

**DECLARATION OF COVENANTS
AND RESTRICTIONS
WHITE OAK COMPANY**

THIS DECLARATION made this 15th day of December A.D., 1976, by The WHITE OAK COMPANY, a General Partnership organized and existing under the laws of the State of South Carolina having its principal place of business in Columbia, South Carolina, hereinafter referred to as the Developer.

WHEREAS, the Developer is the owner of the real property described in Section 1.1 and desires to create a residential community in accordance with a uniform plan of development to preserve property values, to maintain open spaces and the natural beauty of the real property, to guard against construction thereon of poorly designed or proportioned structures built of improper or unsuitable materials, to obtain a harmonious architectural scheme and to create a livable environment, for the benefit of future purchasers of the real property; and

WHEREAS, in order to accomplish the said purpose the Developer deems it desirable to create an agency to which should be delegated the powers of administration of some of the aforesaid functions and of collecting and disbursing the assessments hereinafter provided; and

WHEREAS, Developer has incorporated under the laws of the State of North Carolina, as a non-profit corporation, THE WHITE OAK MOUNTAIN ASSOCIATION, INC. for the purpose of exercising the functions aforesaid;

NOW, THEREFORE, for and in consideration of the premises and in further consideration of the mutual covenants, conditions, reservations, and restrictions herein created for the benefit of the Developer, its successors and assigns and the future owners of the real property, the Developer hereby declares, creates and imposes upon the real property described in Section 1.1 the following covenants, reservations and restrictions which are hereby declared covenants running with the land as follows:

ARTICLE I

**REAL PROPERTY SUBJECT
TO THIS DECLARATION**

1.1 **Real Property.** The real property which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration, is that real estate, excluding Block "E", shown on a plat of White Oak Mountain, prepared for The White Oak Company by Sam T. Marlowe dated 15th December 1976, and recorded in the Polk County Registry on 15 December, 1976, in Map Book 8 at page 78, and additions thereto which may be accepted under the provisions of Section 9.1.

1.2 **Residential Area.** All Numbered Lots shown on the Plats to be recorded, hereinafter referred to collectively as the "Residential Area," are hereby set aside for use only for single family residential dwellings upon the terms and conditions hereinafter provided.

1.3 **Recreational Area.** All areas on the Plats specifically designated as "Recreational Area" are hereby set aside for use by the owners of Numbered Lots for private recreational and beautification purposes, subject to the terms and conditions hereinafter provided. All proposed lake areas shown in the Recreational Area as above defined shall be deemed a part thereof.

1.4 **Proposed Lake Area.** Any area designated on the Plats as a proposed lake site or area shall in no way be deemed a representation that a lake will be constructed on such site by Developer, and such designation shall not bind Developer to construct a lake; however, if any lake shall be constructed or partially constructed by Developer, such area shall be deemed a part of the Recreational Area.

1.5 **Existing Structures.** In the event these Covenants shall be extended to additional real property, all then existing structures and uses thereon shall not be affected by the terms hereof, but shall be deemed in compliance herewith; but thereafter any future structures and uses, or the alteration of existing structures, on such additional real property shall comply with the terms hereof.

1.6 **Conflict with Zoning Statutes.** In the event of any conflict of the provisions hereof with any zoning ordinance or statute, or subdivision law or regulation in effect on the date of recording of this Declaration, which would require a more stringent or strict standard, regulation or use than required herein, then the terms, conditions and requirements of such more stringent zoning or subdivision law, statute or ordinance shall prevail.

ARTICLE II
USES PERMITTED AND PROHIBITED
IN RESIDENTIAL AREA

The uses permitted and prohibited and the terms, conditions and limitations hereinafter set forth in this Article II shall apply only to the "Residential Area."

2.1 **Numbered Lots.** The term "Numbered Lot" as used herein shall refer to a numbered lot as shown on the Plats. A Numbered Lot shall also be construed to mean a combination of Numbered Lots or portions thereof which are contiguous and which shall form an integral unit of land; provided, nevertheless, that any resubdivision of any Numbered Lot as shown on the Plats as originally recorded shall be prohibited if such resubdivision shall result in a parcel of land the total square footage of which is less than that contained in original Numbered Lot before resubdivision.

2.2 **Use for Single Family Residence.** All Numbered Lots as herein defined shall be used exclusively for a single family residence.

2.3 **Business Prohibited.** No single family residence shall be used for any business, commercial, amusement, hospital, sanitarium, school, clubhouse, religious, charitable, philanthropic or manufacturing purposes, or as a professional office; and no billboards or advertising signs of any kind shall be erected or displayed thereon, except such signs as are hereinafter permitted; provided, nevertheless, that nothing contained herein shall prevent the owner of a residence from renting or leasing his entire residence for use as a single family residence at any time and for any term. No duplex residence, garage apartment or apartment house shall be erected or permitted to remain on any Numbered Lot in the Residential Area, and no structure at any time therein shall be converted into a duplex residence, garage apartment, apartment house, boarding house, rooming house, hotel or motel.

2.4 **Street Obstructions.** No fence, wall, hedge, shrub, bush, tree or other object, natural or artificial, shall be placed or located on any Numbered Lot if the location of the same will in the judgment of the Architectural Committee obstruct the vision of any motorist upon any street or avenue shown on the Plat.

2.5 **Utility Areas.** Each residence shall have at least one screened utility area which shall be constructed at the same time a main residence is constructed. Each Utility Area shall be hedged, or fenced on all sides thereof, except the entrance thereto, using such materials, with such height and design as shall be approved by the Architectural Committee, so that the structures and objects located therein shall not be visible from the exterior. No pens, yards or houses for pets, above-ground storage of construction materials, coal, oil or other fuels, clothes racks and clothes lines, clothes washing and drying equipment, laundry rooms, tool shops, workshops, garbage and trash cans and receptacles, children's playhouses, lawn maintenance equipment or other mechanical and household equipment or any other structures and objects as determined by the Architectural Committee to be of an unsightly nature and appearance shall be placed or permitted to remain upon any Numbered Lot unless the same shall be erected, maintained and allowed to remain wholly within a Utility Area.

2.6 **Setback Lines.** No building shall be erected on any Numbered Lot nearer to the lot lines than as follows:

- (a) from the front property line 25 feet,
- (b) from the side property line 15 feet,
- (c) from the rear property line 25 feet,
- (d) from the side property line which abuts the street 25 feet;

provided, however, that where unique topographical problems may exist on a given lot, the Architectural Committee may approve minor deviations from the requirements of this paragraph so that such lot may be effectively utilized.

2.7 Carports. No open air carports shall be permitted on any Numbered Lot.

2.8 Fences, walls and hedges. Except for driveways and walkways, no permanent improvement of any kind shall be erected, placed or allowed to remain outside of the front and rear setback lines; provided, nevertheless that hedges, fences and walls which extend not more than six (6) feet above the surface of the ground and which do not violate other paragraphs contained in these covenants may be erected, placed or allowed outside the setback lines if such is approved by the Architectural Committee.

2.9 Used Structures. No used buildings or structures shall be placed or permitted to remain upon the Real Property unless prior approval by the Architectural Committee is obtained.

2.10 Signs and Advertising. Except as stated in Paragraph 2.17 hereinbelow, no sign shall be displayed or placed upon any Numbered Lot, except "for rent" or "for sale" signs, which signs shall refer only to the particular premises on which displayed, shall not exceed six (6) square feet in size and shall not extend more than four feet above the surface of the ground, and shall be limited to one sign per Numbered Lot. The Architectural Committee may enter upon any Numbered Lot and summarily remove and destroy any signs which do not meet the provisions of this paragraph without any liability whatsoever.

2.11 Construction Delays. The construction of any residence or structure once commenced by laying of foundation must be fully completed within one (1) year unless rendered impossible as a direct result of strikes, fires, national emergencies or natural calamities. Any building or structure not so completed or upon which construction has ceased for a period of at least ninety (90) consecutive days, or any building or structure which has been totally or partially destroyed by fire or other casualty and not rebuilt or removed within one year, are hereby declared nuisances which may be removed by the Association at the expense of the owner thereof, which expense shall be payable by such owner to the Association on demand and shall become a lien on the property from the date said payment is requested.

2.12 Trash. No trash, rubbish, debris, waste material or other refuse shall be deposited or allowed to accumulate or remain on any part of any Numbered Lot except in a utility area. No fires for the burning of trash, leaves, clippings or other debris or refuse shall be permitted on any Numbered Lot.

2.13 Tents and Shacks. No shed, shack, trailer, tent or other temporary or movable building or structure of any nature or kind shall be erected, placed or permitted to remain on the real property; provided, however, that nothing contained herein shall prevent the use of a temporary construction shed during the period of actual construction of a dwelling, or temporary sanitary toilet facilities for workmen during the period of such construction.

2.14 Trailers and Vehicles. No trailer, garage or any outbuilding of any kind, shall at any time be used as a residence, either temporarily or permanently.

2.15 Fuel Tanks. Fuel storage tanks shall be either buried below the surface of the ground or located within the Utility Area. Every receptacle for ashes, garbage or rubbish shall be installed underground, or if installed above ground, shall be placed only in a Utility Area.

2.16 Boats. No boats may be kept or parked on any Numbered Lot unless the same are completely inside a garage or contained within a Utility Area.

2.17 Name and Number Plates. Notwithstanding Paragraph 2.10 hereinabove a plate or sign showing the number and name of the residence and the name of the occupants may be placed on any Numbered Lot on which a building is located at the option of the property owner in accordance with the size, location, design and type of materials approved by the Architectural Committee.

2.18 Window Air Conditioning Units. No window air conditioning unit shall be installed on any side of any building which faces a street.

2.19 Television Antennae. No radio or television aerial or antennae, nor any other exterior electronic or electric equipment or devices of any kind, shall be installed or permitted to remain

on the exterior of any structure located on the real property unless the location, size and design thereof shall have been approved by the Architectural Committee. The provisions of this paragraph shall not apply to equipment or devices above mentioned located wholly within a Utility Area.

2.20 Animals. Any household animal or pet shall be kept under control and only for the pleasure and use of occupants of the lot and not for any commercial or breeding use or purpose. If in the discretion of the Association, any household animal or pet becomes dangerous or an annoyance or nuisance to other residents or destructive of wildlife or property, they may not thereafter be kept on the lot. Other than usual and customary household animals and pets, all other animals, including but not limited to horses, cows, sheep, goats, chickens, ducks, and geese shall not be kept, housed, or allowed on the premises of any Numbered Lot.

2.21 Nuisance. No illegal, noxious or offensive activity shall be permitted on any part of the Real Property nor shall anything be permitted which may be or become a public or private nuisance, a source of embarrassment, discomfort or annoyance to the neighborhood.

2.22 Water Supply. Water supply shall be the responsibility of each property owner by means of an individual well on each Numbered Lot. Should water not be available on any individual lot by means of a well, the owner of such lot may construct a well in the commonly held recreation areas, the location and design of which shall be subject to the prior approval of the Architectural Committee. Any damage done to a recreation area in the construction of a well shall be the responsibility of the individual lot owner constructing the well. To the extent possible, taking into consideration the topography of the land, all pipes from wells constructed in a Recreation Area and running to a lot shall be buried beneath the surface of the ground. All expenses connected with the supplying of water to any numbered lot, including but not limited to digging of wells and the construction of pump stations and water lines shall be the sole responsibility of the individual lot owners.

2.23 Utility Easements. Easements ten (10') feet in width along the side, front and rear boundary lines of each Numbered Lot are hereby reserved for furnishing of normal utility services to the said Numbered Lot. No permanent structures shall be built in any easement area. Landscaping is permitted in easement area; however, should such landscaping be disturbed in the routine maintenance or construction of facilities designated for these easement areas, the responsibility for replacement of such landscaping will be solely that of the individual lot owner.

2.24 Trees. No living tree having a diameter greater than ten inches at a height of four feet from ground level may be cut on any land without first obtaining the written consent of the Architectural Committee, except such trees as shall be growing within twenty (20) feet of any building located on the Real Property.

2.25 Rubbish Removal. The owner of each Numbered Lot, improved or unimproved, shall keep the same free of tall grass, undergrowth, dead trees, dangerous or dead tree limbs, weeds, trash, and rubbish, and each Numbered Lot shall at all times be maintained in a neat and attractive condition, and such a manner as to prevent the same from becoming unsightly, unsanitary or a hazard to health. In the event the owner of any Numbered Lot fails to comply with the terms of this paragraph, the Association shall have the right (but not the obligation) to enter upon such Numbered Lot and to cut and remove tall grass, undergrowth, weeds, rubbish, and any other unsightly or undesirable things and objects therefrom, and to do all other things and perform and furnish any labor necessary or desirable in its judgment to maintain the Numbered Lot in a neat and attractive condition, all at the expense of the owner of such Numbered Lot, which expenses shall become payable by the owner to the Association on demand, and if not paid on demand by such owner, the reasonable cost of such shall be added to and become a part of the annual assessments hereinafter provided in Article VII. Neither the Association, nor any of its agents, employees or contractors shall be liable for any damages which may result from the exercise of any of the rights conferred upon them as set forth in this paragraph.

ARTICLE III

STREETS AND RECREATIONAL AREAS

All property designated on the Plats as streets, proposed lake site or recreational area shall remain privately owned by the Developer until sixty (60%) per cent of the Numbered Lots have

been sold by the Developer, or at the end of five (5) years from the date of this Declaration, whichever shall occur earlier, at which time all such property shall be conveyed by the Developer, its successors or assigns, by deed to the Association, and the Association shall accept such conveyance, for the full use and enjoyment of all Numbered Lot owners.

3.1 Streets. A perpetual easement for ingress and egress over and across all streets and roads as shown on the Plats is hereby reserved unto the Developer, its successors or assigns, for the benefit of all owners of Numbered Lots, their heirs, successors, and assigns forever.

3.2 Proposed Lake. If any lake shall be constructed by the Developer within any Recreation Area during the period in which the developer retains ownership of such site, a non-exclusive and perpetual right to utilize and enjoy the lake is granted to all owners of Numbered Lots subject to the following restrictions:

- (a) No swimming shall be permitted in the lake.
- (b) Boating shall be limited to row boats, sail boats, and boats powered by electric motors.
- (c) No water skiing shall be permitted in the lake.

3.3 Recreation Areas. A non-exclusive and perpetual right to utilize and enjoy any area shown on the Plats as a Recreation Area is granted to all owners of Numbered Lots subject to the following:

- (a) No trees, shrubs, undergrowth, or flowers shall be cut or removed from such property.
- (b) No fires or littering shall be allowed.
- (c) Care shall be exercised to assure the preservation of such property in its natural state.
- (d) The right of the Association to dedicate or transfer all or any part of, or any interest in the Recreation Areas and streets and roads to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by two-thirds of the members of the Association.

ARTICLE IV

APPROVAL OF PLANS AND SPECIFICATIONS

4.1 There shall be established by the White Oak Mountain Association, Inc. a permanent Committee to be known as the Architectural Committee, for the purposes and with such powers and limitations as are set forth hereinbelow.

4.2 Architectural Committee. For the purpose of insuring the development of the real property as an area with an aesthetic and pleasing appearance, and except as excluded in Paragraph 4.4, no building, structure, fence, wall, utility area, driveway, swimming pool or other permanent structural improvement, regardless of size or purpose whether attached to or detached from a main residence, located in the Residential Area shall be commenced, placed, erected or allowed to remain on any Numbered Lot, nor any additions, or exterior changes, or alterations thereto shall be made unless building plans and specifications covering the same, showing the nature, kind, shape, height, size, materials, floor plans, exterior color schemes, location and orientation on the Real Property together with such other information as shall be reasonably required by the Architectural Committee shall have been submitted to and approved in writing by the Architectural Committee hereinafter established. Once approval has been obtained from the Architectural Committee, the plans submitted to it may not be changed materially without resubmission to the Committee. Additionally, the Architectural Committee shall have all powers and authorities elsewhere conferred upon it under the terms and conditions of this Declaration.

4.3 Committee Members. The Architectural Committee shall be composed of three (3) owners of Numbered Lots elected by the Association in accordance with its By-Laws. In all matters a simple majority of the Committee shall govern. It is provided, nevertheless, that at the end of three (3) years from the date of the first sale of a Numbered Lot, or whenever the Developer shall have sold thirty (30%) per cent of the Numbered Lots, whichever event shall first occur, the

right of the Developer to exercise its voting rights in the Association in the election of members to the Architectural Committee shall be limited to the election of not more than one (1) member thereto.

4.4 Standards of Disapproval. The Architectural Committee shall have the absolute and exclusive right to refuse to approve any building plan, specification, materials, design, lot grading or landscaping plan of any thing or structure which in the opinion of the Architectural Committee is not suitable or desirable for any reason whatsoever, including purely aesthetic reasons. In passing upon such matters the Architectural Committee shall take into consideration the suitability of proposed materials, the quality of proposed workmanship, harmony of external design with the surrounding neighborhood and existing structures therein, and the effect and appearance of such construction as viewed from neighboring properties; provided, however, that it shall not be necessary to obtain the approval of the Architectural Committee for any structure which is to be erected and maintained wholly within and obscured by a Utility Area.

4.5 Failure to Approve or Disapprove. In the event that the Architectural Committee fails to notify any applicant of its approval or disapproval of any matters within the scope of its authority within thirty (30) days after same have been submitted to it, then approval of the Architectural Committee shall be deemed to have been granted, and no suit or claim shall thereafter be available to the Architectural Committee, the owners of any real property, or the Developer.

4.6 Application Time. The application for approval as required herein shall be deemed to be before the Architectural Committee when all buildings plans and specifications as described in Paragraph 4.2 hereinabove, together with any further and additional information which the Committee shall require in accordance with Paragraph 4.2 shall have been submitted to the Committee or any member of it; and the thirty (30) day period for approval or disapproval by the Committee shall commence as of such date.

ARTICLE V

WAIVER OF SETBACKS, LOCATION AND SIZE OF IMPROVEMENT ON LOTS

The Architectural Committee is hereby authorized and fully empowered, upon unanimous vote of all of its members, to waive compliance with the location, construction or alteration requirements of any permanent improvements upon the real property, if, in the opinion of all of the members of said Architectural Committee, the same shall be necessary to prevent undue hardships because of special circumstances attendant to the real property involved and if in the opinion of the members of such Committee, such violation or violations are minor, will cause no substantial injury or undue hardship to any other property owners, and will not adversely affect the common scheme of development. The waiver, approval or ratification by the Architectural Committee in accordance with terms of this paragraph shall be binding upon all owners of Numbered Lots and the Association, and the powers of waiver herein conferred upon the Architectural Committee shall be construed strictly.

ARTICLE VI

ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

The developer has incorporated under the laws of the State of North Carolina a non-profit corporation known as the "White Oak Mountain Association, Inc." for the purpose of administration of some of the functions of these covenants, and of collecting, disbursing, and enforcing the maintenance charges hereinafter provided.

6.1 Membership. Every person or entity who is a record owner of a fee or an undivided fee interest in any Numbered Lot in the Residential Area shall be a member of the White Oak Mountain Association, Inc.; provided, however, that any person or entity who holds an interest merely as security for the performance of an obligation shall not be a member.

6.2 Voting Rights. Each member of the Association shall be entitled to one vote for each Numbered Lot in which they hold interests required for membership by Section 6.1; provided further than when more than one person or entity holds such interest or interests in any Numbered Lot all such persons or entities shall be members, and the vote for such lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any such Numbered Lot. Notwithstanding anything to the contrary herein contained, from and after three (3) years from the date of the first sale of a Numbered Lot or when thirty (30%) per cent of the Numbered Lots are sold by the Developer, its successors or assigns, whichever event occurs first, the voting rights of the Developer, its successors or assigns, on any matter properly coming before the membership for a vote in accordance with this Declaration or the Articles of Incorporation or By-Laws of the Association, shall be limited as follows:

(a) On any matter requiring a majority vote, the Developer shall be entitled to no more than a sum of votes equal to one (1) vote less than the total number of votes of all property owners, other than the Developer, who is given voting powers under this paragraph; provided, nevertheless, that when the Developer shall have sold one (1) lot more than fifty (50%) percent of all Numbered Lots, then the Developer shall have the right to as many votes as the Numbered Lots that it owns.

(b) On any matter requiring a vote of two-thirds (2/3), the Developer shall be entitled to no more than a sum of votes equal to one-half (1/2) of the total number of votes of all property owners, other than the Developer, who is given voting powers under this paragraph; provided, nevertheless, that when the Developer shall have sold two-thirds (2/3) of all Numbered Lots, then the Developer shall have the right to as many votes as the Numbered Lots that it owns.

ARTICLE VII ASSESSMENTS

7.1 Creation of the Lien and Personal Obligation of Assessments. The Developer, for each Numbered Lot owned by it within the Residential Area of the real property, hereby covenants and each Owner of any Numbered Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant and agree to pay to the Association: (1) annual assessments or charges; (2) special assessments for capital improvements, all such assessments to be fixed, established and collected from time to time as hereinafter provided. The annual and special assessments, together with such interest thereon and costs of collection thereof as are hereinafter provided, 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 such interest thereon and cost of collection thereof as are hereinafter provided, shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

7.2 Purposes of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the residents and Owners of the real property and in particular for the improvement and maintenance of properties, services, and facilities devoted to these purposes and related to the use and enjoyment of the real property and of the homes situated thereon, including, but not limited to, the payment of taxes and insurance on the property other than that in the Residential Area and the repair, maintenance, replacement, and additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof, and for defraying any expenses incident to the enforcement of these covenants and restrictions by, or the exercise of any powers conferred upon the Association.

7.3 Rate of Assessment. Until the date of five (5) years from the effective date of this declaration or the date when sixty (60%) percent of the Numbered Lots are sold, whichever shall occur earlier, there shall be no assessment or charge for the purpose of maintenance or repair of the streets, roads or parkways, or for the maintenance or repair of any of the Recreation Areas on the Real Property, all of which expense is hereby declared and covenanted to be the sole responsibility of the Developer. Notwithstanding the foregoing, from and after the effective date of this Declaration, the Association may levy an assessment for the purpose of providing services to

the members, including but not limited to garbage collection and removal and security protection, if such assessment shall have the assent of two-thirds of the votes of the members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members at the last address of the members as furnished by them to the Association at least thirty (30) days in advance and shall set forth the purpose of the meeting. From and after five years from the effective date of this declaration or the date when sixty (60%) percent of the Numbered Lots are sold, the annual assessment for all purposes shall not exceed One Hundred (\$100.00) Dollars per Numbered Lot, subject to Paragraph 7.4 hereinbelow.

7.4 Change in Assessment. The fixed annual assessment provided for in Section 7.3 may be changed by the Association prospectively provided that any such change shall have the assent of two-thirds of the votes of the members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members at the last address of the members as furnished by them to the Association at least thirty (30) days in advance and shall set forth the purpose of the meeting.

7.5 Decrease by Board. The Board of Directors of the Association may, after consideration of current maintenance costs and future needs of the Association, fix the actual assessment for any year at a lesser amount.

7.6 Special Assessments. In addition to the annual assessments authorized hereinabove, 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 or reconstruction, unexpected repair or replacement of a described capital improvement upon the properties other than the Residential Area, provided that any such assessment shall have the assent of two-thirds of the votes of the members who are voting in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members at the last address of the members as furnished by them to the Association at least thirty (30) days in advance and shall set forth the purpose of the meeting.

7.7 Quorum for Actions Under Sections 7.4 and 7.6. The presence at the meeting of members, or of proxies, entitled to cast sixty (60%) percent of all the votes of the membership shall constitute a quorum for the purposes of actions under Sections 7.4 and 7.6. If the required quorum is not forthcoming at any meeting, another meeting may be called, subject to the notice requirements of Sections 7.4 and 7.6, and the required quorum at any such subsequent meeting shall be one-half of the required quorum at the preceding meeting, provided that no such subsequent meeting shall be held more than sixty (60) days following the preceding meeting date.

7.8 Due Dates. The assessments for any year authorized under Section 7.3 shall become due and payable on the first day of Month of said year. The due date of any special assessment under Section 7.6 shall be fixed in the resolution authorizing such assessment.

7.9 Proof of Payment. The Association shall upon demand at any time furnish to any Owner liable for any assessment a certificate in writing signed by an officer of the Association, setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid.

7.10 Effect of Non-Payment of Assessment; The Personal Obligation of the Owner; The Lien; Remedies of Association. If the assessments are not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns. The personal obligation of the then Owner to pay such assessment, however, shall remain his personal obligation for the statutory period and shall not pass to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of six (6%) percent per annum, and the Association may bring an action against the Owner personally obligated to pay the same or to foreclose the lien against the property, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action.

7.11 **Subordination of the Lien.** The lien of the assessments provided for herein shall be subordinate to the lien of any Mortgagee, Trustee or Lender of any sums secured by a recorded Mortgage or Deed of Trust to secure a debt now or hereafter placed upon the properties subject to assessment; provided, however, that such subordination shall apply only to the assessments which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure, or any other proceeding in lieu of foreclosure. Such sale or transfer shall not relieve such property from liability for any assessments thereafter becoming due, nor from the lien of any such subsequent assessment. The lien herein provided for shall also be subordinate to the lien of laborers, contractors or material men furnishing labor, services or materials in connection with the construction or alteration of any improvements located on any Numbered Lot.

ARTICLE VIII

TERMS AND ENFORCEABILITY

8.1 **Enforcement.** If the Developer, its successors, heirs and assigns or any Owner shall violate or attempt to violate any of the Covenants or Restrictions herein, it shall be lawful for any Owner of a Numbered Lot or for the Association to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any of such covenants and either to prevent him or them from so doing and/or to recover damages for such violations. Invalidation of any one or more of these covenants or restrictions by a judgment or Court Order shall in no wise affect any of the other provisions which shall remain in full force and effect.

8.2 **Term of Covenants.** These covenants and restrictions shall run with the land and shall inure to the benefit of and be enforceable by the Association, or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns.

ARTICLE IX

ADDITIONS TO DEVELOPMENT

9.1 **Method.** Upon approval in writing of the association pursuant to a vote of its members as provided in its Articles of Incorporation, the owner of any contiguous property who desires to add it to the scheme of this Declaration and to subject it to the jurisdiction of the Association, may file of record a Supplementary Declaration of Covenants and Restrictions. Such Supplementary Declaration may contain such complimentary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary to reflect the different character, if any, of the added properties and as are not inconsistent with the scheme of this Declaration. In no event, however, shall such Supplementary Declaration revoke, modify or add to the covenants established by this Declaration within the Real Property.

ARTICLE X

DEFINITIONS

The following words when used in these Covenants or in any Supplemental Declaration shall have the following meaning unless the context in which such terms are used shall clearly indicate to the contrary:

10.1 **Real Property.** "Real Property" is all real estate with the improvements thereon known as White Oak Mountain as shown on a plat of property prepared for The White Oak Company, A General Partnership, by Sam T. Marlowe, dated December 15, 1976, and recorded in the Polk County Registry on 15 December, 1976 in Map Book 8 at page 78, and any additions thereto which may be accepted under the provisions of Section 9.1.

10.2 **Numbered Lot.** "Numbered Lot" is any plot of land shown on the Plats which is intended for use and occupancy as a single family dwelling and as further defined in Paragraph 2.1 above.

10.3 **Plats.** "Plats" shall mean and refer to any and all development plats which shall be hereafter made and recorded with respect to the Real Property, which plats shall show the size and location of individual lots, streets, roads, and recreation areas.

10.4 **Developer.** "Developer" is The White Oak Company, A General Partnership, or any successor of said general partnership for the purpose of the development of the Real Property.

10.5 **Architectural Committee.** "Architectural Committee" is the Committee established pursuant to the provisions of Article IV.

10.6 **Association.** The term "Association" shall mean and refer to the White Oak Mountain Association, Inc.

10.7 **Residential Area.** "Residential Area" is all the Numbered Lots as shown on the Plats.

10.8 **Recreational Areas.** "Recreational Area" is any area so designated on the Plats, including any area designated as a proposed lake site, and excluding the Numbered Lots, streets and roads.

10.9 **Owner.** "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Numbered Lot situated upon the Real Property but, notwithstanding any applicable theory of the mortgage or deed of trust, shall not mean or refer to the mortgage or trustee unless and until such mortgagee or trustee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

IN WITNESS WHEREOF, the White Oak Company, A South Carolina General Partnership, has caused these presents to be executed in its partnership name and its seal affixed hereto, on the date and year first above written, by Joe Earl Taylor, Managing General Partner.

THE WHITE OAK COMPANY,
A South Carolina General Partnership

By: _____
JOE EARL TAYLOR,
Managing General Partner

BY-LAWS
OF
WHITE OAK MOUNTAIN ASSOCIATION, INC.

ARTICLE I
OFFICES

Section 1. **Principal Office.** The principal office of the Corporation shall be located at White Oak Mountain, or at such other location designated by the Board of Directors.

Section 2. **Registered Office.** The registered office of the Corporation required by law to be maintained in the State of North Carolina may be, but need not be, identical with the principal office.

Section 3. **Other Offices.** The Corporation may have offices at such other places, either within or without the State of North Carolina, as the Board of Directors may designate or as the affairs of the corporation may require from time to time.

ARTICLE II
MEMBERS

Section 1. **Membership.** Every person or entity who is a record owner of a fee or undivided fee interest in any lot or condominium unit, which is subject to covenants of record to assessment by the Association, shall be a member of the Association.

Section 2. **Classes of Members.** The Corporation shall have one class of members, which class shall include all lot and condominium unit owners.

Section 3. **Voting Rights.** Each member shall be entitled to one vote for each lot or condominium unit owned. When more than one person holds an interest in any lot or condominium unit owned, all such persons shall be members. The vote for such lot or condominium unit shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any lot or condominium unit. Voting rights are further subject to the limitations set out in the Articles of Amendment to Charter of White Oak Mountain Association, Inc.

Section 4. **Severability of Membership.** Membership in this Corporation shall be appurtenant to and may not be separated from ownership of any lot or condominium unit which is subject to assessment by the Association.

ARTICLE III
MEETINGS OF MEMBERS

Section 1. **Annual Meeting.** An annual meeting of the members will be called by the Board of Directors for the purpose of electing directors or transacting any business as may come before the meeting. Notification of the date, place, and time will be mailed to each member in accordance with Article III, Section 4 of the By-laws.

Section 2. **Special Meetings.** Special meetings of the members may be called by the President, or the Secretary, or the Board of Directors, or not less than one-tenth of the members having voting rights.

Section 3. **Place of Meeting.** The Board of Directors may designate any place, either within or without the State of North Carolina, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting is otherwise called, the place of the meeting shall be the principal office of the Corporation in the State of North Carolina, but if all of the members shall meet at any time and place, either within or without the State of North Carolina, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

Section 4. **Notice of Meetings.** Written or printed notice stating the place, day, and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, at least 30 days before the date of such meeting, by or at the direction of the President, or the Secretary, or the Board of Directors, or the representatives of persons calling the meeting. In case of a special meeting or when required by statute or by these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

least seven (7) days before the meeting. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a meeting of the Board of Directors, except as otherwise provided by law or these By-Laws.

Section 5. Waiver of Notice. Any director may waive notice of any meeting, either before or after the meeting. Written waivers of notice shall be filed by the Secretary with the corporate records or as part of the minutes of the meeting. The attendance by a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 6. Quorum. A majority of the number of directors in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors.

Section 7. Manner of Acting. Except as otherwise provided in these By-Laws, the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

Section 8. Presumption of Assent. A director of the Corporation who is present at a meeting of the Board of Directors at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his contrary vote is recorded or his dissent is otherwise entered in the minutes of the meeting or unless he either files his written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or forwards his written dissent by registered mail to the Secretary of the Corporation immediately after the adjournment of the meeting. The right of dissent shall not apply to a director who voted in favor of such action.

Section 9. Informal Action by Directors. Action taken by a majority of the Directors without a meeting is nevertheless action of the Board of Directors if written consent to the action in question is signed by all of the Directors and filed with the minutes of the Board of Directors, whether done before or after the action so taken.

Section 10. Participation by Telephone. Any one or more Directors may participate in a meeting of the Board of Directors by means of a conference telephone or similar communications device that allows all persons participating in the meeting to hear each other. Participation by these means shall be deemed presence in person at the meeting.

ARTICLE VI COMMITTEES

Section 1. Committees of Directors. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate and appoint one or more committees, each of which shall consist of two or more directors, provided, however, that no such committee shall have the authority of the Board of Directors in reference to amending, altering, or repealing the Bylaws, electing, appointing, or removing any member of any such committee or any officer or director of the Corporation; amending the Articles of Incorporation; adopting a plan or merger or adopting a plan of consolidation with another corporation, authorizing the sale, lease, exchange, or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefore; adopting a plan for the distribution of the assets of the Corporation; or amending, altering, or repealing any resolution of the Board of Directors that by its terms provides that it shall not be amended, altered, or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law.

Section 1.a. Specific Committees. An Architectural Committee shall be elected according to Article IV, Section 4.3 of the Declaration of Covenants and Restrictions heretofore mentioned, and also in accordance with Article III, Section 6 of these By-Laws.

Section 2. Other Committees. Other Committees not having and exercising the authority of the Board of Directors in the Management of the Corporation may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Corporation, and Board of Directors of the Corporation shall appoint the members thereof. Any member thereof may be removed by the persons authorized to appoint such member whenever in their judgment the best interests of the Corporation shall be served by such removal.

Section 3. Term of Office. Each member of a committee shall continue as such until the next annual meeting of the directors of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

perform the duties of the Secretary and when so acting shall have all the powers of and be subject to all the restrictions upon the Secretary. The Assistant Secretaries shall perform such other duties as may be assigned to them by the Secretary, by the President, or by the Board of Directors. Any Assistant Secretary may sign, with President or a Vice-President, documents authorized to be signed by the Secretary.

Section 9. Treasurer. The Treasurer shall have charge of and be responsible for all monies, funds, and securities, receipts, and disbursements of the Corporation, provided that the Board of Directors may appoint a custodian or depository for any such funds or securities. The Treasurer shall be responsible for (i) maintaining adequate financial accounts and records in accordance with generally accepted accounting practices; (ii) for the preparation of appropriate operating budgets and financial statements, and (iii) for the preparation and filing of all tax returns required by law. There shall be two (2) signatures on all checks—the Treasurer and one other who must also be a director.

Section 10. Assistant Treasurers. In the absence of the Treasurer or in the event of his death, inability or refusal to act, any Assistant Treasurer designated by the President, unless otherwise determined by the Board of Directors, shall perform the duties of the Treasurer, and when so acting shall have all the powers of and be subject to all the restrictions upon the Treasurer. Any Assistant Treasurer shall perform such other duties as may be assigned to them by the Treasurer, by the President, or by the Board of Directors.

Section 11. Validity of Signatures. In case any person whose signature shall appear on any bond, or other evidence of indebtedness of the Corporation, shall cease to be an officer or hold an office different from that held at the time of signature before the delivery of such instrument, such signature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in such office until such delivery.

Section 12. Compensation. The Board of Directors may not compensate officers for their services as such, but may provide for the payment of any or all expenses incurred by officers in attending regular and special meetings. This shall not preclude officers from serving the Corporation in other capacities and receiving compensation for such other services.

ARTICLE VIII INDEBTEDNESS

No indebtedness of the Corporation in excess of \$10,000.00 shall be incurred other than in the normal course of business, except as may be approved by resolution adopted by a majority of the directors in office.

Any or all such indebtedness may be represented by notes, debentures, bonds, or other securities, either unsecured or secured by, or issued under a mortgage, trust indenture, or otherwise, and may be issued at such times and upon such terms as the Board of Directors shall determine.

ARTICLE IX CONTRACTS, LOANS, CHECKS, AND DEPOSITS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Loans. No loans shall be contracted on behalf of the Corporation and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority may be general or confined to specific instances.

Section 3. Checks and Drafts. All checks, drafts, or other orders for the payment of money, issued in the name of the Corporation, shall be signed by the Treasurer and one other who must also be a director.

Section 4. Deposits. All funds of the Corporation not otherwise employed shall be deposited from time to time to the credit of the Corporation in such depositories as the Board of Directors may select.

ARTICLE X GENERAL PROVISIONS

Section 1. Seal. The corporate seal of the Corporation shall contain the name of the Corporation and shall be in such form as approved by the Board of Directors.