

MARSH WALK AT PARK WEST RULES AND REGULATIONS

In addition to any other covenants, conditions, restrictions, easements, rules and regulations, policies, procedures or standards that applicable to the Property under the Declaration (the "Declaration") of the Marsh Walk at Park West Association, Inc. (the "Association"), the Master Declaration of the Park West Master Association, applicable deeds, or by law, the following rules and regulations (the "Rules and Regulations") are imposed on the Property pursuant to Sections 5.3 and 5.4 of the Declaration. Unless otherwise expressly stated or clearly implied, words herein have the same meaning as in the Declaration.

1. Residential Use of Properties. All Units (which are defined by the Declaration as a Lot or Residential Unit on the Lot) shall be used solely for residential purposes. No business or business activity shall be carried on upon any Unit at any time; provided, however, that (a) nothing herein shall prevent Declarant or any builder of any homes on the Property from using any Unit owned by Declarant or such builder of homes for the purpose of carrying on business related to the development, improvement and sale of the Property and (b) to the extent allowed by applicable zoning laws, a private office may be maintained in a Unit as long as such use is incidental to the primary residential use of the Unit, does not violate any applicable law, does not involve any exterior signage or advertising of the Unit as a place of business, and does not contribute to parking, traffic or security problems, all in the opinion of the Board of Directors of the Association or the Board of Directors of the Master Association.

2. Number of Units. Only one (1) Residential Unit shall be built upon any Lot.

3. Development Guidelines. In addition to the provisions herein, all development with the Property shall comply with the Development Guidelines for Park West, dated June 1, 1999, prepared by Design Works, L.C., as amended from time to time in accordance with the Master Declaration (the "Development Guidelines"). Authority for enforcement of the Development Guidelines is vested in the Development Review Board (the "Development Review Board") established by the Master Association. The Development Guidelines are subject to change, however, so an Owner should confirm that the provisions of Appendix C-1 are still current. (Also see Section 4, below.)

4. Review of Architectural Plans and Development Activities.

A. Section 2.4 of the Master Declaration contains provisions regarding review of plans for residences and other Development Activity. As a convenience, a copy of that section (as it exists on the date of recordation of the Declaration) dealing with such matters is attached hereto as Appendix C-1 and incorporated herein by reference.

B. The Master Association has currently delegated to the Board of Directors of the Association authority to review architectural and landscaping plans for residences in Marsh Walk at Park West. Architectural and Landscaping Design Standards are attached hereto as Appendix C-2 and incorporated herein by reference.

C. Neither the Declarant, the Board of Directors, the Board of Directors of the Master Association, the Association, the Master Association, any architectural review entity that is established pursuant to the Declaration or Master Declaration, nor any Person who is a member of any of such entities, shall be responsible or liable in any way for any defects in any plans or specifications approved, or for any structural defects in any work done according to such plans and specifications. Further, such Persons shall not be liable for damages to any Person submitting plans or specifications for approval under this Section, or to any Person affected by such plans, specifications, approval or disapproval as a result of mistake of judgment, negligence or non-feasance arising out of, or in connection with, the approval or disapproval or failure to approve or disapprove any such plans or specifications.

5. Compliance With Ordinances and Restrictions. Each building or structure erected on any Lot shall be located in accordance with applicable zoning, building, setback and similar development standards ordinances of the Town of Mount Pleasant, South Carolina, and in accordance with the restrictions and requirements contained herein. Whichever ordinance, restriction or requirement is more restrictive shall apply.

6. Setbacks. Any building or structure (other than subordinate structures that are normally placed between the front of a residence and a street, such as entry lighting standards, utility junction boxes and transformers, mailboxes, etc.) shall be set back at least fifteen (15) feet from any public or private street right-of-way on which it fronts; provided, however, that (a) exceptions may be granted by the Development Review Board as to corner Lots and Lots on cul-de-sacs and (b) in order to preserve trees, improve storm drainage, achieve aesthetic goals, improve vistas, or similar purposes, the Development Review Board may require a greater setback or propose a lesser setback. If a lesser setback is proposed that would require a variance from the Town of Mount Pleasant, the Development Review Board may require an Owner to seek such a variance, but, in such event, the Association shall pay any fee charged by the Town of Mount Pleasant for processing such variance application. For the purpose of determining compliance with setback requirements, roof eaves and steps that extend from the first living level of the outside wall of a structure to the finished grade of the Lot shall not be considered a part of the structure. The Development Review Board, in its sole discretion, may permit other exceptions, such as on-grade terraces, stoops or similar ancillary exterior extensions of the structure. Any such exception shall be in writing.

7. Buffers, Lagoons, Drainage Areas, etc. All buffer areas shown on any recorded plat as part of a Lot shall be maintained by the Owner thereof as a planted and landscaped area unless otherwise indicated on the recorded plat. No building or structure that is not indicated on the recorded plat shall be constructed in the buffer area and no parking, storage area or other use that is not indicated on the recorded plat may be maintained therein unless approved in writing by the Development Review Board of the Master Association. No buffer area maintained by the Association or Master Association shall be disturbed in any way by an Owner without the express written permission of (i) the Association and the Master Association, if the buffer area is maintained by the Association, or (ii) the Master Association, if the buffer area is maintained by

the Master Association. The Owner of any Lot bordering any lake, lagoon, canal, or drainage easement shall neatly maintain, prune, and, if appropriate, mow, the area between the edge of any lake, lagoon, canal or drainage easement and the Lot unless the Association or the Master Association notifies the Owner, in writing, that it will maintain such area. The Association or Master Association may, in its sole discretion, elect to maintain some or all of such area as an Area of Common Responsibility. No waste, garbage or wastewater shall be discharged, dumped or otherwise placed in any lake, lagoon, canal or drainage easement except as may be expressly approved in writing by the Board of Directors of the Master Association and in accordance with any applicable law.

8. Exterior Maintenance. Each Owner shall maintain the exterior of the Unit in a neat, orderly, safe and aesthetically attractive condition. The areas to be so maintained include, but are not limited to, paint or stain, roofs, gutters, downspouts, chimneys, vents, heating and air conditioning systems, fences, walls, shutters, mailboxes, driveways, walks, lighting, exterior building surfaces, lawns, trees and landscaping. The owner of a Lot shall keep the Lot free of all tall grass and weeds, undergrowth, dangerous or dead trees and tree limbs, trash and rubbish, and stored materials.

9. Subdivision of Lots. No Lot shall be subdivided unless approved by the Board of Directors of the Master Association. Two or more Lots (or one Lot and part of another Lot) may be combined to form a fewer number of Lots so long as any resulting Lot(s) meet(s) all subdivision and zoning requirements and such combination is approved by the Board of Directors of the Master Association. After combination, any easements along side Lot lines between the combined Lots shall be deemed automatically abandoned unless, at the time of combination of the Lots (a) a utility line or similar use is located within the easement area, or (b) it is likely that a utility line or similar use shall subsequently be required through such easement area, or (c) the Owner of the combined Lot containing such easement records a document in the RMC Office for Charleston County confirming that the easement is not abandoned. The Owner of any combined Lot shall be responsible for all costs and expenses of removing or relocating any utility located along or adjacent to any side Lot line being abandoned. After combination of the Lots, the structural setback, utility easements and similar building line requirements shall apply as though the combined Lots are a single Lot. The combination of Lots shall not reduce the Assessments allocable to the combined Lots. After combination of the Lots, the Owners combining lots shall apportion their respective shares of the Assessments attributable to the Lot(s) being combined in the same percentage as that portion of the combined Lot(s) bears to the total Lots combined. For example, if two Lot owners each buy one half of a Lot to combine with their original Lots, each Owner shall pay one half of the Assessments allocable to the divided Lot, plus the normal Assessments for the original Lot.

10. Accessory and Temporary Structures. No accessory building or structure other than a garage of similar design features and materials as the main Residential Unit shall be permitted unless expressly approved in writing by the Development Review Board. No shed, tent or temporary structure shall be erected or maintained on a Lot except as may reasonably be required, in the opinion of the Development Review Board, for purposes incidental to the construction, maintenance or repair of improvements on the Lot or approved nearby Property, and such

structures are promptly removed upon completion of the construction, maintenance or repair. Unless approved in writing by the Board of Directors of the Master Association, no trailer, camper, shack, tent, garage, barn or other structure of a similar nature shall be used as a residence, either temporarily or permanently. All approved temporary structures shall be neatly maintained during the permitted period of use.

11. Parking and Driveways. The Owner of each Lot shall provide usable parking spaces on the Lot for the greater of (a) at least two (2) vehicles, or (b) the number of vehicles normally parked on the Lot by occupants of the Residential Unit on the Lot. All driveways, parking spaces and entrances to garages shall be of concrete or such other substance of a uniform quality that (i) conforms to the Development Guidelines and (ii) is approved in writing by the Development Review Board. The number of vehicles parked on a Lot shall not exceed the number of parking spaces on such Lot that are available for parking. All parking shall be within areas specifically designed for parking. No overnight parking shall be permitted on streets and no parking shall be permitted on streets at other times unless expressly approved in writing by the Board of Directors of the Master Association. No unlicensed vehicle; house trailer; mobile home; boat; boat trailer; camper; habitable motor vehicle; bus; truck or commercial vehicle over one (1) ton capacity; vehicle bearing a prominent commercial logo or lettering; or any inoperable vehicle shall be stored or parked overnight on a Lot except within an enclosed garage, or when otherwise screened from view from adjacent Lots or streets in a manner approved in writing by the Development Review Board of the Master Association.

12. Garages. Garage doors shall be closed except when vehicles are entering or exiting the garage, or when a permitted activity with the garage requires that the garage door be temporarily open for ventilation, light or access. Garages shall be used only for parking permitted vehicles and other activities permitted by the Declaration and law that do not interfere with the primary purpose of parking vehicles.

13. Changing Elevations. No Owner shall excavate or extract earth from a Lot for any business or commercial purpose. This restriction shall not apply to any excavation that may occur by the Declarant or a builder of a home on a Lot for the purpose of providing required storm water retention capacity for the Lot or the Property or for removing materials that are unsuitable for construction purposes; provided that the responsible entity shall regrade and/or fill the excavated area as may reasonably be required so that the result is aesthetically acceptable. No elevation changes shall be permitted that materially affect the surface grade of an adjacent Lot or cause additional storm water to be discharged over such adjacent Lot, unless approved in writing by the Development Review Board.

14. View Obstructions at Street Intersections. No structure, tree branches, or other vegetation shall be permitted to obstruct the view of an operator of a motor vehicle, pedestrian, or bicyclist at a street intersection. As a general rule, such obstructions shall be prohibited within that area that lies within the approximately triangular space created by the intersection of the outside of the travel surfaces of any two streets, and extending twenty (20) feet along the edge of each street (i.e. a right triangle that is twenty (20) feet in length from the point of intersection). The Development Review Board may require a greater view angle at key intersections. The Owner of

a Lot shall be responsible for pruning all vegetation within his Lot that would create an unauthorized obstruction and the Association also shall have an easement to remove any unauthorized obstruction.

15. Delivery Receptacles and Lot Identification Markers. The Development Review Board shall have the right to issue specifications for and/or approve as to location, color, size, design, lettering and all other particulars of receptacles for the receipt of mail, newspapers or similar delivered materials; property identification markers; and name signs.

16. Completion of Construction. The Board of Directors of the Association or Master Association shall have the right, but not the obligation, to take appropriate Court action, whether at law or in equity, to compel the immediate completion of any Residential Unit or structure not completed within one (1) year from the date of commencement of construction.

17. Animals and Pets. No animals, livestock, reptiles, fowl or poultry shall be raised, bred or kept on any Lot, except that dogs, cats or other household pets may be kept, provided that they are not kept, bred or maintained for any commercial purposes and are housed within the Residential Unit or any accessory structure that has been expressly approved by the Development Review Board in writing. Such household pets must not constitute a nuisance or cause unsanitary conditions. Incessant barking or howling of a dog that is clearly audible on another Lot shall be a nuisance. Such household pets shall be maintained within the Lot of the Owner and it shall be considered a nuisance if such pet is allowed to go upon another Owner's Lot or to be upon the streets or other Common Areas or Area of Common Responsibility unless under leash or carried by the Owner. No pet shall be permitted to leave its excrement on any portion of the Common Areas or Area of Common Responsibility or the Lot of another Owner, and any Owner of such pet shall immediately remove the same. The Board of Directors shall have the right to determine, in its sole discretion, whether a particular pet meets the criteria set forth above, and, if not, it may require the owner of the pet to remove such pet from the Property.

18. Offensive Activities. No noxious, offensive or illegal activities shall be carried out on any Unit, nor shall anything be done thereon that is or may become an annoyance or nuisance to the Owners of other Units within the Property or the Park West community. Without limiting the generality of this provision, no exterior speakers, horns, whistles, bells or other sound devices that emit sounds that are audible on other Lots shall be located within the Property, except security and fire alarm devices or other devices expressly approved in writing by the Board of Directors of the Master Association.

19. Signs. No signs are permitted except those that are consistent with the Development Guidelines, are professionally designed and constructed; are either street signs or signs identifying the Property as a whole or a particular section within the Property; are required to comply with any law regarding zoning hearings, judicial sales or similar mandatory procedures; or advertise the availability of a Lot or Residential Unit thereon during the development and construction period. All signs during the construction and development period shall be subject to approval by the Development Review Board. No flashing, movable, or neon signage shall be permitted on the Property. No billboards or signs advertising "for sale" or "for rent", or similar

wording shall be placed on any Unit or displayed on any Unit.

20. Screening and Clotheslines: Unless otherwise expressly approved in writing by the Development Review Board, trash containers, pool equipment, solar heating panels, heating and air conditioning systems, and similar equipment shall be screened to conceal them from view of the naked eye of a person standing at existing grade on any neighboring Lot, street, or easement or buffer area containing pedestrian or bicycle paths. All fuel tanks and utility service lines connecting to the Residential Unit or other structures on the Lot shall be underground. Exterior clotheslines are prohibited.

21. Antennas and Satellite Dishes. No telecommunications, radio or television transmission or reception towers or satellite dishes or antennas shall be erected on any Unit unless it is (a) not more than two feet in height or diameter, (b) screened from view of the naked eye of a person standing at existing grade on any street fronting on the Lot or Unit, and (c) in a location approved in writing by the Development Review Board..

22. Garbage and Refuse Disposal. Trash, garbage or other waste shall be kept in closed, sanitary containers and, except during pickup periods, shall be kept inside the Residential Unit or within an enclosed or fenced service or storage area. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. All service and storage areas shall be enclosed or fenced in such a manner that the materials within shall be screened from view of the naked eye of a person standing at existing grade on any neighboring Lot, street, or easement or buffer area containing pedestrian or bicycle paths. Garbage cans, trash containers, boxes, bags, and other trash or debris shall not be placed on the street until after 6:00 P.M. on the day before the date of pickup and all empty containers shall be removed by 6:00 P.M. on the date of pick-up.

23. Water, Sanitary and Storm Water Systems. Water shall be supplied and sanitary sewage and storm water shall be disposed of through such system(s) as may be specified by the Master Association. No Owner shall pump water from any lake or lagoon without the express written approval of the Master Association.

24. Model Homes. Declarant, as well as any builder of homes on the Property, shall have the right to construct and maintain model homes on any of the Lots.

25. Easements. In addition to any easements that may be granted by the Declaration or Master Declaration, Units shall be subject to those easements, if any, shown on any recorded plat of the Property or a portion thereof that is approved by the Declarant.

26. Waivers of Rules and Regulations. The Board of Directors or Development Review Board may, for good cause, as determined in its sole discretion, waive violations of these Rules and Regulations that are not violations of the Master Declaration. Such waiver shall be in writing and either maintained for a reasonable period in the offices of the Association or recorded in the Charleston County RMC Office. Nothing herein shall be deemed to allow the Board of Directors to waive violations that must be waived by an appropriate governmental authority.

27. Enforcement of Rules and Regulations. If an Owner fails to comply with these Rules and Regulations, the Association shall take such action as the applicable Board of Directors determines is appropriate to enforce the Rules and Regulations or to remedy the problem caused by the Owner's failure to comply, in accordance with the Declaration. The Board of Directors shall give the non-complying Owner written notice of the nature of the violation and, if desired, the action that is required in order to cure the violation. Except in cases in which the Board of Directors determines that the violation constitutes a safety hazard, violation of law or an emergency situation, the Owner shall have seven (7) calendar days from the date of receipt of notice, or such additional time as may be authorized by the Board of Directors in writing, to cure the violation or to provide to the Board of Directors reasonable evidence that no violation exists. The Board of Directors of the Master Association shall also have the right to enforce these Rules and Regulations pursuant to the procedure set forth above.

28. Other Rules and Regulations. The Board of Directors may issue other Rules and Regulations or amend these Rules and Regulations from time to time.

APPENDIX C-1
EXCERPTS FROM MASTER DECLARATION RE ARCHITECTURAL REVIEW

2.4. DEVELOPMENT AND ARCHITECTURAL REVIEW

2.4.1. Development Activity Requiring Review

Unless otherwise expressly permitted in writing by the Declarant, the Board of Directors or the Development Review Board, no clearing, grading or excavation; removal or severe pruning of a tree having a trunk diameter greater than eight (8) inches at five (5) feet above surrounding grade; or construction of any residence, building, fence or wall, pool, fountain, terrace, patio, deck, road, walkway, antennae, lighting, or other structure on a Lot shall commence, and no modification thereto shall occur (such commencement or modification being cumulatively referred to as "Development Activity"), until such Development Activity has been approved by the Development Review Board. In its sole discretion, however, the Board of Directors or Development Review Board may delegate in writing some or all of its authority for review of such Development Activity to any Person or Persons, including the Board of Directors of any Subordinate Association or any architectural review entity that may be established by such Subordinate Association.

2.4.2. Compliance with Development Guidelines

The Developer of a Parcel and each Unit Owner shall comply with the Development Guidelines for Park West, dated June 1, 1999, prepared by Design Works L.C., as they may be amended by Declarant from time to time (the "Development Guidelines"), which Development Guidelines are incorporated herein by reference.

2.4.3. Composition of Development Review Board

As long as the Declarant has a Controlling Interest in the Property, the number of Persons composing the Development Review Board shall be determined by the Declarant or its designee. Thereafter, the number of Persons composing the Development Review Board shall be determined by the Board of Directors of the Association. A member of the Development Review Board need not be an Owner. The Development Review Board may also select such non-voting advisors or consultants as it may determine are useful in evaluating a submission for Development Activity.

2.4.4. Review of Development Plans for Parcels

Unless waived in writing by Declarant, the following shall require written approval by the Development Review Board in accordance with review procedures issued by the Development Review Board from time to time: (i) Development Plan (as defined in the Development Guidelines); (ii) a site plan showing the proposed location of all structures in the Parcel (excluding single family homes), roads, curbs, utilities, paths, signage, exterior lighting,

landscaping, etc.; and (iii) all construction, landscaping, lighting, signage or similar development in the Park West Boulevard Buffer, the Neighborhood Entry Buffers or the Adjacent Parcel Buffers, as defined in the Development Guidelines. The Developer of a Parcel may also impose additional restrictions on such Parcel if such restrictions do not conflict with the Development Guidelines, in the opinion of the Development Review Board.

2.4.5. Review of Residences and Other Development Activity

The Development Review Board may, from time to time, establish procedures and policies for review of proposed residences and other Development Activity. In addition, the Board of Directors may, from time to time, establish or approve, in writing, architectural and/or landscape design standards for various Parcels within the Property, which standards shall be set forth in one or more Subordinate Declarations. In recognition of the fact that various portions of the Property may be intended for residences and structures of different types, cost, quality, complexity, motifs, architectural concepts and density, there shall be no requirement that the procedures and policies for review of all structures and Development Activity within the Property be identical, or that the architectural and/or landscape design standards for various Parcels be identical. The Development Review Board may, in its sole discretion, modify or waive established procedures and policies, or architectural and/or landscape design standards, in order to deal with hardships determined to exist, or new or unique issues, or for other purposes determined by the Development Review Board to be in the best interests of the Property.

2.4.6. Enforcement

The Declarant, the Association or the Development Review Board shall have authority to monitor Development Activity and to halt or require modification of Development Activity not executed in accordance with approved plans, established procedures, policies or standards, this Declaration, or the Rules and Regulations. Enforcement shall occur in accordance with Section 8.3 of this Declaration.

2.4.7. Obtaining Copy of Development Guidelines, Policies and Procedures

A copy of the current Development Guidelines and/or any current review procedures or policies which apply to a particular Parcel or portion of the Property shall be provided to any Owner by the Association upon written request to the Development Review Board, in care of the Association, as set forth in Section 8.11 of the Declaration. The Association may charge a reasonable fee to cover the delivery, administrative and reproduction costs for so providing.

2.4.8. Fees for Review of Development Activity

The Board of Directors may establish a schedule of fees for review or inspection of Development Activity in order to cover the reasonable costs to the Development Review Board or the Association regarding such matters, such as administrative and operating expenses, storage of materials, consultation, site inspections; etc.

2.4.9. Deposits for Proper Performance of Development Activity

The Board of Directors may establish a schedule of deposits to be paid by an Owner prior to commencement of Development Activity. The purpose of such deposits may include, without limitation, to provide adequate funds to insure compliance with approved plans and conditions for Development Activity, including required landscaping; to enforce applicable rules and regulations; to place and collect trash containers at the site or to remove trash from the site; to enforce parking rules and regulations; etc. Upon completion of the Development Activity, any unused deposits shall be refunded to the depositing Owner.

2.4.10. No Liability for Development Activity Review

Neither the Development Review Board, the Declarant, the Board of Directors, the Association, nor any Person who is a member of such entity, shall be responsible or liable in any way for any defects in any plans or specifications approved by the Development Review Board or any entity to which the Development Review Board has delegated responsibility, nor for any structural defects in any work done according to such plans and specifications. Further, such Persons shall not be liable for damages to any Person submitting plans or specifications for approval under this Section, or to any Person affected by such plans, specifications, approval or disapproval as a result of mistake of judgment, negligence or non-feasance arising out of, or in connection with, the approval or disapproval or failure to approve or disapprove any such plans or specifications.