

STATE OF SOUTH CAROLINA)
)
)
COUNTY OF HORRY) **THIRD AMENDMENT TO
DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR THE DYE ESTATES**

THIS THIRD AMENDMENT TO THE DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE DYE ESTATES (the “*Third Amendment*”) is entered into this ____ day of _____, 2018, by COASTAL RESORT HOLDINGS, LLC, a North Carolina limited liability company (the “*Declarant*”) and THE DYE ESTATES HOMEOWNERS ASSOCIATION, INC., a South Carolina non-profit corporation (the “*HOA*”).

RECITALS:

WHEREAS, Silver Carolina Development Company, L.L.C., a Delaware limited liability company ("**Silver**"), recorded that certain Declaration of Covenants, Conditions and Restrictions for The Dye Estates, recorded December 29, 2000, in Deed Book 2328 at Page 745, public records of Horry County, South Carolina (the "**Declaration**"); and

WHEREAS, Silver subsequently assigned Declarant Rights under the Declaration to NFPS, Inc. ("**NFPS**"), and NFPS assigned Declarant Rights under the Declaration to Declarant by that certain Assignment of Declarant Rights Under Declaration of Covenants, Conditions and Restrictions for The Dye Estates, recorded November 16, 2004 in Deed Book 2822 at Page 635, public records of Horry County, South Carolina; and

WHEREAS, the Declaration was amended by a First Amendment recorded January 31, 2002, in Deed Book 2449 at Page 96, public records of Horry County, South Carolina; and

WHEREAS, the Declaration was also amended by Second Amendment recorded September 10, 2003, in Deed Book 2640 at Page 781, public records of Horry County, South Carolina; and

WHEREAS, pursuant to Article X, Section 10.2 of the Declaration, once Class B membership ceases to exist, the Declaration may be amended only if the amendment is approved by two-thirds (2/3) of votes cast at a duly called meeting of the homeowners in accordance with the procedures set forth in Section 10.2 of the Declaration; and

WHEREAS, Class B membership no longer exists; and

WHEREAS, Declarant is the owner of Lot 106B in the Dye Estates, as shown on that certain plat entitled and D.R. Horton, Inc., a Delaware corporation ("Horton"), is the owner of Lot 105 and Lot 106A; and

WHEREAS, the HOA has complied with the requirements set forth in Section 10.2 of the Declaration, as evidenced by the Owners' signatures attached hereto as **Exhibit "A"**, and incorporated into this Third Amendment, by reference as if set forth herein verbatim; and

WHEREAS, the Declarant and the HOA, together with D.R. Horton, Inc., a Delaware corporation ("**Horton**"), now wish to amend the Declaration to remove and withdraw Lot 105, Lot 106A and Lot 106B from the Declaration, said Lots being more particularly described below.

WITNESSETH

NOW, THEREFORE, for and in consideration of Five and No/100 Dollars (\$5.00), the premises herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Declarant, the HOA and Horton hereby declare and agree that said Declaration shall be amended as follows:

The real property described below is hereby withdrawn and removed from and shall not longer be subject to the Declaration of Covenants, Conditions and Restrictions for The Dye Estates dated December 14, 2000 and recorded in the Office of the Register of Deeds for Horry County, South Carolina on December 29, 2000, in Deed Book 2328 at Page 745, as previously amended, to wit:

ALL AND SINGULAR, that certain piece, parcel or tract of land, lying and being located in Little River Township, Horry County, South Carolina, and being more particularly described as **LOT 105** as shown on Map of Lots 105, 106 and Pump Station Site, "The Dye Estates" at Barefoot Resort, City of North Myrtle Beach, Horry County, South Carolina, dated April 1, 2003, last revised October 16, 2003, prepared by DDC Engineers, Inc., recorded November 16, 2004 in Plat Book 201 at Page 65, records of Horry County, S.C., said plat being incorporated herein and made a part hereof by reference.

AND

ALL AND SINGULAR, that certain piece, parcel or tract of land, lying and being in the City of North Myrtle Beach, County of Horry, State of South Carolina, containing 2.55 Acres, more or less, shown and identified as **NEW LOT 106A** on Subdivision Plat of Lot 106 The Dye Estates at Barefoot Resort, dated July 10, 2017, prepared by Robert A. Warner and Associates, Inc., for Coastal Resort Holdings, LLC, recorded in the Office of the Register of Deeds for Horry County in Plat Book 276 at Page 112, said plat being incorporated herein and by reference.

DERIVATION: This being the same property conveyed to D. R. Horton, Inc. by Deed of Coastal Resort Holdings, LLC recorded August 7, 2017 in Deed Book 4032 at Page 806, in the public records of Horry County, South Carolina.

TMS/PIN No.: 143-18-01-001/358-16-01-0003

AND

ALL AND SINGULAR, that certain piece, parcel or tract of land, lying and being in the City of North Myrtle Beach, County of Horry, State of South Carolina, containing 2.55 Acres, more or less, shown and identified as **NEW LOT 106B** on Subdivision Plat of Lot 106 The Dye Estates at Barefoot Resort, dated July 10, 2017, prepared by Robert A. Warner and Associates, Inc., for Coastal Resort Holdings, LLC, recorded in the Office of the Register of Deeds for Horry County in Plat Book 276 at Page 112, said plat being incorporated herein and by reference.

DERIVATION: This being a portion of the property conveyed to Coastal Resort Holdings, LLC by Deed of NFPS, Inc., recorded November 16, 2004 in Deed Book 2822 at Page 554, in the public records of Horry County, South Carolina.

PIN No.: 358-16-01-0004

RATIFICATION

FURTHER, it is hereby agreed that the aforesaid Declaration, and all previous amendments thereto, if any, shall be and the same are hereby ratified, confirmed and adopted in all respects and all particulars as to each and every provision thereof, except as to those provisions expressly amended as set forth herein and shall be and hereby are, binding upon and inure to the benefit of all present and future Owners, their mortgagees and lien holders and their heirs, successors, successors-in-title and assigns.

FURTHER, the above shall and does hereby constitute the Third Amendment to the Declaration with regard to the matters and things set forth herein, and the Declarant, HOA and Horton, and the requisite number of Owners do hereby ratify and affirm and adopt the terms and conditions of this Third Amendment as evidenced by the signatures to follow.

[Separate signature pages to follow]

IN WITNESS WHEREOF, the Declarant, by its duly authorized officer has executed this Third Amendment to the Declaration of Covenants and Restrictions for The Dye Estates, this ____ day of _____, 2018.

DECLARANT:

COASTAL RESORT HOLDINGS, LLC,
a North Carolina limited liability company

Witness #1
Name: _____

By: _____
Name: _____
Title: _____

Witness #2
Name: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF _____) ACKNOWLEDGEMENT

I, the undersigned Notary Public, do hereby certify that COASTAL RESORT HOLDINGS, LLC a North Carolina limited liability company, by _____ its _____, personally appeared before me this day and acknowledged the due execution of the foregoing instrument as his or her act and deed and as the act and deed of the limited liability company.

WITNESS my hand and official stamp or seal this ____ day of _____, 2018.

Notary Public for South Carolina
Name: _____
My Commission Expires: _____

IN WITNESS WHEREOF, the Declarant, by its duly authorized officer has executed this Third Amendment to the Declaration of Covenants and Restrictions for The Dye Estates, this ____ day of _____, 2018.

DYE ESTATES HOA:

THE DYE ESTATES HOMEOWNERS ASSOCIATION, INC., a South Carolina non-profit corporation

Witness #1
Name: _____

By: _____
Name: _____
Title: _____

Witness #2
Name: _____

Witness #1
Name: _____

By: _____
Name: _____
Title: _____

Witness #2
Name: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF _____) ACKNOWLEDGEMENT

I, the undersigned Notary Public, do hereby certify that THE DYE ESTATES HOMEOWNERS ASSOCIATION, INC. a South Carolina corporation, by _____ its _____, personally appeared before me this day and acknowledged the due execution of the foregoing instrument as his or her act and deed and as the act and deed of the corporation.

WITNESS my hand and official stamp or seal this ____ day of _____, 2018.

Notary Public for South Carolina
Name: _____
My Commission Expires: _____

JOINDER OF OWNER OF LOT 105 AND 106B

The undersigned D.R. HORTON, INC., being the Owner of Lot 105 and Lot 106A, Dye Estates, Barefoot Resort, City of North Myrtle Beach, South Carolina, more fully described in that certain Third Amendment to Covenants, Conditions and Restrictions for Dye Estates, to which this Joinder is attached, do hereby join in and consent to the filing of the foregoing Third Amendment to Declaration of Covenants, Conditions and Restrictions for Dye Estates and the withdrawal of Lot 105 and Lot 106A, owned by the undersigned, from Dye Estates and release of the same from the Declaration of Covenants, Conditions and Restrictions for Dye Estates.

D.R. HORTON, INC., a Delaware corporation

Witness #1
Name: _____

By: _____
Name: _____
Title: _____

Witness #2
Name: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF _____) ACKNOWLEDGEMENT

I, the undersigned Notary Public, do hereby certify that D.R. HORTON, INC. a Delaware corporation, by _____ its _____, personally appeared before me this day and acknowledged the due execution of the foregoing instrument as his or her act and deed and as the act and deed of the corporation.

WITNESS my hand and official stamp or seal this ____ day of _____, 2018.

Notary Public for South Carolina
Name: _____
My Commission Expires: _____

EXHIBIT “D”

Form of Roadway Agreement

Prepared by and return
recorded original to:

Robert S. Guyton, Esq.
Robert S. Guyton, P.C.
4605 B Oleander Drive, Suite 202
Myrtle Beach, SC 29577

**EASEMENT, ROAD MAINTENANCE AND COST SHARING
AGREEMENT FOR GRAY HERON DRIVE AND DYE ESTATES**

THIS EASEMENT, ROAD MAINTENANCE AND COST SHARING AGREEMENT ("**Agreement**") is made by and among **THE DYE ESTATES HOMEOWNERS ASSOCIATION, INC.**, a South Carolina non-profit corporation ("**Dye Estates HOA**"), **COASTAL RESORT HOLDINGS, LLC**, a North Carolina limited liability company ("**Coastal**") and **D.R. HORTON, INC.**, a Delaware corporation ("**Horton**"), their respective successors and assigns (each individually a "**Party**" and collectively the "**Parties**").

RECITALS:

WHEREAS, Dye Estates HOA is the homeowners association having jurisdiction over The Dye Estates, a residential neighborhood within the Dye Club community ("**Dye Estates**"), which is a part of the Barefoot Resort and Golf Planned Development District (the "**Barefoot PDD**"), North Myrtle Beach, South Carolina; and

WHEREAS, the Dye Estates and all of the real property which is governed by the Dye Estates HOA, together with other real property within the Barefoot PDD, are encumbered by and subject to that certain Declaration of Covenants, Conditions and Restrictions for Barefoot Resort Residential Properties, recorded April 13, 2000 in Deed Book 2251 at Page 384, public records of Horry County, South Carolina (the "**Master Declaration**"); and

WHEREAS, Dye Estates is subject to that certain Declaration of Covenants, Conditions and Restrictions for The Dye Estates, recorded on December 29, 2000 in Deed Book 2328 at Page 745, in the public records of Horry County, South Carolina (the "**Dye Declaration**"); and

WHEREAS, NFPS, Inc. and Dye Estates HOA entered into that certain Agreement Regarding Dye Cabins, recorded September 10, 2003 in Deed Book 2640 at Page 787, public records of Horry County, South Carolina (the "**Dye Cabins Agreement**"), whereby a portion of the real property subject to the Dye Declaration, more particularly described in the Dye Cabins Agreement was further subjected to additional covenants and restrictions; and

WHEREAS, Coastal acquired all of the right, title and interests of NFPS, Inc. in the real property which is the subject of the Dye Cabins Agreement, therefore Coastal is a successor in title to NFPS, Inc.; and

WHEREAS, Dye Estates HOA and Coastal entered into that certain Agreement Regarding Lots 105 and 106 in the Dye Estates, recorded February 22, 2017, in the public records of Horry County, South Carolina (the "***Lots 105 and 106 Agreement***"), whereby Dye Estates HOA and Coastal agreed to certain terms and conditions for the removal of Lots 105 and 106, as described in the Lots 105 and 106 Agreement, from the Dye Estates; and

WHEREAS, Coastal subsequently sold a portion of the real property which is the subject of the Lots 105 and 106 Agreement to Horton, a description of such real property being attached hereto as **Exhibit "A"** (the "***Horton Property***"); and

WHEREAS, Coastal retained a portion of the real property which is the subject of the Lots 105 and 106 Agreement, a description of such real property being attached hereto as **Exhibit "B"** (the "***Coastal Property***"); and

WHEREAS, Horton intends to develop the Horton Property as an attached single family townhome neighborhood, pursuant to plans approved by both Dye Estates HOA, and the City of North Myrtle Beach (the "***Townhome Project***"). Horton also intends to acquire the Coastal Property for a subsequent expansion of the Townhome Project; and

WHEREAS, Coastal, Horton and Dye Estates prefer to, and have agreed to withdraw the Horton Property and the Coastal Property from the Dye Estates pursuant to the requirements set forth in the Dye Declaration, and subject to the vote of the Members of Dye Estates; and

WHEREAS, without regard to the withdrawal of the Coastal Property and the Horton Property from the Dye Estates, the Coastal Property and the Horton property shall remain subject to and encumbered by the Master Declaration; and

WHEREAS, Coastal, Horton and Dye Estates have, simultaneously with the execution of this Agreement, subjected the Horton Property and the Coastal Property to that certain Declaration of Covenants, Conditions and Restrictions for Lots 105, 106A and 106B Dye Estates (the "***New Declaration***"), which New Declaration is intended as an omnibus amendment and restatement of both the Dye Cabins Agreement and the Lots 105 and 106 Agreement, in order to eliminate any conflicts or inconsistencies between the Dye Cabins Agreement, the Lots 105 and 106 Agreement, and the current plans for the Horton Property, the New Declaration being effective without regard to the withdrawal of the Horton Property and the Coastal Property from Dye Estates; and

WHEREAS, the New Declaration shall be recorded prior to any declaration, master deed or other restrictive covenants governing the Horton Property and the Coastal Property and subsequent purchasers of any portion of the Horton Property and/or the Coastal Property, such later recorded declaration, master deed or other restrictive covenant being expressly subject to and subordinate to the New Declaration; and

WHEREAS, Coastal, Horton and Dye Estates have agreed to enter into this Agreement in anticipation of the withdrawal of the Horton Property and the Coastal Property from Dye Estates, provided that certain provisions of this Agreement shall be subject to and effective only upon the

withdrawal of the Horton Property and the Coastal Property from Dye Estates, as set forth herein, this Agreement also being recorded prior to any declaration, master deed or other restrictive covenants governing the Horton Property and the Coastal Property and subsequent purchaser of any portion of the Horton Property and/or the Coastal Property, such later recorded declaration, master deed or other restrictive covenant being expressly subject to and subordinate to this Agreement and any assessments, cost sharing or contribution agreements hereunder.

NOW, THEREFORE, for and in consideration of the mutual covenants, promises and conditions herein, together with the additional sum of Ten and No/100 (\$10.00) Dollars, to each of the other parties paid by each party, the receipt and sufficiency of which is hereby acknowledge, the parties agree as follows:

1. **Removal of Horton Property and Coastal Property from Dye Estates.** Lots 105 and 106A and 106B, being the same property herein collectively described as the Horton Property and the Coastal Property, are anticipated to be removed from the Dye Estates, upon approval of the requisite membership of Dye Estates HOA and the recording of an amendment to the Dye Declaration in the public records of Horry County, South Carolina (the "***Removal Amendment***"). In the event the Horton Property and the Coastal Property are not removed from the Dye Estates, this Agreement shall remain in full force and effect, with the exception of Section 5 set forth below, as the owners of the Horton Property and the Coastal Property would continue to be members of the Dye Estates HOA and have easement rights over Gray Heron Drive, and obligations for contributions for maintenance, repair, replacement and operation, as a result of the same being owned by the Dye Estates HOA, in the same manner as any other member of the Dye Estates HOA, provided, however, that the allocated share of the total costs of such maintenance, repair, replacement and operation which are addressed by this Agreement would replace the pro-rata share of such total costs for the Horton Property and the Coastal Property as the amount being assessed to the Horton Property and the Coastal Property.

2. **Declaration of Covenants, Conditions and Restrictions for Townhome Project.** Prior to the development of the Horton Property and/or the Coastal Property for sale as residential units to third party purchasers, the Horton Property and/or the Coastal Property will be subjected to a declaration, master deed or other form of restrictive covenant governing the owners of residential units within the Horton Property and/or the Coastal Property, respectively, which shall be expressly subject to and subordinate to the terms and conditions of the New Declaration and this Agreement, including any assessments, cost sharing, expense reimbursement or other charges due thereunder to the Dye Estates HOA.

3. **Installation of Secondary Gate.** Prior to the date of this Agreement, and pursuant to the terms of the Lots 105 and 106 Agreement, Coastal and/or Horton have installed a gate on Gray Heron Drive, beyond the Horton Property and the Coastal Property, but prior to entering into the single family neighborhood within Dye Estates (the "***Secondary Gate***"). Given that the Dye Estates is the most exclusive neighborhood within Barefoot Resort and Golf PDD, the purpose of the Secondary Gate is to delineate the Dye Estates single-family homes from any homes to be constructed on the Horton Property and/or the Coastal Property, which homes may line Grey Heron Drive, as the only entrance into Dye Estates, such homes being of a lower price point and lower standard of construction than the Dye Estates single-family homes, in order to avoid any potential

for negatively impacting property values. The additional purposes include preventing large construction vehicles related to construction activities on the Horton Property and/or the Coastal Property from using Bentbill Circle as a convenient turnaround for such vehicles. All manufacturers warranties have been, or will be transferred to the Dye Estates HOA, and the Dye Estates HOA agrees to maintain, at its expense, the Secondary Gate, including surrounding landscaping, hardscape and plant material.

4. **Removal of Exit Side of Guardhouse.** With the consent of both Coastal and Horton Dye Estates HOA has removed the exit side of the existing guardhouse located at the intersection of Gray Heron Drive and Club Course Drive.

5. **Guardhouse, Landscaping, Berm Maintenance and Roadway Maintenance.** The New Declaration includes plans approved for the Horton Property which incorporate various elements along or related to Gray Heron Drive. Horton and its successors and assigns, specifically including the homeowners association to be formed for the real property which is subject to the New Declaration shall maintain the improvements depicted on such plans in accordance with the plans approved by the Dye Estates HOA and the City of North Myrtle Beach and more completely described in the New Declaration. To that end, Coastal, Horton and their respective successors and assigns agree that the following cost-sharing provisions shall be applicable to the Horton Property and the Coastal Property:

- (a) **Guardhouse, Landscaping and Maintenance.** The existing landscaping and maintenance of the guardhouse and entrance at the intersection of Gray Heron Drive and Club Course Drive will continue to be operated and maintained by the Dye Estates HOA. Coastal, Horton and their respective successors and assigns, specifically including the homeowner association(s) governing the residents of any portion of the Horton Property or the Coastal Property shall pay Twenty (20%) percent of the costs of such maintenance, repair and operation of the guardhouse, landscaping and primary gate, in accordance with the cost sharing provisions of Section 7 below; and
- (b) **Horton Property and Coastal Property Landscaping and Berm Maintenance.** The New Declaration includes plans approved for the Horton Property which incorporate landscaped berms along Gray Heron Drive, the plans for such landscaped berms being attached hereto as **Exhibit "C"** (the "**Landscaped Berm Plan**"), which Landscape Berm Plan has also been submitted to the City of North Myrtle Beach for approval together with approval by the Dye Estates HOA. The Landscaped Berm Plan indicates that landscape berms shall be located on real property which is subject to the New Declaration. Horton and its successors and assigns, specifically including the homeowners association to be formed for the Horton Property (together with the Coastal Property should Horton acquire the Coastal Property) shall maintain, at its sole expense, the landscaping berms located on the Horton Property, and the Coastal Property, including any portions of such landscaping berms which may extend into the right-of-way of Grey Heron Drive, in accordance with the Landscape Berm Plan.
- (c) **Landscaping Beyond the Guardhouse and Before the Horton Property and the Coastal Property.** Horton and Coastal, their respective successors and assigns, including any

homeowners association(s) governing the residents of the Horton Property and/or the Coastal Property shall share in the costs of landscaping and maintenance, repair and replacement of such landscaping from the existing guardhouse at the intersection of Gray Heron Drive and Club Course Drive to the Secondary Gate at an agreed upon Forty (40%) percent of total costs incurred by the Dye Estates HOA for such maintenance, repair and replacement, and shall pay the same to the Dye Estates HOA in accordance with the cost sharing provisions of Section 7 below.

(d) Roadway Maintenance. The following provisions shall apply to maintenance of roadways which are the subject of this Agreement:

- (i) Gray Heron Drive Construction Activity Maintenance. Horton, Coastal and their respective successors and assigns, specifically including any homeowners association(s) governing the residents of the Horton Property and/or the Coastal Property, or any portion thereof, each of which is subject to the New Declaration, at their sole expense, shall pay for any damage, wear and tear, or additional maintenance of Gray Heron Drive from the intersection of Gray Heron Drive and Club Course Drive to the Secondary Gate which results from construction or construction activity during the period in which the Townhome Project is under construction. Horton, Coastal and the Dye Estates HOA have previously inspected Gray Heron Drive and mutually agreed upon the existing areas of deferred maintenance or repair on the date of this Agreement.
- (ii) Gray Heron Drive Roadway Maintenance. Horton and Coastal, their successors and assigns, specifically including any homeowners association(s) governing the residents of the Horton Property and/or the Coastal Property, or any portion thereof, shall assume the ongoing responsibility of the maintenance, repair and operation of Gray Heron Drive, from the intersection of Gray Heron Drive and Club Course Drive to the Secondary Gate, provided that the costs of such maintenance, repair and operation of that section of Gray Heron Drive shall be shared with Horton, Coastal and/or the respective successors and assigns, specifically including any homeowners association(s) governing the residents of the Horton Property and/or the Coastal Property, or any portion thereof, bearing Forty (40%) percent of the costs of such maintenance, repair and operation, and the Dye Estates HOA bearing Sixty (60%) percent of the costs of such maintenance, repair and operation, pursuant to the cost sharing provisions of Section 7 below.
- (iii) Other Roadway and Driveway Maintenance. Horton and Coastal, their successors and assigns, specifically including any homeowners association(s) governing the residents of the Horton Property and/or the Coastal Property, or any portion thereof, shall maintain any new roadways, new driveways, new curb cuts or common areas constructed as a part of the improvements to the Horton Property and/or the Coastal property, or any portion thereof, without regard to whether such improvements are located within the right-of-way of Gray Heron Drive, or within the Horton Property and/or the Coastal Property, or any portion thereof.

6. **Easement Over and Upon Gray Heron Drive.** In the event the Horton Property and the Coastal Property are removed from the Dye Estates and released from the Dye Declaration, Horton, Coastal and their respective successors and assigns are granted and easement of ingress, egress and for the installation, repair and maintenance of utilities over and upon Gray Heron Drive, a private right-of-way, having a width of Sixty Six (66') feet as shown on that certain plat entitled "THE DYE ESTATES" AT BAREFOOT RESORT, NORTH MYRTLE BEACH, HORRY COUNTY, SOUTH CAROLINA" dated July 13, 2000, recorded December 8, 2000, recorded in Plat Book 173 at Pages 238A and B; as such plat was last revised on December 22, 2000, and recorded in Plat Book 174 at Pages 241A and B, public records of Horry County, South Carolina ("**Gray Heron Drive**") which is owned by the Dye Estates HOA, as the same is located on the date of this Agreement, or may be re-located from time to time in the future, Gray Heron Drive constituting the easement premises for purposes of this Agreement. To the extent such easement is granted, nothing herein shall be construed as allowing Horton, Coastal or any of their respective successors and assigns to grant access to Gray Heron Drive from the Horton Property or the Coastal Property, and each shall be precluded from burdening such easement by the annexation of additional property outside of the boundaries of the Horton Property and the Coastal Property, such that no property other than the Horton Property and the Coastal Property shall have access to Gray Heron Drive through, over or upon the Horton Property or the Coastal Property.

7. **Cost Sharing Provisions.** The parties acknowledge that, as a result of this Agreement, various costs for maintenance, repair and operation of elements along or within Gray Heron Drive up to the Secondary Gate, are to be shared by and among the parties. Such cost sharing provisions shall begin on the earlier to occur of (i) the first day of the month following the issuance of the first certificate of occupancy for any structure on the Horton Property or the Coastal Property, or any portion thereof; or (ii) January 1, 2019, whichever is first to occur. The cost sharing provisions shall be as follows:

- (a) **Guardhouse, Landscaping and Maintenance.** The parties acknowledge that the guard house, the existing gate at the guard house and the existing landscaping for the guard house area at the intersection of Gray Heron Drive and Club Course Drive, benefit, and will continue to benefit Six (6) parties, which include (i) the Dye Estates HOA; (ii) Horton and the Horton Property; (iii) Coastal and the Coastal Property; (iv) the Dye Golf Course; (v) the existing Wyndham condominium project adjacent to the Dye Golf Course; and (vi) the existing Dye Villas condominium project located between Club Course Drive and Pete Dye Drive. Horton, Coastal, their successors and assigns, specifically including any homeowners association(s) governing the Horton Property and/or the Coastal Property, or any portion thereof, shall pay Twenty (20%) percent of the cost of the maintenance, repair and operation of the guard house, the existing gate at the guard house and the existing landscaping for the guard house area at the intersection of Gray Heron Drive and Club Course Drive; and
- (b) **Horton Property and Coastal Property Landscaping and Berm Maintenance.** The Landscaped Berm Plan indicates that landscape berms shall be located on real property which is subject to the New Declaration, Horton and Coastal acknowledging that such Landscape Berm Plan, in addition to any requirements of the City of North Myrtle Beach, were material inducements to the Dye Estates HOA for the approval of the Townhome

Project, and its impact on the existing natural view along Gray Heron Drive, which is the sole entrance into Dye Estates, the most exclusive neighborhood in the Dye Resort and Golf PDD. As a part of the consideration for approval of the Townhome Project, Horton, Coastal and their successors and assigns, specifically including any homeowners association(s) governing the Horton Property and/or the Coastal Property, or any portion thereof, shall maintain, at the sole expense of Horton, its successors and assigns, the improvements set forth in the Landscaped Berm Plan attached hereto as Exhibit "C".

- (c) Secondary Gate and Landscaping. The Dye Estates HOA, pursuant to the terms of this Agreement, shall maintain the Secondary Gate, the hardscape and landscaping surrounding the Secondary Gate, and Grey Heron Drive from the Secondary Gate to the Northern boundary of the Dye Estates single-family homes.
- (d) Landscaping Beyond the Guardhouse and Before the Horton Property and the Coastal Property. Horton and Coastal, their respective successors and assigns, including any homeowners association(s) governing the residents of the Horton Property and/or the Coastal Property shall share in the costs of landscaping and maintenance, repair and replacement of such landscaping from the existing guardhouse at the intersection of Gray Heron Drive and Club Course Drive to the Secondary Gate, as defined in Section 5(c) above, at an agreed upon Forty (40%) percent of total costs incurred by the Dye Estates HOA for such maintenance, repair and replacement, and shall pay the same to the Dye Estates HOA.
- (e) Roadway and Related Maintenance. The parties acknowledge that Gray Heron Drive benefits Horton and the Horton Property, Coastal and the Coastal Property and the Dye Estates HOA and its members. Pursuant to the New Declaration, Horton and Coastal, their respective successors and assigns, specifically including any homeowners association(s) governing the residents of the Horton Property and/or the Coastal Property, or any portion thereof, shall pay to the Dye Estates HOA an amount equal to Forty (40%) percent of the aggregate assessment to the members of the Dye Estates HOA for the costs of maintenance, repair and operation of Gray Heron Drive from the intersection of Gray Heron Drive and Club Course Drive to the Secondary Gate.

8. Invoicing, Collections and Assessments. Notwithstanding anything else herein, Horton and Coastal acknowledge that the Dye Estates HOA shall have the right to elect, in its sole discretion, to invoice any of the amounts due under this Agreement to Horton, its successors and assigns, specifically including any homeowners association governing the residents of the Horton Property or any portion thereof, and thereafter Horton, its successors and assigns shall have the right to collect any proportionate share of such invoice which may be allocable to Coastal (either on a pro-rate basis, or upon the basis of a separate agreement with Horton), relieving the Dye Estates HOA of the obligation to bill to or collect from both Horton and Coastal or their respective successors and assigns. On the date on which either of Horton or Coastal, their successors or assigns forms a homeowners association for purposes of governing the Horton Property, the Coastal Property, or any portion thereof, within Sixty (60) days of such formation, The parties further acknowledge that any invoice which remains unpaid for a period of more than Thirty (30) days from the date of such invoice shall bear interest at the rate of Eighteen (18%) percent per

annum. The parties further acknowledge that, on the date of this Agreement, the Horton Property and the Coastal Property are subject to assessments of the Dye Estates HOA, and that the parties further anticipate that the Horton Property and the Coastal Property will be released from the Dye Estates Declaration, and no longer subject to the governance of the Dye Estates HOA, except pursuant to the New Declaration. Provided, however, that in the event the Horton Property and/or the Coastal Property is not released from the Dye Estates Declaration and remains subject to the jurisdiction of the Dye Estates HOA, then, to the extent that any of the cost sharing provisions hereof represent costs for which the Horton Property and/or the Coastal Property would otherwise be subject to assessment by the Dye Estates HOA, that this Agreement shall not be interpreted to required Horton and/or Coastal to pay both an assessment and a cost share hereunder for the same expenses.

9. **Damage Caused by Construction and Development.** In consideration of the Dye Estates HOA waiver of any road impact fees for construction upon the Horton Property and/or the Coastal Property, Coastal and Horton shall be responsible for, pay for and repair any damage, wear and tear or additional maintenance of Gray Heron Drive up to the Secondary Gate, including the roadways, curbs and landscaping, caused by Horton or Coastal's construction or development activities of either Horton or Coastal on the Horton Property or the Coastal Property, respectively, prior to the issuance of any certificate of occupancy for any building constructed pursuant to the Blackwater Plans or any future approved plans. In addition, and as further consideration for the waiver of such road impact fees, the Dye Estates HOA shall have the right to inspect and approve any repairs occasioned by such construction activities prior to the issuance of any certificate of occupancy. From the date of this Agreement, Horton and the Dye Estates HOA agree that, in periodic intervals of approximately Six (6) months, Horton and the Dye Estates HOA, or the respective designees, will inspect Gray Heron Drive and the areas surrounding Gray Heron Drive in order to document damage and repairs required as a result of construction, for which Horton shall be responsible, at Horton's sole expense.

10. **Annual Budget.** On or before the date which is Forty-Five (45) days prior to its fiscal year, the Dye Estates HOA will establish a budget for the coming year, with regards to all expenses to be incurred which are subject to the above cost sharing provisions of Section 7, and shall provide the same to both Horton, Coastal and their respective successors and assigns. Horton, Coastal and their respective successors and assigns (specifically including any homeowners association formed for purposes of governing the residents of the Horton Property or the Coastal Property, or any portion thereof), shall pay to the Dye Estates HOA, on a monthly basis, an amount equal to 1/12 of the aggregate share of the total costs to be allocated to Horton, Coastal and their respective successors and assigns. For purposes of this Agreement, the Dye Estates HOA shall have the right to invoice, bill and collect any amounts due hereunder from Horton, its successors and assigning, including any homeowners association governing the residents of the Horton Property, or any portion thereof, in accordance with Section 8 above, and without regard as to how such amounts should be allocated between Horton and Coastal, their respective successors and assigns. In the event the actual expenses for any fiscal year exceed the budgeted expenses, then, in such event, not later than Sixty (60) days following the end of such fiscal year and the date on which the Dye Estates HOA delivers an invoice and applicable expense details for such additional actual expenses, Horton, Coastal and their respective successors and assigns shall pay such amount to the Dye Estates HOA, subject to the provisions of Section 8 above. In the event of any costs savings

for a fiscal year, such savings shall be applied to the following year, Horton, Coastal and their respective successors and assigns thereby receiving the benefit of such savings in the form of a lesser amount billed for the following year. The same process will be repeated, in the same manner for each subsequent fiscal year.

11. **Burden Upon the Land.** Any costs incurred for normal maintenance, operation, repair and replacement of the improvements within the easement granted herein shall be a burden upon the Horton Property and the Coastal Property, with a right, on the part of the Dye Estate HOA, to file a lien against any parcel for which such costs have not been paid. Any such lien shall attach upon the filing and recording of an affidavit by the party to whom such amounts are owed and outstanding. Such affidavit shall set forth the description of the parcel or property against which the lien is claimed, whether the expenditure is for normal and ordinary, maintenance, operation, repair and replacement, the total amount of such expenditure, the portion attributable to such parcel or property, and the dates of such expenditures.

12. **Indemnification; Hold Harmless.** Until such time as the Coastal Property and the Horton Property are removed from the Dye Estates and released from the Dye Estates Declaration, or in the event that the Coastal Property and the Horton Property are not removed from the Dye Estates and released from the Dye Estates Declaration, Coastal and Horton agree to, at their costs, defend, indemnify, and hold harmless the Dye Estates HOA (including attorney's fees and costs) with respect to any and all right, claim or cause of action from any party or parties arising out of the construction, development, subdivision and sale of the Coastal Property and/or the Horton Property, or any portion thereof.

13. **Extraordinary Use.** Each of the parties shall be separately responsible to repair, and for the costs of such repairs, any damage caused to the primary guardhouse or Gray Heron Drive as a result of extraordinary use. "Extraordinary Use" shall include, but not be limited to, movement of construction equipment, moving vans, commercial trucks or other heavy loads, or other use not consistent with ordinary uses. In the event that any parties, or their agents, employees, or invitees cause the type of damage described herein, and such party shall fail to make the necessary repairs, the remaining parties may do so after 10 days prior written notice to such party, and any costs expended shall be a burden upon the land of such party, with a lien enforceable as set forth herein.

14. **Applicable to Members, Successors and Future Owners.** The parties acknowledge and agree that this Agreement is intended to apply to all members of any of the parties, and all future successors and assignees of any party hereto.

15. **Applicable Law.** This Agreement shall be interpreted under the laws of the State of South Carolina, without regard to any conflicts of law provisions. Further the parties agree that venue shall be appropriate in any court in the State of South Carolina having jurisdiction over the Project Property.

16. **Further Amendment.** This Agreement may be amended only in writing, signed by the parties hereto, or their respective successors and assigns.

[Signatures appear on the following page]

Signature page for Dye Estates HOA

IN WITNESS WHEREOF the undersigned has executed this Agreement with the intent to be legally bound.

DYE ESTATES HOA:

THE DYE ESTATES HOMEOWNERS ASSOCIATION, INC., a South Carolina non-profit corporation

Witness:

By: _____
Name: _____
Title: _____

By: _____
Name: _____
Title: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF HORRY)

ACKNOWLEDGEMENT

Appeared before me, a Notary Public in the State of South Carolina
 _____ and _____ as _____
 of THE DYE ESTATES HOMEOWNERS ASSOCIATION, INC., as his or her act and deed and
 as the act and deed of the corporation.

Notary Public
Name: _____
My Commission Expires: _____

Signature page for Coastal Resort Holdings, LLC

IN WITNESS WHEREOF the undersigned has executed this Agreement with the intent to be legally bound.

COASTAL:

COASTAL RESORT HOLDINGS, LLC,
a South Carolina limited liability company

Witness:

By: _____
Name: _____
Title: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF HORRY)

ACKNOWLEDGEMENT

 Appeared before me, a Notary Public in the State of South Carolina
 _____ as _____ of COASTAL RESORT HOLDINGS,
LLC, as his or her act and deed and as the act and deed of the limited liability company.

Notary Public
Name: _____
My Commission Expires: _____

Signature page for D.R. Horton, Inc.

IN WITNESS WHEREOF the undersigned has executed this Agreement with the intent to be legally bound.

HORTON:

D.R. HORTON, INC., a Delaware corporation

Witness:

By: _____
Name: _____
Title: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF HORRY)

ACKNOWLEDGEMENT

 Appeared before me, a Notary Public in the State of South Carolina
 _____ as _____ of D.R. HORTON, INC., as his or her
act and deed and as the act and deed of the corporation.

Notary Public
Name: _____
My Commission Expires: _____

EXHIBIT "A"

Description of Horton Property

ALL AND SINGULAR, that certain piece, parcel or tract of land, lying and being located in Little River Township, Horry County, South Carolina, and being more particularly described as **LOT 105** as shown on Map of Lots 105, 106 and Pump Station Site, "The Dye Estates" at Barefoot Resort, City of North Myrtle Beach, Horry County, South Carolina, dated April 1, 2003, last revised October 16, 2003, prepared by DDC Engineers, Inc., recorded November 16, 2004 in Plat Book 201 at Page 65, records of Horry County, S.C., said plat being incorporated herein and made a part hereof by reference.

AND

ALL AND SINGULAR, that certain piece, parcel or tract of land, lying and being in the City of North Myrtle Beach, County of Horry, State of South Carolina, containing 2.55 Acres, more or less, shown and identified as **NEW LOT 106A** on Subdivision Plat of Lot 106 The Dye Estates at Barefoot Resort, dated July 10, 2017, prepared by Robert A. Warner and Associates, Inc., for Coastal Resort Holdings, LLC, recorded in the Office of the Register of Deeds for Horry County in Plat Book 276 at Page 112, said plat being incorporated herein and by reference.

DERIVATION: This being the same property conveyed to D. R. Horton, Inc. by Deed of Coastal Resort Holdings, LLC recorded August 7, 2017 in Deed Book 4032 at Page 806, in the public records of Horry County, South Carolina.

TMS/PIN No.: 143-18-01-001/358-16-01-0003

EXHIBIT "B"

Description of Coastal Property

ALL AND SINGULAR, that certain piece, parcel or tract of land, lying and being in the City of North Myrtle Beach, County of Horry, State of South Carolina, containing 3.35 Acres, more or less, shown and identified as **NEW LOT 106B** on Subdivision Plat of Lot 106 The Dye Estates at Barefoot Resort, dated July 10, 2017, prepared by Robert A. Warner and Associates, Inc., for Coastal Resort Holdings, LLC, recorded in the Office of the Register of Deeds for Horry County in Plat Book 276 at Page 112, said plat being incorporated herein and by reference.

DERIVATION: This being a portion of the property conveyed to Coastal Resort Holdings, LLC by Deed of NFPS, Inc., recorded November 16, 2004 in Deed Book 2822 at Page 554, in the public records of Horry County, South Carolina.

PIN No.: 358-16-01-0004