

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

TABLE OF CONTENTS

Part I:	Introduction and Overview	3
Part II:	Relationships Between the Associations	5
	Architectural Standards and Review	
Part IV:	Environmental Protections	13
Part V:	Founder's Reserved Rights	14
	Amendment and Additional Terms	

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NORTH AUGUSTA RIVERFRONT COMPANY, LLC, a Delaware limited liability company (the "Founder" and <u>Grantor/Grantee</u> for indexing purposes only) makes this MASTER DECLARATION OF CODES, COVENANTS AND EASEMENTS (the "Master Declaration") as of the 3 day of <u>Feb</u>., 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 <u>Easements for Use of the Hammond's Ferry Commons</u>. 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 <u>Use of Neighborhood Association Amenities</u>. 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 <u>Hammond's Ferry Design Committee</u>.

- (a) <u>Composition</u>. 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) <u>Staff, Compensation</u>. 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) <u>Review Fees</u>. The HFDC may set its review fees to cover all or part of the expected cost of its operation.
- 3.3 <u>Design Code</u>. 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 <u>Construction Subject to Review.</u>

- (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) <u>Scope</u>. 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) <u>Trees</u>. 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) <u>Variances</u>. 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) <u>Applications</u>. 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.

10

- (c) <u>Inspection</u>. 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) <u>Fines; Enforcement.</u> 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) <u>Completion</u>. 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 <u>Builders.</u> 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 <u>Liability</u>. 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 <u>Modification Committee to the HFDC</u>. 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 <u>Final Composition of the HFDC</u>. 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) <u>Three-Person HFDC</u>. 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) <u>Five-Person HFDC</u>. 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 <u>Environmental Compliance</u>. 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 <u>Clean-up; Indemnification</u>. 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 <u>Nuisance</u>. 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) <u>Neighborhood</u>. 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) <u>Supplemental Declaration</u>. 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) <u>Withdrawal of Property</u>. 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 <u>Use of Name</u>. 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.

- 8.3 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) <u>Utility Easements</u>: 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) <u>Cable and fiber optic systems</u>: 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

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) <u>Police Powers</u>: 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) <u>Drainage, Erosion Controls</u>: 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) <u>Encroachment</u>: 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) <u>Maintenance of Hammond's Ferry Commons</u>: 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) <u>Models; Sales and Management Offices</u>: 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) <u>Construction Equipment</u>: 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 <u>Assignment</u>. 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 <u>Rules and Regulations</u>. The Founder may enact Rules and Regulations governing any of the matters addressed by this Master Declaration.
- 5.7 <u>Damage or Destruction of Hammond's Ferry Commons or Improvements by an Owner or Occupant</u>. 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

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) <u>Recording</u>. Any amendment shall take effect upon recording in the Register of Mesne Conveyances of Aiken County, South Carolina.
- 6.2 <u>Rerecording.</u> 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) <u>Deposit, Fines</u>. 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) <u>Unapproved Construction</u>. 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) <u>No Waiver</u>. 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) <u>Construction</u>. 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) <u>Governmental Regulation</u>. All provisions of this Master Declaration shall be subject to applicable government regulation or agreements.
- (c) <u>Conflict</u>. 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.

- Invalidity. The invalidity of any part of this Master Declaration shall not (d) 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

By:

N. Turner Simkins

As its General Manager

COUNTY OF

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 withinwritten 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

of February, 2006.

My commis

Hammond's Ferry Master Declaration

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 Greeneway 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 Greeneway 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.

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