

After recording, please return to:
J. Tindal Hart
Buist, Byars & Taylor, LLC
652 Coleman Boulevard, Suite 200
Mount Pleasant, South Carolina 29464

Please cross-reference to Declaration recorded at:
Book V573, Page 762 and
Book U611, Page 848 and,
Book B619, Page 558

STATE OF SOUTH CAROLINA)
)
)
COUNTY OF CHARLESTON) FIRST AMENDMENT TO
) AMENDED AND RESTATED DECLARATION
) OF COVENANTS, RESTRICTIONS AND
) EASEMENTS FOR CAROLINA BAY

THIS FIRST AMENDMENT TO AMENDED AND RESTATED DECLARATION OF COVENANTS, RESTRICTIONS AND EASEMENTS FOR CAROLINA BAY (this "First Amendment") is made this 15th day of October, 2007, by Centex Homes, a Nevada general partnership (the "Declarant").

WITNESSETH

WHEREAS, the Declarant executed that certain Declaration of Covenants, Restrictions and Easements for Carolina Bay (the "Original Declaration"), dated February 7, 2006, and recorded February 23, 2006 in the RMC Office for Charleston County, South Carolina, in Book V573, Page 762, restricting certain real property located in the County of Charleston, State of South Carolina and being more particularly described in Exhibit "A" to the Declaration (the "Property"); and

WHEREAS, the Declarant subsequently amended and restated the Original Declaration by executing that certain Amended and Restated Declaration of Covenants, Restrictions and Easements for Carolina Bay (the "Restated Declaration"), dated January 2, 2007, and recorded January 11, 2007 in the RMC Office for Charleston County, South Carolina, in Book U611, Page 848; and

WHEREAS, the Declarant subsequently supplemented the Restated Declaration by executing that certain First Supplemental Declaration to Amended and Restated Declaration of Covenants, Restrictions and Easements for Carolina Bay (together with the Original Declaration and the Restated Declaration, the "Declaration"), dated March 9, 2007, and recorded March 19, 2007 in the RMC Office for Charleston County, South Carolina, in Book B619, Page 558; and

WHEREAS, pursuant to the terms of Section A of the Article 14 of the Declaration, the Declarant may amend the Declaration at any time, by written instrument duly recorded in the RMC Office for Charleston County, with or without the prior consent or approval of any Owner or mortgagee holding a lien on any Lot or Parcel; and

WHEREAS, the Declarant desires to amend the Declaration as provided below.

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, pursuant to the powers reserved to the Declarant under the Declaration, the Declarant hereby amends the Declaration as follows:

1. All capitalized terms used herein but not defined herein shall have the definitions set forth in the Declaration.
2. Article 6, Section II of the Declaration is hereby deleted in its entirety and replaced with the following:

H. Working Capital Contribution. The first Residential Owner who purchases a Living Unit from Declarant or a builder who constructed the Living Unit (an "Initial Transferee"), and except for Exempt Transfers (as defined below), each Residential Owner who purchases a Living Unit from another Living Unit Owner (a "Subsequent Transferee") shall pay to the Association at the time title is conveyed to such Residential Owner a "Working Capital Contribution". The amount of the Working Capital Contribution payable by an Initial Transferee shall be equal to a two-month share of the Base Assessment, and the amount of the Working Capital Contribution payable by a Subsequent Transferee shall be equal to seventy-five percent (75%) of the Base Assessment. The purpose of the Working Capital Contribution is to insure that the Association will have cash available for initial start up expenses including, but not limited to Operating Expenses, to meet unforeseen expenditures or to acquire additional equipment and services deemed necessary or desirable by the Board. Working Capital Contributions are not advance payments of Base Assessments and shall have no effect on future Base Assessments. Working Capital Contributions are payable at closing, and if not paid, the amount due shall be collectible as an Assessment as set forth in the Article 6, shall bear interest, and shall constitute a lien against the Living Unit

Notwithstanding the foregoing, the Working Capital Contribution shall not be due and payable for the following transfers (collectively, "Exempt Transfers"):

1. The lease of a Living Unit to a leasehold owner;
2. The transfer of a Living Unit to the spouse of a Residential Owner or a direct lineal descendant of the Residential Owner;
3. The transfer of a Living Unit to a trust whose beneficiaries are solely the spouse and direct lineal descendants of the Residential Owner;
4. The transfer of a Living Unit to an entity in which the Residential Owner owns, directly or indirectly, not less than 51% of the ownership interest in such entity; and
5. The transfer of a Living Unit to a Person that owns, directly or indirectly, not less than 51% of the ownership interests in the Residential Owner.

3. Except as set forth in this First Amendment, the Declaration shall remain in full force and effect, and any ambiguity between this document and the Declaration must be resolved in favor of this First Amendment.

IN WITNESS WHEREOF, Declarant has signed this First Amendment on the date set forth below.

DECLARANT:

WITNESSES AS TO DECLARANT:

CENTEX HOMES, a Nevada general partnership
By: Centex Real Estate Corporation,
a Nevada corporation
Its: Managing General Partner

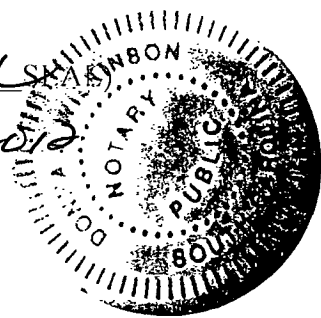
[Signature]
[Signature]

[Signature]
By: Todd Fairfax
Its: Division President

STATE OF SOUTH CAROLINA)
)
COUNTY OF Charleston)

The foregoing instrument was acknowledged before me, this 15th day of October, 2007, by Todd Fairfax, Division President of Centex Real Estate Corporation, a Nevada corporation, the Managing General Partner of Centex Homes, a Nevada general partnership.

[Signature]
Notary Public for South Carolina
My Commission Expires: 3/15/2012



BK J 642PG436

RECORDER'S PAGE

NOTE: This page **MUST** remain with the original document



FILED
October 25, 2007
2:27:52 PM
 BK J 642PG433
Charlie Lybrand, Register Charleston County, SC

[Handwritten signature]

Filed By:

Buist, Byars, & Taylor, LLC	
652 Coleman Blvd.	
Suite 200	
Mt. Pleasant	SC 29464-4018

Number of Pages:

4

DESCRIPTION	AMOUNT
MISC/AMEND	\$ 10.00
Postage	

TOTAL	\$ 10.00
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