

Rosetta Stone for understanding the Stratford Hall Homeowners Association, Inc.
Covenants, Restrictions and Conditions document

First essential step is to follow the recommendation provided by the September 29, 2023 Smith, Massey, Brodie, Guynn & Mayes, LLC letter to previous SH HOA BOD.

- **First Action** - Only use the official version, which is recorded at the Office of the RMC for Aiken County, South Carolina.
- **Second Action** – Following the recommendation of the letter – “I would suggest that whenever a question arises about the Stratford Hall Covenants or the Stratford Hall Bylaws, that the Board, or those interested, carefully read over the documents a few times. I find that a lot of the time lot owners and others have really not taken the time to read the documents carefully. It can take reading the documents a few times to fully understand them. “

The current SHHOA BOD has done this, without concluding that errors exist in the covenant document. Reading the document thoroughly through comes to the conclusion that the developer /partnership provides for the transition from its control of the Covenants and Bylaws to the Stratford Hall Homeowners Association, Inc. at the end of the development period. It requires reading multiple statements in the Covenants to understand this significant event. In the transition the developer/partnership relinquishes control of the common elements of Stratford Hall Subdivision to the first elected BOD for the incorporated Stratford Hall Homeowners Association, Inc.. This results in signing over deeds, financial records, and other relevant documents to the Homeowners Association. The following are the elements of the Covenants that support this eventual transition:

- Declaration made on page (2) (Vol. 581 Page 155 of recorded Covenants) - “Whereas, the Partnership desires to provide for the establishment of a Homeowners Association to be referred to as Stratford Hall Homeowners Association, Inc.; ...”
- Definition (6), page (3) (Vol. 581, Page 156 of recorded Covenants) – “Declarant” shall mean the owner of the property which is presently Stratford Hall, A South Carolina General Partnership.
- Definition (1), page (3) (Vol. 581, Page 156 of recorded Covenants) – “Association “ shall mean and refer to Stratford Hall Homeowners Association, Inc. a corporation organized to manage and control the common areas created out of the development of the above property.

- Section III “Property Rights”, Item (1) page (9)(Vol. 581, Page 162 of recorded Covenants), “ Every owner shall have a right and easement of enjoyment in and to the common areas which shall be appurtenant to and shall pass with the title to every lot subject to the right of the declarant or its **successor, the Association,** ...” *This occurs following the end of the development period (i.e., transition) making the succeeding committee of owners, the Stratford Hall Homeowners Association, Inc. the first BOD under homeowners control.*
- Section II, “General Covenants” Item (20) page (9) (Vol. 581, Page 162 of recorded Covenants), “The covenants and restrictions of this Declaration may be amended by Stratford Hall, a South Carolina general partnership during the development period of Stratford Hall, and until **sixty percent (60%) of the lots have been sold and/or occupied.** Upon the **completion of the development period,** this Declaration may be amended by an **Instrument signed by not less than 90% of the lot Owners.** ...”. *These are the Stratford Hall Homeowners Association, Inc. members. The statement. “... sixty percent (60%) of the lots have been sold and/or occupied ...” is the transition, upon completion of the development period, from control of the common areas from developer to the Homeowners Association. It is stated numerous times in the Covenants (e.g., Section II, “General Covenants” Item (3), page (4) (Vol. 581, Page 157 of recorded Covenants), “Minimum Setbacks” as well as other sections.*
- Section II, “General Covenants” Item (11), page (6) (Vol. 581, Page 159 of recorded Covenants), “Fencing”, “All fence construction **shall be approved by the Stratford Hall, a South Carolina general partnership, as developer of the property, or by an Architectural Control Committee appointed by the developer or Homeowners Association.** ...” *Homeowners Association will appoint after the development period when developer control transitions to the Stratford Hall Homeowners Association, Inc.*
- Section II, “General Covenants” Item (12), page (6) (Vol. 581, Page 159 of recorded Covenants), “Architectural and Design Review”, “... All plans and specifications for buildings, driveway, fences or walls to be erected upon any of the sold lots shall be **approved by the Stratford Hall partnership, as developer, or an Architectural Control Committee appointed by the developer or Homeowners Association.** ...” *Homeowners Association will appoint after the development period when developer control transitions to the Stratford Hall Homeowners Association, Inc.*
- Section II, “General Covenants” Item (14), page (7) (Vol. 581, Page 160 of recorded Covenants), “Architectural Control Committee”, “**The Architectural Control Committee shall be comprised of Stratford Hall, a**

partnership, as developer. Upon the sale and occupancy of sixty percent (60%) of the lots, a succeeding committee of owners, The Stratford Hall Homeowners Association, Inc., shall be elected by the owners and shall be comprised of at least three persons.

The Architectural Control Committee shall have a minimum of two (2) working days to review and approve or reject the plans, material selection and specifications submitted by lot owners. This developer declares for Item (11) and (12) of the Covenants that the developer will choose to be the Architectural Control Committee directly and not assign an Architectural Control Committee. The developer states that after the development period the Homeowners Association will be the successor. As a South Carolina registered incorporated Home Owners Association, the first board of directors for the Stratford Hall Homeowners Association is elected by the owners, and is comprised of at least three persons as is required by SC Code of Law 33-31 for Nonprofit Corporations. The Homeowners Association then appoints the Architectural Control Committee as indicated in Item (11) and (12) of the covenants. While the Covenants would have been better served to state this transition period between developer and the Homeowners Association before the last sentence in Item (12) of the Covenants, the presence of this declared end of development and transition to the first elected Homeowners Association, of at least three members elected by the members, to be the board of directors, makes the Declaration (Covenants, Restrictions and Conditions document) a legal contract for all homeowners.

Finally, based on discussions which involve the Architectural Control Committee it has been revealed through review of official SHHOA board meeting records and a posting on the Stratford Hall Facebook page (December 18, 2024) that this discussion is beyond a simple "elected versus appointed" issue. The actual issue, as stated in these documents, is the Architectural Control Committee being in control and interpretation of the Declaration (Covenants, Restrictions and Conditions) for the Stratford Hall Homeowners Association, Inc., as well as having power beyond the BOD and not answering to the BOD. This is not legally viable and is in conflict with the SC Code of Laws 33-31 for Nonprofit Corporations.

This apparently is based on reading Section II, "General Covenants" Item (1) page (3) (Vol. 581, Page 156 of recorded Covenants), "Purpose". "The primary purpose of these Covenants and the foremost consideration in the origin of same has been the creation of a residential community which is esthetically pleasing. The establishment of extensive objective standards relating to design, size and location of dwellings and other structures makes it impossible to take full advantage of the individual characteristics of each parcel of property and technological advances and environmental values. For this reason, such standards are not established hereby, but may be suggested by the Partnership in discussion with and in materials submitted to Owners. To implement these Covenants, the Partnership shall through the Review Board as defined hereafter, establish amend from time to time objective

standards and guidelines which shall be in addition to and more than said governmental standards.

This is apparently being read that the Architectural Control Committee is in control of all aspects of the Covenants. The covenants require, after the development period and transition to the Homeowners Association, 90% of the members (super majority) to approve a change to the covenants. The exception is for building materials, individual characteristics of a parcel being developed, technological advances in construction methods, etc.) . This statement allows these specific Covenants to be modified without submitting the modifications as a Covenant change requiring members approval. Examples of this is Covenant Section (12) that states the exterior finish of any building on any lot must be either solid brick, brick veneer, B-grade siding or its equivalent, wood shingles, natural stone, stucco or vinyl siding. This has now been modified to allow Hardy Board (cement board) in our subdivision. Further, this section states, "there shall be no exposed concrete block homes permitted." There are now homes in the subdivision with split faced concrete cinder block that has appearance of stone. There are now homes with standing seam metal roofing. All this has occurred as a result of the flexibility of this Covenant. What it doesn't establish is the Architectural Control Committee having control of the Covenants and its interpretation. To conclude such a meaning would be overreach, and it usurps the fiduciary duty of the Stratford Hall Homeowners Association BOD to act in the best interest of the association and its members. By ceding its authority to a committee, the board would be neglecting this duty, potentially exposing it to liability. An ACC's overreach could result in financial and legal harm to the HOA and its members. The HOA could face lawsuits from lot owners challenging the ACC's authority and decisions. This would result in significant legal costs and potential damages. The power and authority flow from an incorporated HOA through the BOD to committees, such as the ACC.