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HORRY COUNTY, S.C.
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DECLARATION
COVENANTS, CONDITIONS, RESTRICTIONS, AND EASEMENTS
FOR
STONO VILLAGE

THIS DECLARATION, made on the date hereinafter set forth by Hunters Ridge of Myrtle Beach, Inc., hereinafter referred to as "Declarant".

"W I T N E S S E T H"

WHEREAS, Declarant is the owner of certain property in the County of Horry, State of South Carolina, which is more particularly described as:

See Exhibit "A" attached hereto and made a part and parcel hereof.

NOW THEREFORE, Declarant hereby declares that all of the properties described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with, the real property and be binding on all parties having any right, title or interest in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Stono Village 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

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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 an obligation.

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

Section 4. "Common Area" shall mean 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. "Lawn Area" shall mean all areas of a lot, except the area occupied by a residence and the area between the residence and any privacy fence.

Section 7. "Declarant" shall mean and refer to Hunters Ridge of Myrtle Beach, Inc., its successors and assigns.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided by this Declaration.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area which 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 admission and other 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 the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds (2/3rds) of each class of members has been recorded.

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, his guests, or contract purchasers who reside on the property. Provided, however, the use by guests may be regulated by the Board of Directors.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Every owner of a Lot which is subject to assessment shall be a member of the Association. Membership shall

be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

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

Class A: Class A members shall be all 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 on the happening of either of the following events, whichever occurs earlier:

(a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or

(b) ten (10) years from date hereof.

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 any Lot by

acceptance of a deed therefore, 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.

Each Owner shall have the obligation to maintain and keep in good repair the yard and improvements on his Lot, including the exterior walls of the dwelling house thereon, and any other exterior surfaces. If any Owner shall fail to comply with the provisions of this sub-section, and in the opinion of the Architectural Control Committee of the Association such failure impairs the aesthetic harmony of the Stono Village Subdivision, the Association may make demand upon such Owner to comply. In the event such Owner shall, after written notice has been given, fail to take necessary steps to comply, the Association may proceed to remedy such Owner's default. Any expenses incurred by the Association for such purposes, including labor, materials and professional fees shall become a lien upon the Lot of such Owner, collectible as otherwise provided for herein; the Owner shall also be personally obligated for the expense incurred. Amounts incurred in the foregoing manner shall be deemed "Direct Assessments", and shall be in addition to any other assessments herein provided for and shall be due immediately upon demand; provided further, the Association shall have a reasonable right to enter any unit to make emergency repairs.

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 successors in title unless expressly assumed by them.

Section 2. Purpose of assessments:

(a) 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. Provided further that assessments shall be used to maintain and repair paved streets, the sanitary sewer system, the water system, pool equipment, the pool deck and structure, the electrical system, for management and supervision, to procure and maintain policies of insurance in accordance with the By-Laws, the employment of attorneys to represent the Association when necessary, the provision of adequate reserves for the replacement of capital improvements; and for such other needs which may arise.

(b) All monies collected by the Association shall be treated as the separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the Property, or to the proper

undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles of Incorporation and the By-Laws of the Association. As monies for any assessment are paid unto the Association by any Lot Owner, the same may be co-mingled with monies paid to the Association by the other Lot Owners. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his membership interest therein, except as an appurtenance to his Lot. When a Lot Owner shall cease to be a member of the Association by reason of his divestment of ownership of his Lot, by whatever means, the Association shall not be required to account to such Owner for any share of the fund or assets of the Association, or which may have been paid to the Association by such Owner, as all monies which any Owner has paid to the Association shall be and constitute an assets of the Association which may be used in the operation and management of the Properties.

Section 3. Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be \$250.00 per Lot, payable \$62.50 per quarter.

(a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased each year not more than 20%

above the maximum assessment for the previous year without a vote of the membership.

(b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 20% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(c) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

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 votes 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 Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 or 4 shall be sent to all members not less than 15 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 one-half (1/2) of the required quorum at the preceding meeting. 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 on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. 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 notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified 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 eighteen percent (18%) per annum. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien created herein against the property in the same manner as prescribed by the laws of the State of South Carolina for the foreclosure of Mortgages, and interest, costs and reasonable attorney's fees for representation of the Association in such action or foreclosure shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessment provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the 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 became 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 CONTROL

No building, fence, wall or other structure shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change, including paint color, or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an architectural committee composed of five (5) or more representatives appointed by the Board. In the event said Board, or its designated committee, fails to approve or disapprove such design and location within forty-five (45) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

The Architectural Control Committee shall regulate the external design, appearance, use, location and maintenance of the Properties and of improvements thereon in such a manner so as to preserve and enhance values and to maintain a harmonious relationship among structures and the natural vegetation and topography.

In the event an Owner of any Lot in the properties shall fail to maintain the yard and improvements situated thereon in a manner satisfactory to the Board of Directors, the Association, after approval by two-thirds (2/3) vote of the Board of Directors, shall have the right, through its agents and employees to enter

upon said parcel and to repair, and maintain the yard and exterior of the buildings and any other improvements erected thereon. The cost of such maintenance shall be added to and become part of the assessment to which such Lot is subject.

ARTICLE VI

USE RESTRICTIONS

Section 1. Land Use and Building Type. No Lot shall be used except for single-family residential purposes and such use shall be limited to:

- (a) The Owner;
- (b) Members of the Owner's immediate family or members of the immediate family of the Owner's spouse. For purposes of this Declaration "immediate family" shall mean lineal ancestors or descendants of the Owner or the Owner's spouse;
- (c) A Tenant of an Owner;
- (d) Guests of Tenant or of Owner's immediate family;
- (e) Such other occupancies as may be approved from time to time by the Board of Directors upon prior written application therefore by the Owner. Such application shall set forth the type, nature and duration of the proposed occupancy arrangement, the name and relationship of the proposed occupant and such other pertinent information as the Board may require;
- (f) Declarant may maintain a sales office, models, property management office and construction office upon one or more lots and/or common area until all lots have been sold.

Section 2. Nuisance. No noxious or offensive activity shall be conducted upon any Lot nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood.

Section 3. Animals. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any dwelling except that dogs, cats or other household pets may be kept or maintained provided that they are not kept or maintained for commercial purposes and further provided that they are kept and maintained in compliance with all laws and ordinances of the County of Horry relating thereto.

Section 4. Outside Antennas and Satellite Dishes. No outside radio or television antennas or satellite dishes shall be erected on any Lot or dwelling within the Properties unless and until permission for the same has been granted by the Association.

Section 5. Gardens. No fruit or vegetable gardens shall be permitted to be planted in the front yard areas of any lot.

Section 6. Temporary Structures. No structure of a temporary nature shall be erected or allowed to remain on any lot, unless permission has been granted by the Association.

Section 7. Signage. No sign or other advertising devices shall be displayed upon any lot which are visible from the exterior of the dwelling. However, Declarant may post temporary "For Sale" signs or other marketing related signage and

directional signs upon the lots and common area until all lots owned by Declarant have been sold.

Section 8. Mailboxes. All mailboxes shall be uniform and no mailbox shall be placed on any lot until approved by the Association.

Section 9. Setbacks. All setbacks shall be set forth on the subdivision plat. Declarant reserves the right to allow a variance in the setbacks to maintain harmonious relationship among structures and the natural vegetation and topography.

Section 10. Vehicle Restrictions. No travel trailers, motor homes, campers, school buses, commercial vehicles, boats, boat trailers, motorcycles, or junk or non-operational vehicles shall be kept, stored or parked on any lot, street or other common area that is open to view.

Section 11. Parking. Each owner shall provide paved space for off-street parking. No parking shall be allowed on any unpaved space.

Section 12. Lighting. No mercury vapor or similar lights which are situate upon poles similar to street lights shall be permitted on any lot without the written consent of the Association.

Section 13. Lawn Ornamentation. No lawn ornamentation, furniture, flagpoles, soccer goals, basketball goals, any other sports apparatus, or storage sheds, shall be situate on any Lawn Area.

ARTICLE VII

EASEMENTS

Section 1. Easements: An Easement is hereby granted to the County of Horry of over all streets (which are part of the Common Areas) and all other areas where reasonably necessary for the following purposes:

(a) To install, service, repair, replace, maintain and read water meters.

(b) An easement having a five (5) ft. radius around each fire hydrant is specifically reserved to the County of Horry (Fire Department) for the purpose of going on the land and testing the fire hydrant. The County of Horry (Fire Department) shall not be liable for any damage done within the above set out radius, or any other damages caused by the above set out testing.

(c) For the fighting of fires.

(d) For affording Police protection.

(e) For the collection of garbage.

(f) All Easements set out on the recorded plat.

Section 2. Utilities Easements. Easements for the installation of utilities, including but not limited to, telephone lines and equipment, electrical power lines and equipment, and cable vision lines and equipment are hereby reserved by Declarant.

Section 3. Maintenance Easement. There is hereby granted to the ASSOCIATION and to its duly authorized agents and representatives a perpetual non-exclusive easement over the lands described on Exhibit "A" Attached hereto, as are necessary to

perform its duties and obligations as set forth herein on the By-Laws attached hereto. All lawn areas in the subdivision shall be maintained in a neat and orderly condition, and shall be neatly mowed and trees and shrubs shall be neatly trimmed.

ARTICLE VIII

GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, imposed by the provisions of this Declaration. Failure of the Association or by an 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 provisions 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 ninety (90%) percent of the Lot Owners, and thereafter by an instrument signed by not less than seventy-five (75%) percent of the Lot Owners. The Declarant, without the consent or approval of the Association or any other owner shall

have the right to amend this Declaration to conform to the requirements of any law or governmental agency having jurisdiction over the lots and/or this Declaration. Any amendment must be recorded in the office of the RMC for Horry County.

Section 4. Areas and their Appurtenances to be Maintained by the Association. All Common Areas and their appurtenances hereinafter set out, but not limited to, shall be maintained by the Stono Village Homeowners Association, to wit:

- (a) Streets
- (b) Water System
- (c) Drainage System
- (d) Sanitary Sewer System
- (e) Pool and Pool Equipment
- (f) Fire Hydrants
- (g) Wetlands

Section 5. Staged Development.

(a) The subdivision may be developed in two or more phases.

(b) Additions to the subdivision may be made by the Declarant without the consent of the members within a ten (10) year period. The Declarant shall not be obligated to bring any additional properties into the subdivision. Additional phases shall be added by recording in the Office of the Clerk of Court for Horry County an Amendment to this Declaration expressly submitting the respective phase(s) to all provisions of this Declaration and the By-Laws attached hereto.

Declarant reserves unto itself, its successors and assigns, in, over, across and upon the property shown as common area, all easements and rights of ingress and egress necessary and convenient for the construction and development of any additional phases. Which easements shall remain in full force and effect for such time as Declarant retains the option of submitting additional phase(s).

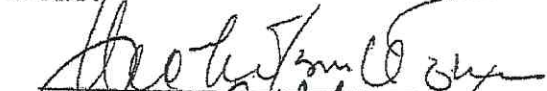
IN WITNESS WHEREOF, the undersigned, being the Declarant(s) herein, have hereunto set their hands and seals this 23rd day of February, 2001.

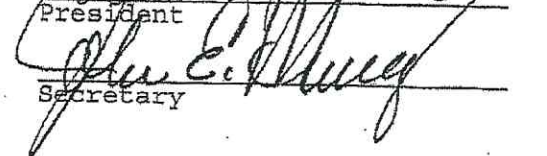
WITNESSES:



J. R. Cook

HUNTERS RIDGE OF MYRTLE BEACH,
INC.



President


Secretary

BY LAWS
OF
STONO VILLAGE

ARTICLE I

Name and Location. the name of the corporation is STONO VILLAGE HOMEOWNERS ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at Myrtle Beach, South Carolina, but meetings of members and directors may be held at such places within the State of South Carolina, County of Horry, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to STONO VILLAGE HOMEOWNERS ASSOCIATION, INC., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "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 5. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the 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 an obligation.

Section 6. "Declarant" shall mean and refer to Hunters Ridge of Myrtle Beach, Inc., its successors and assigns.

Section 7. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Clerk of Court for Horry County, South Carolina.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 10:00 o'clock A.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. A majority at the meeting of members entitled to cast votes and of proxies entitled to cast votes, shall constitute a quorum for any action.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of five (5) directors, who shall be members of the Association or authorized representative, officers or employees of a corporate or partnership member of the Association. However, the initial Board shall consist of two (2) Directors, who shall serve until the first annual meeting.

Section 2. Term of Office. At the first annual meeting the members shall elect two (2) directors for a term of one year, two (2) directors for a term of two years and one (1) director for a term of three years; and at such annual meeting thereafter the members shall elect such directors as vacancies exist.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held bi-monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board

of Directors shall be held by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) , as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice-president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may, from time to time by resolution, create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualify to serve.

Section 4. Special Appointment. The Board may elect such other officers as the affairs of the Association may require, each

of whom shall hold office for such period, having such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign promissory notes.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate

bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX

COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable costs.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten (10%) percent per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waiver or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XII

CORPORATE SEAL

The Association shall have a seal in circular form having

within its circumference the word: STONO VILLAGE HOMEOWNERS ASSOCIATION, INC.

ARTICLE XIII

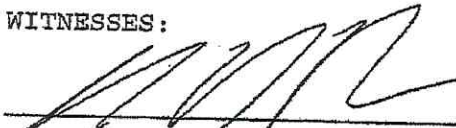
AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy.

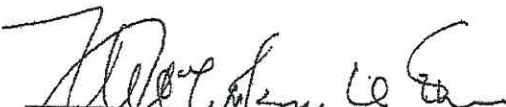
Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

IN WITNESS WHEREOF, we, being all the directors of the STONO VILLAGE HOMEOWNERS ASSOCIATION, INC., have hereunder set our hands this the 22 day of February, 2001.

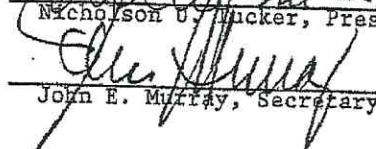
WITNESSES:



John P. Cook



Nicholson D. Tucker, President



John E. Murray, Secretary

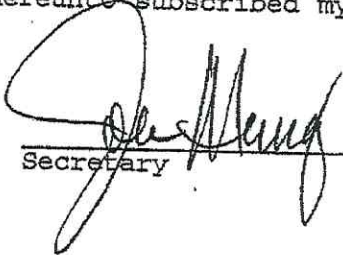
CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the STONO VILLAGE HOMEOWNERS ASSOCIATION, INC., a South Carolina corporation, and,

THAT the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the 22 day of February, 2001.

IN WITNESS WHEREOF, I have hereunto subscribed my name this the 22 day of February, 2001.


Secretary

STATE OF SOUTH CAROLINA)
)
COUNTY OF HORRY)

PROBATE

PERSONALLY APPEARED before me the undersigned witness who, being duly sworn, deposes and says that (s)he saw the within named Declarant, by its duly authorized officers, sign, seal and as its and their acts and deeds, deliver the within-written Declaration of Covenants, Conditions and Restrictions, and that (s)he, along with the other witness whose name is subscribed above, witnessed the execution thereof.

Jina R. Cook

SWORN to before me this 23
day of February, 2001

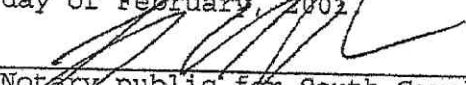

Notary public for South Carolina
My Commission Expires: 12-19-06

EXHIBIT "A"

ALL AND SINGULAR that certain piece, parcel or lot of land, situate, lying and being in Socastee Township and being shown and designated as lots one (1) through thirty-six (36), inclusive, on a final plat of Stono Village PUD, Phase 1-A, by Waccamaw land Surveyors, Inc. prepared for Hunters Ridge of Myrtle Beach, Inc. dated April 6, 2000 and revised October 25, 2000, recorded in the Clerk of Courts Office for Horry County, South Carolina November 1, 2000 in Plat Book 173 at Page 104.