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STATE OF SOUTH CAROLINA)	COVENANTS, DECLARATIONS AND
)	RESTRICTIONS FOR THE CROOKED POND
)	POOL ASSOCIATION
)	HILTON HEAD PLANTATION
COUNTY OF BEAUFORT)	HILTON HEAD ISLAND, SOUTH CAROLINA

WHEREAS, HILTON HEAD PLANTATION COMPANY, INC., a Corporation doing business in Beaufort County, South Carolina, hereinafter referred to as "Company" is the owner of certain lands described and known as CROOKED POND SUBDIVISION, as shown on those plats thereof recorded in Beaufort County Plat Book 29 at Pages 185, 189, 190, 191 and 192, located within Hilton Head Island, Beaufort County, South Carolina; and

WHEREAS, the Company is desirous of imposing certain restrictive covenants to run with said lands as described above, to which said lands these restrictions are hereby made applicable, and, further, that the proper officers of Company wish to execute this document on behalf of Company to accomplish the desired purpose; and

WHEREAS, Company now wishes to declare and establish this document as restrictive covenants in addition to any others affecting the above described lands in Hilton Head Plantation; and

NOW THEREFORE, HILTON HEAD PLANTATION COMPANY, INC., does hereby declare that the covenants contained herein shall be covenants running with the land described in Exhibit "A", attached hereto and made a part hereof.

ARTICLE I
DEFINITIONS

1. The PROPERTY is herein defined as the real estate described in Exhibit "A".
2. COMPANY, means HILTON HEAD PLANTATION COMPANY, INC., its successors or assigns.
3. CROOKED POND SUBDIVISION shall mean the real estate development subdivided upon the Property as described above and consisting of lots, Recreation area, entrance-way, streets, lagoons, open space, etc.
4. HOMESITE shall mean each single family housing lot and improvements located upon individual lots within Crooked Pond, each completely detached.
5. RECORD OWNER means the owner, whether one or more persons, whether artificial or natural, of the fee simple title or estate for years in and to any Homesite within The Property excluding, however, those persons having such interest merely as security for the performance of an obligation.
6. RECREATIONAL AREA shall mean that property located within the Property and designated as the Recreational Area as described in Exhibit B attached hereto and made a part hereof.

7. COMMON EXPENSES shall mean the assessments chargeable to and payable by all Record Owners for the maintenance, care, repair, etc. of the Recreational Area and any improvements thereon.
8. THE CROOKED POND POOL ASSOCIATION shall mean an association in which of all owners of individual lots within the land described as the Property, as more particularly set forth herein, are automatically members by virtue of such lot ownership with each lot being entitled to one vote in the affairs of such association.
9. PROPERTY OWNERS ASSOCIATION shall mean the duly established homeowners association within Hilton Head Plantation or for Hilton Head Plantation Property Owners as described in Beaufort County Deed Book 211, at Page 1487, and amendments thereto.
10. ASSESSMENT means the share of the Common Expenses of an owner assessed against said owner and his lot and Homesite, from time to time, by THE CROOKED POND POOL ASSOCIATION in the manner hereinafter provided.
11. ESCROW AGENT means the Citizens and Southern National Bank of South Carolina, or its duly designated successor, acting as escrow agent pursuant to that certain Escrow Agreement, a copy of which is attached hereto as Exhibit C and made a part hereof.
12. ESCROW FUND OR ESCROW FUNDS means the funds deposited with and held by the Escrow Agent pursuant to the provisions of these Covenants.

ARTICLE II
PURPOSE AND GENERAL

The sole purpose of the Crooked Pond Pool Association shall be to manage and maintain the Recreational Area and any improvement thereon in the event such area is developed in the manner hereinafter described. Generally, the Company shall place on deposit with the Escrow Agent the sum of \$350.00 at the time of the transfer of title to each of the 223 lots in Crooked Pond Subdivision (the Property described herein) which funds will be held by said Escrow Agent, to be invested at interest with the interest accruing thereon, less the fee for escrow services, being paid over to the Company periodically but not less frequently than annually. The conditions associated with such escrow fund shall be as follows:

1. The principal of all Escrow Funds shall be accumulated by the Escrow Agent to be available to the Crooked Pond Pool Association for the construction of a neighborhood pool and associated bathhouse/restroom facilities in the Recreational Area within the timeframes and in the manner hereinafter provided.
2. After formal organization of the Association as hereinafter provided but in no event later than December 31, 1985, unless there has been a vote of at least two-thirds (2/3rds) of eligible members of the Association voting against the construction of a swimming pool, the Association shall be obligated to proceed with the planning and construction of a pool and associated facilities for the use of all members of the Association, utilizing the Escrow Funds for this purpose. In such event the Association shall be responsible for securing the services of competent planners and contractors to carry out the intent of these Covenants of providing members of the Association with a quality pool and

recreational facility. In any balloting relating to this matter the Company shall abstain from casting any votes to which it might be entitled by virtue of its ownership of lots subject to these Covenants, but the number of such abstentions shall not be deducted from the total number of eligible votes in determining whether the two-thirds (2/3rds) vote requirement against construction of the pool and associated facilities is achieved. The Board of Directors of the Association shall provide the Escrow Agent with the affirmation required by the Escrow Agreement as set forth in Exhibit C in order to draw down the Escrow Funds.

3. If two-thirds (2/3rds) of the members of the Association affirmatively vote to do so prior to December 31, 1985, the Association shall be authorized to use the Escrow Funds to build tennis courts, cook-out areas or similar recreational facilities on the Recreational Area instead of a standard pool facility so long as such facilities are approved by the Hilton Head Plantation Architectural Review Board and so long as competent planners and contractors are employed for such planning and construction. In the event of a vote for such alternate action, the Company shall abstain from casting any votes to which it might be entitled by virtue of its ownership of lots subject to these Covenants but the number of such abstentions shall not be deducted from the total number of eligible votes in determining whether the two-third (2/3rds) affirmative vote requirement is achieved.
4. If, by January 1, 1986, no action has been taken under paragraphs 1, 2, or 3 above, and if the Escrow Agent has not been provided with evidence satisfactory to it in its sole discretion that a firm course of action has been adopted to build the pool or other facilities and substantial steps have been taken toward achievement of the adopted objective such as securing binding construction contracts, purchase orders or similar activities, the Escrow Agent shall be required to deliver all principal Escrow Funds to the Property Owner's Association upon receipt by said Escrow Agent of an affirmation executed by the appropriate officers of the Property Owner's Association of the type required by the Exhibit C Escrow Agreement. The affirmation must be authorized by a resolution of the Board of Directors of the Property Owner's Association and must state that such Escrow Funds shall be used by them exclusively for recreational facilities within Hilton Head Plantation, with specific emphasis to be given to providing enlarged or additional pool facilities for use by members of the Property Owner's Association, if needed.

ARTICLE III
THE CROOKED POND POOL ASSOCIATION

1. As soon as 150 lots within the Property have been sold and conveyed to individual Record Owners, but in NO event later than January 1, 1985, the Property Owner's Association, or, in the absence of action by the Property Owner's Association, then the Company shall, by certified mail, return receipt requested, notify the Record Owners at least thirty (30) days in advance of the time and place of the organizational meeting of THE CROOKED POND POOL ASSOCIATION. Said meeting shall be called within ninety (90) days of the sale and conveyance of the one hundred fiftieth (150th) Homesite or within thirty (30) days after January 1, 1985, and shall be held at a reasonably convenient time at a location within the Hilton Head Plantation.
2. THE CROOKED POND POOL ASSOCIATION shall consist of all Record Owners of Homesites and may be either incorporated or unincorporated. Each Record Owner shall automatically be a member of said Association, shall have an equal interest therein, and

shall be entitled to one vote at said organizational meeting and other meetings for each lot owned. Upon the conveyance of a Homesite, the grantor's membership shall cease as of the time of said conveyance, and the grantee thereof shall then become a member of said Association by virtue of this ownership of a Homesite.

3. The establishment and governing of THE CROOKED POND POOL ASSOCIATION shall be as determined by the members. However, the PROPERTY OWNERS ASSOCIATION, as defined in Article I hereof, shall be empowered with the right to disapprove any organizational procedure or action inconsistent with these Covenants. Nothing herein, however, shall require the PROPERTY OWNERS ASSOCIATION to exert any such action. However, in the event THE CROOKED POND POOL ASSOCIATION does not form, meet, or govern as reasonably required by the PROPERTY OWNERS ASSOCIATION, then, and in that event, the PROPERTY OWNERS ASSOCIATION may call meetings of THE CROOKED POND POOL ASSOCIATION and require any reasonable action to be taken by THE CROOKED POND POOL ASSOCIATION.
4. Within ninety (90) days of the Association taking definite and conclusive action as called for in ARTICLE II above, the Company shall take the following action with regard to the transfer of lien free title to the Recreational Area:
 - a. If the pool is to be constructed pursuant to the provision of paragraph 2, title will be transferred to the Crooked Pond Pool Association subject to appropriate restrictions;
 - b. If approved facilities other than a pool are to be constructed by the Association pursuant to paragraph 3, title will be transferred to the Crooked Pond Pool Association subject to appropriate restrictions;
 - c. If no action is taken before January 1, 1985, as discussed in paragraph 4 of this Article III, title to the real property will be transferred to the Property Owner's Association as open space and as Restricted Common Property as defined in the Property Owner's Association Covenants referred to above.
5. One of the primary purposes of THE CROOKED POND POOL ASSOCIATION is to take all necessary action regarding the planning, construction governance, maintenance, and repair of the Recreational Area and any improvements constructed thereon and to make certain that no unsightly, dangerous, bad repair or other adverse conditions exist.
6. If conveyed to the Association, the Recreational Area shall remain undivided and no right to partition the same or any part thereof shall exist.
7. The Record Owners may use the Recreational Area in accordance with the purposes declared by Company or THE CROOKED POND POOL ASSOCIATION, so long as said use does not hinder the exercise of or encroach upon the rights of other Record Owners.

ARTICLE IV
DETERMINATION OF COMMON EXPENSES
AND COLLECTION OF ASSESSMENTS

1. THE CROOKED POND POOL ASSOCIATION shall, from time to time, but at least annually, prepare a budget for the operation and maintenance of the pool or other

recreational facilities of said Association, and shall likewise determine the amount of the Assessments payable by the Record Owners to meet the current expenses of said Association.

2. THE CROOKED POND POOL ASSOCIATION shall advise all Record Owners, annually, in writing, of the amount of Common Expenses payable by each of them, respectively, assessed against each individual Homesite, as determined by the budget of such Association, as aforesaid, and shall furnish copies of such budget to all Record Owners. The common expenses so assessed against the Record Owners shall be a lien on each said Record Owner's individual Homesite(s).
3. All Record Owners shall be obligated to pay the Common Expenses assessed by THE CROOKED POND POOL ASSOCIATION monthly or at such other time or times as said Association may determine. The Association may authorize Common Expenses to be collected by a managing agent.
4. No Record Owner may exempt himself from liability for his contribution toward the Common Expenses by waiver of the use or enjoyment of any of the Common Area or by abandonment of his Homesite.
5. No Record Owner shall be liable for the payment of any part of the Common Expenses assessed subsequent to a sale, transfer or other conveyance of his Homesite.
6. A purchaser or grantee of the Homesite shall be jointly and severally liable with the seller thereof for the payment of Common Expenses assessed against said site prior to the acquisition or conveyance of such Homesite, without prejudice to the purchaser's or grantee's right to recover from the seller the amounts paid by the purchaser or grantee thereof. The purchaser's and seller's liability for Common Expenses assessed prior to the acquisition or conveyance of such Homesite shall not be in excess of the amount set forth in a statement provided under paragraph seven (7) herein. A mortgagee or other purchaser of a Homesite at a foreclosure sale of a Homesite shall not be liable for, and such Homesite shall not be subject to a lien, for the payment of Common Expenses assessed prior to the foreclosure sale. Such unpaid Common Expenses shall then be deemed to be Common Expenses collectible from all of the Record Owners including such purchaser, his successor, and his assigns.
7. THE CROOKED POND POOL ASSOCIATION shall promptly provide any Record Owner or grantee or prospective grantee or purchaser so requesting the same in writing, a written statement of all unpaid Common Expenses or other Assessments due from such Record Owner.
8. THE CROOKED POND POOL ASSOCIATION shall assess Common Expenses against the Record Owners, from time to time, either monthly, quarterly, or at least annually, and shall take prompt action to collect any Common Expenses due from any Record Owner which remain unpaid for more than 60 days from the due date for payment thereof. Any Record Owner who fails to pay such Assessment within said 60 day period shall be considered in default.
9. In the event of default by any Record Owner in paying to THE CROOKED POND POOL ASSOCIATION the Common Expenses assessed against him, said Record Owner shall be obligated to pay a late charge at the rate of one and one-half (1 1/2%) percent per

month from the date of demand for payment until time of payment and shall also be liable for all costs of collection, including reasonable attorneys fees, and court costs incurred by THE CROOKED POND OWNER'S ASSOCIATION in any proceeding brought to collect such unpaid Common Expenses. THE CROOKED POND POOL ASSOCIATION shall have the right and duty to attempt to recover such unpaid Common Expenses, and all expenses of collection.

10. THE CROOKED POND POOL ASSOCIATION shall have the right to foreclose its lien for unpaid Common Expenses in accordance with the laws of the State of South Carolina pertaining to foreclosure of mortgages on real property.
11. THE CROOKED POND POOL ASSOCIATION, acting on behalf of all Record Owners, shall have the power to purchase such Homesite at any said foreclosure sale and to acquire, hold, lease mortgage, vote the votes appurtenant to, convey or otherwise deal with the same, subject however, to applicable restrictions of record.
12. A suit to recover a money judgment for unpaid Common Expenses shall be maintainable by THE CROOKED POND POOL ASSOCIATION without first foreclosing or waiving its lien for unpaid Common Expenses.
13. Notwithstanding the foregoing, no Common Expenses shall be incurred unless and until the pool or other recreational facilities have been constructed as herein provided.

ARTICLE V EASEMENTS

1. The Record Owners, their heirs, executors, administrators, assignees of their ownership, servants, invitees, agents, or members of their family are hereby granted an easement and right to use and enjoyment in concert with others of a like character to the Recreational Area provided it is deeded to the Association as discussed in ARTICLES II and III hereof.
2. Notwithstanding any provision contained herein in these Covenants, except the provision set forth in Paragraph 1 of this Article V, it is expressly agreed that the above easements are perpetual and shall not be terminated upon the termination of said covenants.

ARTICLE VI MISCELLANEOUS

Prior to the formation of THE CROOKED POND POOL ASSOCIATION, as provided in Article II of these Covenants, the Company shall have all of the rights and powers of said Association, including, but not limited to the right under Article IV of these Covenants to determine the Common Expenses and collect the same from the Record Owners, so long as Company pays its pro rata share of said expenses. No such expenses shall be incurred, however, unless and until the Pool or other recreational facilities have been constructed as herein provided.

ARTICLE VII ADDITIONS, LIMITATION, DURATION AND VIOLATION OF COVENANTS

1. The within Covenants, Restrictions, and Affirmative Obligations shall run with the land

and shall be binding upon all parties and persons claiming by or under them, including, but not limited to the successors and assigns, if any, of Company, for a period of twenty-five (25) years from the execution date of this document. All such Covenants, Restrictions and Affirmative Obligations shall be automatically extended for an unlimited number of successive periods of ten (10) years unless an instrument signed by two-thirds (2/3rds) of the then Record Owners has been recorded agreeing to change said covenants in whole or in part. Any owner who owns more than one lot shall have the number of votes equal to the total number of lots owned by said owner at the time of execution of said instrument.

2. In the event of a violation or breach of any of the Covenants, Restrictions, and Affirmative Obligations contained herein by anyone, the Record Owners, or any of them, jointly or severally, shall have the right to proceed at law or equity to seek damages or compel compliance with the terms hereof, and to prevent future violations or breaches. In addition to the foregoing, THE CROOKED POND POOL ASSOCIATION, and PROPERTY OWNERS ASSOCIATION shall have the same rights to proceed at law or in equity but shall not be deemed to have any affirmative obligations with respect to enforcement of the within restrictive covenants.
3. The invalidation by any Court of any provision or portion of these Covenants shall in no way effect any of the other provisions or portions and the remaining portions hereof shall remain in full force and effect.
4. Any amendments, modifications or changes of the covenants shall occur only upon the vote of at least two-thirds (2/3rds) of the Record Owners of lots in The Crooked Pond Subdivision (the Property) and any owner who owns more than one lot shall have the number of votes equal to the total number of lots owned by said owner at the time of the said vote.

The within document dated this 23rd day of September, 1981.

WITNESSES:

HILTON HEAD PLANTATION COMPANY, INC.
Declarant

/s/ Elizabeth V. Bell
/s/ Ricarda G. Black

/s/ Howard A. Davis, Its President
/s/ Edward P. Spears, Its Assistant Secretary

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT) PROBATE

PERSONALLY appeared before me Elizabeth Victoria Bell, who, on oath, says that (s)he saw the within named HILTON HEAD PLANTATION COMPANY, INC., by its authorized officers, sign the within Instrument, and attest the same, and the said Corporation, by said officers, seal said Instrument, and, as its act and deed, deliver the same, and that (s)he with Ricarda G. Black witnessed the execution thereof.

/s/ Elizabeth V. Bell

SWORN to before me this
23rd day of September, 1981.

/s/ Ricarda G. Black (SEAL)
Notary Public for South Carolina
My Commission Expires: March 6, 1990