

Crystal Bay II Board of Directors Position Statement

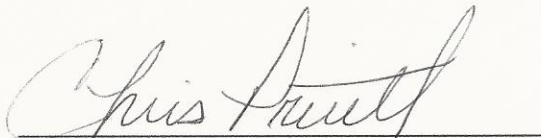
Vacation Rentals

February 13, 2013

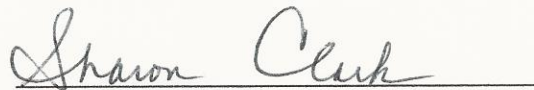
Regarding the issue of vacation rentals, the current Crystal Bay II HOA BOD accepts the determination of the South Carolina Attorney General's Office, dated October 02, 2012, (<http://www.scag.gov/archives/7392>), which states

"we believe a court would find the use of a house as a vacation rental home is inconsistent with the plain language of the restrictive covenants applicable to the subdivision. The restrictions expressly limit the use of property in the subdivision to residential purposes and single-family dwellings. Consistent with the Court's holding in Hoffman v. Cohen, the use of a house as a vacation rental home would constitute a commercial-type operation which was not contemplated by the restrictive covenants at the time they were executed."

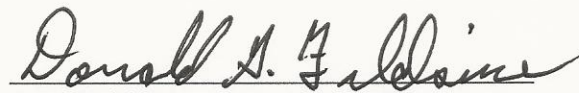
Please be advised that this Board will uphold the CBII covenants as written and supported by this determination, which prohibit the use of a home in this subdivision as a vacation rental. This position is effective immediately.



Chris Pruitt, President



Sharon Clark, Treasurer



Don Feldsine, Grounds & Maintenance



Teresa Anthony, Secretary



Steve Murphy, ARC