

SUMMARY OF PROPOSED AMENDMENTS TO COVENANTS & RESTRICTIONS

As was requested during the Annual Meeting of the Pawleys Plantation POA on February 19, 2008, the following is a summary of the proposed amendments to the Covenants & Restrictions (C&R). The format will be one in which a short description of the change is presented followed by a short explanation of the reasons for the change when the need is not obvious. This summary will be limited to those proposed changes which are considered to be substantive in nature, editorial changes will not be mentioned. The discussion will proceed sequentially through the C&R, no attempt will be made to categorize the changes as to their relative importance.

ARTICLE I – DEFINITIONS

Many of the definitions have been modified and/or added in order to clarify their meanings elsewhere in the document and/or to make the usage of terms more consistent. However, some changes are substantive.

Section 8 – The definition of a “Lot” is expanded to address the situations where Lots are increased or decreased in size by annexing or severing an adjoining Lot. The Board has been confronted with situations where Lots have been combined and later there is a desire to sever only a portion of one of the Lots.

Section 9 – A new term “Lot Improvements” is proposed to include a wide variety of matters that require approval by the ARB. There has been confusion as what modifications to a Lot need to have ARB approval.

ARTICLE III – ANNEXATION OF ADDITIONAL PROPERTY

Section 2 – It is modified to require that the POA consent to the transfer of any property from Pawleys Plantation LLC to the POA.

ARTICLE V – PROPERTY RIGHTS TO AND MAINTENANCE OF THE COMMON AREAS

Section 5 – Modified to prohibit the use of common areas, such as streets, right-of-ways along streets and parks like those at Sawgrass and Sandwedge Loops for sports equipment and overnight parking.

Section 9 – Added to assure that the actions of the POA, ARB and others on behalf of the POA who are performing duties under the C&R and By-Laws are not to be kept out Lots by assertions of trespassing.

ARTICLE VI – SPECIAL RESTRICTIONS AFFECTING GOLF FAIRWAY RESIDENTIAL AREAS

Section 2 – The requirement that fences on these Lots be approved by both the ARB and LLC has been moved from the ARB guidelines to the C&R. Similarly, the following paragraph concerning landscaping which can be seen from the golf course was moved substantially from the ARB Guidelines.

Section 4 – A provision is added here to define explicitly that golfers have a right to retrieve golf balls from backyards.

ARTICLE VIII – Special Restrictions Affecting Patio Homesites

This Article has been rewritten in its entirety. Presently, this Article deals heavily with the use of “patio walls.” As originally conceived when the C&R were drafted in the 1980's, such a wall was contemplated, but was not used in the development of such Lots. Therefore, the rewrite deals instead with the use of a “blank wall,” *i.e.*, where each patio home has one side wall that has no windows or doors facing openings in the opposing patio home, which concept has been used for patio homes to date. Hence, the rewrite simply brings the Article into better conformance with actual practice.

ARTICLE IX – Covenant for Maintenance Assessments

Section 7 – This a new section formalizing in the C&R of a practice which was approved by the POA Board some years ago. When a Lot owner buys an adjacent Lot, that Lot is often combined with the original Lot and only a single POA dues is collected from what was formerly two Lots. To deter an owner from buying an adjacent Lot for speculation purposes, but combining such Lots to avoid the payment of POA dues, the Board instituted a policy of collecting at least a portion of the back dues that would otherwise have been collected on the combined Lot when such a Lot was “uncombined.” It spells out the portion of the back dues that must be paid in this event.

ARTICLE X – Architectural Review

Again, this Article has been wholly rewritten and expanded. Substantially every provision included in the present Article X is carried forward. Several new provisions are proposed to be added. These will be set forth.

Section 1 – The ARB Guidelines are defined as being a document of the POA. The intent is to make them more readily enforceable.

Section 2 – Expanded to define better current ARB practices.

Section 3 – Expanded to more fully define the changes for which a Lot owner must seek ARB approval before making the changes.

Section 4 – This is new section which is intended to avoid the problem that may be created where a Lot owner plants trees and/or shrubs or fails to maintain trees and/or shrubs once planted such that it blocks a neighboring Lot owner’s view of a pond, the golf course, the marsh or other sight that

may be pleasing to him or her. It gives the ARB power to regulate both the type and height of such plantings to avoid the problem.

Section 5 – This another new section. It requires the owners of annexed and vacant Lots to care for their Lots sufficiently so as to not be a nuisance. The section defines that keeping a Lots undergrowth to a height of three feet or less and free of deadfall, vines and dead trees will not be a nuisance. As the community has grown, its character has changed and the relatively small number of undeveloped Lots can be eyesores to neighbors. Some of them have become very overgrown, and provide cover for various wild animals. There have been continual complaints about these conditions in recent years.

Section 6 – The only addition to this section is the definition of a garage level in a raised dwelling as a story.

Section 10 – This section is new and seeks to control the periods of time that are taken to complete construction of improvements to a Lot. There is no doubt that a Lot upon which an improvement, whether it be a new house or modifications to an existing one, create an appearance which is unsightly in a neighborhood. It is understood that this cannot be avoided; however, the duration of the time of this condition should be commensurate with the improvement being made. Projects that extend for years are an unreasonable burden on neighbors.

Section 11 – This new section is complimentary to Section 10 and permits the ARB to impose fines on Lot owners that fail to meet the construction time periods.

Section 12 – This section is expanded to define that the appellant and the ARB may speak at the Board meeting where an appeal from the ARB is heard.

Section 15 – This new section establishes that the ARB can impose fees and deposits for various Lot improvements.

Section 17 – This new section requires that the construction on a Lot be in conformance with the plans and specifications approved by the ARB. Also, the ARB is empowered to require correction or to impose fines and penalties for the failure to do so.

ARTICLE XI – Use Restrictions

This is the Article in which the most change is occurring. However, many of the amendments merely reflect matters that have been passed by the Board during the time since the last amendments were made to the C&R.

Section 1 – This amendment to this section is complimentary to Section 8 of Article I about the uncombining of Lots.

Section 2 – This new section incorporates into the C&R the setback requirements that were previously in the ARB Guidelines, otherwise, there is nothing new.

Section 5 – This new section allows a noisy pet to be found a nuisance.

Section 6 – This new section permits the POA to cause the removal of a pet that is found to be a nuisance from the Plantation.

Section 7 – The ban on fruit and vegetable gardens is extended to all parts of a Lot that are visible from the golf course.

Section 9 – This change prohibits the placement of sports equipment on common areas and the operation of vehicles by unlicensed operators.

Section 11 – The primary change here is to permit personal, non-commercial pickup trucks to be maintained in the Plantation.

Section 12 – This new section permits the operation of golf carts and requires that they be store in a garage .

Section 13 – This is former Section 25 and is amended to permit only motorcycles to be parked at the front gate and to permit children’s unpowered and electric scooters to be used.

Section 14 – This section is amended to prohibit commercial signage on or visible through the windows of a vehicle and to restrict the use of signs at construction sites to those of the primary contractor.

Section 15 – This new section reflects actions taken by the Board to limit the use of real estate signs.

Section 16 – This new section permits placing a sign for a security service on a Lot.

Section 17 – The section is expanded to define the locations where mailboxes are to be placed.

Section 18 – A new section which requests that current Georgetown County rules regarding house numbers be followed to enable better emergency services response.

Section 19 – The section is expanded to deal with yard waste as well as garbage and to require that all garbage cans and yard waste be stored on the Lot, but out of sight until collection day.

Section 20 – This new section defines the types of window treatments that are acceptable and those that are not. This has been caused by some residents using cardboard, newspapers and the like for extended periods.

Section 21 – This section is modified to agree with current technology and federal regulations.

Section 23 – This section is expanded tin several ways. Inoperable vehicles may now be in garages and all vehicle repair work is to be done in garages. No vehicles may be parked overnight on

common areas.

Section 25 – This new section permits temporary storage of campers, Rv’s, boats and trailers on Lots.

Section 29 – A new section which requires that exterior lighting be approved by the ARB and not cause undue annoyance to others.

Section 30 – A new section that prohibits the drying of clothing outside on clotheslines or elsewhere.

Section 31 – A new section brought from the ARB Guidelines which defines the permissible locations on Lots for and the height of freestanding flagpoles and the size of flags to flown from them.

Section 32 – A new section defining where bracket-mounted poles for U.S. flags may be placed, which is limited to dwellings.

Section 33 – A new section relating to where and how “street flag” programs may be done.

Section 34 – A new section defining where, when and how banners relating to sporting events or seasonal occasions may be displayed.

Section 35 – A new section sanctioning tasteful seasonal displays for reasonable time periods.

Section 36 – A new section defining that playground, sports and exercise equipment that is located on Lots is subject to prior approval of the ARB and may require screening.

Section 37 – A new section relating to the placement, screening and discharge from swimming pools and spas.

Section 39 – A revised section that empowers the ARB to require the planting of new trees as a prerequisite to the approval of a tree’s removal.

Section 40 – A revised section which will require the use of appropriate screen with outdoor fires to prevent flying sparks.

Section 43 – A new section defining that landscape contractors will be subject to rules approved by the Board.

ARTICLE XVII – Binding Arbitration

This a new Article which is being added to the C&R to reduce the expense and duration of the process to resolve disputes that arise under the C&R by causing those disputes to be settled by binding arbitration rather than lengthy and expensive litigation in the courts.