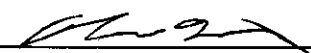
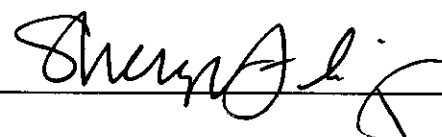


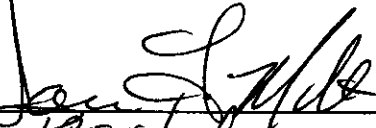
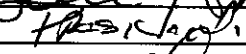




every person who shall hereafter purchase any lot in the residential or multi-family portions of the subdivision known as Cornerstone Subdivision, Phase Two or other properties that may be annexed, that certain covenants governing and regulating the use, occupancy, operation, maintenance and development and in addition certain reservations and servitude be imposed upon the property acquired by Cornerstone Subdivision Homeowners' Association, Inc., as well as the residential and multi-family lots in Cornerstone Subdivision, as owned by Declarant, and for sale to prospective purchasers be established, set forth and declared to be covenants running with the land;

NOW THEREFORE, for and in consideration of the premises and the benefits to be derived by Declarant, Cornerstone Subdivision Homeowners' Association, Inc., and each and every subsequent owner in Cornerstone Subdivision, Declarant, does hereby set up, establish, promulgate and declare the Covenants, Conditions and Restrictions recorded in Title Book 4000 at Page 2323 shall to be applicable to all lots in Cornerstone Subdivision, Phase Two and to all persons owning said lots or any subsequent owner thereof.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 10th day of January, 2012 at Aiken, South Carolina.

  
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\_\_\_\_\_

: SOUTHWINDS CONSTRUCTION LTD.  
By:   
Its:   
By:   
Its: 





2, 2005 and recorded on June 6, 2005 in Plat Book 49 at Page 209 as "Common Area" will be conveyed unto the Association which will be incorporated as Cornerstone Subdivision Homeowners' Association, Inc., in order to provide open space and areas suitable for the benefit of property owners and inhabitants of Cornerstone Subdivision, who may be or become members of Cornerstone Subdivision Homeowners' Association, Inc., but not for the general public; and

WHEREAS, it is the interest, benefit and advantage of Declarant and/or its assigns, and Cornerstone Subdivision Homeowners' Association, Inc., and to each and every person who shall hereafter purchase any lot in the residential or multi-family portions of the subdivision known as Cornerstone Subdivision or other properties that may be annexed, that certain covenants governing and regulating the use, occupancy, operation, maintenance and development and in addition certain reservations and servitude be imposed upon the property acquired by Cornerstone Subdivision Homeowners' Association, Inc., as well as the residential and multi-family lots in Cornerstone Subdivision, as owned by Declarant, and for sale to prospective purchasers be established, set forth and declared to be covenants running with the land;

NOW THEREFORE, for and in consideration of the premises and the benefits to be derived by Declarant, Cornerstone Subdivision Homeowners' Association, Inc., and each and every subsequent owner in Cornerstone Subdivision, Declarant, does hereby set up, establish, promulgate and declare the following covenants to be applicable to all lots in Cornerstone Subdivision and to all persons owning said lots or any subsequent owner thereof.

## ARTICLE I DEFINITIONS

Section 1. "Association" shall mean and refer to the Cornerstone Subdivision Homeowners' Association, Inc., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for

the performance of obligation.

Section 3. "Properties" shall mean and refer to that certain real property herein before described and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area and Buffers" shall mean and refer to all real property (including the improvements thereto) owned by the Association for the common use and enjoyment of the owners.

Section 5. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 6. "Declarant" shall mean and refer to Southwinds Construction, Ltd., its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purposes of development.

## ARTICLE II PROPERTY RIGHTS

Section 1. Owners' Easement of Enjoyment. Every owner shall have a right and easement in and to the Common Area that shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to use of recreational facilities by an owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) The right to mortgage or convey the common areas, except the Common Areas set aside for other uses as described in Article VI Numbers 13 and 16, with the consent of at least 2/3 of the lot owners upon completion of the development of Cornerstone Subdivision and completion of all subsequent annexations by the Declarant.

Section 2. Delegation of Use. Any owner may delegate, in accordance with the by laws, his right of enjoyment to the Common Area and facilities to the members of his

family, his tenants or contract purchasers who reside on the property.

ARTICLE III  
MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a lot shall be a member of the Cornerstone Homeowner's Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot that is subject to assessment.

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

Class A. Class A members shall all be Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member(s) shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership upon the earlier of the following:

1When the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership;

2Ten (10) years from the date of this instrument.

Section 3. Nothing herein contained shall be construed as to preclude the creation of an additional Homeowners' Association that could address special needs or requirements of a certain Phase of Cornerstone Subdivision. However, creation of an additional Homeowners' Association would not release the property designated as "Common Area", nor would assessments as set forth above be changed. All property owners in an additional Homeowners' Association would be obligated to abide by the herein stated covenants and assessments.

ARTICLE IV  
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Properties, hereby covenants, and each Owner of an Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due. The personal obligation for delinquent assessments shall not pass to his successor in title unless expressly assumed by them. Any delinquent assessments shall be collected upon the sale of any lot.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Properties and for the improvement and maintenance of the Common Area.

Section 3. Annual Assessment. The assessments shall commence on January 1<sup>st</sup> after the date the County of Aiken approves the plat of the subdivision for the construction of homes. The assessment paid by the Declarant shall be a charge on any platted lots owned by the Declarant that are intended for sale as Residential Lots in Cornerstone Subdivision or any other land annexed pursuant to the Restrictions and shall be a continuing lien upon any property owned by the Declarant in Cornerstone Subdivision. The assessments shall not be applicable to any lot set aside by the Declarant to be used for expansion of future developments.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year



a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the vote of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized under Section 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be thirty percent (30%) of all the votes of each class of membership. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all Lots and may be collected on a monthly basis.

Section 7. Date of Commencement of Annual Assessments; Due Dates. The annual assessments provided for herein shall commence as to all Lots as set forth in Section 3 and Section 2 of this document. The first annual assessment shall be as stated in Section 3a. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notices of the annual assessment shall be sent to every Owner subject thereto. The Board of Directors shall establish the due dates of the assessments. The Association shall, upon demand, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specific Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a lot is binding upon the Association as of the date of its issuance.

Section 8. Effect of Nonpayment of Assessments; Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from

the due date at the rate of 6 percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his lot.

Section 9. Subordination of the Lien to Mortgage. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

## ARTICLE V ARCHITECTURAL APPROVALS OF CONSTRUCTION

Section 1. Alterations to Units: Architectural approval of all units to be constructed shall be required prior to commencement of construction. No Owner shall make modifications or alterations to such Owner's Unit which will affect the structural integrity or soundness of the improvements located on the Property without previously obtaining written approval of the Association. No sunrooms, screen porch enclosures, ground terraces or patios shall be permitted without the written approval of the Association. Changes to the interior of the Unit which do not affect the structural integrity or soundness of the improvements located on the Property may be made without the approval of the Association.

Section 2. Procedure for Seeking Consent of Association: In order to seek the consent of the Association required hereunder, an Owner shall submit to the president of the Association a written request for consent describing the modification, alteration, or change which the Owner desires to make. Such request shall be accompanied by a full and complete set of plans and specifications, a site plan, a work schedule and a list of those who will be performing the work for the alteration, modification or change which the Owner desires to make. The Association shall, in writing grant or deny a request for its consent within thirty (30) days after receiving a written request from the Owner. If the

consent requested is not granted or denied in writing within said thirty (30) day period, then the Association shall be deemed to have given its written consent as requested by the Owner.

Section 3. Discretion of Association in Granting Consent: The Association may base its decision to grant or deny its consent hereunder upon any ground including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Association, seems sufficient.

Section 4. Exclusion of Declarant: The Declarant shall not be subject to the terms of this Article.

## ARTICLE VI RESTRICTIVE AND PROTECTIVE COVENANTS

That, in addition to the requirements of this Declaration, each building lot in the area covered by this Declaration shall be subject to the following restrictive covenants that shall likewise apply to any other areas brought under the jurisdiction of the Association by the Declarant. Other areas that may be annexed pursuant to these Restrictions may include Fee Simple Townhouses and Multifamily Residential Units.

1. All of the lots in Cornerstone Subdivision are hereby designated as residential lots and no structure shall be erected on any of the lots other than one single-family residence and appropriate out buildings.

2. No commercial activity of any kind or nature shall be conducted upon any of the lots.

3. No noxious or offensive trade or activity shall be conducted upon any lot nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.

4. No trailer, mobile home, basement, tent, shack, garage, barn or other outbuilding erected on the lots shall be at any time used for residential purposes on any of the lots.

5. No garbage or domestic trash shall be disposed of by burning or burying on any lot within this subdivision or adjacent property and shall not be kept except in sanitary containers.

6. No commercial vehicles, boats, motor homes, camper trailers, house trailers,

horse trailers or similar vehicles shall be parked or stored on any lot except in the carport or garage, nor rear portion of said lot not visible from the street.

7. No vehicle that is not currently licensed or has been disabled for more than sixty (60) days shall be parked or stored on any lot except in the carport or garage, or rear portion of said lot not visible from the street.

8. Swimming pools shall be constructed only in the rear yards of the home.

9. No poultry, swine, cows, goats, mules or other farm animals or fowls or fishbait farms shall be maintained on any lot, and no vegetable garden may be planted except in the rear 25% of any lot. No unprocessed animal manure is to be used as fertilizer.

10. No building shall be located on any lot nearer to any street(s) than is shown by the setback line(s) on the above referenced plat.

11. No lot shall be re-subdivided or rearranged which shall increase the number of lots in the subdivision, unless in all cases of re-subdivision, the setback line and side and rear building lines as set forth shall be applicable to such lots as are re-subdivided or as reconstituted.

12. No dwelling shall be constructed upon any lot that shall contain less than 1,250 square feet of heated space.

13. All easements for streets, utilities and drainage are established and dedicated for such uses and purposes as are shown upon the plat and all rights necessary to the use and enjoyment of such easements, streets, utilities and drainage easements are hereby reserved, and no building shall be constructed over or upon areas designated for easement purposes upon the plat. Developer reserves the right to provide future easements for utilities, drainage, egress and ingress through or over areas designated as Common or Buffer areas.

14. Should any owner, their heirs, executors, administrators or assigns violate or attempt to violate any part of the covenants herein, it shall be lawful for any other person owning real property situate in the said development or subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenants; provided, however, that no violation shall violate the validity of any mortgage lien of record prior to such violation.

15. The Declarant reserves the right to make minor adjustments in front, and side

and rear lot lines of unsold lots.

16. The Declarant reserves the right to set aside a lot or lots and to use Common Areas and Buffers for installation and building of infrastructure, utilities, and streets, etc. as may be needed in the future. The property so used shall be deeded back to the Declarant if required.

17. The Declarant reserves unto itself the right to use certain property for a "Sales Office" to promote the business of the Developer(s) of this property and any other properties taken into the same area for similar development. Such use shall not be construed to be in violation of restrictions prohibiting commercial use of the property or properties.

18. Maintenance of common areas and landscaped islands in the street right of ways shall be the responsibility of the Cornerstone Subdivision Homeowners' Association. The Cornerstone Subdivision Homeowners' Association shall have the right to levy dues in an amount appropriate to maintain common areas, and pay any associated costs such as, but not limited to, taxes and insurance.

19. No fence or wall shall be constructed on any lot nearer to the front street right of way than the front lines of the dwelling.

20. Any fence must be installed such that the finished side faces out from the property.

21. No antennas shall be installed or maintained where Cablevision is available. Satellite dishes with diameters less than twenty-four (24) inches are permitted but must be installed so as to be obvious from street right of way.

22. No dwelling house shall be constructed so as to contain a carport with an open entrance facing a street. An enclosed garage with an entrance facing a street shall be acceptable, provided such garage is equipped with doors adequate to render the interior of the garage out of public view.

23. The exterior of all buildings and structures and landscaping must be completed within one (1) year after construction has commenced except where completion is impossible or would result in great hardship to owner or builder due to strikes, fires, national emergency, or natural calamity. Should any dwelling or structure be destroyed in whole or part, it must be reconstructed or the debris removed within six (6) months.

24. Nothing herein contained shall be construed so as to preclude the creation and development of commercial or business sectors or centers by Southwinds Construction, Ltd., its successors or assigns, in areas not otherwise restricted for residential purposes.

ARTICLE VIII  
GENERAL PROVISION

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by a proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

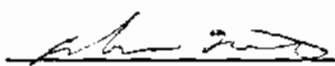
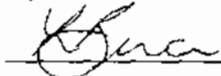
Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provision which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years. This Declaration may be amended during the first twenty (20) year period by an instrument signed by not less than two-thirds (2/3) of the Lot Owners, and thereafter by an instrument signed by not less than two-thirds (2/3) of the Lot Owners. Any amendment must be recorded.

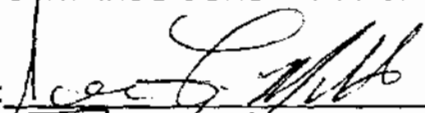
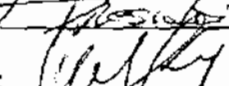
Section 4. Annexation. Additional land may be annexed by the Declarant without the consent of members within ten (10) years of the date of this instrument. As long as there is a Class B membership, any annexation will require HUD/VA approval.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 15th day of JUNE, 2005 at Aiken, South Carolina.

WITNESSES AS TO LOT OWNERS:

  
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\_\_\_\_\_

SOUTHWINDS CONSTRUCTION LTD.

By:   
Its: President  
By:   
Its: VICE-PRES

