

ARTICLE IX
TRANSFER FEE

Section 1. Authority The Board of Directors shall have the authority to establish and collect a "Transfer Fee" from the purchasing Owner upon each transfer of title to a Lot or Dwelling in the Property, which fee shall be payable to the Association at the closing of the transfer and shall be secured by the Association's lien for assessments under Article VIII of the Declaration. A transferring Owner shall notify the Association's secretary of a pending title transfer at least seven (7) days prior to the transfer. Such notice shall include the name of the purchaser, the date of title transfer, and other information as may be required by the Board of Directors.

Section 2. Fee Limit The Board of Directors shall have the sole discretion to determine the amount and method of determining any such Transfer Fee. The Board of Directors is authorized, but is not required, to determine the Transfer Fee or resale assessment based upon a sliding scale which varies in accordance with the "gross selling price" of the property or any other factor the Board of Directors determines. However, in no event shall any such Transfer Fee or resale assessment exceed 0.25% of the gross selling price of the Lot or Dwelling. For the purpose of determining the amount of the Transfer Fee or resale assessment, the gross selling price shall be the total cost to the purchaser of the Lot or Dwelling, excluding taxes and title fees as shown by the amount of the tax imposed by Beaufort County, South Carolina.

Section 3. Purpose All Transfer Fees which the Association collects shall be deposited into a segregated account used for the maintenance of Common Property and roads within or adjacent to the Property.

Section 4. Exempt Transfers Notwithstanding the above, no Transfer Fee shall be levied upon transfer of title to a Lot or Dwelling:

- (i) by a co-Owner to any person who was a co-Owner immediately prior to such transfer;
- (ii) to the Owner's estate, surviving spouse, or child upon the death of the Owner;
- (iii) to an entity in which the grantor Owner has at least a 51% ownership interest; provided, upon any subsequent transfer of an ownership interest in such entity, the Transfer Fee or resale assessment shall become due; or
- (iv) to an Institutional lender pursuant to a mortgage or upon foreclosure of a mortgage.

IN WITNESS WHEREOF, the Association has caused these presents to be executed the day and year first above written.

WITNESSES:

HERITAGE LAKES HOMEOWNERS ASSOCIATION, INC.

Stacy King
Kate Kubala

By: Day Hubbard
Its: President

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

ACKNOWLEDGMENT

I, the undersigned Notary Public, do hereby certify that Day Hubbard a duly authorized officer of the Heritage Lakes Homeowners Association, Inc. personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 30th day of September, 2015.

Stacy King (SEAL)
Notary Public for South Carolina
My commission expires: 4-7-19