

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM DORCHESTER COUNTY
Court of Common Pleas

Diane S. Goodstein, Circuit Court Judge

Case No. 2011-CP-18-1716
Appellate Case No. 2012-211934

King's Grant Homeowner's
Association, Inc.

Respondent,

v.

Elwood Dixon and Jennifer
Dixon

Appellants.

RECEIVED

JAN 23 2013

SC Court of Appeals

Amended RECORD ON APPEAL

Elwood Dixon and Jennifer Dixon
Summerville, South Carolina 29485
Pro Se Appellants

YOUNG CLEMENT RIVERS, LLP
Stephen L. Brown
Joseph E. DaPore
Nicholas J. Rivera
Russell G. Hines
Post Office Box 993
Charleston, South Carolina 29402
(843) 720-5488
Attorneys for Respondent

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FORM 4

STATE OF SOUTH CAROLINA
COUNTY OF DORCHESTER
IN THE COURT OF COMMON PLEAS

JUDGMENT IN A CIVIL CASE
CASE NUMBER 2011CP1801716

CERTIFIED COPY

2012 APR -4 PM 12: 22

King's Grant Homeowners Association Inc	Elwood Dixon <i>Cheryl...</i> CLERK OF COURT DORCHESTER COUNTY	Jennifer Dixon
PLAINTIFF(S)		DEFENDANT(S)

Submitted by:	Attorney for: <input type="checkbox"/> Plaintiff <input type="checkbox"/> Defendant <input type="checkbox"/> Self-Represented Litigant
---------------	---

DISPOSITION TYPE (CHECK ONE)

- JURY VERDICT.** This action came before the court for a trial by jury. The issues have been tried and a verdict rendered.
- DECISION BY THE COURT.** This action came to trial or hearing before the court. The issues have been tried or heard and a decision rendered.
- ACTION DISMISSED (CHECK REASON):** Rule 12(b), SCRPC; Rule 41(a), SCRPC (Vol. Nonsuit);
 Rule 43(k), SCRPC (Settled); Other: _____
- ACTION STRICKEN (CHECK REASON):** Rule 40(j) SCRPC; Bankruptcy;
 Binding arbitration, subject to right to restore to confirm, vacate or modify arbitration award; Other: _____
- DISPOSITION OF APPEAL TO THE CIRCUIT COURT (CHECK APPLICABLE BOX):**
 Affirmed; Reversed; Remanded; Other: _____

NOTE: ATTORNEYS ARE RESPONSIBLE FOR NOTIFYING LOWER COURT, TRIBUNAL, OR ADMINISTRATIVE AGENCY OF THE CIRCUIT COURT RULING IN THIS APPEAL.

IT IS ORDERED AND ADJUDGED: See attached order; (formal order to follow) Statement of Judgment by the Court:

ORDER INFORMATION

This order ends does not end the case.

Additional Information for the Clerk:

lower case remanded
to magistrate's case

INFORMATION FOR THE PUBLIC INDEX		
Complete this section whenever the judgment affects title to real or personal property, or if any amount should be enrolled. If there is no judgment, then the appropriate amount(s) should be entered.		
Judgment in Favor of (List name(s) below)	Judgment Against (List name(s) below)	Judgment Amount To be Enrolled (List amount(s) below)
If applicable, describe the property, including tax map information and address, referenced in the order:		

The judgment information above has been provided by the submitting party. Disputes concerning the amounts contained in this form may be addressed by way of motion pursuant to the SC Rules of Civil Procedure. Amounts to be computed such as interest or additional taxable costs not available at the time the form and final order are submitted to the judge may be provided to the clerk. Note: Title abstractors and researchers should refer to the official court order for judgment details.

Diane S. Goodstein
Circuit Court Judge

2112
Judge Code

12/13/2011
Date

For Clerk of Court Office Use Only

4-4-12 This judgment was entered on *4-4-12*, and a copy mailed first class or placed in the appropriate attorney's box on *4-4-12*, to attorneys of record or to parties (when appearing pro se) as follows:

Joseph Edwin DaPore Young Clement Rivers, LLP P.O. Box 993
Charleston, SC 29402-0993
Nicholas Rivera Young Clement Rivers, Llp P.O.Box 993
Charleston, SC 29402

Elwood Dixon 209 Stratford Drive Summerville, SC 29483
Jennifer Dixon 209 Stratford Drive Summerville, SC 29483

ATTORNEY(S) FOR THE PLAINTIFF(S)

ATTORNEY(S) FOR THE DEFENDANT(S)

Cheryl Graham
Cheryl Graham - Clerk of Court

Court Reporter

STATE OF SOUTH CAROLINA)	IN THE COURT OF COMMON PLEAS
)	
COUNTY OF DORCHESTER)	FIRST JUDICIAL CIRCUIT
)	
King's Grant Homeowners Association, Inc. P.O. Box 50322 Summerville, SC 29485)	CASE NO. 2011CV1810301668 2011-CP-18-1716
)	
Appellant,)	
)	
vs.)	
)	
Elwood Dixon and Jennifer Dixon 209 Stratford Drive Summerville, SC 29483)	
)	
Respondents.)	

ORDER

CLERK OF COURT
DORCHESTER COUNTY

Christy Williams

2012 APR -4 PM 12: 22

CERTIFIED COPY

This case was before this Court on December 9, 2011 on the Appellant's King's Grant Homeowners Association's (hereinafter "King's Grant or Appellant") Notice to Appeal pursuant to Magistrate Court Rule 18(a).

PROCEDURAL BACKGROUND

This case arises from Appellant's filing a Complaint in Magistrate Court for past regime fees in the amount of \$406.08 on March 23, 2011, and an Amended Complaint requesting attorney fees and costs on May 19, 2011. On April 12, 2011, Respondents answered the Amended Complaint stating King's Grant illegally raised the regime fees and illegally changed the By-Laws in 2011. On April 19, 2011, Respondent Counterclaimed for: 1) \$30.00 for overpaid regime fees in 2006, plus an additional \$15.00 of interest for 63 months at 10% daily; and 2) for punitive damages in the amount of \$7,455.00 for intentional breaching of the Homeowners Association documents. On June 24, 2011, Appellant Answered the Amended Counterclaim. On August 1, 2011, this case was tried in Magistrate Court with an Order finding

for Respondents on August 22, 2011. Appellant filed a Notice of Appeal on September 9, 2011. The Return was received via fax by the Appellant on November 30, 2011. This Appeal was heard by this Court on December 9, 2011 in the Dorchester County Courthouse.

STANDARD OF REVIEW

The standard of review to be applied by a Circuit Court in an appeal of a magistrate's judgment is prescribed by S.C. Code Ann. § 18-7-170 (1985):

Upon hearing the appeal the appellate court shall give judgment according to the justice of the case, without regard to technical errors and defects which do not affect the merits. In giving judgment the court may affirm or reverse the judgment of the court below, in whole or in part, as to any or all the parties and for errors of law or fact.

In Burns v. Wannamaker, 281 S.C. 352, 357, 315 S.E.2d 179, 182 (Ct. App. 1984), the Court of Appeals of South Carolina stated it is "readily apparent, Section 18-7-170 confers authority upon the Circuit Court to reverse a magistrate's findings of fact when exercising appellate jurisdiction in an appeal from a magistrate's judgment." See Dingle v. Northwestern R. Co., 112 S.C. 390, 99 S.E. 828 (1919); Redfean v. Douglass, 35 S.C. 569, 15 S.E. 244 (1892); cf. Vacation Time of Hilton Head Island, Inc. v. Kiwi Corp., [280 S.C. 232], 312 S.E.2d 20 (Ct. App. 1984) (where the Circuit Court reversed a magistrate's findings of fact in an ejectment action).

ISSUE

- I. Did the Magistrate Court error in holding the Appellant breached the contract by failing to meet the requirements set forth in the By-Laws by not holding a membership meeting and not obtaining the required 51% of the membership vote?

LAW/ANALYSIS

According to the Declaration of Restrictions, “[e]ach owner of a lot within King’s Grant on the Ashley subject to these Restrictions is deemed to covenant and agree to pay to the King’s Grant Homeowners’ Association, Inc. an annual assessment for the continuation of an operation fund the amounts hereinafter set forth.” See Plaintiff’s Exhibit 1, Declaration of Restrictions, Section II, Item 1 (filed February 2004). “The administration of the operating fund shall be vested with the Board of Governors of the King’s Grant Homeowners’ Association, Inc. according to its Bylaws.” Id. “Each owner of a lot subject to these restrictions shall pay to King’s Grant Homeowners’ Association, Inc. the designated annual regime fee amount” Id. at Section II, Item 2. “The amount of the assessment may be adjusted by the King’s Grant Homeowners’ Association where, in its discretion, such adjustment is necessary to accomplish the purposes of the Maintenance Fund as set out above. Any adjustments shall correspond to any increase or decrease in the cost of living as shown by the CPI Calculator as published by the Bureau of Labor Statistics of the United States Department of Labor. The base year for determining such increase or decrease shall be the year 1971.” Id. at Section II, Item 3.

The By-Laws further provide that “[e]ach owner of a lot in King’s Grant Subdivision shall pay to the King’s Grant Homeowner’s Association, Inc. each year the sum as determined by *the Board of Governors* based on the computation allowed within the Declaration of Restrictions, Section II.” See Plaintiff’s Exhibit 1, 2010 By-Laws of the King’s Grant Homeowners Association, Inc., Article VI (emphasis added). In order to compute the annual assessment for regime fees in accordance with the Section II of the Declaration of Restrictions, the Board of Governors use the Consumer Price Index (hereafter “CPI”) as published by the Bureau of Labor Statistics of the United States Department of Labor for the cost of living adjustment. The Board of Governors must enter the base amount of sixty dollars (\$60) and base

year of 1971 which represents the amount and year of the first annual regime fee. The only variable is the assessment year for the regime fee. Once the information is entered into the CPI calculator, the calculated amount represents the *maximum maintenance charge*, not the annual assessment for regime fees. (emphasis added). As presented to the Magistrate Court, the annual assessment for regime fees has historically been less than the maximum maintenance charge provided for by the CPI calculator. See Plaintiff's Exhibit 2 and 3. For example, in 2011 the annual assessment for regime fee was \$175 but the maximum maintenance charge according to the CPI calculator was \$333.24¹. Id.

The error of the Magistrate's ruling was the confusion surrounding Article X of the 2002 By-Laws and the 2010 By-Laws. During trial, Respondents provided the lower court with a copy of the 2002 By-Laws with Article X stating:

The By-Laws of the Association may be amended, modified, suspended, reinstated, repealed and substituted for by other provisions upon the majority vote of the Governors, *provided the maximum maintenance charge shall not be increased without approval of a majority of the members.*

(emphasis added)². See Defense Exhibit 1, 2002 By-Laws. Article X of the By-Laws was eventually amended by a majority vote of the Board of Governors with the 2010 By-Laws stating:

The By-Laws shall not be subject to change without a seventy-five percent (75%) majority vote of the Board or a fifty-one percent (51%) majority vote of the members of the association, *with the exception of a cost of living adjustment as provided by Section 2 Item 3 as provided for in the Declaration of the Restrictions*, and are to be held in trust by the association attorney.

(emphasis added). See Plaintiff Exhibit 1, 2010 By-Laws.

¹ See http://www.bls.gov/data/inflation_calculator.htm (last visited February 13, 2012).

² Section 2, Item 3 of the Declaration of Restrictions is titled "Adjustments in Annual Assessment for Maintenance Fund."

Despite this testimony before the Magistrate Court, the lower court ruled, “[u]pon examination of both the parties it was apparent from the testimony presented that the first By-Laws of King Grant states that changes to the fee can be made with the majority vote of the membership. There was no vote of the membership to increase the regime fee.” See Return of the Civil Appeal. The court further ruled “[t]he Plaintiff failed to meet the requirements set forth in the By-Laws by not holding a membership meeting and obtaining the required 51% of the membership and therefore breached the contract with the homeowners Mr. and Mrs. Dixon.” Id.

The Magistrate erred in relying on the “first” By-Laws, the 2002 By-Laws, because the 2010 By-Laws were properly amended in 2009 with majority vote of the Board of Governors. Respondents argued that the By-Laws were illegally amended based on Section IV, Item 6, of the Declaration of Restrictions which states “[t]he covenants and restrictions of *this Declaration* may be amended at any time and from time to time by an agreement signed by at least fifty-one (51) percent of the property owners whose votes are within King’s Grant on the Ashley.” See Plaintiff’s Exhibit 1, Declaration of Restrictions, Section IV, Item 6 (emphasis added). Section IV, Item 6 of the Declaration of Restrictions provides the process for amending the Declaration of Restrictions, not the By-Laws. Article X of the By-Laws states that a majority vote of the Board of Governors may amend the By-Laws. See Plaintiff’s Exhibit 1, 2010 By-Laws and Defense Exhibit 1, 2002 By-Laws. Therefore, the Board of Governors legally amended the By-Laws and any reliance on the 2002 By-Laws by the lower court was an error.

Furthermore, even relying on the 2002 By-Laws, the Magistrate Court improperly interpreted the 2002 By-Laws in the Return by holding a membership meeting and vote of 51% of the members was required to increase the regime fees. The 2002 By-Laws only provide for majority vote to increase the maximum maintenance charge, not the annual regime fee. The

annual regime fee has always been less than the maximum maintenance charge. See Plaintiff's Exhibit 2 & 3. Thus, no vote was required based on either the 2002 By-Laws or the 2010 By-Laws. In summary, the Magistrate's error in misinterpreting the By-Laws ultimately affected the merits of the decision and led to the lower court's error in finding the Appellant breached the contract.

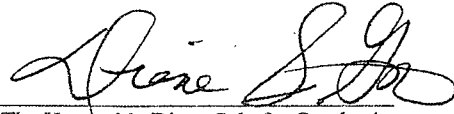
CONCLUSION

In conclusion, the lower court's decision that the Appellant failed to meet the requirements set forth in the By-Laws by not holding a membership meeting and obtaining the required 51% of the membership was an error. In fact, no membership vote is required for the Board of Governors to increase the annual regime fee as long as it remains lower than the maximum maintenance charge set forth in the CPI. Additionally, the lower court's finding that the Appellant breached the contract with the Respondents was also an error. In conclusion, after careful review of the Magistrate's Return, the pleadings, the exhibits, and the arguments, this Court finds the judgment of the lower court is reversed based on errors in law and fact and enters judgment in favor of the Appellant for the past owed regime fees in the amount of \$440.00 plus any late charge in accordance with the Declarations of Restrictions Section 2, Item 3.³ See Plaintiff Exhibit 1. This Court further remands this case for determination of reasonable costs, including attorney fees, as required by Article VII of the By-Laws.⁴

See
Consistent with this order \$500
may be OK
determination
of

³ "A late charge of \$5 per month shall be charged for each month late or any portion thereof."

⁴ See Plaintiff Exhibit 1, Article VII of the By-Laws which provides "Whenever a members shall become delinquent by virtue of failing to pay the annual regime fee as prescribed herein, such member shall be required to reimburse the Association for all costs; administrative, legal and otherwise incurred incident to the subsequent collection of the delinquent fees."



The Honorable Diane Schafer Goodstein
Chief Administrative Judge, 1st Judicial Circuit

Dated: 3-25-2012
Sumner, South Carolina

2011-CP-18-1716
pg 7 of 7

STATE OF SOUTH CAROLINA
COUNTY OF DORCHESTER

2011CV1810301668
CIVIL CASE NUMBER

ORDER OF FINAL
DISPOSITION

Kings Grant Homeowners
Association, Inc
Po Box 50322
Summerville, SC 29485
(843) 873-4911

PLAINTIFF(S)

Vs

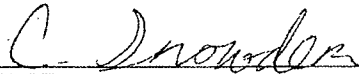
Elwood & Jennifer Dixon
209 Stratford Drive
Summerville, SC 29485

DEFENDANT(S)

IT IS ORDERED that the above referenced civil case 2011CV1810301668 shall reflect a final disposition of:

Find for Defendant on August 1, 2011.

IT SO ORDERED



JUDGE

Dorchester County
Summerville Magistrate Court
212 Deming Way, Box 10 Troy Knight Judicial Complex
Summerville, SC 29483
Phone: (843) 832-0370 Fax: (843) 832-0371

August 22, 2011

Case # 2011CV1810301668

Trial Date 8/1/2011 2:00 PM Presiding: BRYNGELSON

*Att fees 36
1273
Jmon*

Plaintiff: KINGS GRANT HOMEOWNERS ASSOCIATION, INC

Present Yes No

Attorney or representative: Alison D. Watkins

Witnesses: Mr. Knudsen - treasurer

Witnesses: _____

Defendant: ELWOOD & JENNIFER DIXON

Present Yes No

Attorney or representative: Elwood Dixon

Witnesses: Jennifer L. Dixon

Witnesses: _____

Judgment of Court on Claim (Check One):

- 1. Default
- 2. Settled
- 3. Find for Plaintiff
- 4. Find for Defendant
- 5. Dismissed / Other _____

Damages: \$ _____
 +
 Court Costs: \$ _____
 +
 Attorney Fees: \$ _____
 =
 Total \$ 0

Was a Counterclaim filed? Yes No If yes, judgment of court on the Counterclaim is:

- 1. Default
- 2. Settled
- 3. Find for Plaintiff
- 4. Find for Defendant
- 5. Dismissed / Other _____

Damages: \$ _____
 +
 Court Costs: \$ _____
 +
 Attorney Fees: \$ _____
 =
 Total \$ 0-

NOTES: Served: 3/29/2011

Answered: 4/19/2011

2011CV1810301068

CIVIL CASE NUMBER

STATE OF SOUTH CAROLINA)
)
COUNTY OF DORCHESTER) IN THE MAGISTRATE'S COURT

KINGS GRANT HOMEOWNERS ASSOCIATION INC)
KGAHA)
PLAINTIFF)

1710E OLD TROLLEY RD (PO BOX 50322))
STREET ADDRESS)
SUMMERVILLE SC 29485)
CITY STATE ZIP)
843-873-4911)

VS. TELEPHONE)
ELWOOD DIXON AND JENNIFER DIXON)
DEFENDANT)

COMPLAINT

209 STRATFORD DRIVE)
STREET ADDRESS)
SUMMERVILLE SC 29485)
CITY STATE ZIP)
843-871-6458)
TELEPHONE)

1. KINGS GRANT HOMEOWNERS ASSOCIATION INC, the plaintiff in this civil action do make the following claims:

1. I believe that the defendant, ELWOOD DIXON AND JENNIFER DIXON is a resident of Dorchester County, and resides at 209 STRATFORD DRIVE SUMMERVILLE SC which is within Judge 's magisterial jurisdiction.

2. I make this complaint on the following:
PAST DUE REGIME FEES

(Attach supplement if necessary)

3. I believe, because of the above information, that I am entitled to and do request a judgment for \$ 406.09 and/or other relief as below requested:

including any costs resulting in this action.

I state under penalty of perjury that the above is correct and truthful.

DATED: MARCH 23, 2011 Warren Knudson Treasurer KGAHA
Signature of Plaintiff (or his attorney)

*Responsible
Party 4*

Tenant Ledger
 DIXON, ELWOOD
 209 STRATFORD DRIVE SUMMERVILLE
 (Unit ID: KGHOA STR209)
 KINGS GRANT HOA

Date	Acct	Description	Check #	Charges	Payments	Balance
01/01/2008	4000	01/01/2008 Regime Fee		\$165.00	\$0.00	\$165.00
01/04/2008	1000	Payment from DIXON, ELWOOD	5303	\$0.00	\$165.00	\$0.00
		\$165.00 applied to 01/01/2008 Regime Fee(01/01/2008 - Acct 4000)				
01/01/2009	4000	01/01/2009 Regime Fee		\$175.00	\$0.00	\$175.00
01/26/2009	1000	Payment from DIXON, ELWOOD	517	\$0.00	\$130.00	\$45.00
		\$130.00 applied to 01/01/2009 Regime Fee(01/01/2009 - Acct 4000)				
11/01/2009	4000	01/01/2010 Regime Fee		\$175.00	-\$0.00	\$220.00
02/10/2010	1000	Payment from DIXON, ELWOOD	6057	\$0.00	\$130.00	\$90.00
		\$45.00 applied to 01/01/2009 Regime Fee(01/01/2009 - Acct 4000)				
		\$85.00 applied to 01/01/2010 Regime Fee(11/01/2009 - Acct 4000)				
03/15/2010	4100	LATE FEE		\$5.00	\$0.00	\$95.00
04/22/2010	4100	LATE FEES		\$5.00	\$0.00	\$100.00
05/10/2010	4100	LATE FEE		\$5.00	\$0.00	\$105.00
06/10/2010	4100	LATE FEE		\$5.00	\$0.00	\$110.00
07/14/2010	4100	LATE FEE		\$5.00	\$0.00	\$115.00
08/10/2010	4100	LATE FEE		\$5.00	\$0.00	\$120.00
09/08/2010	4100	LATE FEE		\$5.00	\$0.00	\$125.00
10/08/2010	4100	LATE FEE		\$5.00	\$0.00	\$130.00
11/08/2010	4100	LATE FEE		\$5.00	\$0.00	\$135.00
01/01/2011	4000	01/01/2011 Regime Fee		\$175.00	\$0.00	\$310.00
03/10/2011	4100	LATE FEE		\$5.00	\$0.00	\$315.00
Total :				\$740.00	\$425.00	\$315.00

COURT COSTS 8000
 3-CERTIFIED LETTERS 1108
46608
3/21/2011

Tenant Ledger

DIXON, ELWOOD I
209 STRATFORD DRIVE
SUMMERVILLE, SC 29485-8637

Date: 03/21/11
 Tenant Code: STR209
 Property: KGHOA
 Unit: KG
 Status: Current
 Dues: 0.00
 Deposit: 0.00
 Move In Date:
 Move Out Date:
 Due Day: 0
 Tel# (O):
 Tel# (H): (843) 871-6458

Date	Description	Charges	Payments	Balance
01/13/99	Balance Forward			0.00
03/02/99	REGIME FEE 1999 (old chg#390)	90.00		90.00
01/03/00	CK MONEY ORDER		90.00	0.00
01/18/00	REGIME FEE 2000 (old chg#984)	90.00		90.00
01/18/00	M.O. 1/18/00		90.00	0.00
12/26/00	2001 REGIME FEE (old chg#1586)	90.00		90.00
02/19/01	MO 02356707014 02-19-01		90.00	0.00
12/28/01	2002 REGIME FEE (old chg#2128)	110.00		110.00
01/17/02	chk# 3398 209 STRATFORD		110.00	0.00
12/27/02	2003 REGIME FEE	110.00		110.00
01/20/03	chk# MO05139315347 209 STRATFORD		110.00	0.00
12/26/03	2004 REGIME FEE	130.00		130.00
01/09/04	chk# 4060 209 STRATFORD DR		130.00	0.00
12/22/04	2005 REGIME FEE	130.00		130.00
01/20/05	chk# 4386 209 STRATFORD		130.00	0.00
12/19/05	2006 REGIME FEE	160.00		160.00
01/10/06	chk# 4704 209 STRATFORD		160.00	0.00
12/11/06	2007 REGIME FEE	165.00		165.00
01/29/07	chk# 5014 209 STRATFORD DR		130.00	35.00
05/10/07	chk# 5096 209 STRATFORD		35.00	0.00

Current	30 Days	60 Days	90 Days	Amount Due
1.00	0.00	0.00	0.00	0.00

STATE OF SOUTH CAROLINA)
)
COUNTY OF DORCHESTER)
)
)
)

2011CV1810301668
CIVIL CASE NUMBER

IN THE MAGISTRATE'S COURT

ANSWER

Kings Grant Homeowners
Association, Inc
Po Box 50322
Summerville, SC 29485
(843) 873-4911

FILED APR 12 2011

PLAINTIFF(S)

Vs

Elwood & Jennifer
Dixon
209 Stratford Drive
Summerville, SC 29485

DEFENDANT(S)

CHANGE OF ADDRESS: _____

On Mar. 29, 2011 I was served with a Complaint requiring me to answer within thirty days from the date of service. My Answer, which is hereby filed with the **Dorchester County Summary Court**, is as follows:

CHECK ONE:

A. I contest the jurisdiction of the court based on the following: (use additional pages if necessary)

B. I admit everything in the complaint and do not want a trial.

C. I admit that I am responsible, but not for the total amount claimed by the Plaintiff(s) because: (use additional pages if necessary) _____

D. I deny that I am responsible at all because: (use additional pages if necessary)

Kings Grant, Inc. has illegally raised the reg. fee and in 2011 they illegally changed the bylaws. More information on additional pages!

YOU MUST FILE THIS DOCUMENT WITH THE COURT WITHIN THIRTY DAYS

THE DEFENDANT/PLAINTIFF STATES THAT THE INFORMATION CONTAINED IN THIS ANSWER IS TRUE AND CORRECT TO THE BEST OF HIS/HER KNOWLEDGE.

DATED: _____

Elwood & Jennifer Dixon
SIGNATURE OF DEFENDANT(S) (OR ATTORNEY)

IF MORE THAN ONE DEFENDANT, ALL MUST FILE ANSWER

PLEASE RETURN TO:

Summerville Magistrate Court
212 Deming Way, Box 10, Troy Knight Judicial Complex
Summerville, SC 29483
Phone: (843) 832-0370 Fax: (843) 832-0371

MY2

Additional reasons for not being held responsible:

Original Bylaws read: **Article X**

The Bylaws of the Association **may be amended, modified, suspended, reinstated, repealed and substituted** for by other provision upon the majority vote of the Governors, **provided the maximum maintenance charge shall not be increased without the approval of a majority of the members.**

There has not been a members vote for regime fees since 2002!!

1. We have owned in KG since 1991 and payed the voted on amount every year until 2011 when we received our check back.
2. We have disputed our claim since 2005 when the fee was raised without a **51% members vote**. However, we paid what was voted on. Our dispute has been both written and verbal. We have emails and witnesses to verify.

The HOA meeting on June 8, 1999 tells all:

Where we spend the regime fees in 2000

Patrick J. Driscoll, P.E. KGHA Treasurer

By this time all residents should have heard that the request for an increase in the regime fees from \$90.00 per year to \$120.00 per year did not get approved. This is the will of the homeowners and the Board of Governors will live within this amount.

Three things on where the money is allotted: the by-laws, the restrictions and the original intent of the developer when King's Grant was formed, bind us. Some areas have to be fully funded, even though they have not been in the past. It will be up to the 1999 board to draw out the budget for the 2000 board to live by, and this will require some difficult decisions. What gets funded and the amount we allot are the biggest questions.

3. We are slightly perplexed. In 2006, we attempted to bring a suit against KGHA. We were told by the young ladies in the office at 212 Demingway to be sure and include the physical address of KGHA. We wrote in the PO Box # and we were quickly told it was not allowed. 1710 Trolley Rd. which is being used as KGHA Inc. is the address of R & B Properties in Summerville, SC | 1710 Old Trolley Rd, Ste E ... who manages our regime fees. They are not KGHA and we believe they have perpetrated a fraud. Is it true that a fraud against the court should not benefit?
4. The amount asked for is incorrect. The receipt received in 2009 reads zero balance. As far as the late fees, the amount not paid has been in dispute for years. We annotate on every check that the amount asked for "is in dispute". We were not late. We disagree with what they have done. Why stop at \$175. Ask for \$300 and make up an excuse like the inflation index has to be doubled. We have also noted on the checks that the amount was paid in full.

5. Other reasons for not being responsible could be how the maintenance money has been spent, the emails from board members stating how there was dissension among board members and the treasurer had not accounted for monies, Board members and Presidents quitting only after months in office, raising the regime fee to give board member's friends and family maintenance contracts. But, none of these were reasons for not paying the additional fee. We cared but had no control over what they do with the money.

6. Proof positive was the recent dispute over the KG golf course and adjacent lands. The dispute was settled in court. The court's decision forced the new owner to abide by the Bylaws and surrender to a 51% majority vote of the members before his claim could continue.

STATE OF SOUTH CAROLINA)
)
COUNTY OF DORCHESTER)
)
)
)
)

2011CV1810301668
CIVIL CASE NUMBER

IN THE MAGISTRATE'S COURT

COUNTERCLAIM

Kings Grant Homeowners
Association, Inc
Po Box 50322
Summerville, SC 29485
(843) 873-6911

FILED APR 19 2011

PLAINTIFF(S)
Vs

Elwood & Jennifer Dixon
209 Stratford Drive
Summerville, SC 29485

DEFENDANT(S)

The defendant states he has a claim against the plaintiff in the amount of \$ 7500.00.
The counterclaim arose out of the same transaction of occurrence as the plaintiff's claim as a result of the following events:

Our countersuit is for the \$30.00 overpayment in Jan 2006, plus \$15.00 interest of 63 months at 10% daily. In addition, we are asking for \$7455.00 punitive damages for intentionally breaching of the Homeowners Assoc. covenance contract. Moreover, the board has denied our participation for board elections in the past few years.
(Attach supplement if necessary)

The defendant states that the information contained in the counterclaim is true and correct to the best of his/her knowledge. Defendant understands that should he be successful in this action and obtains judgment, and if the plaintiff does not appeal within thirty (30) days; this judgment becomes final. The defendant cannot commence another action involving the same parties and issues.

I state under penalty of perjury that the above is correct and truthful.

Apr. 19, 2011
DATE

Elwood & Jennifer Dixon
SIGNATURE OF DEFENDANT(S)/PLAINTIFF(S)(ATTORNEY)

KEEP A COPY OF THIS COUNTERCLAIM AND BRING IT TO COURT

READ THE INSTRUCTIONS CAREFULLY

• Kings Grant •
Financial Records

From JAN 2005 - JAN 2011

Board Meeting
Minutes From JAN 2005 - JAN 2011

FILED APR 19 2011

Subpoena of records

STATE OF SOUTH CAROLINA)
)
COUNTY OF DORCHESTER)
)
)
)
)
)

2011CV1810301668
CIVIL CASE NUMBER

IN THE MAGISTRATE'S COURT

SUMMONS
TO COUNTERCLAIM

Kings Grant Homeowners
Association, Inc
Po Box 50322
Summerville, SC 29485
(843) 873-4911

PLAINTIFF(S)

Vs

Etwood & Jennifer
Dixon
209 Stratford Drive
Summerville, SC
29485

DEFENDANT(S)

TO THE PLAINTIFF(S) NAMED ABOVE:

YOU ARE SUMMONED and required to Answer the allegations in the attached Counterclaim within THIRTY days from the first day after receipt of this Summons. Your Answer must be received by the:

Dorchester County
Summerville Magistrate Court
212 Deming Way, Box 10 Troy Knight Judicial Complex
Summerville, SC 29483
Phone: (843) 832-0370 Fax: (843) 832-0371

If you fail to Answer within the prescribed time, a Judgment by Default will be rendered against you for the amount or other remedy requested in the attached Counterclaim, plus interest and costs.

Given Under My Hand:



JUDGE

READ ATTACHED INSTRUCTIONS CAREFULLY

April 19, 2011

MV39

STATE OF SOUTH CAROLINA) IN THE COURT OF MAGISTRATE'S
)
COUNTY OF DORCHESTER) JUDICIAL CIRCUIT

Kings Grant Homeowners Association, Inc.) CASE NO. 2011CV1810301668
P.O. Box 50322)
Summerville, SC 29485)
)
)

FILED MAY 19 2011

PLAINTIFF,)
)
)

vs.)

ANSWER TO COUNTERCLAIM

Elwood Dixon and Jennifer Dixon)
209 Stratford Drive)
Summerville, SC 29483)
)
)

DEFENDANTS.)
)

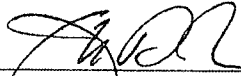
On April 30, 2011, Plaintiff was served with a Counterclaim. My Answer to Counterclaim which is hereby filed with the **Dorchester County Summary Court**, is as follows:

CHECK ONE:

- A. I admit everything in the complaint and do not want a trial.
B. I admit that I am responsible, but not for the total amount claimed by the Plaintiff(s) because: (use additional pages if necessary) _____
C. I deny that I am responsible at all because: (use additional pages if necessary) Plaintiff refers to Article VI of the By-Laws of the King's Grant Homeowner Association, Inc. wherein it states "Each owner of a lot in King's Grant Subdivision shall pay to the King's Grant Homeowners' Association, Inc. each year the sum as determined by the Board of Governors based on the computation allowed within the Declaration of Restrictions, Section II.", and incorporates the same herein by reference. The current regime fees correspond with the increase in the cost of living as shown by the Consumer Price Index as published by the Bureau of Labor Statistics of the United States Department of Labor and was determined by using the base year of 1971 (see Exhibit A attached hereto) as indicated in Section II, Paragraph 3 of the Declaration of Restrictions of King's Grant on the Ashley which is incorporated herein by reference.

You must file this document with the Court within thirty days.

THE DEFENDANT STATES THAT THE INFORMATION CONTAINED IN THIS ANSWER IS TRUE AND CORRECT TO THE BEST OF HIS KNOWLEDGE.



Joseph E. DiPore
Young Clement Rivers, LLP
P.O. Box 993
Charleston, SC 29402
Attorney for the King's Grant Homeowners'
Association, Inc

Dated: May 17th 2011

KEEP A COPY OF THIS ANSWER AND BRING IT TO COURT

CPI Inflation Calculator

\$ 60.00

in 1973

Has the same buying power as:

\$263.92

in 2005

Calculate

About this calculator
Mobile Browser? View full screen.



CPI Inflation Calculator

\$ 60.00

in 1973

Has the same buying power as:

\$272.43

in 2006

Calculate

[About this calculator](#)
[Mobile Browser? View full screen.](#)

CPI Inflation Calculator

\$ 60.00

in 1973

Has the same buying power as:

\$280.19

in 2007

Calculate

[About this calculator](#)
[Mobile Browser? View full screen.](#)

CPI Inflation Calculator

\$ 60.00

in 1973

Has the same buying power as:

\$290.95

in 2008

Calculate

[About this calculator](#)
[Mobile Browser? View full screen.](#)

CPI Inflation Calculator

\$ 60.00

in 1973

Has the same buying power as:

\$289.91

in 2009

Calculate

[About this calculator](#)
[Mobile Browser? View full screen.](#)

CPI Inflation Calculator

\$ 60.00

in 1973

Has the same buying power as:

\$294.67

in 2010

Calculate

[About this calculator](#)
[Mobile Browser?](#) [View full screen.](#)

STATE OF SOUTH CAROLINA) IN THE COURT OF MAGISTRATE'S
)
COUNTY OF DORCHESTER) JUDICIAL CIRCUIT

Kings Grant Homeowners Association, Inc.) CASE NO: 2011CV1810301668
P.O. Box 50322)
Summerville, SC 29485)

PLAINTIFF,)

FILED MAY 19 2011

vs.)

AMENDMENT TO COMPLAINT

Elwood Dixon and Jennifer Dixon)
209 Stratford Drive)
Summerville, SC 29483)

DEFENDANTS.)

To the Court and to the Defendant(s):

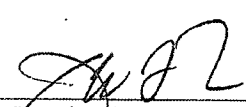
Plaintiff hereby amends the original Complaint to include the following facts, allegations and issues as follows:

Plaintiff will seek costs and attorneys' fees as outlined in Article VIII of the By-Laws of the King's Grant Homeowners' Association, Inc. and hereby incorporates the same herein by reference.

I request the Court include these allegations and issues in my action against the Defendant(s) and to provide a copy of this Amended Complaint to the Defendant(s).

As a result of this Amended Complaint, I request the Court grant to me a judgment against the Defendant(s) in the amount of \$406.08 plus costs and attorneys' fees.

Dated: May 17th 2011



Joseph E. DaPore
Young Clement Rivers, LLP
P.O. Box 993
Charleston, SC 29402
Attorney for Plaintiff

STATE OF SOUTH CAROLINA)
)
COUNTY OF DORCHESTER)
)
)
)
)

2011CV1810301668
CIVIL CASE NUMBER

IN THE MAGISTRATE'S COURT

ANSWER TO AMENDED COMPLAINT

Kings Grant Homeowners
Association, Inc
Po Box 50322
Summerville, SC 29485
(843) 873-4911

FILED JUN 16 2011

PLAINTIFF(S)

Vs
Elwood & Jennifer Dixon
209 Stratford Drive

Summerville, SC 29485
DEFENDANT(S)

DEFENDANT ATTORNEY(S)

On May 27 2011 I was served with an Amended Complaint requiring me to answer within thirty days from the date of service. My Answer which is hereby filed with the Summerville Magistrate Court, is as follows:

CHECK ONE:

A. I contest the jurisdiction of the court based on the following: (use additional pages if necessary)

B. I admit everything in the complaint and do not want a trial.

C. I admit that I am responsible, but not for the total amount claimed by the Plaintiff(s) because: (use additional pages if necessary)

D. I deny that I am responsible at all because: (use additional pages if necessary)

see additional pages

YOU MUST FILE THIS DOCUMENT WITH THE COURT WITHIN THIRTY DAYS

THE DEFENDANT/PLAINTIFF STATES THAT THE INFORMATION CONTAINED IN THIS ANSWER IS TRUE AND CORRECT TO THE BEST OF HIS/HER KNOWLEDGE.

June 16, 2011
DATED

Elwood & Jennifer L. Dixon
SIGNATURE OF DEFENDANT(S) (OR ATTORNEY)

****IF MORE THAN ONE DEFENDANT, ALL MUST FILE ANSWER****

PLEASE RETURN TO:
Summerville Magistrate Court
212 Deming Way, Box 10, Troy Knight Judicial Complex Summerville, SC 29483 PHONE (843) 832-0370 FAX (843) 832-0371

2011CV1810301668
CIVIL CASE NUMBER

IN THE MAGISTRATE'S COURT

FILED JUN 16 2011

COUNTERCLAIM
Amend counterclaim to include Attorneys Fees

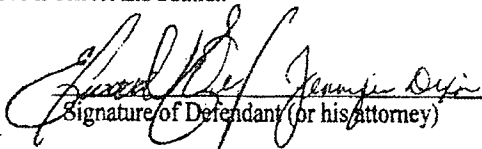
STATE OF SOUTH CAROLINA)
COUNTY OF Dorchester)
_____)
PLAINTIFF)
Kings Grant Homeowners Association, Inc)
STREET ADDRESS)
PO Box 50322,)
CITY, STATE ZIP)
Summerville SC29485)
TELEPHONE)
VS.)
DEFENDANT(S))
Elwood & Jennifer Dixon)
STREET ADDRESS)
209 Stratford Dr Summerville, SC 29485)
CITY, STATE ZIP)
843-871-6458)
TELEPHONE)

The defendant states he has a claim against the plaintiff in the amount of \$7500.
The counterclaim arose out of the same transaction or occurrence as the plaintiff's claim as a result of the following events:

The defendant states that the information contained in the counterclaim is true and correct to the best of his knowledge. Defendant understands that should he be successful in this action and obtain judgment, and if plaintiff does not appeal within thirty days, this judgment becomes final. The defendant cannot commence another action involving the same parties and issues.

I state under penalty of perjury that the above is correct and truthful.

Dated: 06/16/2011


Signature of Defendant (or his Attorney)

KEEP A COPY OF THIS COUNTERCLAIM AND BRING IT TO COURT

STATE OF SOUTH CAROLINA)
)
COUNTY OF DORCHESTER)
)
)
)
)
)

2011CV1810301668
CIVIL CASE NUMBER

IN THE MAGISTRATE'S COURT

SUMMONS
TO AMENDED COUNTERCLAIM

Kings Grant Homeowners
Association, Inc
Po Box 50322
Sammerville, SC 29485
(843) 873-4911

PLAINTIFF(S)

Vs

Elwood & Jennifer
Dixon
209 Stratford Drive
Sammerville, SC
29485

DEFENDANT(S)

TO THE PLAINTIFF(S) NAMED ABOVE:

YOU ARE SUMMONED and required to Answer the allegations in the attached Counterclaim within THIRTY days from the first day after receipt of this Summons. Your Answer must be received by the:

Dorchester County
Sammerville Magistrate Court
212 Deming Way, Box 10 Troy Knight Judicial Complex
Sammerville, SC 29483
Phone: (843) 832-0370 Fax: (843) 832-0371

If you fail to Answer within the prescribed time, a Judgment by Default will be rendered against you for the amount or other remedy requested in the attached Counterclaim, plus interest and costs.

Given Under My Hand:



JUDGE

READ ATTACHED INSTRUCTIONS CAREFULLY

June 16, 2011

STATE OF SOUTH CAROLINA)	IN THE COURT OF MAGISTRATE'S
)	
COUNTY OF DORCHESTER)	JUDICIAL CIRCUIT
)	
Kings Grant Homeowners Association, Inc.)	CASE NO. 2011CV1810301668
P.O. Box 50322)	
Summerville, SC 29485)	
)	FILED JUN 24 2011
)	
PLAINTIFF,)	
)	
vs.)	ANSWER TO AMENDED COUNTERCLAIM
)	
Elwood Dixon and Jennifer Dixon)	
209 Stratford Drive)	
Summerville, SC 29483)	
)	
DEFENDANTS.)	

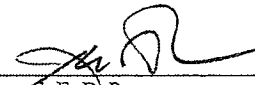
On June 22, 2011, Plaintiff was served with an Amended Counterclaim. My Answer to the Amended Counterclaim which is hereby filed with the **Dorchester County Summary Court**, is as follows:

CHECK ONE:

- A. I admit everything in the complaint and do not want a trial.
- B. I admit that I am responsible, but not for the total amount claimed by the Plaintiff(s) because: (use additional pages if necessary) _____
- C. I deny that I am responsible at all because: (use additional pages if necessary) Plaintiff refers to its previously filed Answer to Counterclaim, Complaint and Amended Complaint and incorporates the same herein by reference.

You must file this document with the Court within thirty days.

THE DEFENDANT STATES THAT THE INFORMATION CONTAINED IN THIS ANSWER IS TRUE AND CORRECT TO THE BEST OF HIS KNOWLEDGE.



 Joseph E. DaPore
 Alison Durgée Watkins
 Young Clement Rivers, LLP
 P.O. Box 993
 Charleston, SC 29402
 Attorney for the King's Grant Homeowners'
 Association, Inc

Dated: June 22, 2011

KEEP A COPY OF THIS ANSWER AND BRING IT TO COURT

PLEASE RETURN TO:
 Dorchester County
 Summerville Magistrate Court
 212 Deming Way, Box 10
 Troy Knight Judicial Complex
 Summerville, SC 29483

STATE OF SOUTH CAROLINA
COUNTY OF DORCHESTER

MAGISTRATE SUMMONS

You are hereby summoned to be and appear personally in the Court of the
Summerville Magistrate Court, located at 212 Deming Way, Box 10 Troy Knight
Judicial Complex Summerville, SC 29483 on August 1, 2011 at 2:00 PM to serve as
a party in a Bench Trial in the case of:

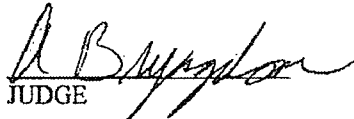
RE: Kings Grant Homeowners Association, Inc Vs Elwood & Jennifer Dixon

PLAINTIFF(S)

DEFENDANT(S)

Civil Case Number: 2011CV1810301668, Summons & Complaint.

HEREIN FAIL NOT, ON PAIN OF FORFEITING THE LAWFUL PENALTY IN
SUCH CASE MADE AND PROVIDED.


JUDGE

Summerville Magistrate Court
212 Deming Way, Box 10 Troy Knight Judicial Complex
Summerville, SC 29483
Phone: (843) 832-0370 Fax: (843) 832-0371

July 13, 2011

Mailed to TT's atty = 4

1 THE COURT: Next matter is Kings Grant Home
2 Owners Association versus Dixon. Great. Yes, sir, tell
3 me your name.

4 MR. RIVERA: My name is I Nick Rivera. I
5 represent Kings Grant.

6 THE COURT: You are.

7 MR. DIXON: Elwood and Jennifer Dixon.

8 THE COURT: My clerk went to get the file for
9 whatever reason this one was not pulled. Just bare with
10 us for a moment while we get that. All right. I am
11 listening to you. Yes, sir.

12 MR. RIVERA: Thank you, Your Honor. May it
13 please The Court.

14 THE COURT: Yes, sir.

15 MR. RIVERA: Your Honor, the magistrate judge
16 found Kings Grant Home Owners Association breached the
17 contract, which is the bylaws. In the trial the
18 magistrate trial -- I did not participate I joined my
19 firm after that. But I have listened to the audio. In
20 that and you will find and should be in your file,
21 Plaintiff's Exhibit 1, consists of the declaration and
22 restriction of 2004 and the 2009/2010 bylaws. Okay.
23 Those are Plaintiff's Exhibit 1. Those are entered into
24 evidence in this case. The defendant's also entered
25 into evidence Defense Exhibit 1, which is a 2002 bylaws.

1 Now where the magistrate erred in her ruling is she got
2 all these bylaws and restrictions confused.

3 If we look at the third to last paragraph in
4 the return it says upon examination of both the parties
5 it was apparent from the testimony presented that the
6 first bylaws of Kings Grant was the first bylaws that
7 were in evidence was 2002, states that changes to the
8 fees can be made with the majority of the membership.
9 Now lets look at what actually the 2002 bylaws say,
10 which is Plaintiff's Exhibit 1. It is Article 10 -- if
11 you don't have a copy. I have an extra copy.

12 THE COURT: I got it now. Plaintiff's Exhibit
13 -- you are talking about Plaintiff's Exhibit 2, not
14 Plaintiff's Exhibit 1. Because Plaintiff's Exhibit 1 is
15 Declaration of Restrictions.

16 MR. RIVERA: Yes, ma'am. They entered into
17 the bylaws and restriction as one exhibit.

18 THE COURT: I got you. Now, tell me where we
19 are going.

20 MR. RIVERA: We are going to the last page of
21 the bylaws 2009/2010 which is Article 10.

22 THE COURT: Hold on.

23 MR. RIVERA: Okay. Should be page number 7 of
24 the bylaws.

25 THE COURT: Part of the problem is there are

1 two Plaintiff's Exhibit 1 which makes it very difficult
2 to locate.

3 MR. RIVERA: Right. Would it be easier if I
4 handed it up.

5 THE COURT: Okay. All right. Article 10.

6 MR. RIVERA: Yes, ma'am.

7 THE COURT: All right.

8 MR. RIVERA: Okay. Article 10 she referenced
9 the first bylaws. Article 10 of the 2009 bylaws are the
10 controlling bylaws in this case. The Defendant's
11 entered into evidence defense exhibit 1, which is 2002
12 bylaws. That was properly amended November 9, 2009 by
13 majority vote of the Board of Governors. So we are
14 looking at Article 10. It states those bylaws shall not
15 be subject to change without 75 majority vote of the
16 board or 51 majority vote of the members of the
17 association. That is talking about changing the bylaws.
18 So it is stating, and these are the controlling bylaws,
19 these are properly amended from 2002 to 2009.

20 THE COURT: Well this says -- let me just ask
21 this of you because I don't know what the operative date
22 is. The bylaws indicate they were also amended in
23 January of 2010.

24 MR. RIVERA: Yes, ma'am. Yes, ma'am, 2009 --
25 what Defendant's brought up in the trial was that

1 they're attacking that the 2002 bylaws were not properly
2 amended to get to 2009 or 2010. Because Article 10 was
3 the same as 2009 or 2010. So they brought into evidence
4 2002 bylaws, which is also -- I know this is confusing.
5 I believe there was a lot of confusion at the trial. I
6 am going to try to be--

7 THE COURT: Clear as you can.

8 MR. RIVERA: As clear as I can. So if we go
9 to the 2002 bylaws, which they entered into evidence.
10 In which it sounds like from the magistrate that she
11 found we breached the first bylaws. So now if you can
12 mark that page and let's go to 2002 bylaws. This is
13 what they were flipping through at trial. I think it is
14 important to distinguish to show the magistrate erred.

15 THE COURT: Okay.

16 MR. RIVERA: That is Defendant's Exhibit 1.

17 THE COURT: Okay. Hold on. The collection of
18 the attempt of Kings Grant to collect the dues were for
19 what period?

20 MR. RIVERA: I have an updated ledger it
21 started in 2007. I believe in 2009 they started being
22 delinquent to 2010 to 2011. But what the magistrate
23 ruled was that the first bylaws, 2002, she kind of
24 mentioned they were never properly amended to get to the
25 2009/2010 bylaws in Article 10. Which I think I am

1 trying to point out by getting to the 2002 bylaws is
2 that even if she looked at 2010 bylaws she erred in her
3 findings of fact and law because it does not say the
4 majority vote is required to increase an annual regime
5 fees. That is why I am trying to get the 2002 bylaws.
6 So we can get to those bylaws.

7 THE COURT: Okay. So you want me now to go to
8 Defense Exhibit 1.

9 MR. RIVERA: Yes, ma'am.

10 THE COURT: Okay. All right, I am at Defense
11 Exhibit 1, called the bylaws of Kings Grant Homeowner's
12 Association. Okay.

13 MR. RIVERA: Article 10, please.

14 THE COURT: All right, let me get there.
15 Okay, I am at Article 10.

16 MR. RIVERA: It doesn't matter whether the
17 magistrate was looking at the 2002 or 2009. Majority
18 vote of the homeowners members is still not required.
19 Although we properly amended it from 2002 to 2009. 2002
20 bylaws states the bylaws of the association may be
21 amended, modified, suspended, reinstated, repealed and
22 substituted for the other provisions upon majority vote
23 of the governors comma. That says majority vote of the
24 Governors can amend the bylaws. That was properly done
25 in November 9, 2009. It then goes on to say provided

1 that the maximum maintenance charge shall not be
2 increased without the approval of the majority of the
3 members. The maximum maintenance charge.

4 In the Declaration of Restrictions in 2004,
5 which is entered into evidence, which is also
6 Plaintiff's Exhibit 1. It states that the annual regime
7 fees shall never exceed the maximum maintenance charge.
8 Now what is the maximum maintenance charge? The maximum
9 maintenance charge is the CPI index of inflation that
10 you find at the Bureau of -- Bureau of Labor of
11 Statistics of the United States Department of Labor. So
12 we have never at Kings Grant exceeded the maximum
13 maintenance charge. If we did, then majority vote of
14 the members would be required. And that's talking about
15 2002. So even if the magistrate was looking at 2002,
16 somehow found that we didn't properly amend the 2009
17 bylaws, which we did. Then she still erred in her
18 judgment because majority vote is not required unless
19 the annual regime fee exceeds the maximum maintenance
20 charge. So that was an error in her finding.

21 THE COURT: Okay. And go over what if you
22 change it to the max; provided the max -- so what is
23 maximum maintenance charge? I know what the consumer
24 price index is.

25 MR. RIVERA: Right. Yes, ma'am.

1 THE COURT: So what is maximum maintenance
2 charge? What is that?

3 MR. RIVERA: The maximum maintenance charge I
4 think this will help -- can I pass up this chart I have
5 handed it to them earlier?

6 THE COURT: I got it.

7 MR. RIVERA: It kind of describes the
8 difference between the maximum maintenance charge and
9 annual regime fee. It shows that--

10 THE COURT: Is it in evidence -- was it in
11 evidence to The Court below.

12 MR. RIVERA: This part was, the annual regime
13 fee. All I did was add the maximum maintenance --

14 THE COURT: Nope, nope.

15 MR. RIVERA: Okay.

16 THE COURT: Nope.

17 MR. RIVERA: Okay. Let's see you enter 2011
18 into CPI index you get \$335.44 would be the maximum
19 maintenance charge or you can call the maximum annual
20 regime fee that they could charge. What Kings Grant is
21 charging for 2011 is \$175.00, that is the most we have
22 ever charged. We've been charging 175 for 2009, 2010,
23 2011.

24 THE COURT: I saw some reference just as I was
25 flipping through to the Consumer Price Index. Tell me

1 where that is.

2 MR. RIVERA: The Consumer Price Index is found
3 on line--

4 THE COURT: No, no, no. In the reference to
5 it in the bylaws.

6 MR. RIVERA: Oh. It goes -- it is in the
7 Declaration of Restrictions and also mentioned in the
8 bylaws.

9 THE COURT: Okay, where?

10 MR. RIVERA: Where it is found in the
11 Declaration of Restrictions on Section 2 Item 3.

12 THE COURT: Okay. Hold on.

13 MR. RIVERA: The pertinent language is the
14 amount of the assessment may be adjusted by the Kings
15 Grant Homeowner Association where in its discretion such
16 adjustment is necessary to accomplish the purpose of the
17 maintenance fund as set out. But any adjust shall
18 correspond to any increase or decrease in the cost of
19 living as shown by the CPA calculator as published by
20 the Bureau of Labor Statistics of United States
21 Department of Labor. The base here for determining such
22 increase or decrease shall be the year 1971 and you also
23 plug in the year the first annual regime amount which
24 was \$60. The only variable that changes is the actual
25 year you are plugging in 2011, 2010. We have never

1 exceeded that amount that would come out, which would be
2 the maximum maintenance charge as indicated in 2002.
3 That would be the only time a majority vote is needed in
4 Kings Grant. Whether or not they had votes in the past
5 it was not required because it never said in the
6 Declaration of Restrictions or the bylaws that the
7 majority vote is needed to change the annual regime fee.
8 We would simply having to vote every year and having to
9 change the bylaws. It is not required.

10 So she was basing it on 2002, which is not the
11 proper bylaws. It was properly amended in November 9,
12 2009 to get to the 2009/2010 bylaws where article 10
13 changed and we just looked over. There was -- She erred
14 in finding either 2002 bylaws or 2009 bylaws required
15 majority of vote to increase annual regime fees. That
16 is not what the language says. That is not what the
17 2002, or the 2009 bylaws says. Neither of which applies
18 in this case.

19 Therefore if you go back to the Return. There
20 is no way she can find that we breached the contract
21 because majority vote was never required via the
22 Declaration of Restrictions or the bylaws. If she is
23 basing her decision on the first bylaws of 2002, still
24 majority vote is not required. Only if you exceed the
25 maximum maintenance charge based on the 2002 bylaws

1 would majority vote be needed in this case. That is not
2 what she read or interpreted. A lot of bylaws are being
3 brought to her attention. They were kind of bouncing
4 back and forth like we were today. And I think she got
5 confused on what the actual interpretation of the bylaws
6 is.

7 Now in looking at her second to last paragraph
8 in her Return, the plaintiff failed to meet the
9 requirements set forth in the bylaws by not holding a
10 membership meeting and obtaining the required 51 percent
11 of the membership, that is a false statement according
12 to to 2002 and 2009 bylaws. And therefore breached the
13 contract with home owners. We couldn't have breached
14 the contract. Because we were never suppose to have
15 51 percent majority vote of the home owners. It is not
16 in 2002. It is not in 2009. It is no where in the
17 Declaration of Restriction. It only provides in the
18 Declaration of Restrictions that a CPI index shall be
19 used.

20 THE COURT: Okay. I got it. Yes, ma'am --
21 sir. First of all you understand the position taken by
22 Kings Grant.

23 MR. DIXON: Yes, ma'am, I do.

24 THE COURT: Okay.

25 MR. DIXON: As you see it is confusing or

1 MRS. DIXON: Can I say something.

2 THE COURT: Sure you can say something. And
3 you are?

4 MRS. DIXON: I am Jennifer Dixon.

5 THE COURT: Yes, ma'am, Mrs. Dixon.

6 MRS. DIXON: Yes, ma'am. I think a lot of the
7 problem too is that when ever you move into Kings Grant
8 you are given a set of Bylaws and Restrictions as a
9 whole packet. And in reference to the 2002 and 2009
10 there is an amendment in the provisions at the
11 restrictions in the packet that you have that reads
12 Amendment Number 6. It is in Section 4 of the
13 Restrictions and Amendments. It reads the covenants and
14 restrictions of this declaration may be amended at any
15 time and from time to time by an agreement signed by at
16 least 51 percent of the property owners whose lots are
17 within Kings Grant on the action -- on the Ashley. Any
18 such amendment shall not become effective until the
19 instrument and evidence should change has been filed for
20 record in the office of the Clerk of Court of Dorchester
21 County, South Carolina. Any purchase or subsequent --

22 THE COURT: You have to slow down a little
23 bit.

24 MRS. DIXON: I am sorry.

25 THE COURT: My Court Reporter has to take down

1 understand how someone can get confused on this, 2002
2 bylaws, 2009 which was properly amended, Declaration of
3 Restrictions. Pointing out how the Declaration of
4 Restrictions could be amended. The fact of the matter
5 is, the annual regime fee has never exceeded maximum
6 maintenance charge. Therefore the magistrate ruling
7 that we breached the contract is error of law and she
8 abused her discretion. We have never done that.
9 Therefore the Return is not a proper decision in our
10 view.

11 THE COURT: Very well I got it.

12 THE COURT: Yes, ma'am. Mrs. Dixon.

13 MRS. DIXON: Okay. Just one more thing. He
14 had mentioned about that it was first two restrictions
15 and declarations. But it also refers to covenants. So
16 I am saying that -- if I were to move into Kings Grant
17 today. I am given a packet that consist of the bylaws
18 and Restrictions, Covenants and everything. It's not
19 like I am given a separate packet that says these are
20 the bylaws and then these are the restrictions. So when
21 I read this amendment on Section 4, Item number 6 that
22 says amendments. It says Covenants and Restrictions.
23 So it's not a separate entity. And it was never a
24 question as to again whether or not they can be raised.
25 We just ask that you do things proper. Put it in

1 writing so that everyone will be on the same page. And
2 that is all that ever was according to what it is
3 written here.

4 And the latest -- and if I were to move into
5 Kings Grant today the latest things that I have that
6 states anything about the covenant agreement will state
7 \$130. There is no where it is indicated \$175.

8 THE COURT: I am with you. I am with you.

9 MRS. DIXON: Yes, ma'am.

10 THE COURT: That is an interesting point that
11 you make. And -- because I noticed that myself, quite
12 frankly. They continue on that the -- you do have
13 covenants and restrictions and bylaws and they keep
14 flowing. I did notice that. And I intend to agree with
15 what you are saying because by -- and that is just an
16 opinion. It's of no moment, other than to say that I
17 got what you -- what you are referring to. And no doubt
18 in that Mr. Rivera is dealing with this document this
19 way. And of course he is a very young lawyer. But I
20 ponder whether or not he might make that suggestion to
21 Kings Grant. Because he has made note too that as you
22 have looked at this document, which is a rolling
23 document. He's had to stop and say you know that
24 applies to the restrictions. And that is -- it is
25 interesting because although it is a rolling document

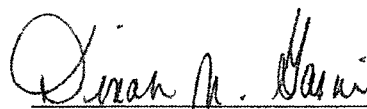
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C E R T I F I C A T E

I, the undersigned Dinah M. Garvin, Official Reporter for the First Judicial Circuit of the State of South Carolina, do hereby certify that the foregoing is a true, accurate, and complete Transcript of Record of all the proceedings had and the evidence introduced in the hearing of the captioned cause, relative to appeal, in the Civil Court for Dorchester County, South Carolina on the 9th day of December, 2011.

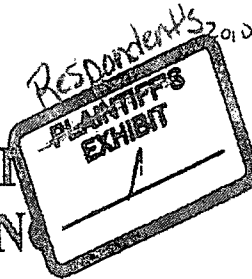
I do further certify that I am neither of kin, counsel nor interest to any party hereto.

June 19, 2012



Court Reporter

BY-LAWS OF THE KING'S GRANT HOMEOWNERS ASSOCIATION INC



INTRODUCTION: The King's Grant Homeowners' Association was originally incorporated as a nonprofit organization under the laws of North Carolina on 11 August 1969. The first meeting of the Board of Governors was held in Charlotte, N.C. on 15 August 1969, at which time the Bylaws were approved. The Articles of Incorporation were filed with the Secretary of State, S.C. on 20 August 1969. The Association continued to meet and function in Charlotte until 15 January 1974, when control passed to the resident members in King's Grant. The original Bylaws have been amended by majority vote of the membership in January 1976 and by the Board of Governors in November 1975, May 1981, October 1984, September 1996, February 2002, February 2007, October 2007, October 2009, and January 2010.

When you purchase property in King's Grant you automatically become a member of this Association. The Bylaws outline the rights and responsibilities of your membership. Please read and comply with these laws.

ARTICLE 1

Officers

Section 1. Executive Officers: The Executive Officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer. No Board member may serve on the Executive Board without having served at least one (1) year on the Board. The President and other officers shall be elected annually by the Board of Governors, hereafter sometimes referred to as the Board. They shall take office January 1 after the election. The officers of the corporation shall be members of the Board of Governors and members in good standing of the corporation. The election of officers shall take place in December following the November election. Board members voting for officers shall consist of members who have completed their first year and newly elected Board members only.

Section 2. The President: Subject to the direction of the Board of Governors, the President shall be the chief executive officer of the corporation, as shall perform such other duties as from time to time may be assigned by the Board. The President shall appoint all committee chair persons. The President shall be an ex-officio member of all committees.

Section 3. The Vice-President: The Vice-President shall have such power and perform such duties as may be assigned by the Board of Governors or the President. In case of the absence or the disability of the President, the duties of that office shall be performed by the Vice-President.

Section 4. The Secretary: The Secretary shall keep the minutes of all proceedings of the Board of Governors and all committees and the minutes of the members' meetings in the books provided for that purpose; shall have custody of such books and papers as the Board may direct, and shall in general perform all the duties incident to the office of Secretary, subject to the control of the

Board of Governors and the President. The Secretary shall also perform such other duties as may be assigned by the President or by the Board.

Section 5. The Treasurer: The Treasurer shall have custody of all receipts, disbursements, funds and securities of the corporation and shall perform all such duties incident to the Office of Treasurer, subject to the Board of Governors and the President. The Treasurer shall perform such other duties as may from time to time be assigned by the Board or the President. The Board shall obtain a bond for the faithful discharge of the duties in such sum as the Board may require.

ARTICLE II

Board of Governors

Section 1. Number of Members: The business and affairs of this corporation shall be managed by a Board of Governors, which shall consist of nine members. The number of Board members may be changed from time to time by a majority of the Board of Governors.

Section 2. Executive Committee: The Executive Committee shall consist of the Executive Officers of the Board, unless otherwise selected each January by the Board; which committee shall have all the powers of the Board of Governors between meetings, regular or special. The President of the Association shall be the chairman of the Executive Committee.

Section 3. Regular Meetings: The Board shall meet for the transaction of business at such time and place as may be designated.

Section 4. Special Meetings: Special meetings of the Board of Governors may be called by the President or by three members of the Board for any time and place, provided reasonable notice of such meetings shall be given to each member of the Board before the time appointed for such meetings. In order to call a "special meeting" the notice must include the purpose of such meeting.

Section 5. Quorum: The Governors shall act only as a Board and the individual Governors shall have no power as such. A majority of the Governors for the time being in office shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time without notice until a quorum be on hand. The act of the majority of the Governors present at any meeting at which there is a quorum shall be the act of the Board of Governors, except as may be otherwise provided by law.

Section 6. Order of Business: The Board of Governors may determine the order of business at its meetings.

Section 7. Chairman: At all meetings of the Board of Governors, the President, or, in his/her absence, the Vice-President, or, in the absence of both, a chairman chosen by the Governors present, shall preside.

Section 8. Terms of Members of the Board: Members of the Board of Governors shall be elected to serve for two years. To provide continuity within the Board, normally four members will be elected one year, and five members the next. However, should vacancies occur during the year for any cause, the next election held will be for that number required to bring the Board to its authorized strength of nine. They shall be elected by the members in good standing so as to take office at the start of the fiscal year.

Section 9. Ex-officio Members of the Board: The outgoing President of the Board shall be requested to remain, should his/her term be expired, as an ex-officio member, with no voting privileges, for a period of three (3) months.

Section 10. Annual Report: The Board of Governors, at the Annual Meeting referenced in Article III, Section 1, shall submit to the members of the Association a report as to the condition of the Association and its property and shall submit also an account of the financial condition transactions of the year-to-date.

Section 11. Resignation: Whenever a Board member is unable to perform his elected duties by virtue of transfer, health, conflict of interest, or other cause, such member should submit a letter of resignation to the Board citing the reason.

Section 12. Vacancies in Board: Whenever a vacancy in the membership of the Board shall occur, the remaining members of the Board shall have the power to select a successor Governor to fill such vacancy. No resident of the community shall be appointed as an interim Board member until such vacancy has been published and distributed to all King's Grant residence and they have had the opportunity to volunteer for the position. An interim Board member may then be confirmed by a two-thirds (2/3) majority vote of the Board members upon their review of the candidates. In no case shall the newly appointed interim member remain on the Board without being elected to the Board by the association at the next annual meeting.

Section 13. Removal from the Board: Should a member have three (3) unexcused absences from the monthly Board meetings during the calendar year, that member shall be subject to removal from the Board by a majority vote of a quorum of the Board. Excused absences shall be those absences caused by personal or family illness, travel necessitated by one's employer or other emergencies which require the Board member's absence. An excused absence is established by the member calling the President or Vice-President of the Board in advance of the meeting and discussing the anticipated absence with him/her.

Section 14. Compensation: All Board members serve without compensation for their services. Those expenditures made by any member of the Board at the direction of the Board are reimbursable by the Homeowners' Association and require that the Board member retain and turn in to the Board's Treasurer all receipts relative to the expenditure.

Section 15. Should it be determined that a Board member has deliberately lied, mislead, or falsified any information either directly or by omission to the other members of the Board or to any members of the association or if a Board member breaches their fiduciary duties due to a dishonest act or breaches their obligation to enforce agreements, contract, or any other binding

Section 5. All votes cast by association members in any election, special or otherwise, or pertaining to any other issue, must be tabulated by a disinterested third party. The third party cannot be related to any Board member or candidate and must not be performing any contract work for goods or services for the King's Grant community. The verification of an association member's identity and the voting procedures implemented to govern the vote shall in no case exceed those utilized in a presidential election.

Section 6. Every effort will be made to comprehensively report any issue which is discussed by the Board and shall be reflected in the meeting minutes in detail which will be made available on the community website within two (2) weeks of any and all Board meetings. Board meetings will be tape recorded to ensure accuracy concerning matters discussed by the Board for the review of the community and/or the convenience of the executive secretary. Any issue upon which the Board votes must be included in the meeting minutes, as well as the result of how all Board members voted on each issue.

Section 7. The association members will not be denied the right to attend regular Board meetings and to speak at a meeting once each quarter for a reasonable amount of time on any matter of their choosing so long as it involves their personal circumstance or reasonably involves matters of the community. A reasonable notice of five (5) days in advance of all regular Board meetings and which one is designated as a meeting at which association members may speak shall be posted on the Kings Grant website.

ARTICLE IV

Memberships

Section 1. Qualifications: Only persons, firms or corporations owning real property in the King's Grant Subdivision shall be eligible to become a member. Where two or more persons are the joint owners of real property in King's Grant Subdivision, they shall be considered as a single member with one vote. Any corporation owning real property in King's Grant Subdivision, shall be considered a single member with one vote for each property. Only members in good standing shall be entitled to vote. Whenever a member shall cease to own real property in King's Grant Subdivision, or shall cease to own stock in a corporation that owns real property in such Subdivision, such member shall automatically be dropped from the membership roll of the Association.

Section 2. Members: A member shall have no vested right, interest or privilege of, in, or to the assets, functions, affairs or franchises of the corporation, or any right, interest or privilege which may be transferable or inheritable, or which shall continue after the membership ceases, or while he/she/it is not in good standing.

Section 3. Manner of Admission: Every person or entity who acquires title to any real property in King's Grant Subdivision shall become a member of the Association, subject to and bound by its Charter, Bylaws, rules and regulations.

Section 4. Memberships Not Transferable: No membership may be sold, assigned or transferred, voluntarily or by will or by operation of law, except upon delivery of the member's deed to a subsequent owner of the lot whereby the owner became entitled to membership.

Section 5. Termination of Membership: Whenever any member shall cease to have all of the qualifications necessary for admission to membership in the Association, then such membership shall terminate.

Section 6. Member in Good Standing: A member is in good standing when all maintenance/regime charges, late charges and liens are paid in full and not declared delinquent

ARTICLE V

Loss of Property

The Board of Governors shall not be liable or responsible for the destruction or the loss or damage to the property of any member or the guest of any member, or visitor, or other persons.

ARTICLE VI

Regime Fees

Section 1. The Board of Governors of King's Grant Homeowners' Association, Inc. shall have the right and power to subject the property situated in King's Grant Subdivision, including undedicated streets, ways and parks to an annual regime fee. Each owner of a lot in King's Grant Subdivision shall pay to the King's Grant Homeowners' Association, Inc. each year the sum as determined by the Board of Governors based on the computation allowed within the Declaration of Restrictions, Section II. Such payment is due on the first of January each year and shall be delinquent sixty (60) days after such date; it shall be the right and responsibility of the Board of Governors of the King's Grant Homeowners' Association, Inc. to prosecute any action against any lot owner for any delinquent payments. A late charge of \$5 per month shall be charged for each month late or any portion thereof.

Section 2. The Regime Fees may be used for:

Improving and maintaining the dedicated right-of-way areas maintained for the general use of the owners and occupants of the land included in the Subdivision;

Operating and maintaining any storm-water drains now or hereafter constructed in the Subdivision that are not or will not be under the direct supervision of the State or County;

Beautifying, maintaining and operating such green areas, playgrounds, parks and recreational areas as the Board of Governors deems appropriate for the mutual benefit of all owners;

Maintaining roads not under the supervision of the State or County, providing traffic control and providing such other common community services as the members shall decide are necessary or useful for the benefit of the resident of King's Grant;

Legal expenses as may be necessary from time to time to enforce restrictive covenants including violations and non-payment of regime fees;

Employing policemen and watchmen

Doing any other thing necessary or desirable, in the opinion of the Board of Governors of the Association, to keep the property neat and in good order, and to eliminate fire hazards, or which in the opinion of the Board of Governors may be of benefit to the owners or the occupants of the land included in the Subdivision.

The Board of Governors may not use funds for public right-of-ways or easements or any property other than that owned by the Association.

Section 3. To the extent permissible by law, King's Grant Homeowners' Association, Inc. shall have a lien on all the lots in King's Grant Subdivision to secure the payment of regime fees due and to become due, and the record-owners of such lots shall be personally liable for all maintenance charges.

Section 4. King's Grant Homeowners' Association, Inc. may at its discretion, subordinate in writing, for limited periods of time, the liens of the Association against any lot or lots for the benefit or better security of a mortgagee.

Section 5. All contracts for services for the King's Grant community shall be advertised in all local newspapers and shall be competitively bid by not less than three (3) bids. A minimum of three (3) local references shall be required and must be verified as to the quality of work previously performed.

Section 6. All service contract proposals shall include all aspects of work to be performed and all materials that will be included. All work performed outside of the agreed upon contract will require receipts for all materials and verification of labor charges.

Section 7. Every effort is to be made to research the cost of goods and services used or proposed to be used by the King's Grant community. This shall include, but not be limited to, costs for legal work, insurance, maintenance, grounds maintenance, accounting services, utilities and office supplies.

Section 8. All budgets for the King's Grant community are to be updated monthly and shall also be posted on the community website monthly for the consideration of the community. Any and all financial records shall be made available for review by any member of the association upon request.

Section 9. Any proceeds received by the association from fundraisers or donations, cash or otherwise, must be accounted for in the monthly budget update. A written receipt must be issued by the treasurer to the person(s) or entities making the donation.

ARTICLE VII

Section 1. Notice: Whenever, according to these Bylaws, a notice shall be required to be given to any member or Governor, it shall not be construed to mean personal notice, but such notice may be given in writing by depositing the same in a post office in Dorchester County, South Carolina, in a postpaid sealed wrapper, addressed to such member or Governor at this address as the same appears on the books of the Corporation, and the time when such notice is mailed shall be deemed the time of giving such notice.

Section 2. Waiver of Notice: Any notice required to be given by these Bylaws may be waived by the person entitled thereto.

Section 3. All letters pertaining to community matters that are submitted for publication in the association newsletter must be voted on and approved by the Board. The letter shall not be edited or condensed unless such letter contains inappropriate language and/or permission is granted by the author.

ARTICLE VIII

Penalty

Whenever a member shall become delinquent by virtue of failure to pay the annual regime fee as prescribed herein, such member shall be required to reimburse the Association for all costs; administrative, legal and otherwise incurred incident to the subsequent collection of the delinquent fee.

ARTICLE IX

Fiscal Year

The fiscal year of the corporation shall begin on the 1st day of January and terminate on the 31st day of December of each year.

ARTICLE X

These By-laws shall not be subject to change without a seventy-five percent (75%) majority vote of the Board or a fifty-one percent (51%) majority vote of the members of the association, with the exception of a cost of living adjustment as provided by Section 2 Item 3 as provided for in the Declaration of the Restrictions, and are to be held in trust by the association attorney.

Respondent's
PLAINTIFF'S
EXHIBIT
February 2004

Declaration of Restrictions King's Grant on the Ashley

INTRODUCTION: The original sets of restrictions governing development of this subdivision were filed with the Office of the Clerk of Court for Dorchester County during 1970 through 1973. An additional set modifying the relationship between lot owners and the Country Club was filed in 1975 and 1976. Since 1983, over 51% of the lot owners have given written approval to a series of changes in the original restrictions. These changes were filed in 1984, 1985, 1986, 1996, 2001 and 2003.

In the Restrictions, King's Grant is subdivided into three sections:

- Section One - lots bounding Seven Oaks Lane and to the North
- Patio Houses - lots on Kings and Queens Courts and Lancer Drive
- Section Two - lots bounding Country Club Lane and to the South.

The Restrictions govern all property within King's Grant except:

- The Country Club property (except for specific circumstances)
- The townhouse developments between Country Club and Seven Oaks Lanes
- The real estate office at the corner of Seven Oaks and Dorchester Road

The Restrictions for the three sections vary only with respect to portions of **Setbacks, Area Requirements, and Easements**; therefore, we will present the restrictions for Section Two, indicating the slight differences in parentheses. We will omit only the descriptions of property and the opening and closing legal format statements.

The Declaration of Restrictions, which is a legal part of your deed, should have been furnished to you by your realtor and or closing attorney; however, we have found most of these professionals delinquent in this respect. Accordingly, we have included this extract for your convenience and guidance. The basic purpose of these provisions is to protect the property values within King's Grant. Please read and comply with these laws.

SECTION I Restrictions

1. **Description of Property.** (omitted - see individual homeowner's deed) All of the property as legally deeded to the King's Grant Homeowners' Association by the Developer herein shall remain intact for the private enjoyment of the residents of King's Grant on the Ashley and shall not be subdivided or sold for profit.
2. **Residential Use of Property.** All lots shall be used for residential purposes only and no

structure shall be erected, placed, altered or permitted to remain on any lot other than one single-family dwelling not more than two and one-half stories in height and any accessory structures customarily incidental to the residential use of such lots. No trade, business, distribution point of any kind, nor the practice of any profession shall be permitted on any lot except for home occupations as described by the following:

Home Occupations. Any use conducted entirely within a dwelling and carried on by the occupants thereof, which use is clearly incidental and secondary to the use of the dwelling for residential purposes and does not alter the exterior or otherwise change the character thereof. The home occupation shall not impact the local community conditions such as, but not limited to, increase in noise, increased traffic, and/or create any visual pollution such as outdoor storage or signs, and, further, shall comply with all applicable Dorchester County Ordinances.

3. **Setbacks and Building Lines.** No building shall be located on any lot nearer to the front lot line than thirty (30) feet, or nearer to a side street line than twenty (20) feet. On corner lots, the front lot line shall be the shorter of the two property lines along the intersecting streets. Setback provisions herein prescribed may be altered by the subdivider whenever, in its sole discretion, the topography or the configuration of any lot in said subdivision will so require. (Patio Houses: No minimum setback.) The following additional provisions concerning setbacks shall apply:

(a) No building shall be located nearer than fifty (50) feet to the bank line of the King's Grant canal, reservoir or property line of the golf course within King's Grant. (Section One - or fifty (50) feet to the bank lines of the Ashley River or Eagle Creek.)

(b) Flexibility. The minimum setbacks are not intended to engender uniformity of setbacks. They are meant to avoid overcrowding. It is the King's Grant Homeowners' Association's intent that setbacks shall be staggered where appropriate so as to preserve important trees and assure vistas of water and open areas. King's Grant Homeowners' Association reserves the right to select the precise site and location of each house or other structure on each lot and to arrange the same in such manner and for such reasons as King's Grant Homeowners' Association shall deem sufficient; provided, however, King's Grant Homeowners' Association shall make such determination after considering Owner's recommendation as shown on Owner's site plan; and provided, further, in the event Board fails to notify Owner of King's Grant Homeowners' Association's site plan recommendation, Owner's site plan recommendation shall be binding on King's Grant Homeowner's Association.

(c) Swimming Pools. Swimming pools shall not be nearer than six (6) feet to any lot line and must be located to the rear of the main dwelling and shall not project with their coping more than two (2) feet above the established lot grade.

(d) Walls and fences. Boundary walls may be erected and hedges grown, but no higher than three (3) feet in that area of the subject lot from the street right-of-way to the nearest

point of the main residence closest to such right-of-way. No fence of any type shall be permitted between the street right-of-way and the nearest point of the main residence closest to such right-of-way except for fences on corner lots adjacent to Dorchester Road. Fences, boundary walls and hedges shall not exceed six (6) feet in height from the finished grade of the fence sought to be constructed. No elevation changes shall be permitted which materially affect surface grade of surrounding lots. Any property owner whose rear property line or such lot line parallels or borders on Dorchester Road and who desires to erect a new or replacement fence must erect a privacy fence of unpainted wood construction, six (6) feet in height.

(e) Minor Deviations. Any deviation from the building line requirements set forth herein, not in excess of 10% thereof, shall not be construed to be a violation of said building line requirements. Setback provisions herein prescribed may be altered by the Association whenever in its sole discretion the topography or configuration of any lot in said subdivision will so require.

(f) Subdivision of lots. No lots (as shown on said Plat) shall be subdivided or combined to form one single building lot without the express written permission of the King's Grant Homeowners' Association. In such event, the building line requirements provided herein shall apply to such lots as re-subdivided or combined.

(g) Corner Lots. The "front line" of any corner lot shall be the shorter of the two property lines along the two streets.

(h) Porches, Eaves and Detached Garages. For the purpose of determining compliance and non-compliance with the foregoing building line requirements, porches, terraces, stoops, eaves, wing-walls, and steps extending beyond the outside wall of a structure shall not be considered as a part of the structure. The location of such structures shall be approved by the King's Grant Homeowners' Association, but no side yard shall be required for any detached garage or accessory acceptable to King's Grant Homeowners' Association or the Architectural Committee as provided by Paragraph 5, Section 1, of these covenants.

4. **Approval of Plans.** No construction, reconstruction, remodeling, alteration or addition to any structure, building, fence, wall, driveway or improvement of any nature which is visible from the outside of the structure, shall be constructed without obtaining the prior written approval of the Board of Governors of the King's Grant Homeowners' Association or its Architectural Review Committee, as to location, plans and specifications. As a prerequisite to consideration for approval and prior to beginning the contemplated work, two complete sets of building plans and specifications must be submitted. The Board of Governors or its Architectural Review Committee shall be the sole arbiter of such plans and may withhold approval for any reason, including purely aesthetic considerations. Upon giving authority, construction shall be started and prosecuted to completion promptly and in strict conformity with such plans. The approving authority shall be entitled to stop any construction in violation of these restrictions or not complying with the approved plans and specifications. Approvals must be in writing with the signatures of two persons on the Architectural

Review Committee. Members are encouraged to keep their properties in good repair. Repair/replacement with same appearance material does not require Architectural Review Committee approval.

5. **Architectural Review.** The authority for the review and approval of plans as set out in 4 above is hereby vested with the Board of Governors of the King's Grant Homeowners' Association, Inc. or such Architectural Review Committee as shall be appointed by the Board. Such committee shall be composed of not less than three nor more than seven members, all of whom shall be owners of property subject to these restrictions.

6. **Dwelling Building and Area Requirements.** The living areas of the main structure, exclusive of open porches, garages, carports and breezeways, shall be not less than 2,000 square feet for lots bordering on any canal, reservoir or the property line of the golf course within King's Grant. (Section one - Ashley River or Eagle Creek.) On all other lots, the minimum living area, exclusive of open porches, garages, carports and breezeways, shall be not less than 1,400 square feet (Patio Houses - 1,200 square feet.)

7. **Obstructions to View at Intersections and Delivery Receptacles.**

(a) The lower branches of trees or other vegetation in sight line approaches to any street or street intersections shall not be permitted to obstruct the view of the same.

(b) All mailbox posts will meet the standard mailbox post design as approved by the Homeowners' Board of Governors and will be kept in good repair. When necessary to replace them, style and color guides are available from the current Restrictions or Architectural Chairperson. All mailboxes shall be firmly attached to the post and shall be well maintained. Mailbox posts that fall into disrepair must be promptly replaced by the homeowner using an approved style. Mailboxes shall meet the standard required by the U.S. Post Office and be firmly attached to the post. Newspaper receptacles are permissible and shall be firmly attached and kept in good repair.

8. **Use of Outbuildings and Similar Structures.** No structure of a temporary nature, such as prefabricated metal storage buildings, shall be erected or placed on any lot. Wooden or masonry storage buildings or precut wooden buildings are acceptable. All such buildings shall be approved by the Architectural Review Committee prior to being placed on any lot. Metal roofs on such buildings are prohibited. Metal, lawn or storage buildings existing on any lot as of the date of this instrument⁽¹⁾ shall be allowed to remain in place as long as they are completely screened by a wood, masonry or flora fence.

9. **Livestock.** No animals, livestock or poultry of any kind shall be raised, bred or maintained on any lot, except household pets (in reasonable numbers) of the owners or occupants of the dwelling house thereon.

10. **Sign Boards.** No sign boards of any description shall be displayed on any lot with the exception of conventional real estate "For Sale" and "For Rent", "Garage Sale" or security system signs. No billboards, political or advertising signs shall be permitted.

11. Aesthetics, Nature growth, Screening, Underground Utility Service.

(a) Trees shall not be intentionally destroyed or removed without the written approval of the Board of Governors of the King's Grant Homeowners' Association. Exceptions to this restriction are diseased, dead or lightning-struck trees or those trees that constitute a threat or hazard to a residence or community or such trees as are necessary to facilitate approved construction. The intent of this Restriction is to encourage the protection and replacement of trees consistent with the economic and healthful enjoyment of private property and common areas with the subdivision. The intent is not punitive or to cause hardship to any individual who uses every care and diligence to protect trees within the subdivision. Violation of the Restriction by failure to comply with requirements may be subject to a monetary assessment of \$100.00 per infraction or such violator may be required to replace a like tree within the property or common area as required by the King's Grant Homeowners' Association. Requests for tree removal are to be submitted to the Restrictions Committee for approval. Downed or fallen trees should be removed promptly and stumps ground down. In addition to Association approval, Dorchester County written approval is required for removal of trees per County ordinances.

(b) Garbage cans, equipment, coolers, wood piles or storage piles shall be screened to conceal them from view of neighboring lots, roads, streets, the waterfront or open areas. Grills and/or other similar barbecue devices shall be stored so as not to be visible from the front lot line of the subject residence.

(c) All residential utility service and lines to residences shall be underground. All fuel tanks must be buried or walled from view as aforesaid. Plans for all screens, walls and enclosures must be approved by the Architectural Review Committee prior to construction.

(d) No automobile, truck, motorcycle or other vehicle will be allowed to park on the lawn or yard area of any property in King's Grant. The only area where parking is allowed is the driveway or paved areas designated as appropriate by the Board of Governors.

(e) Sports equipment: All movable sports equipment including, but not limited to, soccer/hockey nets and wading pools must be stored to the rear of homeowner property when not in actual use.

12. Antenna. No radio or television transmitting or receiving towers, dishes or antenna of any kind shall be erected within the restricted property which are visible from any street except for DSS or miniature satellite dishes under one meter in diameter as allowed under FCC regulation. Residents are urged to place the antenna on the property in the least visible manner possible. Any other type of proposed tower, dish or antennae visible from neighboring lots must be approved in writing in advance by the Board and shall be screened appropriately (in accordance with 11-C).

13. Boathouses, Docks, Piers, and Pilings. No boathouses, docks, piers or wharves shall be constructed at any residential building without King's Grant Homeowners' Association's

prior written approval. Quays paralleling the river bank may be constructed upon obtaining the King's Grant Homeowners' Association's prior written approval as to location, design and construction, which approval shall be discretionary. Such approval by the King's Grant Homeowners' Association for the construction or placement of structures in or upon navigable waters shall not obviate the necessity of lot owners from obtaining the approval by the U.S. Army Corps of Engineers or other appropriate South Carolina State Agencies.

14. **Boats, Trailers, Trucks, School Buses, Boat Trailers.** No house trailer or mobile home, school buses, trucks (other than "pickups" and 1/2 ton panel trucks), or other commercial vehicles, shall be kept, stored, or parked overnight, either on any street or on any lot except within enclosed garages. Out of area guests traveling in a self-propelled recreational vehicle or pulling a travel trailer will be allowed to park these vehicles in the driveway or side yard without shielding from the street for the duration of their visit, up to two weeks, only. Camper trailers, travel trailers, motor homes, utility/boat trailers and boats on or off trailers, may be stored on a lot, but must be parked to the rear or back yard of the dwelling house. Camper trailers, travel trailers, utility/boat trailers and boats on or off trailers may be stored in the side yards of a lot provided that such vehicles are shielded from the street by a flora, wooden or masonry wall (not constructed of concrete or cinder block) fence, no further forward than the main front elevation of the residence. Such vehicles may be parked in the front drive for a period of twenty-four (24) hours for loading and unloading only.
15. **Unsightly materials.** No trash, rubbish, debris, junk, stored materials, wrecked or inoperable vehicles or similar unsightly items shall be allowed to remain on any street or lot outside an enclosed structure. However, the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish and debris for pickup by governmental or similar garbage and trash removal service units. In the event any owner of any developed lot fails or refuses to keep such property free from any unsightly items or any weeds, underbrush or other unsightly growth, then the King's Grant Homeowners' Association, or its successor, may enter upon such property five days after posting a notice thereon requesting the owner to observe this paragraph, and upon entry, remove all such unsightly items or growth and the expense shall be billed to the homeowner. No such entry shall be deemed a trespass. The King's Grant Homeowners' Association notice shall be sufficient if it states, in substance:

Please remove this unsightly item or growth:

(describe here)

within five days or

King's Grant Homeowners' Association shall do so at your expense.

You are violating the restrictions.

- 15.* **Offensive Activities.** No noxious, offensive or illegal activities shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.^(a)
16. **Filling Waterways, Changing Elevations, Bridges.** No lot shall be increased in size by filling in the water it abuts. No lot owner shall excavate or extract earth for any business

purpose. No elevation changes shall be permitted which materially affect surface grade of surrounding lots. King's Grant Homeowners' Association reserves the right to build footbridges or vehicular bridges across any canals, creeks or lagoons so long as a minimum of six (6) feet of clearance is available at mean high tide, provided this paragraph shall not obligate King's Grant Homeowners' Association to construct any such bridge.

17. **Wells.** No individual water supply system shall be permitted except for irrigation, swimming pools or other non-domestic use.

18. **Easements.** An easement on each lot is hereby reserved by the King's Grant Homeowners' Association along, over, under, and upon a strip of land ten (10) feet in width parallel and contiguous to the rear or back lot line of each lot. (Patio Houses - five (5) feet) and along, over, under, or upon a strip of land three (3) feet in width parallel and contiguous to each side lot line, in addition to such other easements as may appear on the aforementioned recorded subdivision plats. The purpose of these easements shall be to provide, install, maintain, construct and operate drainage facilities now or in the future to, from or for each of the individual subdivision lots. Within these easements, no permanent structure, or other materials of a permanent nature shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of, or which may change the direction or flow of drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot except for those improvements for which a public authority or utility company is responsible. For the purpose of this covenant, the King's Grant Homeowners' Association reserves the right to notify or extinguish the herein reserved easements along any lot lines when, in its sole discretion, adequate reserved easements are otherwise available for the installation of drainage facilities.

19. **Green Areas.** The green areas are the common property of all homeowners and have both aesthetic and functional value. The areas are meant for play and enjoyment by everyone.

(a) **Burning:** If necessary, leaves and pine straw only may be burned under constant supervision and with the proper permits. The area is to be raked level afterward. No garbage, trash or wood is to be incinerated.

(b) **Access:** Usage of green areas for incoming and outgoing materials for construction or landscaping will be permitted only if request is made in writing and approved by the Chairperson of the Green Area Committee. The ground must be left free from ruts and debris. No general drive through or parking is permitted.

(c) **Debris:** There will no depositing of refuse, Christmas trees, building materials, cut wood, etc. No personal property or vehicles are to be left in the green area.

(d) **Use:** Digging, construction of playhouses and pet houses/runs, destruction of trees and shrubs and motorized vehicles are prohibited.

(e) Water Discharge: Backwash from swimming pools is prohibited as it softens the ground and inhibits proper maintenance.

(f) Gardens: Vegetable and flower gardens are to be confined to the owner's property. The Committee may designate areas that are to be planted and maintained by the maintenance crews.

(g) Wood Piles: Storage of wood is to be kept on the owner's property. Wood piles create an obstacle to mowing and could kill trees by insect transferral.

(h) Trees: Any item of live growth in the common areas may be felled only by King's Grant Homeowners' Association. If a tree must be felled from private property into the green area, the homeowner must remove it promptly.

SECTION II

Annual Regime Fee

1. **Annual Assessment for Regime Fee.** Each owner of a lot within King's Grant on the Ashley subject to these Restrictions is deemed to covenant and agree to pay to the King's Grant Homeowners' Association, Inc. an annual assessment for the continuation of an operating fund the amounts hereinafter set forth. The sums so received shall be used to provide funds for the maintenance, landscaping and beautification of the common areas currently owned by King's Grant Homeowners' Association, Inc. but shall not include public right-of-ways or easements when satisfactorily maintained by any government authority or the Country Club facilities. Further such sums may be used for providing services and the enforcing of these restrictions on their behalf by the King's Grant Homeowners' Association. The administration of the operating fund shall be vested with the Board of Governors of the King's Grant Homeowners' Association, Inc. according to its Bylaws.

2. **Amount and Due Date of Annual Assessment for Regime Fee.** Each owner of a lot subject to these restrictions shall pay to the King's Grant Homeowners' Association, Inc. the designated annual regime fee amount. The annual assessment was increased to Ninety and no/100 (\$90.00) beginning January 1, 1990. Effective January 1, 2002, the annual assessment will increase to One Hundred Ten and no/100 (\$110.00). Effective January 1, 2004, the annual assessment will increase to One Hundred Thirty and no/100 (\$130.00). Such payment is due on the first of January each year and shall be delinquent sixty (60) days after such. It shall be the right and responsibility of the Board of Governors of the King's Grant Homeowners' Association, Inc. to prosecute any action against any lot owner for any delinquent payments. A late charge of \$5. per month shall be charged for each month late or any portion thereof.

3. **Adjustments in Annual Assessment for Maintenance Fund.** The amount of the assessment may be adjusted by the King's Grant Homeowners' Association where, in its discretion, such adjustment is necessary to accomplish the purposes of the Maintenance Fund as set out above. Any adjustments shall correspond to any increase or decrease in the cost of living as shown by the Consumer Price Index as published by the Bureau of Labor Statistics of the

United States Department of Labor. The base year for determining such increase or decrease shall be the year 1971. If the publication of the Consumer Price Index is discontinued, the property owners and Board of Governors may agree to accept comparable statistical information in the cost of living for the tri-county area published by any state or federal agency or by a financial periodical of recognized authority selected by the Board of Governors.

4. **Assessment -- Personal Obligation of Owners.** The assessment shall be the personal obligation of the owner of a lot subject to these restrictions at such time as the assessment falls due and shall not pass to successors in title unless expressly assumed. Each lot owner is responsible for the payment of such assessment whether or not a residence has been constructed on his lot. This assessment is due and payable by all lot owners other than those specifically exempted.

SECTION III

King's Grant Country Club

As of September 30, 1975, the King's Grant Country Club, including golf course, fairways, club-house, swimming pool, tennis courts and all other recreational facilities became privately owned.

However, each owner of a lot in King's Grant on the Ashley, upon payment of the monthly dues prescribed by the owners shall have the right and privilege to designate one Family Unit to use and enjoy the facilities of the King's Grant Country Club. Based on previous documents filed with the Clerk of the Court of Dorchester County, no Family Unit shall be required to pay an initiation fee as a right to become a member of King's Grant Country Club.

SECTION IV

General Provisions

1. **Unintentional Violation of Restrictions.** In the event of unintentional violation of any of the foregoing restrictions with respect to any lot, the King's Grant Homeowners' Association or its successors reserves the right (by and with the written mutual consent of the owner or owners for the time being of such lot) to change, amend, or release any of the foregoing restrictions as the same may apply to that particular lot.
2. **Enforcement.** If any person, firm or corporation shall violate or attempt to violate any of said restrictions, it shall be lawful for any person, firm or corporation owning any of said lots (or having any interest therein) or the Board of Governors of the King's Grant Homeowners' Association to prosecute any proceeding at law or in equity against the person, firm or corporation violating or attempted to violate the same, and either to prevent him, it or them from doing so or to recover damages or other dues for such violation. In the event the Board shall prevail in any such legal proceeding allowed hereunder, the Board shall be

entitled to a monetary award against such violator of reasonable attorney's fees, costs and expenses incurred incident to such proceedings.

3. **Severability.** Whenever possible, each provision of the Declaration shall be interpreted in such manner as to be effective and valid, but if any provisions of this Declaration or the application thereof to any persons or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.
4. **Heading and Binding Effect.** Headings are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer. The covenants, agreements and rights set forth herein shall be binding upon and inure to the benefit of the respective heirs, executors, successors and assigns of the King's Grant Homeowners' Association and all persons claiming by, through or under King's Grant Homeowners' Association.
5. **Duration.** The foregoing restrictions shall be construed as covenants running with the land and shall be binding and effective until January 1, 2006, at which time they shall automatically be extended for successive periods of ten (10) years each unless it is agreed by the vote of a majority in interest of the then owners of the described property to change, amend or revoke the restrictions in whole or in part. Every purchaser or subsequent grantee of any interest in any property now or hereafter made subject to this King's Grant Homeowners' Association, by acceptance of a deed or other conveyer thereof, agrees that the covenants and restrictions of this Declaration may be extended as provided in the Article.
6. **Amendment.** The covenants and restrictions of this Declaration may be amended at any time and from time to time by an agreement signed by at least fifty-one (51) percent of the property owners whose lots are within King's Grant on the Ashley. Any such amendment shall not become effective until the instrument evidencing such change has been filed for record in the Office of the Clerk of Court for Dorchester County, South Carolina. Every purchaser or subsequent grantee of an interest acceptance of a deed or other conveyance, agrees that the covenants and restriction of the Declaration may be amended as provided herein.

References:

Restrictions are filed with the Office of the Clerk of Court for Dorchester County as follows:

Section One - 24 September 1970, recorded in Book 179, page 113

- Patio Houses - 22 June 1973, recorded in Book 214, page 46
23 October 1973, recorded in Book 219, page 410
- Section Two - 19 December 1972, recorded in Book 206, page 42
31 October 1973, recorded in Book 220, page 157
- Playground and
Green Areas - 6 September 1974, recorded in Book 239, page 50
- Country Club - 30 September 1975, recorded in Book 256, page 343
5 August 1976, recorded in Book 289, page 168
19 May 1997, recorded in Book 1759, page 262
- All Sections - 3 August 1984, recorded in Book 519, page 148
29 October 1984, recorded in Book 524, page 484
5 February 1985, recorded in Book 531, page 122
31 December 1986, recorded in Book 576, page 784
28 February 1996, recorded in Book 1564, page 208
3 August 1999, recorded in Book 2250, page 078
13 December 2001, recorded in Book 2921, page
141
327
3 November 2003, recorded in Book 3876, page

¹⁰⁰⁷ "date of this instrument" is February 1985 (Section 1, #8)

¹⁰⁰⁸ Due to a printer error, this restriction was inadvertently left out of the 1996 printing of restrictions booklets and the following items renumbered. However, the actual restriction has not been deleted by vote and remains on file at Dorchester County Clerk of the Court

KINGS GRANT HOMEOWNERS ASSOCIATION INC

P.O. BOX 50322

SUMMERSVILLE, SOUTH CAROLINA 29485

*As of 10/1/11
Exhibit 2*

REGIME FEES SINCE 2000

2000 \$90.00

2004 110.00

2005 130.00

2006 160.00

2007 165.00

2008 165.00

2009 175.00

2010 175.00

2011 175.00

Respondents
Ally
Exh 3

CPI Inflation Calculator

\$ 60.00

in 1971 ▾

Has the same buying power as:

\$266.52

in 2002 ▾

Calculate

About this calculator
Mobile Browser? View full screen.

CPI Inflation Calculator

\$ 60.00

in 1971

Has the same buying power as:

in 2004

About this calculator
Mobile Browser? [View full screen.](#)

CPI Inflation Calculator

\$ 60.00

in 1971

Has the same buying power as:

in 2005

[About this calculator](#)
[Mobile Browser?](#) [View full screen.](#)

CPI Inflation Calculator

\$ 60.00

in 1971

Has the same buying power as:

in 2006

[About this calculator](#)
[Mobile Browser? View full screen.](#)

CPI Inflation Calculator

\$ 60.00

in 1971

Has the same buying power as:

in 2007

[About this calculator](#)
[Mobile Browser? View full screen.](#)

CPI Inflation Calculator

\$ 60.00

in 1971

Has the same buying power as:

in 2008

[About this calculator](#)
[Mobile Browser? View full screen.](#)

CPI Inflation Calculator

\$ 60.00

in 1971

Has the same buying power as:

in 2009

[About this calculator](#)
[Mobile Browser? View full screen.](#)

CPI Inflation Calculator

\$ 60.00

in 1971

Has the same buying power as:

in 2010

[About this calculator](#)
[Mobile Browser? View full screen.](#)

CPI Inflation Calculator

\$ 60.00

in 1971 ▾

Has the same buying power as:

\$334.76

in 2011 ▾

Calculate

[About this calculator](#)
[Mobile Browser? View full screen.](#)

*Responsible is
C.A. 1/2/11*

Tenant Ledger
 DIXON, ELWOOD
 209 STRATFORD DRIVE SUMMERSVILLE
 (Unit ID: KGHOA STR209)
 KINGS GRANT HOA

Date	Acct	Description	Check #	Charges	Payments	Balance
01/01/2008	4000	01/01/2008 Regime Fee		\$165.00	\$0.00	\$165.00
01/04/2008	1000	Payment from DIXON, ELWOOD	5303	\$0.00	\$165.00	\$0.00
		\$165.00 applied to 01/01/2008 Regime Fee(01/01/2008— Acct 4000)				
01/01/2009	4000	01/01/2009 Regime Fee		\$175.00	\$0.00	\$175.00
01/26/2009	1000	Payment from DIXON, ELWOOD	517	\$0.00	\$130.00	\$45.00
		\$130.00 applied to 01/01/2009 Regime Fee(01/01/2009— Acct 4000)				
11/01/2009	4000	01/01/2010 Regime Fee		\$175.00	\$0.00	\$220.00
02/10/2010	1000	Payment from DIXON, ELWOOD	6057	\$0.00	\$130.00	\$90.00
		\$45.00 applied to 01/01/2009 Regime Fee(01/01/2009— Acct 4000)				
		\$85.00 applied to 01/01/2010 Regime Fee(11/01/2009— Acct 4000)				
03/15/2010	4100	LATE FEE		\$5.00	\$0.00	\$95.00
04/22/2010	4100	LATE FEES		\$5.00	\$0.00	\$100.00
05/10/2010	4100	LATE FEE		\$5.00	\$0.00	\$105.00
06/10/2010	4100	LATE FEE		\$5.00	\$0.00	\$110.00
07/14/2010	4100	LATE FEE		\$5.00	\$0.00	\$115.00
08/10/2010	4100	LATE FEE		\$5.00	\$0.00	\$120.00
09/08/2010	4100	LATE FEE		\$5.00	\$0.00	\$125.00
10/08/2010	4100	LATE FEE		\$5.00	\$0.00	\$130.00
11/08/2010	4100	LATE FEE		\$5.00	\$0.00	\$135.00
01/01/2011	4000	01/01/2011 Regime Fee		\$175.00	\$0.00	\$310.00
03/10/2011	4100	LATE FEE		\$5.00	\$0.00	\$315.00
Total:				\$740.00	\$425.00	\$315.00

COURT COSTS 80.00
 3-CEPIFIED LETTERS 11.08
 406.08
*3-03-11
 3-03-11
 3-03-11*

Tenant Ledger

DIXON, ELWOOD I
 209 STRATFORD DRIVE
 SUMMERVILLE, SC 29485-8637

Date: 03/21/11
 Tenant Code: STR209
 Property: KGHOA
 Unit: KG
 Status: Current
 Dues: 0.00
 Deposit: 0.00
 Move In Date:
 Move Out Date:
 Due Day: 0
 Tel# (O):
 Tel# (H): (843) 871-6458

Date	Description	Charges	Payments	Balance
	Balance Forward			0.00
01/13/99	REGIME FEE 1999 (old chg#390)	90.00		90.00
03/02/99	CK MONEY ORDER		90.00	0.00
01/03/00	REGIME FEE 2000 (old chg#984)	90.00		90.00
01/18/00	M.O. 1/18/00		90.00	0.00
12/26/00	2001 REGIME FEE (old chg#1586)	90.00		90.00
02/19/01	MO 02356707014 02-19-01		90.00	0.00
12/28/01	2002 REGIME FEE (old chg#2128)	110.00		110.00
01/17/02	chk# 3398 209 STRATFORD		110.00	0.00
12/27/02	2003 REGIME FEE	110.00		110.00
01/20/03	chk# MO05139315347 209 STRATFORD		110.00	0.00
12/26/03	2004 REGIME FEE	130.00		130.00
01/09/04	chk# 4060 209 STRATFORD DR		130.00	0.00
12/22/04	2005 REGIME FEE	130.00		130.00
01/20/05	chk# 4386 209 STRATFORD		130.00	0.00
12/19/05	2006 REGIME FEE	160.00		160.00
01/10/06	chk# 4704 209 STRATFORD		160.00	0.00
12/11/06	2007 REGIME FEE	165.00		165.00
01/29/07	chk# 5014 209 STRATFORD DR		130.00	35.00
05/10/07	chk# 5096 209 STRATFORD		35.00	0.00

Current	30 Days	60 Days	90 Days	Amount Due
1.00	0.00	0.00	0.00	0.00

Tenant Ledger
DIXON, ELWOOD
209 STRATFORD DRIVE SUMMERVILLE
(Unit ID: KGHOA STR209)
KINGS GRANT HOA

Date	Acct	Description	Check #	Charges	Payments	Balance
01/01/2008	4000	01/01/2008 Regime Fee		\$165.00	\$0.00	\$165.00
01/04/2008	1000	Payment from DIXON, ELWOOD	5303	\$0.00	\$165.00	\$0.00
		\$165.00 applied to 01/01/2008 Regime Fee(01/01/2008— Acct 4000)				
01/01/2009	4000	01/01/2009 Regime Fee		\$175.00	\$0.00	\$175.00
01/26/2009	1000	Payment from DIXON, ELWOOD	517	\$0.00	\$130.00	\$45.00
		\$130.00 applied to 01/01/2009 Regime Fee(01/01/2009— Acct 4000)				
11/01/2009	4000	01/01/2010 Regime Fee		\$175.00	\$0.00	\$220.00
02/10/2010	1000	Payment from DIXON, ELWOOD	6057	\$0.00	\$130.00	\$90.00
		\$45.00 applied to 01/01/2009 Regime Fee(01/01/2009— Acct 4000)				
		\$85.00 applied to 01/01/2010 Regime Fee(11/01/2009— Acct 4000)				
03/15/2010	4100	LATE FEE		\$5.00	\$0.00	\$95.00
04/22/2010	4100	LATE FEES		\$5.00	\$0.00	\$100.00
05/10/2010	4100	LATE FEE		\$5.00	\$0.00	\$105.00
06/10/2010	4100	LATE FEE		\$5.00	\$0.00	\$110.00
07/14/2010	4100	LATE FEE		\$5.00	\$0.00	\$115.00
08/10/2010	4100	LATE FEE		\$5.00	\$0.00	\$120.00
09/08/2010	4100	LATE FEE		\$5.00	\$0.00	\$125.00
10/08/2010	4100	LATE FEE		\$5.00	\$0.00	\$130.00
11/08/2010	4100	LATE FEE		\$5.00	\$0.00	\$135.00
01/01/2011	4000	01/01/2011 Regime Fee		\$175.00	\$0.00	\$310.00
03/10/2011	4100	LATE FEE		\$5.00	\$0.00	\$315.00
03/23/2011	4110	legal		\$80.00	\$0.00	\$395.00
04/08/2011	4100	LATE FEE		\$5.00	\$0.00	\$400.00
05/12/2011	4100	LATE FEE		\$5.00	\$0.00	\$405.00
06/08/2011	4100	LATE FEE		\$5.00	\$0.00	\$410.00
07/18/2011	4100	LATE FEE		\$5.00	\$0.00	\$415.00
Total :				\$840.00	\$425.00	\$415.00

Exhibit 5

Young Clement Rivers, LLP
Matters Inquiry Report

Search Description:
14353-20110460 - Matter

		Batch	WIP	Billed	Paid	A/R	Last Statement Trust Balance Date	
King's Grant Homeowners Association / King's Grant Homeowners Association, Inc. vs. Elwood Dixon and (14353-20110460)	Fees:	80.00	89.00	1,234.00	497.00	737.00	7/15/2011	0.00
	Hard Costs:	0.00	0.00	10.00	10.00	0.00		
	Soft Costs:	0.00	31.25	29.34	11.32	18.02		
	Int & Tax:		0.00	0.00	0.00	0.00		
	Total:	80.00	120.25	1,273.34	518.32	755.02		

18

18

BY-LAWS OF THE KING'S GRANT HOMEOWNERS ASSOCIATION

*Appellants
Exhibit 1*

INTRODUCTION: The King's Grant Homeowners' Association was originally incorporated as a nonprofit organization under the laws of North Carolina on 11 August 1969. The first meeting of the Board of Governors was held in Charlotte, N.C. on 15 August 1969, at which time the Bylaws were approved. The Articles of Incorporation were filed with the Secretary of State, S.C. on 20 August 1969. The Association continued to meet and function in Charlotte until 15 January 1974, when control passed to the resident members in King's Grant. The original Bylaws have been amended by majority vote of the membership in January 1976 and by the Board of Governors in November 1975, May 1981, October 1984, September 1996 and February 2002.

When you purchase property in King's Grant you automatically become a member of this Association. The Bylaws outline the rights and responsibilities of your membership. Please read and comply with these laws.

ARTICLE 1

Officers

Section 1. Executive Officers: The Executive Officers of the corporation shall be a President, a Vice President, a Secretary and a Treasurer. The President and other officers shall be elected annually by the Board of Governors, hereafter sometimes referred to as the Board. They shall take office January 1 after the election. The officers of the corporation shall be members of the Board of Governors and members in good standing of the corporation. The election of officers will take place at the first regular meeting after the election of the new Board members with both the outgoing and incoming members entitled to vote.

Section 2. The President: Subject to the direction of the Board of Governors, the President shall be the chief executive officer of the corporation, as shall perform such other duties as from time to time may be assigned by the Board. The President shall be an ex-officio member of all committees.

Section 3. The Vice-President: The Vice-President shall have such power and perform such duties as may be assigned by the Board of Governors or the President. In case of the absence or the disability of the President, the duties of that office shall be performed by the Vice-President.

Section 4. The Secretary. The Secretary shall keep the minutes of all proceedings of the Board of Governors and all committees and the minutes of the members' meetings in the books provided for that purpose; shall have custody of such books and papers as the Board may direct, and shall in general perform all the duties incident to the office of

Secretary, subject to the control of the Board of Governors and the President. The Secretary shall also perform such other duties as may be assigned by the President or by the Board.

Section 5. The Treasurer: The Treasurer shall have custody of all receipts, disbursements, funds and securities of the corporation and shall perform all such duties incident to the Office of Treasurer, subject to the Board of Governors and the President. The Treasurer shall perform such other duties as may from time to time be assigned by the Board or the President. The Board shall obtain a bond for the faithful discharge of the duties in such sum as the Board may require.

ARTICLE II

Board of Governors

Section 1. Number of Members: The business and affairs of this corporation shall be managed by a Board of Governors, which shall consist of eleven members.

Section 2. Executive Committee: The Board of Governors shall select from their number an Executive Committee consisting of not less than three members of the Board, which committee shall have all the powers of the Board of Governors between meetings, regular or special. The President of the Association shall be the chairman of the Executive Committee.

Section 3. Regular Meetings: The Board shall meet for the transaction of business at such place as may be designated from time to time.

Section 4. Special Meetings: Special meetings of the Board of Governors may be called by the President or by three members of the Board for any time and place, provided reasonable notice of such meetings shall be given to each member of the Board before the time appointed for such meetings. Section 5. Quorum: The Governors shall act only as a Board and the individual Governors shall have no power as such. A majority of the Governors for the time being in office shall constitute a quorum for the transaction of business, but a majority of those present at the time and place of any regular or special meeting, although less than a quorum, may adjourn the same from time to time without notice until a quorum be on hand. The act of the majority of the Governors present at any meeting at which there is a quorum shall be the act of the Board of Governors, except as may be otherwise provided by law. The Bylaws of the Association may be amended, modified, suspended, reinstated, repealed and substituted for by other provisions upon the majority vote of the Governors, provided the maximum maintenance charge shall not be increased without the approval of the members.

Section 6. Order of Business: The Board of Governors may from time to time determine the order of business at its meetings.

Section 7. Chairman: At all meetings of the Board of Governors, the President, or, in his/her absence, the Vice-President, or, in the absence of both, a chairman chosen by the Governors present, shall preside.

Section 8. Terms of Members of the Board: Members of the Board of Governors shall be elected to serve for two years. To provide continuity within the Board, normally six members will be elected one year, and five members the next. However, should vacancies occur during the year for any cause, the next election held will be for that number required to bring the Board to its authorized strength of eleven. They shall be elected by the members in good standing so as to take office at the start of the fiscal year.

Section 9. Ex-officio Members of the Board: The outgoing President of the Board shall be requested to remain, should his/her term be expired, as an ex-officio member, with no voting privileges, for a period of three (3) months.

Section 10. Annual Report: The Board of Governors, at the Annual Meeting referenced in Article III, Section 1, shall submit to the members of the Association a report as to the condition of the Association and its property and shall submit also an account of the financial condition transactions of the year-to-date.

Section 11. Resignation: Whenever a Board member is unable to perform his elected duties by virtue of transfer, health, conflict of interest, or other cause, such member should submit a letter of resignation to the Board citing the reason.

Section 12. Vacancies in Board: Whenever a vacancy in the membership of the Board shall occur, the remaining members of the Board shall have the power, by the majority vote, to select a successor Governor to serve the unexpired term of the vacancy.

Section 13. Removal from the Board: Should a member have three (3) unexcused absences from the monthly Board meetings during the calendar year, that member shall be subject to removal from the Board by a majority vote of a quorum of the Board. Excused absences shall be those absences caused by personal or family illness, travel necessitated by one's employer or other emergencies which require the Board member's absence. An excused absence is established by the member calling the President or Vice-President of the Board in advance of the meeting and discussing the anticipated absence with him/her.

Section 14. Compensation: All Board members serve without compensation for their services. Those expenditures made by any member of the Board at the direction of the Board are reimbursable by the Homeowners' Association and require that the Board member retain and turn in to the Board's Treasurer all receipts relative to the expenditure.

ARTICLE III

Meetings of Members

Section 1. Annual Meetings: There shall be an annual meeting of the members of the corporation at such place as may be designated on the second Tuesday in November of each year at 7:30 p.m. in the evening, if not a legal holiday under the laws of the State of South Carolina. If it is a legal holiday, then the meeting will be on the next succeeding business day, for the transaction of such business as may come before the meeting. No notice shall be required for such meeting.

Section 2. Special Meetings: Special meetings of the members of the corporation shall be held whenever called by the Board of Governors or by the holders of at least ten memberships in good standing. Notice of each special meeting, stating the time, place, and in general terms the purpose or purposes thereof, shall be sent by mail or email or newsletter or special bulletin or hand delivered notice to the last known address of all members at least ten days prior to the meeting.

Section 3. Quorum: At any meeting of or election by the members of the corporation, a quorum shall consist of those members in good standing attending or voting, either in person or by proxy, and a majority in amount of such quorum shall decide any questions that may come before the meeting or of the election. This is not meant to include those questions, which are specifically mentioned in the restrictions of the corporation as needing the vote of a majority of all homeowners on record.

Section 4. Proxy: Every member in good standing may cast one vote either in person or by proxy, for each lot owned in fee simple by that particular member solely or jointly, or by the corporation owning the lot or lots of which he/she/it is a stockholder and the member thereof.

ARTICLE IV

Memberships

Section 1. Qualifications: Only persons, firms or corporations owning real property in the King's Grant Subdivision shall be eligible to become a member. Where two or more persons are the joint owners of real property in King's Grant Subdivision, they shall be considered as a single member with one vote. Any corporation owning real property in King's Grant Subdivision, shall be considered a single member with one vote for each property. Only members in good standing shall be entitled to vote. Whenever a member shall cease to own real property in King's Grant Subdivision, or shall cease to own stock in a corporation that owns real property in such Subdivision, such member shall automatically be dropped from the membership roll of the Association.

Section 2. Members: A member shall have no vested right, interest or privilege of, in, or to the assets, functions, affairs or franchises of the corporation, or any right, interest or privilege which may be transferable or inheritable, or which shall continue after the membership ceases, or while he/she/it is not in good standing.

Section 3. Manner of Admission: Every person or entity who acquires title to any real property in King's Grant Subdivision shall become a member of the Association, subject to and bound by its Charter, Bylaws, rules and regulations.

Section 4. Memberships Not Transferable: No membership may be sold, assigned or transferred, voluntarily or by will or by operation of law, except upon delivery of the member's deed to a subsequent owner of the lot whereby the owner became entitled to membership.

Section 5. Termination of Membership: Whenever any member shall cease to have all of the qualifications necessary for admission to membership in the Association, then such membership shall terminate.

Section 6. Member in Good Standing: A member is in good standing when all maintenance/regime charges, late charges and liens are paid in full and not declared delinquent.

ARTICLE V

Loss of Property

The Board of Governors shall not be liable or responsible for the destruction or the loss or damage to the property of any member or the guest of any member, or visitor, or other persons.

ARTICLE VI

Maintenance Charges/Regime Fees

Section 1. The Board of Governors of King's Grant Homeowners' Association, Inc. shall have the right and power to subject the property situated in King's Grant Subdivision, including undedicated streets, ways and parks to an annual maintenance charge. Each owner of a lot in King's Grant Subdivision shall pay to the King's Grant Homeowners' Association, Inc. the sum of One Hundred Ten Dollars (\$110.00) beginning January 1, 2002 and One Hundred Thirty Dollars (\$130.00) beginning January 1, 2004. Such payment is due on the first of January each year and shall be delinquent sixty (60) days after such date; it shall be the right and responsibility of the Board of Governors of the King's Grant Homeowners' Association, Inc. to prosecute any action against any lot owner for any delinquent payments. A late charge of \$5 per month shall be charged for each month late or any portion thereof.

Section 2. The Maintenance Fund may be used for:

Improving and maintaining the dedicated right-of-way areas maintained for the general use of the owners and occupants of the land included in the Subdivision;

Operating and maintaining any storm-water drains now or hereafter constructed in the Subdivision that are not or will not be under the direct supervision of the State or County;

Beautifying, maintaining and operating such green areas, playgrounds, parks and recreational areas as the Board of Governors deems appropriate for the mutual benefit of all owners;

Maintaining roads not under the supervision of the State or County, providing traffic control and providing such other common community services as the members shall decide are necessary or useful for the benefit of the resident of King's Grant;

Employing policemen and watchmen and

Doing any other thing necessary or desirable, in the opinion of the Board of Governors of the Association, to keep the property neat and in good order, and to eliminate fire hazards, or which in the opinion of the Board of Governors may be of benefit to the owners or the occupants of the land included in the Subdivision.

Section 3. To the extent permissible by law, King's Grant Homeowners' Association, Inc. shall have a lien on all the lots in King's Grant Subdivision to secure the payment of maintenance charges due and to become due; and the record owners of such lots shall be personally liable for all maintenance charges.

Section 4. King's Grant Homeowners' Association, Inc. may at its discretion, subordinate in writing, for limited periods of time, the liens of the Association against any lot or lots for the benefit or better security of a mortgagee.

ARTICLE VII

Notice Section 1. Notice: Whenever, according to these Bylaws, a notice shall be required to be given to any member or Governor, it shall not be construed to mean personal notice, but such notice may be given in writing by depositing the same in a post office in Dorchester County, South Carolina, in a postpaid sealed wrapper, addressed to such member or Governor at this address as the same appears on the books of the Corporation, and the time when such notice is mailed shall be deemed the time of giving such notice.

Section 2. Waiver of Notice: Any notice required to be given by these Bylaws may be waived by the person entitled thereto.

ARTICLE VIII

Penalty

Whenever a member shall become delinquent by virtue of failure to pay the annual maintenance fee as prescribed herein, such member shall be required to reimburse the

Association for all costs; administrative, legal and otherwise incurred incident to the subsequent collection of the delinquent fee.

ARTICLE IX Fiscal Year

The fiscal year of the corporation shall begin on the 1st day of January and terminate on the 31st day of December of each year.

ARTICLE X

The Bylaws of the Association may be amended, modified, suspended, reinstated, repealed and substituted for by other provision upon the majority vote of the Governors, provided the maximum maintenance charge shall not be increased without the approval of a majority of the members.

Adopted by the Board of Governors February 12, 2002

February 2004

Declaration of Restrictions King's Grant on the Ashley

INTRODUCTION: The original sets of restrictions governing development of this subdivision were filed with the Office of the Clerk of Court for Dorchester County during 1970 through 1973. An additional set modifying the relationship between lot owners and the Country Club was filed in 1975 and 1976. Since 1983, over 51% of the lot owners have given written approval to a series of changes in the original restrictions. These changes were filed in 1984, 1985, 1986, 1996, 2001 and 2003.

In the Restrictions, King's Grant is subdivided into three sections:

- Section One - lots bounding Seven Oaks Lane and to the North
- Patio Houses - lots on Kings and Queens Courts and Lancer Drive
- Section Two - lots bounding Country Club Lane and to the South.

The Restrictions govern all property within King's Grant except:

- The Country Club property (except for specific circumstances)
- The townhouse developments between Country Club and Seven Oaks Lanes
- The real estate office at the corner of Seven Oaks and Dorchester Road

The Restrictions for the three sections vary only with respect to portions of **Setbacks, Area Requirements, and Easements**; therefore, we will present the restrictions for Section Two, indicating the slight differences in parentheses. We will omit only the descriptions of property and the opening and closing legal format statements.

The Declaration of Restrictions, which is a legal part of your deed, should have been furnished to you by your realtor and or closing attorney; however, we have found most of these professionals delinquent in this respect. Accordingly, we have included this extract for your convenience and guidance. The basic purpose of these provisions is to protect the property values within King's Grant. Please read and comply with these laws.

SECTION I Restrictions

1. **Description of Property.** (omitted - see individual homeowner's deed). All of the property as legally deeded to the King's Grant Homeowners' Association by the Developer herein shall remain intact for the private enjoyment of the residents of King's Grant on the Ashley and shall not be subdivided or sold for profit.
2. **Residential Use of Property.** All lots shall be used for residential purposes only and no structure shall be erected, placed, altered or permitted to remain on any lot other than one single-family dwelling not more than two and one-half stories in height and any accessory structures customarily incidental to the residential use of such lots. No trade, business, distribution point of any kind, nor the practice of any profession shall be permitted on any lot except for home occupations as described by the following:

Home Occupations. Any use conducted entirely within a dwelling and carried on by the occupants thereof, which use is clearly incidental and secondary to the use of the dwelling for residential purposes and does not alter the exterior or otherwise change the character thereof. The home occupation shall not impact the local community conditions such as, but not limited to, increase in noise, increased traffic, and/or create any visual pollution such as outdoor storage or signs, and, further, shall comply with all applicable Dorchester County Ordinances.

3. **Setbacks and Building Lines.** No building shall be located on any lot nearer to the front lot line than thirty (30) feet, or nearer to a side street line than twenty (20) feet. On corner lots, the front lot line shall be the shorter of the two property lines along the intersecting streets. Setback provisions herein prescribed may be altered by the subdivider whenever, in its sole discretion, the topography or the configuration of any lot in said subdivision will so require. (Patio Houses: No minimum setback.) The following additional provisions concerning setbacks shall apply:
 - (a) No building shall be located nearer than fifty (50) feet to the bank line of the King's Grant canal, reservoir or property line of the golf course within King's Grant. (Section One - or fifty (50) feet to the bank lines of the Ashley River or Eagle Creek.)

(b) Flexibility. The minimum setbacks are not intended to engender uniformity of setbacks. They are meant to avoid overcrowding. It is the King's Grant Homeowners' Association's intent that setbacks shall be staggered where appropriate so as to preserve important trees and assure vistas of water and open areas. King's Grant Homeowners' Association reserves the right to select the precise site and location of each house or other structure on each lot and to arrange the same in such manner and for such reasons as King's Grant Homeowners' Association shall deem sufficient; provided, however, King's Grant Homeowners' Association shall make such determination after considering Owner's recommendation as shown on Owner's site plan; and provided, further, in the event Board fails to notify Owner of King's Grant Homeowners' Association's site plan recommendation, Owner's site plan recommendation shall be binding on King's Grant Homeowner's Association.

(c) Swimming Pools. Swimming pools shall not be nearer than six (6) feet to any lot line and must be located to the rear of the main dwelling and shall not project with their coping more than two (2) feet above the established lot grade.

(d) Walls and fences. Boundary walls may be erected and hedges grown, but no higher than three (3) feet in that area of the subject lot from the street right-of-way to the nearest point of the main residence closest to such right-of-way. No fence of any type shall be permitted between the street right-of-way and the nearest point of the main residence closest to such right-of-way except for fences on corner lots adjacent to Dorchester Road. Fences, boundary walls and hedges shall not exceed six (6) feet in height from the finished grade of the fence sought to be constructed. No elevation changes shall be permitted which materially affect surface grade of surrounding lots. Any property owner whose rear property line or such lot line parallels or borders on Dorchester Road and who desires to erect a new or replacement fence must erect a privacy fence of unpainted wood construction, six (6) feet in height.

(e) Minor Deviations. Any deviation from the building line requirements set forth herein, not in excess of 10% thereof, shall not be construed to be a violation of said building line requirements. Setback provisions herein prescribed may be altered by the Association whenever in its sole discretion the topography or configuration of any lot in said subdivision will so require.

(f) Subdivision of lots. No lots (as shown on said Plat) shall be subdivided or combined to form one single building lot without the express written permission of the King's Grant Homeowners' Association. In such event, the building line requirements provided herein shall apply to such lots as re-subdivided or combined.

(g) Corner Lots. The "front line" of any corner lot shall be the shorter of the two property lines along the two streets.

(h) Porches, Eaves and Detached Garages. For the purpose of determining compliance and non-compliance with the foregoing building line requirements, porches, terraces, stoops, eaves, wing-walls, and steps extending beyond the outside wall of a structure shall not be considered as a part of the structure. The location of such structures shall be approved by the King's Grant Homeowners' Association, but no side yard shall be required for any detached garage or accessory acceptable to King's Grant Homeowners' Association or the Architectural Committee as provided by Paragraph 5, Section 1, of these covenants.

4. **Approval of Plans.** No construction, reconstruction, remodeling, alteration or addition to any structure, building, fence, wall, driveway or improvement of any nature which is visible from the outside of the structure, shall be constructed without obtaining the prior written approval of the Board of Governors of the King's Grant Homeowners' Association or its Architectural Review Committee, as to location, plans and specifications. As a prerequisite to consideration for approval and prior to beginning the contemplated work, two complete sets of building plans and specifications must be submitted. The Board of Governors or its Architectural Review Committee shall be the sole arbiter of such plans and may withhold approval for any reason, including purely aesthetic considerations. Upon giving authority, construction shall be started and prosecuted to completion promptly and in strict conformity with such plans. The approving authority shall be entitled to stop any construction in violation of these restrictions or not complying with the approved plans and specifications. Approvals must be in writing with the signatures of two persons on the Architectural Review Committee. Members are encouraged to keep their properties in good repair. Repair/replacement with same appearance material does not require Architectural Review Committee approval.
5. **Architectural Review.** The authority for the review and approval of plans as set out in 4 above is hereby vested with the Board of Governors of the King's Grant Homeowners' Association, Inc. or such Architectural Review Committee as shall be appointed by the Board. Such committee shall be composed of not less than three nor more than seven members, all of whom shall be owners of property subject to these restrictions.
6. **Dwelling Building and Area Requirements.** The living areas of the main structure, exclusive of open porches, garages, carports and breezeways, shall be not less than 2,000 square feet for lots bordering on any canal, reservoir or the property line of the golf course within King's Grant. (Section one - Ashley River or Eagle Creek.) On all other lots, the minimum living area, exclusive of open porches, garages, carports and breezeways, shall be not less than 1,400 square feet (Patio Houses - 1,200 square feet.)
7. **Obstructions to View at Intersections and Delivery Receptacles.**
 - (a) The lower branches of trees or other vegetation in sight line approaches to any

street or street intersections shall not be permitted to obstruct the view of the same.

(b) All mailbox posts will meet the standard mailbox post design as approved by the Homeowners' Board of Governors and will be kept in good repair. When necessary to replace them, style and color guides are available from the current Restrictions or Architectural Chairperson. All mailboxes shall be firmly attached to the post and shall be well maintained. Mailbox posts that fall into disrepair must be promptly replaced by the homeowner using an approved style. Mailboxes shall meet the standard required by the U.S. Post Office and be firmly attached to the post. Newspaper receptacles are permissible and shall be firmly attached and kept in good repair.

8. **Use of Outbuildings and Similar Structures.** No structure of a temporary nature, such as prefabricated metal storage buildings, shall be erected or placed on any lot. Wooden or masonry storage buildings or precut wooden buildings are acceptable. All such buildings shall be approved by the Architectural Review Committee prior to being placed on any lot. Metal roofs on such buildings are prohibited. Metal, lawn or storage buildings existing on any lot as of the date of this instrument^(f) shall be allowed to remain in place as long as they are completely screened by a wood, masonry or flora fence.
9. **Livestock.** No animals, livestock or poultry of any kind shall be raised, bred or maintained on any lot, except household pets (in reasonable numbers) of the owners or occupants of the dwelling house thereon.
10. **Sign Boards.** No sign boards of any description shall be displayed on any lot with the exception of conventional real estate "For Sale" and "For Rent", "Garage Sale" or security system signs. No billboards, political or advertising signs shall be permitted.
11. **Aesthetics, Nature growth, Screening, Underground Utility Service.**

(a) Trees shall not be intentionally destroyed or removed without the written approval of the Board of Governors of the King's Grant Homeowners' Association. Exceptions to this restriction are diseased, dead or lightning-struck trees or those trees that constitute a threat or hazard to a residence or community or such trees as are necessary to facilitate approved construction. The intent of this Restriction is to encourage the protection and replacement of trees consistent with the economic and healthful enjoyment of private property and common areas with the subdivision. The intent is not punitive or to cause hardship to any individual who uses every care and diligence to protect trees within the subdivision. Violation of the Restriction by failure to comply with requirements may be subject to a monetary assessment of \$100.00 per infraction or such violator may be required to replace a like tree within the property or common area as required by the King's Grant Homeowners' Association. Requests for tree removal are to be submitted to the Restrictions Committee for approval. Downed or fallen trees should be removed promptly and

stumps ground down. In addition to Association approval, Dorchester County written approval is required for removal of trees per County ordinances.

(b) Garbage cans, equipment, coolers, wood piles or storage piles shall be screened to conceal them from view of neighboring lots, roads, streets, the waterfront or open areas. Grills and/or other similar barbecue devices shall be stored so as not to be visible from the front lot line of the subject residence.

(c) All residential utility service and lines to residences shall be underground. All fuel tanks must be buried or walled from view as aforesaid. Plans for all screens, walls and enclosures must be approved by the Architectural Review Committee prior to construction.

(d) No automobile, truck, motorcycle or other vehicle will be allowed to park on the lawn or yard area of any property in King's Grant. The only area where parking is allowed is the driveway or paved areas designated as appropriate by the Board of Governors.

(e) Sports equipment: All movable sports equipment including, but not limited to, soccer/hockey nets and wading pools must be stored to the rear of homeowner property when not in actual use.

12. **Antenna.** No radio or television transmitting or receiving towers, dishes or antenna of any kind shall be erected within the restricted property which are visible from any street except for DSS or miniature satellite dishes under one meter in diameter as allowed under FCC regulation. Residents are urged to place the antenna on the property in the least visible manner possible. Any other type of proposed tower, dish or antennae visible from neighboring lots must be approved in writing in advance by the Board and shall be screened appropriately (in accordance with 11-C).
13. **Boathouses, Docks, Piers, and Pilings.** No boathouses, docks, piers or wharves shall be constructed at any residential building without King's Grant Homeowners' Association's prior written approval. Quays paralleling the river bank may be constructed upon obtaining the King's Grant Homeowners' Association's prior written approval as to location, design and construction, which approval shall be discretionary. Such approval by the King's Grant Homeowners' Association for the construction or placement of structures in or upon navigable waters shall not obviate the necessity of lot owners from obtaining the approval by the U.S. Army Corps of Engineers or other appropriate South Carolina State Agencies.
14. **Boats, Trailers, Trucks, School Buses, Boat Trailers.** No house trailer or mobile home, school buses, trucks (other than "pickups" and 1/2 ton panel trucks), or other commercial vehicles, shall be kept, stored, or parked overnight; either on any street or on any lot except within enclosed garages. Out of area guests traveling in a self-propelled recreational vehicle or pulling a travel trailer will be allowed to park these vehicles in the driveway or side yard without shielding from the street for the

duration of their visit, up to two weeks, only. Camper trailers, travel trailers, motor homes, utility/boat trailers and boats on or off trailers, may be stored on a lot, but must be parked to the rear or back yard of the dwelling house. Camper trailers, travel trailers, utility/boat trailers and boats on or off trailers may be stored in the side yards of a lot provided that such vehicles are shielded from the street by a flora, wooden or masonry wall (not constructed of concrete or cinder block) fence, no further forward than the main front elevation of the residence. Such vehicles may be parked in the front drive for a period of twenty-four (24) hours for loading and unloading only.

15. **Unsightly materials.** No trash, rubbish, debris, junk, stored materials, wrecked or inoperable vehicles or similar unsightly items shall be allowed to remain on any street or lot outside an enclosed structure. However, the foregoing shall not be construed to prohibit temporary deposits of trash, rubbish and debris for pickup by governmental or similar garbage and trash removal service units. In the event any owner of any developed lot fails or refuses to keep such property free from any unsightly items or any weeds, underbrush or other unsightly growth, then the King's Grant Homeowners' Association, or its successor, may enter upon such property five days after posting a notice thereon requesting the owner to observe this paragraph, and upon entry, remove all such unsightly items or growth and the expense shall be billed to the homeowner. No such entry shall be deemed a trespass. The King's Grant Homeowners' Association notice shall be sufficient if it states, in substance:

Please remove this unsightly item or growth:

(describe here)

within five days or

King's Grant Homeowners' Association shall do so at your expense.

You are violating the restrictions.

- 15.* **Offensive Activities.** No noxious, offensive or illegal activities shall be carried on upon any lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood.ⁱⁱ⁽ⁱⁱⁱ⁾
16. **Filling Waterways, Changing Elevations, Bridges.** No lot shall be increased in size by filling in the water it abuts. No lot owner shall excavate or extract earth for any business purpose. No elevation changes shall be permitted which materially affect surface grade of surrounding lots. King's Grant Homeowners' Association reserves the right to build footbridges or vehicular bridges across any canals, creeks or lagoons so long as a minimum of six (6) feet of clearance is available at mean high tide, provided this paragraph shall not obligate King's Grant Homeowners' Association to construct any such bridge.
17. **Wells.** No individual water supply system shall be permitted except for irrigation, swimming pools or other non-domestic use.

18. **Easements.** An easement on each lot is hereby reserved by the King's Grant Homeowners' Association along, over, under, and upon a strip of land ten (10) feet in width parallel and contiguous to the rear or back lot line of each lot. (Patio Houses - five (5) feet) and along, over, under, or upon a strip of land three (3) feet in width parallel and contiguous to each side lot line, in addition to such other easements as may appear on the aforementioned recorded subdivision plats. The purpose of these easements shall be to provide, install, maintain, construct and operate drainage facilities now or in the future to, from or for each of the individual subdivision lots. Within these easements, no permanent structure, or other materials of a permanent nature shall be placed or permitted to remain which may damage or interfere with the installation or maintenance of, or which may change the direction or flow of drainage channels in the easements. The easement area of each lot and all improvements in it shall be maintained continuously by the owner of the lot except for those improvements for which a public authority or utility company is responsible. For the purpose of this covenant, the King's Grant Homeowners' Association reserves the right to notify or extinguish the herein reserved easements along any lot lines when, in its sole discretion, adequate reserved easements are otherwise available for the installation of drainage facilities.
19. **Green Areas.** The green areas are the common property of all homeowners and have both aesthetic and functional value. The areas are meant for play and enjoyment by everyone.
- (a) **Burning:** If necessary, leaves and pine straw only may be burned under constant supervision and with the proper permits. The area is to be raked level afterward. No garbage, trash or wood is to be incinerated.
 - (b) **Access:** Usage of green areas for incoming and outgoing materials for construction or landscaping will be permitted only if request is made in writing and approved by the Chairperson of the Green Area Committee. The ground must be left free from ruts and debris. No general drive through or parking is permitted.
 - (c) **Debris:** There will no depositing of refuse, Christmas trees, building materials, cut wood, etc. No personal property or vehicles are to be left in the green area.
 - (d) **Use:** Digging, construction of playhouses and pet houses/runs, destruction of trees and shrubs and motorized vehicles are prohibited.
 - (e) **Water Discharge:** Backwash from swimming pools is prohibited as it softens the ground and inhibits proper maintenance.
 - (f) **Gardens:** Vegetable and flower gardens are to be confined to the owner's property. The Committee may designate areas that are to be planted and maintained by the maintenance crews.
 - (g) **Wood Piles:** Storage of wood is to be kept on the owner's property. Wood piles create an obstacle to mowing and could kill trees by insect transferral.

(h) Trees: Any item of live growth in the common areas may be felled only by King's Grant Homeowners' Association. If a tree must be felled from private property into the green area, the homeowner must remove it promptly.

SECTION II

Annual Regime Fee

1. **Annual Assessment for Regime Fee.** Each owner of a lot within King's Grant on the Ashley subject to these Restrictions is deemed to covenant and agree to pay to the King's Grant Homeowners' Association, Inc. an annual assessment for the continuation of an operating fund the amounts hereinafter set forth. The sums so received shall be used to provide funds for the maintenance, landscaping and beautification of the common areas currently owned by King's Grant Homeowners' Association, Inc. but shall not include public right-of-ways or easements when satisfactorily maintained by any government authority or the Country Club facilities. Further such sums may be used for providing services and the enforcing of these restrictions on their behalf by the King's Grant Homeowners' Association. The administration of the operating fund shall be vested with the Board of Governors of the King's Grant Homeowners' Association, Inc. according to its Bylaws.

2. **Amount and Due Date of Annual Assessment for Regime Fee.** Each owner of a lot subject to these restrictions shall pay to the King's Grant Homeowners' Association, Inc. the designated annual regime fee amount. The annual assessment was increased to Ninety and no/100 (\$90.00) beginning January 1, 1990. Effective January 1, 2002, the annual assessment will increase to One Hundred Ten and no/100 (\$110.00). Effective January 1, 2004, the annual assessment will increase to One Hundred Thirty and no/100 (\$130.00). Such payment is due on the first of January each year and shall be delinquent sixty (60) days after such. It shall be the right and responsibility of the Board of Governors of the King's Grant Homeowners' Association, Inc. to prosecute any action against any lot owner for any delinquent payments. A late charge of \$5. per month shall be charged for each month late or any portion thereof.

3. **Adjustments in Annual Assessment for Maintenance Fund.** The amount of the assessment may be adjusted by the King's Grant Homeowners' Association where, in its discretion, such adjustment is necessary to accomplish the purposes of the Maintenance Fund as set out above. Any adjustments shall correspond to any increase or decrease in the cost of living as shown by the Consumer Price Index as published by the Bureau of Labor Statistics of the United States Department of Labor. The base year for determining such increase or decrease shall be the year 1971. If the publication of the Consumer Price Index is discontinued, the property owners and Board of Governors may agree to accept comparable statistical information in the cost of living for the tri-county area published by any state or federal agency or by a financial periodical of recognized authority selected by the

Board of Governors.

4. **Assessment – Personal Obligation of Owners.** The assessment shall be the personal obligation of the owner of a lot subject to these restrictions at such time as the assessment falls due and shall not pass to successors in title unless expressly assumed. Each lot owner is responsible for the payment of such assessment whether or not a residence has been constructed on his lot. This assessment is due and payable by all lot owners other than those specifically exempted.

SECTION III

King's Grant Country Club

As of September 30, 1975, the King's Grant Country Club, including golf course, fairways, club house, swimming pool, tennis courts and all other recreational facilities became privately owned.

However, each owner of a lot in King's Grant on the Ashley, upon payment of the monthly dues prescribed by the owners shall have the right and privilege to designate one Family Unit to use and enjoy the facilities of the King's Grant Country Club. Based on previous documents filed with the Clerk of the Court of Dorchester County, no Family Unit shall be required to pay an initiation fee as a right to become a member of King's Grant Country Club.

SECTION IV

General Provisions

1. **Unintentional Violation of Restrictions.** In the event of unintentional violation of any of the foregoing restrictions with respect to any lot, the King's Grant Homeowners' Association or its successors reserves the right (by and with the written mutual consent of the owner or owners for the time being of such lot) to change, amend, or release any of the foregoing restrictions as the same may apply to that particular lot.
2. **Enforcement.** If any person, firm or corporation shall violate or attempt to violate any of said restrictions, it shall be lawful for any person, firm or corporation owning any of said lots (or having any interest therein) or the Board of Governors of the King's Grant Homeowners' Association to prosecute any proceeding at law or in equity against the person, firm or corporation violating or attempted to violate the same, and either to prevent him, it or them from doing so or to recover damages or other dues for such violation. In the event the Board shall prevail in any such legal proceeding allowed hereunder, the Board shall be entitled to a monetary award against such violator of reasonable attorney's fees, costs and expenses incurred incident to such proceedings.

3. **Severability.** Whenever possible, each provision of the Declaration shall be interpreted in such manner as to be effective and valid, but if any provisions of this Declaration or the application thereof to any persons or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other without the invalid provision or application, and to this end the provisions of this Declaration are declared to be severable.
4. **Heading and Binding Effect.** Headings are inserted only for convenience and are in no way to be construed as defining, limiting, extending or otherwise modifying or adding to the particular paragraphs to which they refer. The covenants, agreements and rights set forth herein shall be binding upon and inure to the benefit of the respective heirs, executors, successors and assigns of the King's Grant Homeowners' Association and all persons claiming by, through or under King's Grant Homeowners' Association.
5. **Duration.** The foregoing restrictions shall be construed as covenants running with the land and shall be binding and effective until January 1, 2006, at which time they shall automatically be extended for successive periods of ten (10) years each unless it is agreed by the vote of a majority in interest of the then owners of the described property to change, amend or revoke the restrictions in whole or in part. Every purchaser or subsequent grantee of any interest in any property now or hereafter made subject to this King's Grant Homeowners' Association, by acceptance of a deed or other conveyer thereof, agrees that the covenants and restrictions of this Declaration may be extended as provident in the Article.
6. **Amendment.** The covenants and restrictions of this Declaration may be amended at any time and from time to time by an agreement signed by at least fifty-one (51) percent of the property owners whose lots are within King's Grant on the Ashley. Any such amendment shall not become effective until the instrument evidencing such change has been filed for record in the Office of the Clerk of Court for Dorchester County, South Carolina. Every purchaser or subsequent grantee of an interest acceptance of a deed or other conveyance, agrees that the covenants and restriction of the Declaration may be amended as provided herein.

References:

Restrictions are filed with the Office of the Clerk of Court for Dorchester County as follows:

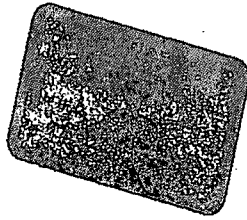
Section One - 24 September 1970, recorded in Book 179, page 113

- Patio Houses - 22 June 1973, recorded in Book 214, page 46
23 October 1973, recorded in Book 219, page 410
- Section Two - 19 December 1972, recorded in Book 206, page 42
31 October 1973, recorded in Book 220, page 157
- Playground and
Green Areas - 6 September 1974, recorded in Book 239, page 50
- Country Club - 30 September 1975, recorded in Book 256, page 343
5 August 1976, recorded in Book 289, page 168
19 May 1997, recorded in Book 1759, page 262
- All Sections - 3 August 1984, recorded in Book 519, page 148
29 October 1984, recorded in Book 524, page 484
5 February 1985, recorded in Book 531, page 122
31 December 1986, recorded in Book 576, page 784
28 February 1996, recorded in Book 1564, page 208
3 August 1999, recorded in Book 2250, page 078
13 December 2001, recorded in Book 2921,
page 141
page 327
3 November 2003, recorded in Book 3876,

ⁱⁱ "date of this instrument" is February 1985 (Section I, #8)

ⁱⁱⁱ Due to a printer error, this restriction was inadvertently left out of the 1996 printing of restrictions booklets and the following items renumbered. However, the actual restriction has not been deleted by vote and remains on file at Dorchester County Clerk of the Court.

KINGS GRANT HOA
P O BOX 50322
SUMMERVILLE, SC 29485



Statement Date: 11/18/2010
Unit ID: KGHOA STR209

*Appellants
Exhibit 2*

DIXON, ELWOOD
209 STRATFORD DRIVE
SUMMERVILLE, SC 29485

PLEASE PAY PROMPTLY. THANK YOU.
ANY QUESTIONS CALL SHERRILL AT
843-873-4911

STATEMENT

Date	Description	Charge	Payment	Transaction Balance
	Previous Balance			\$0.00
11/01/2009	01/01/2010 Regime Fee	\$175.00	\$85.00	\$90.00
03/15/2010	LATE FEE	\$5.00		\$5.00
04/22/2010	LATE FEES	\$5.00		\$5.00
05/10/2010	LATE FEE	\$5.00		\$5.00
06/10/2010	LATE FEE	\$5.00		\$5.00
07/14/2010	LATE FEE	\$5.00		\$5.00
08/10/2010	LATE FEE	\$5.00		\$5.00
09/08/2010	LATE FEE	\$5.00		\$5.00
10/08/2010	LATE FEE	\$5.00		\$5.00
11/08/2010	LATE FEE	\$5.00		\$5.00
01/01/2011	01/01/2011 Regime Fee	\$175.00		\$175.00
Total Amount Due:				\$310.00

RETURN THIS PORTION WITH YOUR PAYMENT

DIXON, ELWOOD
209 STRATFORD DRIVE
SUMMERVILLE, SC 29485

Unit ID: KGHOA STR209
Statement Date: 11/18/2010
Total Amount Due: ~~\$310.00~~ ^{\$130}
Amount Enclosed: \$ 130⁰⁰

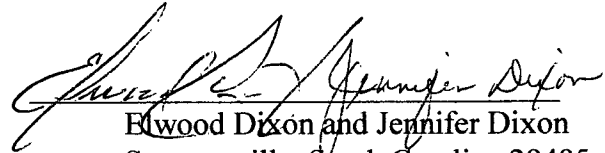
See attached

KINGS GRANT HOA
P O BOX 50322
SUMMERVILLE, SC 29485

Certificate of Counsel

The undersigned hereby certifies that the Record on Appeal contains all material proposed to be included by any of the parties and not any other material.

January 21, 2013



Edwood Dixon and Jennifer Dixon
Summerville, South Carolina 29485
Pro Se Appellants

THE STATE OF SOUTH CAROLINA
In The Court of Appeals

APPEAL FROM DORCHESTER COUNTY
Court of Common Pleas

Diane S. Goodstein, Circuit Court Judge

Case No. 2011-CP-18-1716
Appellate Case No. 2012-211934

King's Grant Homeowners
Association, Inc.

Respondent,

v.

Elwood Dixon and Jennifer
Dixon,

Appellants.

RECEIVED

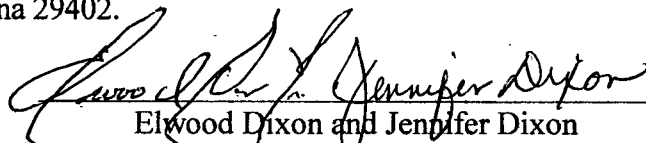
JAN 23 2013

SC Court of Appeals

PROOF OF SERVICE

We certify that we have served the **Amended Record on Appeal** on Respondents, King's Grant Homeowners Association, Inc., by depositing a copy of it in the United States Mail, postage prepaid, on January 21, 2013, addressed to their attorneys of record, Nicholas J. Rivera, Joseph E. DaPore, Russell G. Hines, and Stephen L. Brown, of Young Clement Rivers LLP, Post Office Box 993, Charleston, South Carolina 29402.

January 21, 2013



Elwood Dixon and Jennifer Dixon
Summerville, South Carolina 29485
Pro Se