFRONT COMPANY, LLC


WITNESS No. 1



By: 
N. Turner Simkins
As its General Manager


WITNESS No. 2

STATE OF Georgia
COUNTY OF Richmond

Personally appeared before me the undersigned witness and made oath that s/he saw the within named N. Turner Simkins as the General Manager of North Augusta Riverfront Company, LLC sign, seal and, as the act and deed of said company, deliver the within-written Declaration for the purposes therein mentioned and that s/he, with the other witness whose signature appears above, witnessed the execution thereof.

SWORN to before me this 3rd day of February, 2006.


Notary Public, Richmond County,
State of GA
My commission expires 12/31/07
(Notary Seal)


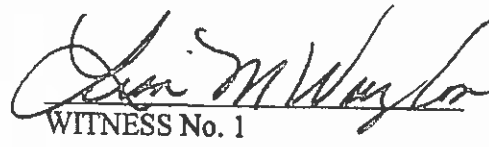

WITNESS No. 1

Exhibit A

The Neighborhood

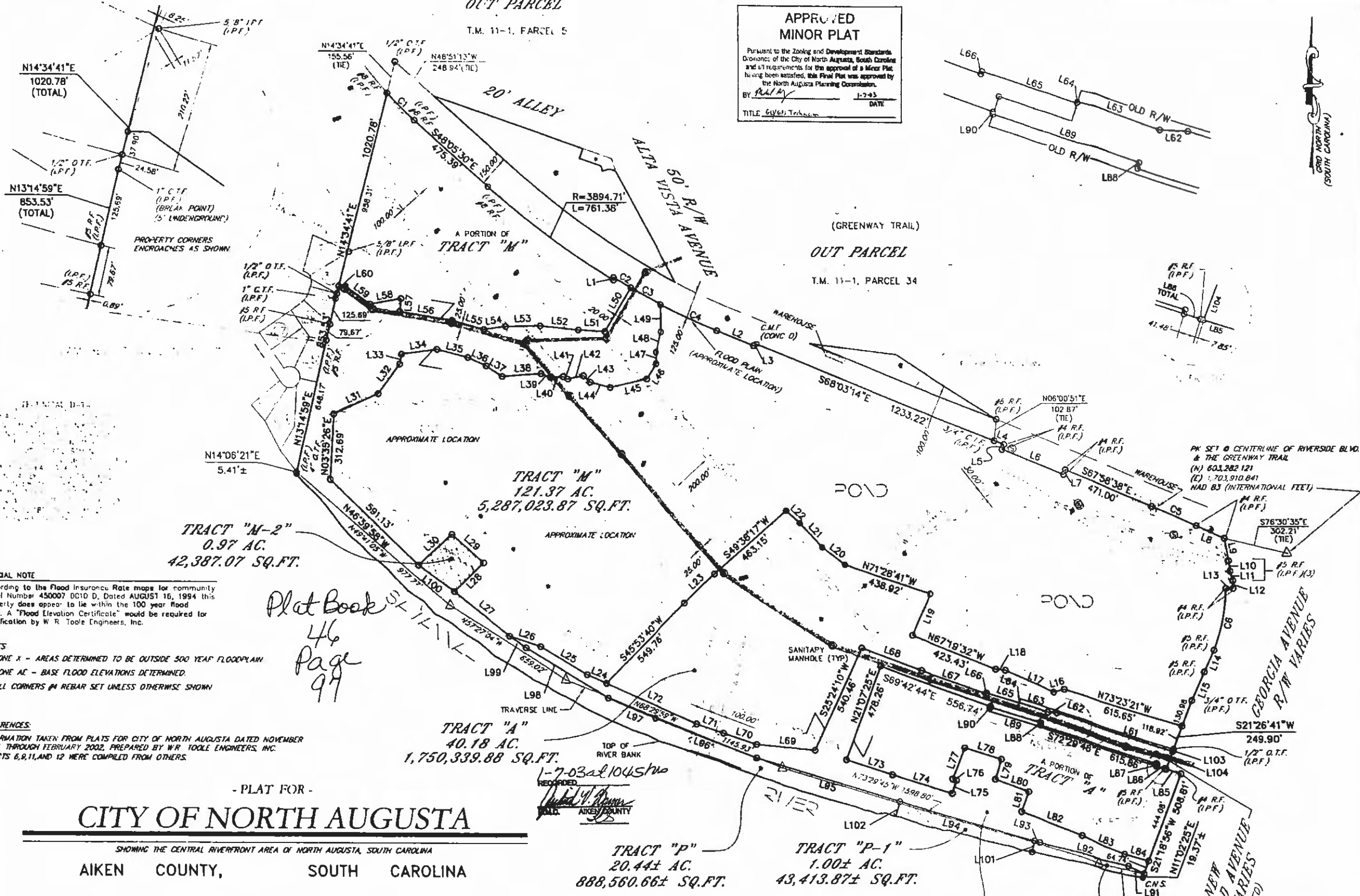
All that lot, tract or parcel of land containing approximately 195 acres lying to the South of the City of North Augusta Greenway Trail as shown on that certain Plat dated November 26, 2002, revised December 23, 2002, prepared by W. R. Toole Engineers, Inc. for the City of North Augusta and recorded in the records of the Register of Mesne Conveyances of Aiken County, South Carolina in Plat Book 46, page 97. The Project Area is bounded as follows: on the North by the City of North Augusta Greenway Trail, on the East by Georgia Avenue, on the South by the Savannah River and on the West by Campbell Town Landing Subdivision and other property of the City of North Augusta. Reference is hereby made to said plat for a more complete description of the Project Area.

Exhibit B

Hammond's Ferry

Hammond's Ferry shall include the real property described on that certain plat entitled "Conditional Final Plat for Hammond's Ferry Phase A1 located in the City of North Augusta, North Augusta, South Carolina" prepared by Davis & Floyd Engineering, Architecture, Environmental & Laboratory Services, dated January 5, 2006, and duly recorded on January 19, 2006, in the records of the Register of Mesne Conveyances of Aiken County, South Carolina, at Plat Book 50, pages 845-847.

\\REA\152709.9



APPROVED MINOR PLAT
 Pursuant to the Zoning and Development Standards Ordinance of the City of North Augusta, South Carolina and all requirements for the approval of a Minor Plat having been satisfied, this Final Plat was approved by the North Augusta Planning Commission.
 BY: *[Signature]* DATE: 1-2-03
 TITLE: *[Title]*

SPECIAL NOTE
 According to the Flood Insurance Rate maps for community Panel Number 450007 DC10 D, Dated AUGUST 16, 1994 this property does appear to lie within the 100 year flood plain. A "Flood Elevation Certificate" would be required for certification by W. R. Toole Engineers, Inc.

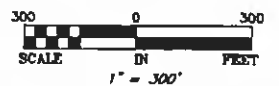
- NOTES**
1. ZONE X - AREAS DETERMINED TO BE OUTSIDE 500 YEAR FLOODPLAIN
 2. ZONE AE - BASE FLOOD ELEVATIONS DETERMINED.
 3. ALL CORNERS IN REBAR SET UNLESS OTHERWISE SHOWN

REFERENCES
 INFORMATION TAKEN FROM PLATS FOR CITY OF NORTH AUGUSTA DATED NOVEMBER 2001 THROUGH FEBRUARY 2002, PREPARED BY W. R. TOOLE ENGINEERS, INC. TRACTS 6, 9, 11, AND 12 WERE COMPILED FROM OTHERS.

Plat Book 46 Page 94

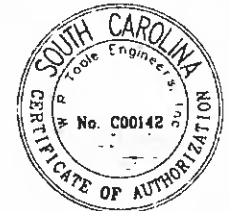
- PLAT FOR -
CITY OF NORTH AUGUSTA

SHOWING THE CENTRAL RIVERFRONT AREA OF NORTH AUGUSTA, SOUTH CAROLINA
 AIKEN COUNTY, SOUTH CAROLINA

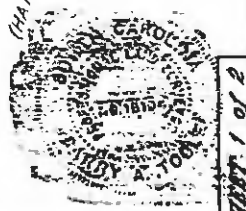


NOVEMBER 26, 2002
 REV. 12/23/02 (SET IRONS)

-Prepared By-
W. R. Toole Engineers, Inc.
 349 Greene Street - Phone (706) 722-4114 - Augusta, Georgia 30901



I hereby state that to the best of my knowledge, information, and belief, the survey shown herein was made in accordance with the requirements of the Minimum Standards Manual for the Practice of Land Surveying in South Carolina, and meets or exceeds the requirements for a Class "A" survey as spelled therein, also there are no visible encroachments or projects other than shown.



SHEET 1 OF 2

**APPROVED
MINOR PLAT**

Pursuant to the Zoning and Development Standards Ordinance of the City of North Augusta, South Carolina, and all other provisions for the approval of a Minor Plat having been satisfied, this Final Plat was approved by the North Augusta Planning Commission.

BY Paul H. [Signature] DATE 1-7-03

TITLE 63/43/1000

CURVE TABLE				
CURVE	LENGTH	RADIUS	CHORD BEARING	LENGTH
C1	165.22	1884.69	S45°28'00"E	185.11
C2	99.87	3882.40	S59°54'52"E	99.87
C3	171.58	3882.57	S61°55'03"E	171.58
C4	302.78	3882.40	S65°25'03"E	302.71
C5	233.72	5698.28	S66°48'11"E	233.70
C6	304.33	895.27	S117°06'06"W	302.87

LEGEND-

#5 R.S. ——— #5 REBAR SET
 #5 R.F. ——— #5 REBAR FOUND
 O.I.F. ——— OPEN TOP IRON FOUND
 C.I.F. ——— CRIMPED TOP IRON FOUND
 C.M.F. ——— CONCRETE MONUMENT FOUND
 C.N.S. ——— CORNER NOT SET
 ● ——— I.P.F. FOUND (AS SHOWN)
 ○ ——— CORNER NOT SET
 □ ——— CONC. MONUMENT FOUND

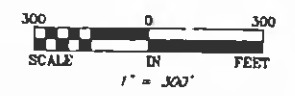
*Plat Book 46
Page 98*

1-7-03 at 1045 PM
 RECORDED
 [Signature]
 P.A.L.C. AIKEN COUNTY

LINE TABLE			LINE TABLE			LINE TABLE		
LINE	LENGTH	BEARING	LINE	LENGTH	BEARING	LINE	LENGTH	BEARING
L1	14.22	N66°49'19"W	L35	150.61	S75°23'45"E	L69	287.51	N84°05'15"W
L2	192.79	S68°10'50"E	L36	95.65	S65°00'02"E	L70	169.13	N71°33'39"W
L3	17.21	N64°10'31"E	L37	92.00	S57°11'51"E	L71	137.02	N71°33'49"W
L4	48.47	S68°24'48"E	L38	193.04	N85°56'30"E	L72	490.93	N66°39'54"W
L5	25.00	S18°50'47"W	L39	49.75	S68°58'20"E	L73	236.14	N72°38'05"W
L6	323.97	S88°18'47"E	L40	61.77	N87°20'31"E	L74	302.01	N72°38'05"W
L7	25.00	N22°01'17"E	L41	26.08	S66°58'23"E	L75	65.14	S17°21'58"W
L8	147.42	S68°43'56"E	L42	78.51	N79°15'30"E	L76	17.70	S72°38'04"E
L9	108.49	S10°33'51"E	L43	44.51	S47°15'18"E	L77	159.41	S21°37'24"W
L10	50.10	S97°24'11"E	L44	100.39	S75°39'27"E	L78	179.66	N71°56'33"W
L11	46.88	S16°19'47"E	L45	187.96	N77°40'18"E	L79	99.53	N17°21'56"E
L12	37.98	S00°53'13"E	L46	87.38	N33°32'05"E	L80	172.07	N68°52'36"W
L13	34.66	N89°03'48"W	L47	55.04	N21°17'40"W	L81	100.26	N21°07'24"E
L14	114.12	S24°25'37"W	L48	101.76	N16°31'52"E	L82	318.37	N68°52'37"W
L15	150.05	S24°15'51"W	L49	131.31	N00°11'39"W	L83	233.54	N68°52'37"W
L16	54.62	S76°39'30"W	L50	247.48	S32°09'08"W	L84	127.07	N74°03'28"W
L17	259.58	N65°57'50"W	L51	129.19	N85°53'38"W	L85	75.75	S72°26'37"E
L18	46.56	N83°42'57"W	L52	190.06	N81°57'34"W	L86	49.33	S72°32'46"E
L19	217.61	N24°02'08"E	L53	168.03	S88°58'37"W	L87	10.17	S17°31'00"W
L20	137.16	N52°44'35"W	L54	106.25	S82°17'17"W	L88	10.15	S16°20'46"W
L21	157.02	N43°30'35"W	L55	156.56	N74°06'04"W	L89	255.11	S72°27'10"E
L22	90.00	N48°20'14"W	L56	256.56	N80°31'58"W	L90	4.25	S03°45'18"E
L23	204.11	S46°34'42"W	L57	21.80	N05°30'10"E	L91	82.91	N64°33'43"W
L24	102.93	N66°39'54"W	L58	154.07	S79°49'06"W	L92	410.10	N76°21'54"W
L25	263.94	N59°25'00"W	L59	146.40	N54°15'40"W	L93	26.99	N73°41'01"W
L26	158.27	N71°57'24"W	L60	34.85	N88°57'32"W	L94	669.54	N73°19'31"W
L27	338.30	N50°51'31"W	L61	610.54	N72°21'10"W	L95	727.84	N73°19'31"W
L28	185.01	N44°58'10"E	L62	45.58	N86°37'20"W	L96	534.30	N69°17'01"W
L29	200.75	N47°50'27"W	L63	146.36	N71°41'08"W	L97	252.46	N62°41'52"W
L30	217.20	S47°28'49"W	L64	1.94	S18°18'57"W	L98	487.32	N59°11'09"W
L31	240.27	N65°43'17"E	L65	162.70	N72°25'50"W	L99	96.22	N56°16'30"W
L32	175.07	N77°05'42"E	L66	4.54	S21°07'23"W	L100	212.42	N54°38'49"W
L33	48.98	N10°56'28"E	L67	323.82	N69°42'45"W	L101	53.74	S12°37'59"W
L34	173.68	N82°54'55"E	L68	310.83	N69°43'01"W	L102	73.22	N16°39'23"E
						L103	10.18	S21°51'16"W
						L104	81.07	S21°26'41"W

- PLAT FOR -
CITY OF NORTH AUGUSTA

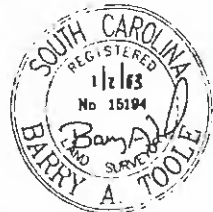
SHOWING THE CENTRAL RIVERFRONT AREA OF NORTH AUGUSTA, SOUTH CAROLINA
 AIKEN COUNTY, SOUTH CAROLINA



NOVEMBER 26, 2002
 REV. 12/23/02 (SET IRONS)



-Prepared By-
W. R. Toole Engineers, Inc.
 349 Greene Street - Phone (706) 722-4114 - Augusta, Georgia 30901

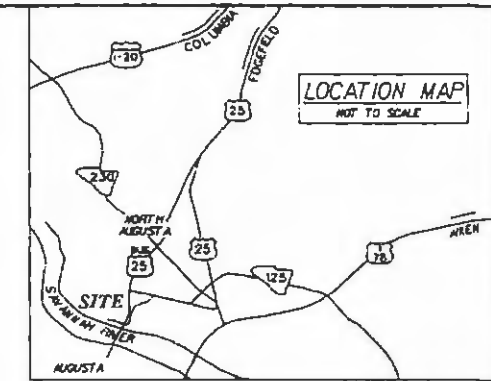


SHEET 2 OF 2

Exhibit B
Hammond's Ferry

Hammond's Ferry shall include the real property described on that certain plat entitled "Conditional Final Plat for Hammond's Ferry Phase A1 located in the City of North Augusta, North Augusta, South Carolina" prepared by Davis & Floyd Engineering, Architecture, Environmental & Laboratory Services, dated January 5, 2006, and duly recorded on January 19, 2006, in the records of the Register of Mesne Conveyances of Aiken County, South Carolina, at Plat Book 50, pages 845-847.

\\REA\152709.9



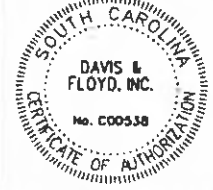
LINE TABLE			LINE TABLE		
NO.	DIRECTION	DISTANCE	NO.	DIRECTION	DISTANCE
L1	S 35° 09' 08" W	48.56	L35	N 38° 46' 43" W	3.99
L2	S 51° 31' 56" W	103.11	L36	S 38° 46' 43" W	24.88
L3	S 38° 56' 08" W	34.11	L37	N 51° 13' 17" W	28.82
L4	N 59° 03' 52" E	12.88	L38	N 51° 13' 17" W	188.88
L5	S 38° 56' 08" W	78.45	L39	N 38° 46' 43" W	25.88
L6	N 18° 53' 36" E	3.25	L40	S 38° 46' 43" W	58.88
L7	S 71° 06' 26" W	58.88	L41	N 47° 12' 43" W	101.58
L8	S 18° 53' 36" E	14.89	L42	S 48° 11' 38" W	24.81
L9	S 41° 56' 21" W	48.88	L43	N 47° 12' 43" W	74.53
L10	N 47° 36' 56" E	2.81	L44	N 47° 12' 43" W	98.86
L11	S 42° 23' 04" W	45.88	L45	N 41° 56' 21" W	27.89
L12	N 47° 36' 56" E	28.67	L46	N 47° 12' 43" W	24.88
L13	S 46° 03' 39" W	24.88	L47	N 41° 56' 21" W	74.42
L14	S 27° 31' 48" W	98.87	L48	S 68° 09' 43" W	14.44
L15	S 38° 24' 09" W	58.88	L49	N 27° 58' 17" W	45.88
L16	S 59° 35' 51" W	1.86	L50	N 68° 09' 43" W	45.73
L17	S 33° 18' 05" W	188.59	L51	N 41° 55' 46" W	102.59
L18	N 51° 38' 49" E	53.55	L52	N 33° 32' 00" W	38.34
L19	S 71° 52' 54" W	24.88	L53	N 33° 32' 00" W	57.84
L20	S 18° 07' 06" W	98.39	L54	N 1° 17' 48" W	55.84
L21	S 76° 15' 49" W	2.62	L55	N 16° 28' 14" W	14.61
L22	S 76° 15' 49" W	45.88	L56	N 16° 28' 14" W	87.86
L23	N 76° 15' 49" W	45.88	L57	N 34° 11' 48" W	17.24
L24	N 50° 08' 17" W	2.28	L58	S 68° 09' 59" W	84.79
L25	N 39° 51' 43" W	24.88	L59	N 41° 49' 03" W	99.43
L26	S 50° 08' 17" W	16.38	L60	S 58° 03' 54" W	188.18
L27	N 45° 19' 54" W	186.56	L61	N 35° 31' 39" W	62.87
L28	N 48° 11' 29" W	45.88	L62	S 38° 24' 09" W	98.99
L29	N 41° 48' 31" W	9.71	L63	S 76° 48' 23" W	188.18
L30	N 38° 13' 31" W	28.38	L64	N 43° 24' 39" W	56.58
L31	N 51° 46' 29" W	48.88	L65	N 44° 09' 54" W	45.18
L32	S 38° 13' 31" W	2.88	L66	N 49° 39' 39" W	181.82
L33	S 38° 13' 31" W	2.88	L67	N 48° 28' 21" W	188.88
L34	S 38° 13' 31" W	2.88	L68	N 38° 38' 41" W	41.47

CURVE TABLE					
NO.	DELTA	TANGENT	ARC	RADIUS	CHORD BRG
C1	8° 51' 08"	23.78	47.56	-3285.87	47.56 S 64° 04' 02" E
C2	0° 53' 52"	25.12	58.23	-3285.87	58.23 S 64° 56' 28" E
C3	2° 32' 28"	71.18	142.18	-3285.87	142.17 S 66° 39' 38" E
C4	0° 07' 48"	3.57	7.14	-3285.87	7.14 S 67° 59' 42" E

2006001768
 PLATS RECORDING FEES \$10.00
 PRESENTED & RECORDED
 01-19-2006 09:12 AM
 JUDITH WARNER
 REGISTERED PROFESSIONAL SURVEYOR
 ALLEN COUNTY, SC
 BY: LYNN STENBRIDGE DEPUTY
 BK: PL 50
 PG: 845-845

NOTES:
 1.) ALL PROPERTY CORNERS ARE #5 REBAR SET UNLESS OTHERWISE NOTED.
 2.) PROPERTY APPEARS TO LIE WITHIN THE 100-YEAR FLOOD PLAIN AS DESIGNATED BY FEMA'S FLOOD INSURANCE RATE MAP FOR COMMUNITY PANEL NUMBER 450007 D00 D. A FLOOD ELEVATION CERTIFICATE WILL BE REQUIRED.
 3.) ALL LOT AREAS ARE MEASURED IN SQUARE FEET.
 4.) FOR MINIMUM YARD SETBACKS REFER TO THE MINOR MODIFICATION OF AN APPROVED PLANNED DEVELOPMENT (PD 05-07), AS APPROVED BY THE PLANNING COMMISSION IN MAY 2005.
 5.) FINISHED FLOOR ELEVATION OF ALL STRUCTURES MUST BE FIVE FEET ABOVE SANITARY SEWER LATERAL INVERT AT THE RIGHT OF WAY OR PROPERTY LINE.
 6.) A 20 FOOT EASEMENT IS RESERVED OVER ALL UTILITY AND STORM DRAINAGE LINES AS SHOWN OR AS BUILT UNLESS SHOWN OTHERWISE.

REFERENCES:
 1.) A PLAT OF TRACTS P-1, P-2, AND P-3 FOR THE CITY OF NORTH AUGUSTA PREPARED BY TOOLE SURVEYING COMPANY, INC. DATED 10/18/05
 2.) A PLAT OF PHASE A FOR THE CITY OF NORTH AUGUSTA PREPARED BY W.R. TOOLE ENGINEERS, INC. DATED 9/20/04.



SURVEYOR'S CERTIFICATION
 I hereby state that to the best of my knowledge, information, and belief the survey shown herein was made in accordance with the requirements of the Minimum Standards Manual for the Practice of Land Surveying in South Carolina, and meets or exceeds the requirements for a Class "A" survey as specified therein.
 Jeffrey W. Pool, P.L.S. No. 18267
 DATE

OWNER'S CERTIFICATION
 I HEREBY CERTIFY THAT I AM THE OWNER OF THE PROPERTY SHOWN AND DESIRED AND THAT I HEREBY ACCEPT THIS PLAN OF CONVEYANCE AND WILL CONVEY ALL STREETS, ALLEYS, WALKS, PARLS AND OTHER SITES AND EASEMENTS TO PUBLIC OR PRIVATE USE AND OWNERSHIP AS NOTED. FURTHERMORE, I WILL DEDICATE ALL WATER SEWER AND STORM DRAINAGE LINES TO THE CITY OF NORTH AUGUSTA AT THE APPROPRIATE TIME.
 JAMES C. JONES
 1/5/06
 DATE

PLANNING DEPARTMENT APPROVAL
 I HEREBY CERTIFY THAT FURNISHING TO THE ZONING AND DEVELOPMENT STANDARDS COMMISSION OF NORTH AUGUSTA, SOUTH CAROLINA, AND GENERAL DEVELOPMENT PLAN (ORDINANCE NO. 2002-25), ALL REQUIREMENTS HAVING BEEN FULFILLED.
 JAMES C. JONES
 1/18/06
 DATE
 DIRECTOR OF ZONING AND COMMUNITY DEVELOPMENT

CITY ENGINEER'S CERTIFICATION
 I HEREBY CERTIFY THAT THE WATER S.P.C. SYSTEM SEWERS, DISPOSAL SYSTEM AND DRAINAGE IMPROVEMENTS REQUIRED BY THE NORTH AUGUSTA ZONING AND DEVELOPMENT STANDARDS ORDINANCE HAVE BEEN PROPERLY INSTALLED AND CONSTRUCTED IN ACCORDANCE WITH THE APPLICABLE STANDARDS.
 JAMES C. JONES
 1/18/06
 DATE
 NORTH AUGUSTA CITY ENGINEER

ENGINEER'S CERTIFICATION
 I HEREBY CERTIFY THAT ALL ENGINEERING AND CONSTRUCTION REQUIREMENTS OF THE NORTH AUGUSTA ZONING AND DEVELOPMENT STANDARDS ORDINANCE HAVE BEEN FULLY COMPLIED WITH IN THE DESIGN AND CONSTRUCTION OF THIS SUBDIVISION.
 JAMES C. JONES
 1/18/06
 DATE
 ENGINEER

PHASE A AREA TABLE

PHASE A I	22.45 ACRES
PHASE A SECOND CLOSING	7.86 ACRES
PHASE A UNDEVELOPED	2469 ACRES
PHASE A	55.00 ACRES

PHASE A I AREA TABLE

LOTS	13.03 ACRES
ROADS (INCLUDES LANDSCAPE ISLANDS)	7.75 ACRES
OPEN SPACE (INCLUDES TRAIL EASEMENT)	1.67 ACRES
PHASE A I	22.45 ACRES

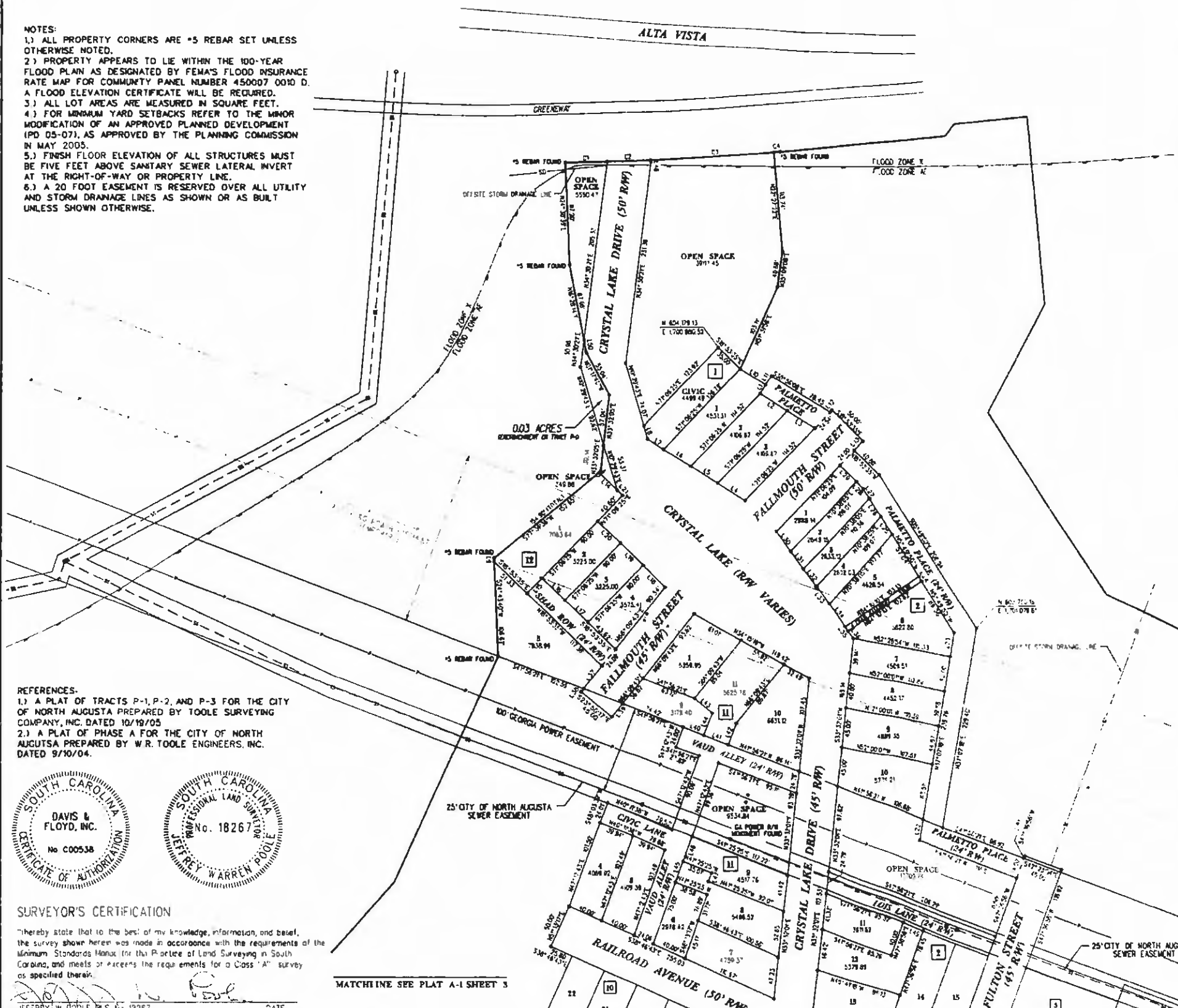
CONDITIONAL FINAL PLAT
HAMMOND'S FERRY
 PHASE A I
 LOCATED IN THE CITY OF NORTH AUGUSTA, NORTH AUGUSTA, SOUTH CAROLINA
 PREPARED FOR
NORTH AUGUSTA RIVERFRONT COMPANY

DAVIS & FLOYD Engineering, Architecture, Environmental & Laboratory Services
 1319 REYNOLDS STREET - GREENWOOD, SC 29646
 (803) 733-0222
 JANUARY 1, 2006

SCALE: 1"=150'
 SHEET 1 OF 3



NOTES:
 1.) ALL PROPERTY CORNERS ARE #5 REBAR SET UNLESS OTHERWISE NOTED.
 2.) PROPERTY APPEARS TO LIE WITHIN THE 100-YEAR FLOOD PLAN AS DESIGNATED BY FEMA'S FLOOD INSURANCE RATE MAP FOR COMMUNITY PANEL NUMBER 450007 0010 D. A FLOOD ELEVATION CERTIFICATE WILL BE REQUIRED.
 3.) ALL LOT AREAS ARE MEASURED IN SQUARE FEET.
 4.) FOR MINIMUM YARD SETBACKS REFER TO THE MINOR MODIFICATION OF AN APPROVED PLANNED DEVELOPMENT (PD 05-07), AS APPROVED BY THE PLANNING COMMISSION IN MAY 2005.
 5.) FINISH FLOOR ELEVATION OF ALL STRUCTURES MUST BE FIVE FEET ABOVE SANITARY SEWER LATERAL INVERT AT THE RIGHT-OF-WAY OR PROPERTY LINE.
 6.) A 20 FOOT EASEMENT IS RESERVED OVER ALL UTILITY AND STORM DRAINAGE LINES AS SHOWN OR AS BUILT UNLESS SHOWN OTHERWISE.

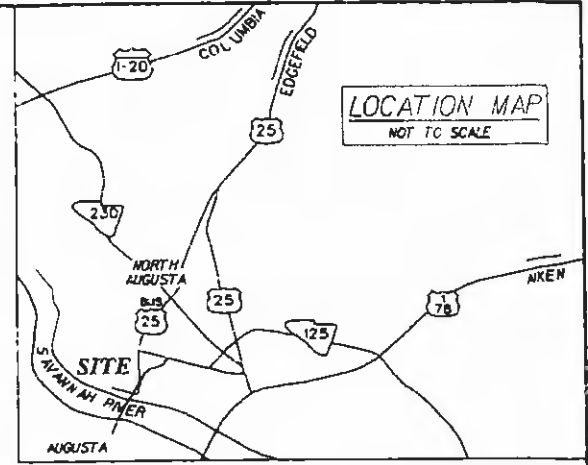


CURVE TABLE

No.	DELTA	TANGENT	ARC	RADIUS	CHORD	CHORD BRG
C1	0°51'00"	23.78	47.56	-3205.87	47.56	S 64°04'02" E
C2	0°53'52"	25.12	50.23	-3205.87	50.23	S 64°56'26" E
C3	2°32'26"	11.10	142.18	-3205.87	142.17	S 66°39'38" E
C4	0°07'40"	3.57	7.14	-3205.87	7.14	S 67°55'42" E

LINE TABLE

No.	DIRECTION	DISTANCE
L1	S 59°03'52" W	12.00
L2	S 30°56'08" E	36.67
L3	S 30°56'08" E	36.67
L4	N 30°56'08" W	36.67
L5	N 30°56'08" W	36.67
L6	N 30°56'08" W	36.67
L7	N 30°56'08" W	22.17
L8	N 10°29'43" E	15.28
L9	N 24°50'13" E	4.24
L10	S 30°56'08" E	34.11
L11	S 59°03'52" W	12.00
L12	N 11°06'25" E	3.25
L13	S 71°06'25" W	14.69
L14	N 18°53'35" W	28.43
L15	N 71°06'25" E	24.00
L16	S 18°53'35" E	35.83
L17	S 18°53'35" E	35.83
L18	N 18°53'35" W	35.83
L19	N 18°53'35" W	35.83
L20	N 18°53'35" W	8.54
L21	N 18°53'35" W	24.44
L22	N 37°07'18" E	21.06
L23	N 37°07'18" E	6.00
L24	N 5°49'50" W	24.69
L25	N 5°49'50" W	24.69
L26	N 5°49'50" W	24.69
L27	N 5°49'50" W	12.98
L28	N 18°53'35" W	11.38
L29	N 18°53'35" W	26.67
L30	S 8°47'15" E	28.00
L31	S 8°47'15" E	24.41
L32	S 8°47'15" E	24.41
L33	S 8°47'15" E	24.41
L34	S 8°47'15" E	31.86
L35	S 8°47'15" E	6.01
L36	S 8°47'15" E	10.01
L37	S 66°09'43" W	33.52
L38	S 66°09'43" W	4.73
L39	N 66°09'43" E	19.44
L40	S 41°56'21" E	25.00
L41	S 41°56'21" E	30.00
L42	N 48°03'39" E	25.78
L43	S 23°50'17" E	26.14
L44	S 48°03'39" W	26.88
L45	N 47°12'43" E	25.01
L46	N 47°12'43" E	29.53
L47	N 47°12'43" E	10.48
L48	N 24°33'34" E	2.59
L49	S 41°56'21" E	25.00
L50	N 16°28'14" E	14.61



OWNER'S CERTIFICATION
 I HEREBY CERTIFY THAT I AM THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED AND THAT I RESERVE ALL RIGHTS AND WILL CONVEY ALL STREETS, EASEMENTS, RIGHTS AND OTHER RIGHTS AND EASEMENTS TO PUBLIC OR PRIVATE USE AND OWNERSHIP AS NOTED. FURTHERMORE, I WILL DEDICATE ALL WATER SEWER AND STORM SEWER LINES TO THE CITY OF NORTH AUGUSTA AT THE APPROPRIATE TIME.
 DATE: 1/18/06
 OWNER: _____

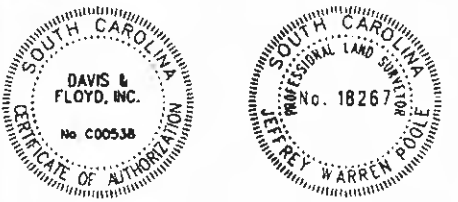
PLANNING DEPARTMENT APPROVAL
 I HEREBY CERTIFY THAT PURSUANT TO THE ZONING AND DEVELOPMENT STANDARDS ORDINANCE OF NORTH AUGUSTA, SOUTH CAROLINA AND GENERAL DEVELOPMENT PLAN ORDINANCE NO. 2002-23, ALL REQUIREMENTS HAVING BEEN FULFILLED.
 DATE: 1/18/06
 DIRECTOR OF ECONOMIC AND COMMUNITY DEVELOPMENT: _____

CITY ENGINEER'S CERTIFICATION
 I HEREBY CERTIFY THAT THE WATER SUPPLY SYSTEM, SEWAGE DISPOSAL SYSTEM AND DRAINAGE IMPROVEMENTS REQUIRED BY THE NORTH AUGUSTA ZONING AND DEVELOPMENT STANDARDS ORDINANCE HAVE BEEN PROPERLY INSTALLED AND CONSTRUCTED IN ACCORDANCE WITH THE APPLICABLE STANDARDS.
 DATE: 1/18/06
 NORTH AUGUSTA CITY ENGINEER: _____

2006001769
 PLATS RECORDING FEES \$10.00
 PREPARED & RECORDED:
 01-19-2006 09:12 AM
 JUDITH WARNER
 REGISTER OF DEEDS CONVEYANCE
 AIXER COUNTY, SC
 BY: LYNN STENBRIDGE DEPUTY
 BK: PL 50
 PG: 846-846

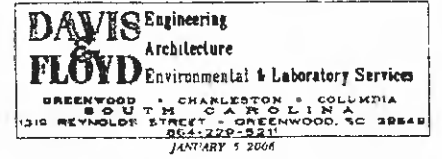
ENGINEER'S CERTIFICATION
 I HEREBY CERTIFY THAT ALL ENGINEERING AND CONSTRUCTION REQUIREMENTS OF THE NORTH AUGUSTA ZONING AND DEVELOPMENT STANDARDS ORDINANCE HAVE BEEN FULLY COMPLIED WITH IN THE DESIGN AND CONSTRUCTION OF THIS SUBDIVISION.
 DATE: 1/18/06
 ENGINEER: _____

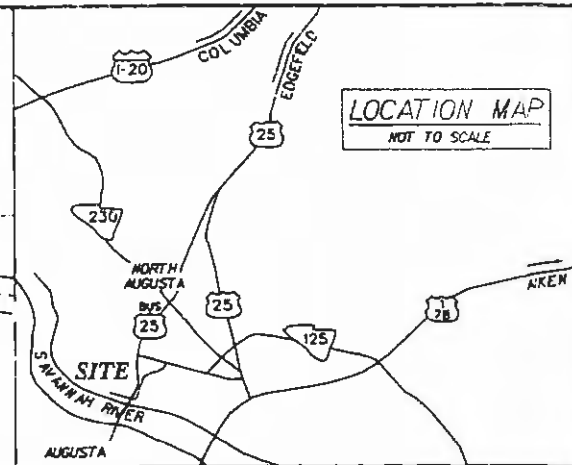
REFERENCES:
 1.) A PLAT OF TRACTS P-1, P-2, AND P-3 FOR THE CITY OF NORTH AUGUSTA PREPARED BY TOOLE SURVEYING COMPANY, INC. DATED 10/19/05
 2.) A PLAT OF PHASE A FOR THE CITY OF NORTH AUGUSTA PREPARED BY W.R. TOOLE ENGINEERS, INC. DATED 9/10/04.



SURVEYOR'S CERTIFICATION
 I hereby state that to the best of my knowledge, information, and belief, the survey shown herein was made in accordance with the requirements of the Minimum Standards Manual for the Practice of Land Surveying in South Carolina, and meets or exceeds the requirements for a Class "A" survey as specified therein.
 DATE: 1/18/06
 SURVEYOR: _____

CONDITIONAL FINAL PLAT
HAMMOND'S FERRY
 PHASE A1
 LOCATED IN THE CITY OF NORTH AUGUSTA, NORTH AUGUSTA, SOUTH CAROLINA
 PREPARED FOR
NORTH AUGUSTA RIVERFRONT COMPANY





NOTES:
 1.) ALL PROPERTY CORNERS ARE #5 REBAR SET UNLESS OTHERWISE NOTED.
 2.) PROPERTY APPEARS TO LIE WITHIN THE 100-YEAR FLOOD PLAN AS DESIGNATED BY FEMA'S FLOOD INSURANCE RATE MAP FOR COMMUNITY PANEL NUMBER 450007 0010 D. A FLOOD ELEVATION CERTIFICATE WILL BE REQUIRED.
 3.) ALL LOT AREAS ARE MEASURED IN SQUARE FEET.
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 6.) A 20 FOOT EASEMENT IS RESERVED OVER ALL UTILITY AND STORM DRAINAGE LINES AS SHOWN OR AS BUILT UNLESS SHOWN OTHERWISE.

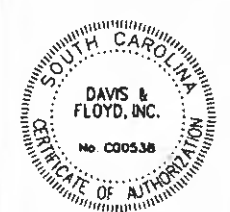
OWNER'S CERTIFICATION
 I HEREBY CERTIFY THAT I AM THE OWNER OF THE PROPERTY SHOWN AND DESCRIBED AND THAT I HEREBY ADOPT THIS PLAN OF SUBDIVISION AND WILL CONVEY ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER SITES AND EASEMENTS TO PUBLIC OR PRIVATE USE AND OWNERSHIP AS NOTED. FURTHERMORE, I WILL DEDICATE ALL WATER, SEWER AND STORM SEWER LINES TO THE CITY OF NORTH AUGUSTA AT THE APPROPRIATE TIME.
 _____ 1/12/06
 OWNER DATE

PLANNING DEPARTMENT APPROVAL
 I HEREBY CERTIFY THAT PURSUANT TO THE ZONING AND DEVELOPMENT STANDARDS ORDINANCE OF NORTH AUGUSTA, SOUTH CAROLINA AND GENERAL DEVELOPMENT PLAN ORDINANCE NO 2002-23, ALL REQUIREMENTS HAVING BEEN FULFILLED.
 _____ 1/18/06
 DIRECTOR OF ECONOMIC AND COMMUNITY DEVELOPMENT DATE

CITY ENGINEER'S CERTIFICATION
 I HEREBY CERTIFY THAT THE WATER SUPPLY SYSTEM, SEWER DISPOSAL SYSTEM AND DRAINAGE IMPROVEMENTS REQUIRED BY THE NORTH AUGUSTA ZONING AND DEVELOPMENT STANDARDS ORDINANCE HAVE BEEN PROPERLY INSTALLED AND CONSTRUCTED IN ACCORDANCE WITH THE APPLICABLE STANDARDS.
 _____ 1/18/06
 NORTH AUGUSTA CITY ENGINEER DATE

ENGINEER'S CERTIFICATION
 I HEREBY CERTIFY THAT ALL ENGINEERING AND CONSTRUCTION REQUIREMENTS OF THE NORTH AUGUSTA ZONING AND DEVELOPMENT STANDARDS ORDINANCE HAVE BEEN FULLY COMPLIED WITH IN THE DESIGN AND CONSTRUCTION OF THIS SUBDIVISION.
 _____ 1/18/06
 ENGINEER DATE

REFERENCES:
 1.) A PLAT OF TRACTS P-1, P-2, AND P-3 FOR THE CITY OF NORTH AUGUSTA PREPARED BY TOOLE SURVEYING COMPANY, INC. DATED 10/19/05
 2.) A PLAT OF PHASE A FOR THE CITY OF NORTH AUGUSTA PREPARED BY W.R. TOOLE ENGINEERS, INC. DATED 9/10/04.



SURVEYOR'S CERTIFICATION
 I hereby state that to the best of my knowledge, information, and belief, the survey shown herein was made in accordance with the requirements of the Minimum Standards Manual for the Practice of Land Surveying in South Carolina, and meets or exceeds the requirements for a Class "A" survey as specified therein.

 JEFFREY W. WARREN, S.C. L.S.

SAVANNAH RIVER
 2006001770
 PLATS RECORDING FEES \$10.00
 PREPARED & RECORDED 01-19-2006 09:12 AM
 JUDITH HARMER REGISTERED PROFESSIONAL SURVEYOR ALLEN COUNTY, SC
 By: LYNN STEMBRIDGE DEPUTY
 BK: PL 50
 PG: 847-847

CURVE TABLE

No.	DELTA	TANGENT	ARC	RADIUS	CHORD	CHORD BRG
C1	25°40'50"	21.65	42.58	-95.00	42.22	N 65°08'07" W

LINE TABLE

No.	DIRECTION	DISTANCE
L51 THROUGH L53 WERE NOT USED		
L54	S 15°56'13" W	27.00
L55	S 21°27'46" W	13.04
L56	S 6°24'29" E	29.60
L57	S 6°24'29" E	11.96
L58	S 25°57'45" W	17.60
L59 AND L60 WERE NOT USED		
L61	S 25°57'45" W	27.82
L62	S 25°55'23" W	20.46
L63	S 44°36'36" E	30.02
L64	S 45°23'24" W	12.06
L65	S 17°38'38" W	10.19
L66	S 17°38'38" W	31.56
L67	S 17°38'38" W	14.35
L68	S 20°27'42" W	14.82

LINE TABLE

No.	DIRECTION	DISTANCE
L69	S 45°27'17" E	24.00
L70	S 45°27'17" E	24.00
L71	S 45°27'17" E	11.63
L72	S 50°56'27" E	12.45
L73	S 50°56'27" E	24.15
L74	S 45°27'17" E	24.00
L75	S 45°27'17" E	24.00
L76	S 45°27'17" E	24.00
L77	S 45°27'17" E	24.00
L78	S 45°27'17" E	19.12
L79	S 50°56'27" E	15.94
L80	S 45°27'17" E	22.58
L81	S 59°35'51" W	29.67
L82	S 41°48'31" W	9.71
L83	S 50°08'17" W	15.21
L84	S 38°56'36" W	38.41
L85	S 38°56'36" W	25.00

LINE TABLE

No.	DIRECTION	DISTANCE
L86	S 50°08'17" E	16.30
L87	S 38°13'31" E	2.80
L88	S 38°13'31" E	3.99
L89	N 38°46'43" W	1.86
L90	N 59°35'51" W	1.86
L91	N 76°15'49" W	2.62
L92	S 69°23'29" E	3.89
L93	N 77°56'32" W	5.82
L94	N 13°39'24" E	30.00
L95	S 76°20'36" E	30.26
L96	S 76°20'36" E	7.10
L97	S 13°39'24" W	21.19
L98	S 13°39'24" W	8.81
L99	N 76°20'36" W	31.44
L100	N 76°20'36" W	5.92
L101	S 59°35'24" W	24.38
L102	S 59°35'24" W	21.95
L103	S 59°35'24" W	43.38

CONDITIONAL FINAL PLAT
HAMMOND'S FERRY
 PHASE A1
 LOCATED IN THE CITY OF NORTH AUGUSTA, NORTH AUGUSTA, SOUTH CAROLINA
 PREPARED FOR
NORTH AUGUSTA RIVERFRONT COMPANY
 DAVIS & FLOYD Engineering Architecture Environmental & Laboratory Services
 GREENWOOD • CHARLESTON • COLUMBIA
 1310 REYNOLDS STREET • GREENWOOD, SC 29640
 803-228-6211
 JANUARY 1, 2006
 SCALE: 1"=100'

4
\$10.00

①

2006008690
NOTICE
RECORDING FEES
PRESENTED & RECORDED:
03-21-2006 08:30 AM
JUDITH WARNER
REGISTER OF MESNE CONVEYANCES
AIKEN COUNTY, SC
By: ELLEN COURSEY DEPUTY
BK:RB 4052
PG:1314-1317

\$10.00

Prepared by and
When recorded return to:
McGuireWoods LLP
901 East Cary Street
Richmond, VA 23219-4030
Attn: Heather N. Stevenson

FIRST SUPPLEMENTAL DECLARATION

THIS FIRST SUPPLEMENTAL DECLARATION, to withdraw certain real property from the Residential Neighborhood and add it to the Business District, is dated as of March 16, 2006 by **NORTH AUGUSTA RIVERFRONT COMPANY, LLC**, a South Carolina corporation ("Declarant"), whose address is 406 West Avenue, North Augusta, South Carolina 29841, and recites:

RECITALS

. By Hammond's Ferry Book of Operating Principles dated February 3, 2006, and recorded February 3, 2006 in the Register of Mesne Conveyances, Aiken County, South Carolina, in Book 4044, pages 899-952 (the "Book"), Declarant subjected certain real estate more particularly described therein to the covenants therein contained.

. By Business District Declaration of Codes, Covenants and Easements for Non-Residential Property in Hammond's Ferry dated February 3, 2006, and recorded February 3, 2006, in the Register of Mesne Conveyances, Aiken County, South Carolina, in Book 4044, pages 953-991 (the "Business District Declaration"), Declarant subjected certain real estate more particularly described therein to the covenants therein contained.

. Certain of the real estate subjected to the Book and more particularly described in the attached Exhibit A to this First Supplemental Declaration (the "Property"), which exhibit is hereby incorporated herein, is commercial in character and intended use, and pursuant to the amendment provisions of Chapter 6 of the Book, Declarant desires and intends hereby to remove

the Property from the coverage of the Book and from the Residential Neighborhood.

Declarant desires and intends hereby to subject the Property instead to the coverage of the Business District Declaration, pursuant to Section 6.1(b) of that Declaration, and make the Property part of the Business District.

WITHDRAWAL AND ADDITION

The real estate described in Exhibit A hereto is hereby removed from the coverage of the Book and from the Residential Neighborhood and subjected instead to the coverage of the Business District Declaration and made part of the Business District.

WITNESS the Hand and Seal of the duly authorized officer of North Augusta Riverfront Company, LLC, as of the day and year first above written.

Signed, sealed and delivered in the presence of:

NORTH AUGUSTA RIVERFRONT
COMPANY, LLC

Marei Cannon
WITNESS No. 1


By: Charlie Walker Jr.
Charlie Walker Jr.
As its V.P.Sales

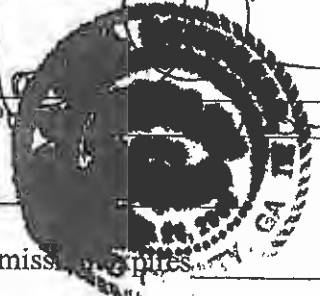
[Signature]
WITNESS No. 2

STATE OF Ga
COUNTY OF Richmond

Personally appeared before me the undersigned witness and made oath that s/he saw the within named Charlie Walker Jr. as the V.P.Sales of North Augusta Riverfront Company, LLC sign, seal and, as the act and deed of said company, deliver the within-written First Supplemental Declaration for the purposes therein mentioned and that s/he, with the other witness whose signature appears above, witnessed the execution thereof.

SWORN to before me this 10 day of March, 2006.


Notary Public _____ County,
State of _____
My commission expires _____



Maria Cannon
WITNESS No. 1

(Notary Seal)

Exhibit A

The Property

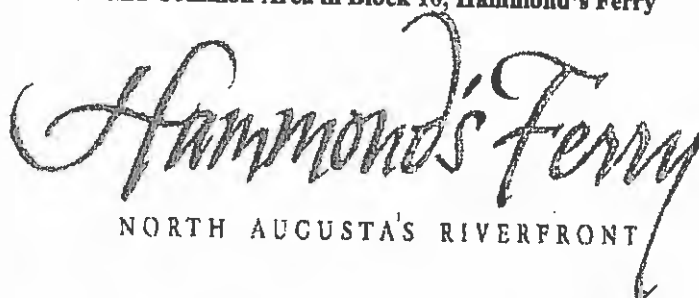
The Property is Lot 13, Block 3 as described on that certain plat entitled "Conditional Final Plat for Hammond's Ferry Phase A1 located in the City of North Augusta, North Augusta, South Carolina" prepared by Davis & Floyd Engineering, Architecture, Environmental & Laboratory Services, dated January 5, 2006, and duly recorded on January 19, 2006, in the records of the Register of Mesne Conveyances of Aiken County, South Carolina, at Plat Book 50, pages 845-847.

Return to: J. Noel Schweers III, P.C.
Post Office Box 31390
Augusta, Georgia 30903-1390



2007025769
AMENDED COVENANTS
RECORDING FEES \$10.00
PRESENTED & RECORDED
08-01-2007 01:30 PM
JUDITH WARNER
REGISTER OF DEEDS CONVEYANCE
AIKEN COUNTY, SC
BY: LYNN STEMBRIDGE DEPUTY
BK: RB 4153
PG: 198 - 200

Declarant: North Augusta Riverfront Company, LLC
Property: Lots 6-12 and Common Area in Block 10, Hammond's Ferry



SECOND SUPPLEMENTAL DECLARATION
TO DESIGNATE ARRINGTON GREEN
AS ZONE NUMBER ONE

THIS SECOND SUPPLEMENTAL DECLARATION is made by
NORTH AUGUSTA RIVERFRONT COMPANY, LLC, a Delaware limited liability
company (the "Declarant") as of the 27th day of July, year of 2007.

WITNESSETH:

WHEREAS, on February 3, 2006, Declarant subjected certain property to covenants as contained in that certain Hammond's Ferry Book of Operating Principles, a copy of which is recorded in the Office of the Register of Deeds for Aiken County, South Carolina, in Book 4044, pages 899-952 (the "Book"); and

WHEREAS, the Book provides that certain property which may have special needs can be designated as a Zone to allow for additional maintenance or capital improvements; and

WHEREAS, the Declarant anticipates that due to its unique configuration the property described on Exhibit "A" ("Arrington Green") may be an area which could benefit in the future from being designated as a Zone.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the Declarant hereby declares that Arrington Green shall be designated as Zone #1 in accordance with the Section entitled "Zone Expenses" contained in Chapter 5 of the Book. This designation shall permit, but shall not require, the collection of additional assessments for additional maintenance or capital improvements as determined by the vote of the Owners as provided in said Section. Any capitalized term not defined herein shall have the meaning ascribed to such term in the Book.

WITNESS the Hand and Seal of the duly authorized officer of North Augusta Riverfront Company, LLC, as of the day and year first above written.

Signed, sealed and delivered in the presence of:

NORTH AUGUSTA RIVERFRONT COMPANY, LLC

[Signature]
WITNESS No. 1

By: [Signature]
N. Turner Simkins
As its General Manager

[Signature]
WITNESS No. 2

STATE OF Georgia
COUNTY OF Richmond

Personally appeared before me the undersigned witness and made oath that s/he saw the within named N. Turner Simkins as the General Manager of North Augusta Riverfront Company, LLC sign, seal and, as the act and deed of said company, deliver the within-written Declaration for the purposes therein mentioned and that s/he, with the other witness whose signature appears above, witnessed the execution thereof.

SWORN to before me this 27th day of July, 2007.

[Signature]
Notary Public, _____ County,
State of _____

[Signature]
WITNESS No. 1

My commission expires _____
(Notary Seal)


Exhibit A

All that certain lot, tract or parcel of land situate, lying and being in the City of North Augusta, County of Aiken, State of South Carolina, and being more shown as **Lots 6-12, and "COMMON AREA", Block 10**, on that certain plat entitled "Plat of Hammond's Ferry" prepared by Cranston Engineering Group, P.C., dated July 11, 2007, revised July 24, 2007 and recorded in the Office of the Register of Deeds for Aiken County, South Carolina, in Plat Book 52, page 945 (the "Plat"). Reference is hereby made to the Plat for a more complete description of the Property.

OWNER'S CERTIFICATION

WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION AND WILL CONVEY ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER SITES AND EASEMENTS TO PUBLIC OR PRIVATE USE AND OWNERSHIP AS NOTED. FURTHERMORE, I WILL DEDICATE ALL WATER, SEWER AND STORM SEWER LINES TO THE CITY OF NORTH AUGUSTA AT THE APPROPRIATE TIME.

T. L. L.
 NORTH AUGUSTA RIVERFRONT COMPANY
 DATE: 7/25/07

CITY ENGINEER'S CERTIFICATION

I HEREBY CERTIFY THAT THE WATER SUPPLY SYSTEM, SEWAGE DISPOSAL SYSTEM AND DRAINAGE IMPROVEMENTS REQUIRED BY THE NORTH AUGUSTA ZONING AND DEVELOPMENT STANDARDS ORDINANCE HAVE BEEN PROPERLY INSTALLED AND CONSTRUCTED IN ACCORDANCE WITH THE APPLICABLE STANDARDS.

William Brown
 NORTH AUGUSTA CITY ENGINEER
 DATE: 7/25/07

PLANNING DEPARTMENT APPROVAL

I HEREBY CERTIFY PURSUANT TO THE ZONING AND DEVELOPMENT STANDARDS ORDINANCE OF NORTH AUGUSTA, SOUTH CAROLINA AND GENERAL DEVELOPMENT PLAN ORDINANCE NO. 2002-23, ALL REQUIREMENTS HAVING BEEN FULFILLED.

William Brown
 DIRECTOR OF ECONOMIC & COMMUNITY DEVELOPMENT
 DATE: July 25, 2007

NOTES:

1. ALL PROPERTY CORNERS ARE #5 REBAR SET UNLESS OTHERWISE NOTED.
2. PROPERTY APPEARS TO BE WITHIN THE 100-YEAR FLOODINSURANCE RATE MAP FOR COMMUNITY PANEL NUMBER 450007 0010 D. A FLOOD ELEVATION CERTIFICATE WILL BE REQUIRED.
3. ALL LOT AREAS ARE MEASURED IN SQUARE FEET.
4. FOR MINIMUM YARD SETBACKS REFER TO THE MINOR MODIFICATION OF AN APPROVED PLANNED DEVELOPMENT (PD 05-07), AS APPROVED BY THE PLANNING COMMISSION IN MAY, 2005.
5. FINISH FLOOR ELEVATIONS OF ALL STRUCTURES MUST BE FIVE FEET ABOVE SANITARY SEWER LATERAL INVERT AT THE RIGHT-OF-WAY AT PROPERTY LINE.
6. A 20 FOOT EASEMENT IS RESERVED OVER ALL UTILITY AND STORM DRAINAGE LINES AS SHOWN OR AS BUILT UNLESS SHOWN OTHERWISE.

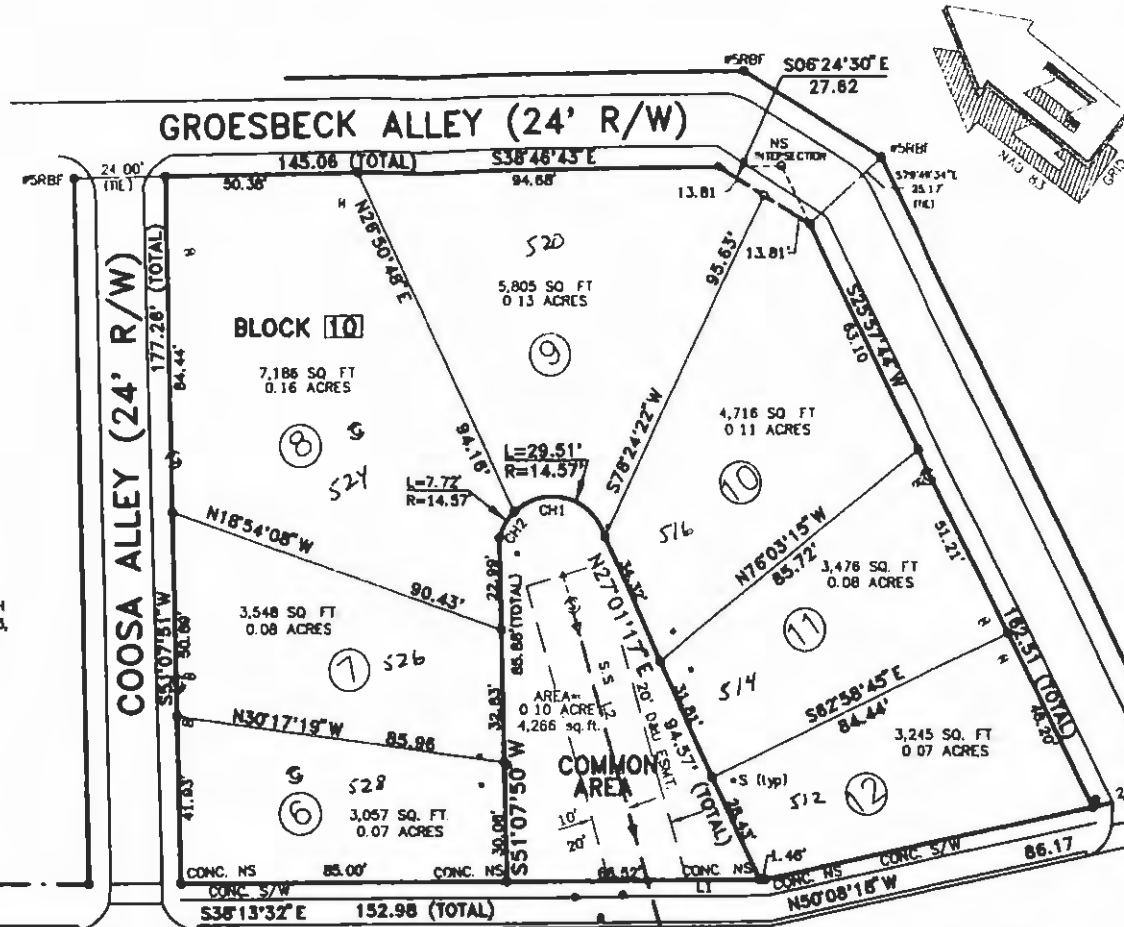
REFERENCES:

1. A PLAT OF TRACTS P-1, P-2, AND P-3 FOR THE CITY OF NORTH AUGUSTA, PREPARED BY TOOLE SURVEYING COMPANY, INC. DATED 10/95/05.
2. A PLAT OF PHASE-A FOR THE CITY OF NORTH AUGUSTA PREPARED BY W.R. TOOLE ENGINEERS, INC. DATED 9/10/04.
3. A PLAT OF PHASE A-1, BLOCK 10 FOR HAMMOND'S FERRY, PREPARED BY DAVIS & FLOYD, DATED 01/05/06 AND RECORDED IN PL# 50, PAGES 845-847.

SURVEYOR'S CERTIFICATION

I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR CLASS "A" SURVEY AS SPECIFIED THEREIN.

John Thomas Attaway
 JOHN THOMAS ATTAWAY S.C.P.L.S. # 14522



LINE TABLE

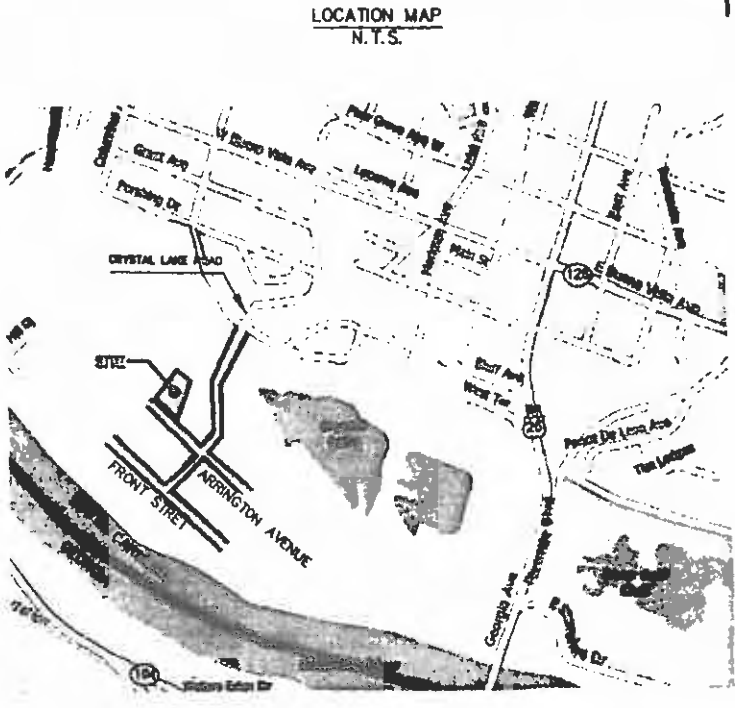
LINE	BEARING	DISTANCE
L1	S38°13'32"E (THE)	29.29'
L2	S35°57'49"W	79.45'

CURVE TABLE

CURVE	BEARING	CHORD
C1	S83°43'23"W	7.63
C2	N23°03'44"W	24.72

- LEGEND**
- WATER METER
 - WATER VALVE
 - SEWER TAP
 - SEWER MANHOLE
 - CABLE TV ACCESS
 - CONC. NS - CONCRETE NAIL SET
 - CONC. S/W - CONCRETE SIDEWALK

2007024907
 PLATS
 RECORDING FEES \$10.00
 07-26-2007 10 32 AM
 JUDITH WARNER
 CLERK OF SUPERIOR COURTS
 Aiken County, SC
 BY LYNN STEPHENSON DEPUTY
 BK: PL 52
 PG: 945 - 945



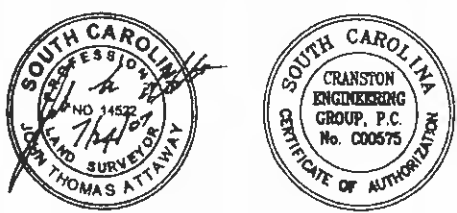
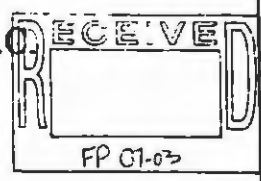
HAMMOND'S FERRY
 PREPARED FOR
NORTH AUGUSTA RIVERFRONT COMPANY

SHOWING LOTS KNOWN AS BLOCK 10 PHASE A1, HAMMOND'S FERRY SUBDIVISION, LOCATED IN ...
 NORTH AUGUSTA, AIKEN COUNTY, SOUTH CAROLINA

SCALE: 1" = 30'
 JULY 11, 2007
 REV. 7/24/2007



PREPARED BY
Cranston Engineering Group, P.C.
 ENGINEERS - PLANNERS - SURVEYORS
 462 ELLIS STREET, AUGUSTA, GEORGIA 30901
 POST OFFICE BOX 2544, AUGUSTA, GEORGIA 30903
 TELEPHONE 706-723-1883
 FACSIMILE 706-723-8378
 mail@cranstonengineering.com



Return to: J. Noel Schweers III, P.C.
Post Office Box 31390
Augusta, Georgia 30903-1390

2007030449

NOTICE
RECORDING FEES \$10.00
PRESENTED & RECORDED:
09-13-2007 11:15 AM
JUDITH WARNER
REGISTER OF DEEDS CONVEYANCE
AIKEN COUNTY, SC
By: JOYCE H ERGLE DEPUTY RMC
BK:RB 4161
PG:947-949

Declarant: North Augusta Riverfront Company, LLC
Property: Phase A-2 Lots in Hammond's Ferry

Hammond's Ferry
NORTH AUGUSTA'S RIVERFRONT

THIRD SUPPLEMENTAL DECLARATION
TO SUBJECT PHASE A-2 LOTS TO
THE HAMMOND'S FERRY MASTER DECLARATION
AND
THE HAMMOND'S FERRY BOOK OF OPERATING PRINCIPLES

THIS THIRD SUPPLEMENTAL DECLARATION is made by NORTH AUGUSTA RIVERFRONT COMPANY, LLC, a Delaware limited liability company (the "Declarant") as of the 10th day of September, 2007.

WITNESSETH:

WHEREAS, on February 3, 2006, Declarant subjected certain property (including the property described herein) to the Hammond's Ferry Master Declaration of Codes, Covenants and Easements, a copy of which is recorded in the Office of the Register of Deeds for Aiken County, South Carolina, in Book 4044, pages 899-952 (the "Master Declaration"); and

WHEREAS, on February 3, 2006, Declarant also subjected certain property to the Hammond's Ferry Book of Operating Principles, a copy of which is recorded in Book 4044, pages 899-952, in said Register's Office (the "Book"); and

WHEREAS, the Master Declaration and the Book provide that the Declarant can subject additional property to these agreements.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the Declarant hereby declares that the property described on Exhibit "A" attached hereto (the "Additional Property") shall hereafter be part of the Residential Neighborhood and shall therefore be subject to the terms of both the Master Declaration and the Book. Any capitalized term not defined herein shall have the meaning ascribed to such term in the Book.

WITNESS the Hand and Seal of the duly authorized officer of North Augusta Riverfront Company, LLC, as of the day and year first above written.

Signed, sealed and delivered in the presence of:

North Augusta Riverfront Company, LLC

Witness No. 1

By:

N. Turner Simkins
As its General Manager

Witness No. 2

STATE OF Georgia
COUNTY OF Richmond

Personally appeared before me the undersigned witness and made oath that s/he saw the within named N. Turner Simkins as the General Manager of North Augusta Riverfront Company, LLC sign, seal and, as the act and deed of said company, deliver the within-written Declaration for the purposes therein mentioned and that s/he, with the other witness whose signature appears above, witnessed the execution thereof.

SWORN to before me this 10th day of
September 2007.

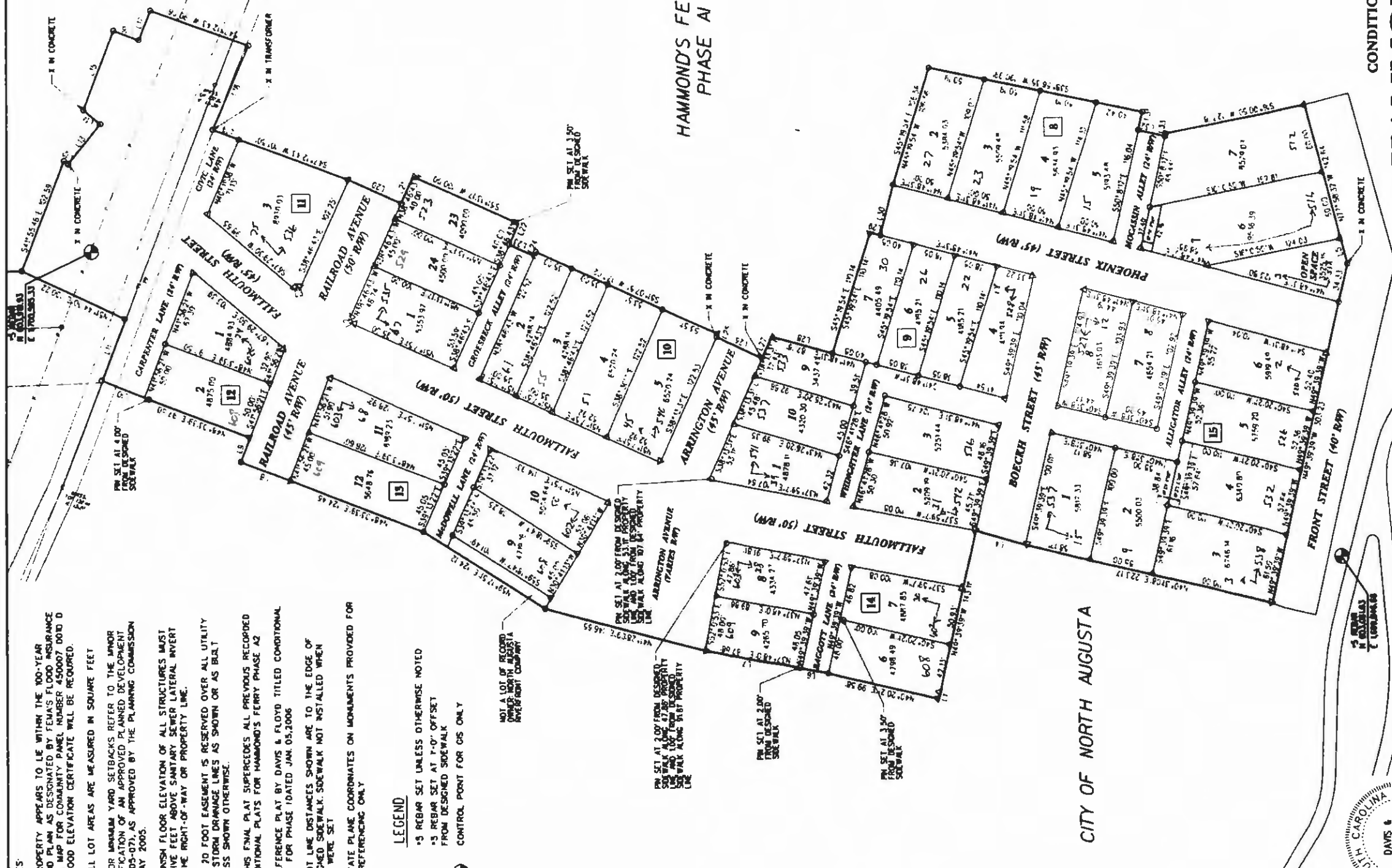
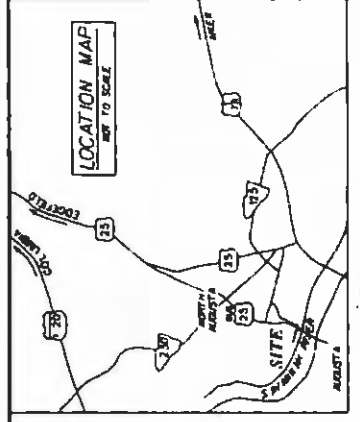
Lindsey S. Cheatham
Notary Public, Richmond County,
State of Georgia
My commission expires 2/18/10
(Notary Seal)

Witness No. 1



Exhibit A

The Residential Neighborhood shall include all of the real property as described on that certain plat entitled "Conditional Final Plat for Hammond's Ferry Phase A2" located in the City of North Augusta, South Carolina prepared by Davis & Floyd Engineering, Architecture, Environmental & Laboratory Services, dated June 21, 2007, and duly recorded on August 31, 2007, in the Office of the Register of Deeds for Aiken County, South Carolina, in Plat Book 53, page 61. Reference is hereby made to the Plat for a more complete description of the property.



- NOTES**
1. PROPERTY APPEARS TO BE WITHIN THE 100-YEAR FLOOD PLAIN AS DESIGNATED BY FEMA'S FLOOD INSURANCE RATE MAP FOR COMMUNITY PANEL NUMBER 450607 D01 D A FLOOD ELEVATION CERTIFICATE WILL BE REQUIRED.
 2. ALL LOT AREAS ARE MEASURED IN SQUARE FEET
 3. FOR MANHOLE YARD SETBACKS REFER TO THE MINOR MODIFICATION OF AN APPROVED PLANNED DEVELOPMENT (PD 05-07), AS APPROVED BY THE PLANNING COMMISSION IN MAY 2005.
 4. FINISH FLOOR ELEVATION OF ALL STRUCTURES MUST BE FIVE FEET ABOVE SANITARY SEWER LATERAL INVERT AT THE RIGHT-OF-WAY OR PROPERTY LINE.
 5. A 20 FOOT EASEMENT IS RESERVED OVER ALL UTILITY AND STORM DRAINAGE LINES AS SHOWN OR AS BUILT UNLESS SHOWN OTHERWISE.
 6. THIS FINAL PLAT SUPERSEDES ALL PREVIOUS RECORDED CONDITIONAL PLATS FOR HAMMOND'S FERRY PHASE A2
 7. REFERENCE PLAT BY DAVIS & FLOYD TITLED CONDITIONAL PLAT FOR PHASE 1 DATED JAN 05, 2006
 8. LOT LINE DISTANCES SHOWN ARE TO THE EDGE OF DESIGNED SIDEWALK. SIDEWALK NOT INSTALLED WHEN PINS WERE SET
 9. STATE PLANE COORDINATES ON MONUMENTS PROVIDED FOR GS REFERENCING ONLY

- LEGEND**
- *3 REBAR SET UNLESS OTHERWISE NOTED
 - △ *3 REBAR SET AT 1'-0" OFFSET FROM DESIGNED SIDEWALK
 - CONTROL POINT FOR GS ONLY

LINE TABLE

No.	DIRECTION	DISTANCE
L1	N 45°31'29"	5.88
L2	S 83°49'26"	7.01
L3	M 14°21'24"	6.00
L4	M 43°05'45"	45.05
L5	M 77°59'32"	27.64
L6	M 35°53'36"	24.01
L7	M 37°41'00"	61.08
L8	S 49°52'23"	27.67
L9	S 49°52'23"	40.00
L10	S 41°56'21"	27.55
L11	S 41°56'21"	4.71
L12	S 66°03'43"	45.00
L13	S 23°50'17"	19.44
L14	M 66°09'43"	24.00
L15	S 41°56'21"	24.00
L16	S 41°56'21"	24.00
L17	S 41°56'21"	27.89
L18	M 40°11'58"	79.53
L19	S 48°03'59"	24.01
L20	S 51°13'17"	50.00
L21	S 38°46'41"	25.00
L22	S 38°46'41"	20.00
L23	S 38°46'41"	1.99
L24	S 38°46'41"	2.80
L25	S 38°46'41"	2.80
L26	S 51°45'29"	45.00
L27	S 38°13'31"	20.30
L28	S 41°48'39"	51.01
L29	S 41°48'39"	45.00
L30	M 50°08'17"	16.30
L31	S 39°51'43"	24.00
L32	S 50°08'17"	2.78
L33	S 50°08'17"	2.78

2007029264
 PLATS RECORDED BY
 08-31-2007 02:14 PM
 JUDITH WARREN
 COUNTY CLERK
 BY LINDA STRONG, DEPUTY
 BK: PL 53
 PG: 61 - 61

DAVIS & FLOYD, INC.
 1100 W. BROADWAY
 AUGUSTA, GA 30901
 (706) 733-1111
 www.davisandfloyd.com

FOR THE CITY OF NORTH AUGUSTA
 JAMES P. ROBERTS
 CITY ENGINEER

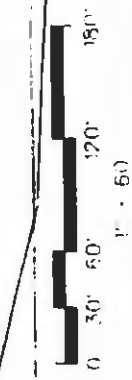
FOR THE CITY OF NORTH AUGUSTA
 JAMES P. ROBERTS
 CITY ENGINEER

FOR THE CITY OF NORTH AUGUSTA
 JAMES P. ROBERTS
 CITY ENGINEER



CONDITIONAL FINAL PLAT
HAMMOND'S FERRY
 PHASE A2
 THE CITY OF NORTH AUGUSTA
 NORTH AUGUSTA, SOUTH CAROLINA

NORTH AUGUSTA RIVERFRONT COMPANY



SURVEYOR'S CERTIFICATION

I hereby state that to the best of my knowledge, information, and belief, the survey shown herein was made in accordance with the laws and rules of the State of South Carolina and that I am a duly licensed and qualified Surveyor in the State of South Carolina. I certify that the measurements for a City of North Augusta are correct.

James P. Roberts
 JAMES P. ROBERTS, P.E. No. 73553
 864-229-5211



DATE: JUNE 21, 2007
 APPROVED (11:52:31 AM, 2007) FOR CITY COMMENTS

①

2008002926

NOTICE
 RECORDING FEES \$10.00
 FILED & RECORDED:
 01-31-2008 11:00 AM
 JUDITH WARNER
 REGISTER OF DEEDS CONVOYANCE
 AIKEN COUNTY, SC
 By: JOYCE H EGGLE DEPUTY REC
 BK:RB 4185
 PG:263-264

Declarant: North Augusta Riverfront Company, LLC
 Property: Lot 6, Block 2 in Hammond's Ferry



FOURTH SUPPLEMENTAL DECLARATION
 TO REMOVE TRAIL EASEMENT
 FROM LOT 6, BLOCK 2

THIS FOURTH SUPPLEMENTAL DECLARATION is made by NORTH AUGUSTA RIVERFRONT COMPANY, LLC, a Delaware limited liability company (the "Declarant") as of the 22nd day of January, 2008.

WITNESSETH:

WHEREAS, on that certain plat entitled "Conditional Final Plat for Hammond's Ferry Phase A1" prepared by Davis & Floyd Engineering, Architecture, Environmental & Laboratory Services, January 5, 2006, and duly recorded on January 19, 2006, in the Office of the Register of Deeds for Aiken County, South Carolina, in Plat Book 50, pages 845-847 (the "Original Plat") there was a 16' Trail Easement (the "Easement") crossing Lot 6, Block 2 (the "Lot"); and

WHEREAS, on February 12, 2007 Declarant revised certain lots in Block 2 as shown on that certain plat entitled "Revision to Conditional Final Plat for Hammond's Ferry Phase A1 (Lots 2-1, 2-2, 2-3, 2-4, 2-5, 2-6, 2-7)" prepared by Davis & Floyd Engineering, Architecture, Environmental & Laboratory Services, dated February 12, 2007, and duly recorded on February 26, 2007, in the Office of the Register of Deeds for Aiken County, South Carolina, in Plat Book 52, page 404 (the "Revised Plat"); and

WHEREAS, in connection with the Revised Plat, the Declarant removed the Easement from the Lot as shown on the Revised Plat, and Declarant desires to clarify the removal herein.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the Declarant hereby removes the Easement from the Lot as shown on the Revised Plat.

WITNESS the Hand and Seal of the duly authorized officer of North Augusta Riverfront Company, LLC, as of the day and year first above written.

Signed, sealed and delivered in the presence of:

North Augusta Riverfront Company, LLC

Lindsay S. Heatham
Witness No. 1

[Signature]
Witness No. 2

By: [Signature]
Charlie Walker
As its Vice President of Sales

STATE OF GEORGIA

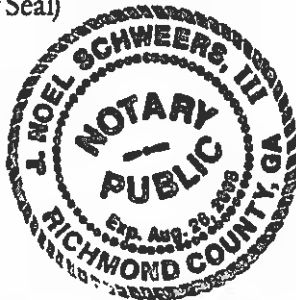
COUNTY OF RICHMOND

Personally appeared before me the undersigned witness and made oath that s/he saw the within named Charlie Walker as the Vice President of Sales of North Augusta Riverfront Company, LLC, sign, seal and, as the act and deed of said company, deliver the within-written Declaration for the purposes therein mentioned and that s/he, with the other witness whose signature appears above, witnessed the execution thereof.

SWORN to before me this 22nd day of January, 2008.

[Signature]
Notary Public, Richmond County,
State of Georgia
My commission expires: August 26, 2008
(Notary Seal)

Lindsay S. Heatham
Witness No. 1



2007006470

PLATS

RECORDING FEES

PRESENTED & RECORDED:

02-26-2007 09:11 AM

JUDITH WARNER

REGISTER OF DEEDS CONVEYANCE

ALLEN COUNTY, SC

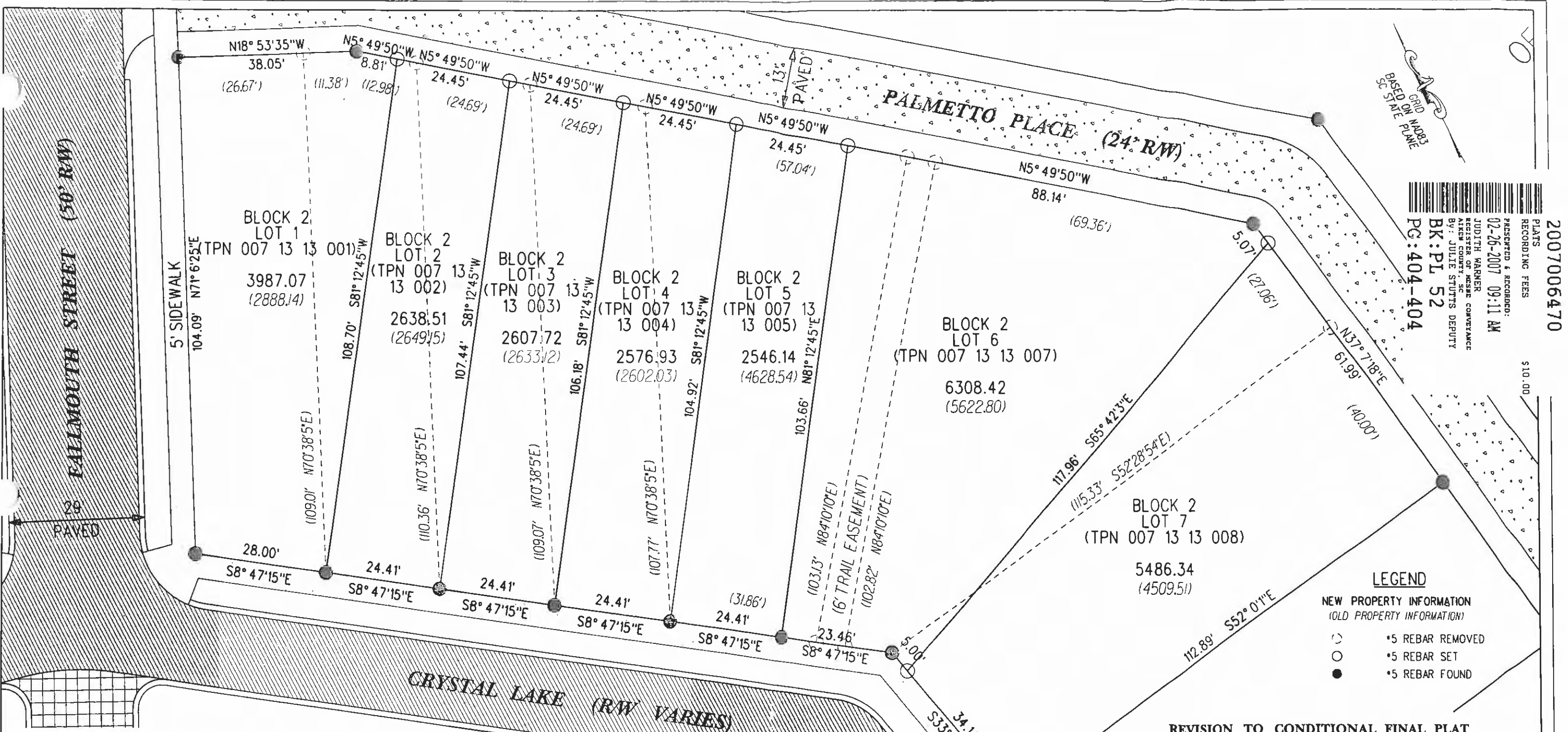
By: JULIE STULTS DEPUTY

BK: PL 52

PG: 404-404



GRID NAD83
BASED ON
STATE PLANE



LEGEND

- NEW PROPERTY INFORMATION
- (OLD PROPERTY INFORMATION)
- *5 REBAR REMOVED
- *5 REBAR SET
- *5 REBAR FOUND

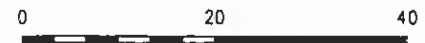
REVISION TO CONDITIONAL FINAL PLAT
for
HAMMOND'S FERRY
PHASE A1
(LOTS 2-1, 2-2, 2-3, 2-4, 2-5, 2-6, 2-7)

LOCATED IN
THE CITY OF NORTH AUGUSTA
NORTH AUGUSTA, SOUTH CAROLINA
PREPARED FOR

NORTH AUGUSTA RIVERFRONT COMPANY

BY
DAVIS & FLOYD Engineering
Architecture
Environmental & Laboratory Services
GREENWOOD • CHARLESTON • COLUMBIA
SOUTH CAROLINA
1319 REYNOLDS STREET • GREENWOOD, SC 29640
804-229-5211

FEBRUARY 12, 2007

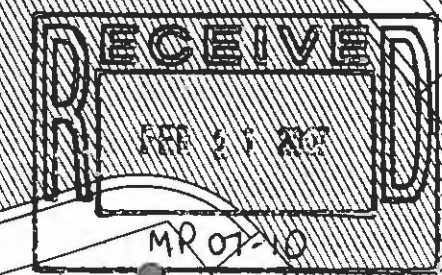
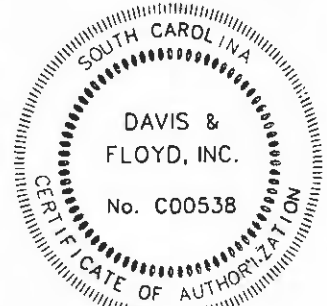


NOTES:
1) PROPERTY APPEARS TO LIE WITHIN THE 100-YEAR FLOOD PLAIN AS DESIGNATED BY FEMA'S FLOOD INSURANCE RATE MAP FOR COMMUNITY PANEL NUMBER 450007 0010 D. A FLOOD ELEVATION CERTIFICATE WILL BE REQUIRED.
2.) ALL LOT AREAS ARE MEASURED IN SQUARE FEET.
3.) FINISHED FLOOR ELEVATION OF ALL STRUCTURES MUST BE FIVE FEET ABOVE SANITARY SEWER LATERAL INVERT AT THE RIGHT OF WAY OR PROPERTY LINE.
4.) A 20 FOOT EASEMENT IS RESERVED OVER ALL UTILITY AND STORM DRAINAGE LINES AS SHOWN OR AS BUILT UNLESS SHOWN OTHERWISE.

"I hereby state that to the best of my knowledge, information, and belief, the survey shown herein was made in accordance with the requirements of the Minimum Standards Manual for the Practice of Land Surveying in South Carolina, and meets or exceeds the requirements for a Class "A" survey as specified therein."

[Signature]
2/12/07

APPROVED MINOR PLAT
in accordance with the Zoning and Development Standards of the City of North Augusta, South Carolina
requirements for the approval of a Minor Plat
If all requirements for this Final Plat have been satisfied, this Final Plat was approved by the North Augusta Planning Commission.
[Signature] 2-26-07
DATE
FILE Planner, Technician



2009022259

AMENDMENT
RECORDING FEES \$10.00
PRESENTED & RECORDED:
09-01-2009 09:31 AM
JUDITH WARNER
REGISTER OF DEEDS COVENANTS
AIKEN COUNTY, SC
By: MARILYN SEIGLER DEPUTY
BK:RB 4273
PG:2240-2242

Declarant: North Augusta Riverfront Company, LLC
Property: Open Space, Corner of Front Street and Phoenix Street, in Hammond's Ferry



FIFTH SUPPLEMENTAL DECLARATION
TO ESTABLISH VIEW RESTRICTIONS ON OPEN SPACE

THIS FIFTH SUPPLEMENTAL DECLARATION is made by NORTH AUGUSTA RIVERFRONT COMPANY, LLC, a Delaware limited liability company (the "Declarant") as of the 31st day of August, 2009.

WITNESSETH:

WHEREAS, on February 3, 2006, Declarant subjected certain property (including the property described herein) to the Hammond's Ferry Master Declaration of Codes, Covenants and Easements, a copy of which is recorded in Book 4044, pages 899-952, in the Office of the Register of Deeds for Aiken County, South Carolina (the "Master Declaration"); and

WHEREAS, on February 3, 2006, Declarant also subjected certain property to the Hammond's Ferry Book of Operating Principles, a copy of which is recorded in Book 4044, pages 899-952, in said Register's Office (the "Book") (the Master Declaration and the Book, and all amendments thereto are hereinafter collectively referred to as the "Declaration"); and

WHEREAS the Declaration was made applicable to the herein described property by that certain Third Supplemental Declaration, dated September 10, 2007, recorded in Book 4161, pages 847-949, in said Register's Office; and

WHEREAS, on that certain plat entitled "Conditional Final Plat for Hammond's Ferry Phase A2," prepared by Davis & Floyd Engineering, Architecture, Environmental & Laboratory Services, June 21, 2007, recorded in Plat Book 53, page 61, in the Office of the Register of Deeds for Aiken County, South Carolina (the "Plat") there is a triangular parcel designated as "Open Space" at the Corner of Front Street and Phoenix Street (the "Open Space"); and

WHEREAS, that due to the Open Space's unique location, the Declarant desires to place certain limitations of use of the Open Space.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the Declarant hereby declares as follows:

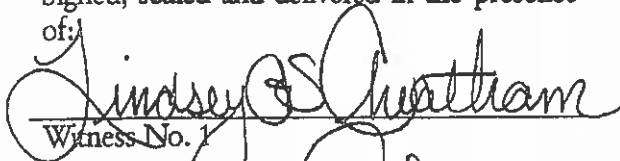
1. That no structures shall be permitted on the Open Space. Further, no landscaping shall be permitted on the Open Space except with the prior written approval of the proposed landscaping from Declarant.
2. Except as modified hereby, the Declaration shall remain unaffected.

WITNESS the Hand and Seal of the duly authorized officer of North Augusta Riverfront Company, LLC, as of the day and year first above written.


Signed, sealed and delivered in the presence

North Augusta Riverfront Company, LLC

of:


Witness No. 1

By:


Robert C. Rogwell
As its Project Manager /
Vice President


Witness No. 2

STATE OF GEORGIA

COUNTY OF RICHMOND

Personally appeared before me the undersigned witness and made oath that s/he saw the within named Robert C. Bogwell as the Vice President of North Augusta Riverfront Company, LLC, sign, seal and, as the act and deed of said company, deliver the within-written Declaration for the purposes therein mentioned and that s/he, with the other witness whose signature appears above, witnessed the execution thereof.

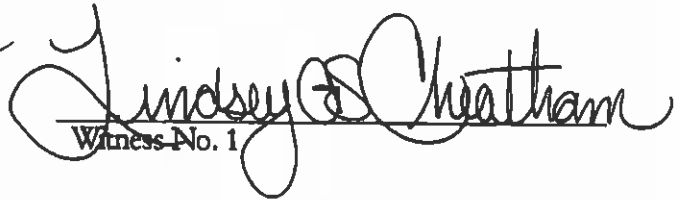
SWORN to before me this 31st day of August, 2009.



Notary Public, Richmond County,
State of Georgia

My commission expires: August 7, 2012

(Notary Seal)



Witness No. 1



2009031703

AMENDMENT
RECORDING FEES \$10.00
PRESENTED & RECORDED:
12-21-2009 10:05 AM
JUDITH WARNER
REGISTER OF DEEDS CONVEYANCE
AIKEN COUNTY, SC
By: MARILYN SEIGLER DEPUTY
BK:RB 4289
PG:242-244

Declarant: North Augusta Riverfront Company, LLC
Property: Phase A-3 Lots in Hammond's Ferry

Hammond's Ferry
NORTH AUGUSTA'S RIVERFRONT

SIXTH SUPPLEMENTAL DECLARATION
TO SUBJECT PHASE A-3 LOTS TO
THE HAMMOND'S FERRY MASTER DECLARATION
AND
THE HAMMOND'S FERRY BOOK OF OPERATING PRINCIPLES

THIS SIXTH SUPPLEMENTAL DECLARATION is made by NORTH AUGUSTA RIVERFRONT COMPANY, LLC, a Delaware limited liability company (the "Declarant") as of the 18th day of December, 2009.

WITNESSETH:

WHEREAS, on February 3, 2006, Declarant subjected certain property (including the property described herein) to the Hammond's Ferry Master Declaration of Codes, Covenants and Easements, a copy of which is recorded in the Office of the Register of Deeds for Aiken County, South Carolina, in Book 4044, pages 899-952 (the "Master Declaration"); and

WHEREAS, on February 3, 2006, Declarant also subjected certain property to the Hammond's Ferry Book of Operating Principles, a copy of which is recorded in Book 4044, pages 899-952, in said Register's Office (the "Book"); and

WHEREAS, the Master Declaration and the Book provide that the Declarant can subject additional property to these agreements.

NOW THEREFORE, in consideration of the foregoing and other good and valuable consideration, the Declarant hereby declares that the property described on Exhibit "A" attached hereto (the "Additional Property") shall hereafter be part of the Residential Neighborhood and shall therefore be subject to the terms of both the Master Declaration and the Book. Any capitalized term not defined herein shall have the meaning ascribed to such term in the Book.

WITNESS the Hand and Seal of the duly authorized officer of North Augusta Riverfront Company, LLC, as of the day and year first above written.

Signed, sealed and delivered in the presence of:

North Augusta Riverfront Company, LLC

Lindsay S. Chatham
Witness No. 1
Me
Witness No. 2

By: *Robert C. Bagwell*
Robert C. Bagwell
As its Vice President

COUNTY OF RICHMOND

STATE OF GEORGIA

Personally appeared before me the undersigned witness and made oath that s/he saw the within named Robert C. Bagwell as the Vice President of North Augusta Riverfront Company, LLC sign, seal and, as the act and deed of said company, deliver the within-written Declaration for the purposes therein mentioned and that s/he, with the other witness whose signature appears above, witnessed the execution thereof.

SWORN to before me this 18th day of December 2009.

Me
Notary Public, Richmond County,
State of Georgia
My commission expires Aug. 7, 2012
(Notary Seal)

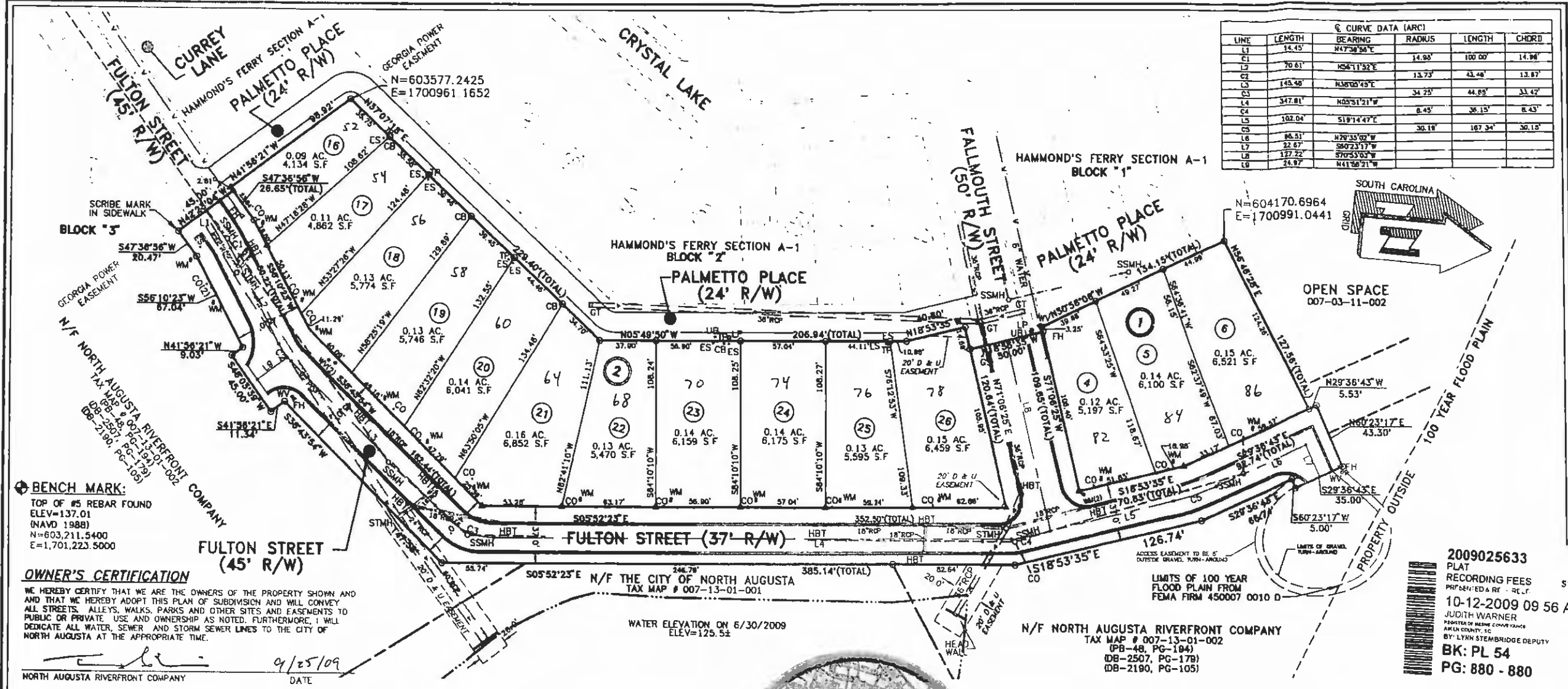
Lindsay S. Chatham
Witness No. 1



Exhibit A

The Residential Neighborhood shall include all of the real property known as Block 1, Lots 4, 5, and 6, and Block 2, Lots 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, and 26, as described on that certain plat entitled "Hammond's Ferry Phase A3 Boundary" located in the City of North Augusta, South Carolina, prepared for North Augusta Riverfront Company, LLC by Cranston Engineering Group, P.C., dated June 30, 2009, recorded in Plat Book 54, page 880, in the Office of the Register of Deeds for Aiken County, South Carolina. Reference is hereby made to the Plat for a more complete description of the property.

LINE	LENGTH	BEARING	RADIUS	LENGTH	CHORD
L1	14.45'	N47°30'34"E	14.85'	100.00'	14.96'
L2	70.61'	N56°11'32"E	13.73'	43.48'	13.87'
L3	145.48'	N48°00'45"E	34.25'	44.85'	33.42'
L4	347.81'	N05°51'21"W	8.45'	36.15'	8.43'
L5	102.04'	S18°14'47"E	30.18'	167.34'	30.15'
L6	85.51'	N28°33'09"W	5.53'	43.30'	5.53'
L7	32.67'	S60°23'17"W	5.00'	35.00'	5.00'
L8	127.22'	S70°53'35"E	126.74'	126.74'	126.74'
L9	24.97'	N41°50'21"W	126.74'	126.74'	126.74'



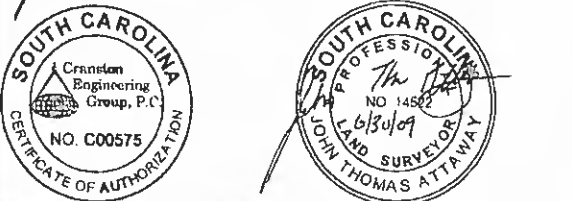
BENCH MARK:
TOP OF #5 REBAR FOUND
ELEV=137.01
(NAVD 1988)
N=603,211.5400
E=1,701,223.5000

OWNER'S CERTIFICATION
WE HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY SHOWN AND THAT WE HEREBY ADOPT THIS PLAN OF SUBDIVISION AND WILL CONVEY ALL STREETS, ALLEYS, WALKS, PARKS AND OTHER SITES AND EASEMENTS TO PUBLIC OR PRIVATE USE AND OWNERSHIP AS NOTED. FURTHERMORE, I WILL DEDICATE ALL WATER, SEWER AND STORM SEWER LINES TO THE CITY OF NORTH AUGUSTA AT THE APPROPRIATE TIME.
[Signature] 9/25/09
DATE
NORTH AUGUSTA RIVERFRONT COMPANY

CITY ENGINEER'S CERTIFICATION
I HEREBY CERTIFY THAT THE WATER SUPPLY SYSTEM, SEWAGE DISPOSAL SYSTEM AND DRAINAGE IMPROVEMENTS REQUIRED BY THE NORTH AUGUSTA ZONING AND DEVELOPMENT STANDARDS ORDINANCE HAVE BEEN PROPERLY INSTALLED AND CONSTRUCTED IN ACCORDANCE WITH THE APPLICABLE STANDARDS.
[Signature] 9/25/09
DATE
NORTH AUGUSTA CITY ENGINEER

PLANNING DEPARTMENT APPROVAL
I HEREBY CERTIFY PURSUANT TO THE ZONING AND DEVELOPMENT STANDARDS ORDINANCE OF NORTH AUGUSTA, SOUTH CAROLINA AND GENERAL DEVELOPMENT PLAN ORDINANCE NO. 2002-23, ALL REQUIREMENTS HAVING BEEN FULFILLED.
[Signature]
DIRECTOR OF ECONOMIC & COMMUNITY DEVELOPMENT

SURVEYOR'S CERTIFICATION:
I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, THE SURVEY SHOWN HEREON WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS "A" SURVEY AS SPECIFIED THEREIN.
[Signature] 9/25/09
DATE
S.C.P.L.S. #14522



LOT-BLK NO.	SQ. FT.	ACREAGE	DEVELOPMENT CLASSIFICATION
16-2	4134	0.09	RESIDENTIAL
17-2	4862	0.11	RESIDENTIAL
18-2	5774	0.13	RESIDENTIAL
19-2	5746	0.13	RESIDENTIAL
20-2	6041	0.14	RESIDENTIAL
21-2	6852	0.16	RESIDENTIAL
22-2	5470	0.13	RESIDENTIAL
23-2	6159	0.14	RESIDENTIAL
24-2	6175	0.14	RESIDENTIAL
25-2	5595	0.13	RESIDENTIAL
26-2	6459	0.15	RESIDENTIAL
4-1	5197	0.12	RESIDENTIAL
5-1	6100	0.14	RESIDENTIAL
6-1	6521	0.15	RESIDENTIAL

- NOTE:**
- ALL CORNERS ARE #5 REBAR SET UNLESS OTHERWISE NOTED.
 - Δ DENOTES PK NAIL SET IN SIDEWALK.
 - SANITARY LINES ARE 8" PVC UNLESS OTHERWISE NOTED ON PLAT.
 - PROPERTY APPEARS TO LIE WITHIN THE 100-YEAR FLOOD INSURANCE RATE MAP FOR COMMUNITY PANEL NUMBER 450007 0010 D. A FLOOD ELEVATION CERTIFICATE WILL BE REQUIRED.
 - ALL LOT AREAS ARE MEASURED IN SQUARE FEET.
 - FOR MINIMUM YARD SETBACKS REFER TO THE MINOR MODIFICATION OF AN APPROVED PLANNED DEVELOPMENT (PD 05-07), AS APPROVED BY THE PLANNING COMMISSION IN MAY, 2005.
 - FINISH FLOOR ELEVATIONS OF ALL STRUCTURES MUST BE FIVE FEET ABOVE SANITARY SEWER LATERAL INVERT AT THE RIGHT-OF-WAY OR PROPERTY LINE.
 - A 20 FOOT EASEMENT IS RESERVED OVER ALL UTILITY AND STORM DRAINAGE LINES AS SHOWN OR AS BUILT UNLESS SHOWN OTHERWISE.

- REFERENCES:**
- CONDITIONAL FINAL PLAT FOR HAMMOND'S FERRY PHASE A1 BY DAVIS & FLOYD DATED JANUARY 5, 2006.
 - FINAL PLAT FOR HAMMOND'S FERRY PHASE A1 BY DAVIS & FLOYD DATED DECEMBER 28, 2006
 - LAYOUT PLAN OF SECTION A-3 HAMMOND'S FERRY BY CRANSTON ENGINEERING GROUP, P.C. DATED NOVEMBER 9, 2007.
 - BOUNDARY PLAT FOR CITY OF NORTH AUGUSTA BY W.R. TOOLE, INC. DATED 9/10/04, REVISED 9/27/04 RECORDED IN PB-48, PG-194
 - REVISION TO CONDITIONAL FINAL PLAT FOR HAMMOND'S FERRY PHASE A3 BY CRANSTON ENGINEERING GROUP, P.C. DATED JANUARY 28, 2008.
 - EASEMENT RELEASE RECORDED IN BOOK 4181, PAGE 2101.



PROJECT DATA:
PROJECT AREA = 2.78 AC.
ZONING: PUD
AVERAGE LOT SIZE = 5792 S.F.
MINIMUM LOT SIZE = 4134 S.F.
TAX MAP & PARCEL NO. = 007-13-01-002

FLOOD NOTE:
ACCORDING TO THE OFFICIAL F.I.A. FLOOD HAZARD MAP #450007 0010 D, THESE LOTS ARE IN A DESIGNATED 100 YEAR FLOOD PLAIN.

PLAT OF
Hammond's Ferry
PHASE A3 BOUNDARY
PREPARED FOR
North Augusta Riverfront Company, LLC

SHOWING PROPERTY KNOWN AS HAMMOND'S FERRY SUBDIVISION PHASE A3...
NORTH AUGUSTA, AIKEN COUNTY, SOUTH CAROLINA
SCALE: 1" = 50'
JUNE 30, 2009



SCALE IN FEET
PREPARED BY
Cranston Engineering Group, P.C.
ENGINEERS - PLANNERS - SURVEYORS



Review Set 2

452 ELLIS STREET, AUGUSTA, GEORGIA 30901
FIRST OFFICE BOX 2548, AUGUSTA, GEORGIA 30903
TELEPHONE 706-722-1580
FACSIMILE 706-722-8579
mail@cranstonengineering.com

2009025633
PLAT RECORDING FEES \$10.00
PREPARED & RECORDED
10-12-2009 09 56 AM
JUDITH WARNER
REGISTERED PROFESSIONAL
AIKEN COUNTY, SC
BY: LYNN STENBRIDGE DEPUTY
BK: PL 54
PG: 880 - 880