

ADDENDUM TO PURCHASE AGREEMENTS FOR REAL PROPERTY IN BAXTER

THIS ADDENDUM shall be added to and become a part of that agreement for the purchase and sale of real property between the undersigned Seller and Purchaser dated _____, 20____ (the "Agreement") and shall control over any inconsistent provisions in the body of such Agreement.

1. PLANNED COMMUNITY.

(a) Governing Documents. Purchaser acknowledges that the real property and improvements ("Property") which are the subject matter of the Agreement are part of the planned community known as Baxter and are subject to that certain Declaration of Covenants, Conditions, and Restrictions for Baxter ("Declaration") recorded in the Register of Mesne Conveyances for York County, South Carolina, as it may be amended and supplemented from time to time, as well as the Articles of Incorporation, the By-Laws, and the rules of Baxter Community Association, Inc. ("Association"). By execution of this Agreement, Purchaser acknowledges receipt of the foregoing documents. By accepting a deed conveying title to the Property, Purchaser agrees to be bound by and comply with all of the terms and provisions set forth in such documents, as they may be supplemented and amended from time to time.

The Declarant (as defined in the Declaration), may, at any time and from time to time, make changes in or amendments to the terms and provisions of the Declaration as necessary to comply with the guidelines established by or the requirements of any governmental authority, title insurer, institutional lender, insurer or guarantor of mortgage loans, without the approval of Purchaser. Such changes or amendments shall not be a cause or reason for termination or revision of this Agreement.

(b) Membership in Association. Upon conveyance of title to the Property to Purchaser, Purchaser shall automatically become a member of the Association and shall remain a member so long as Purchaser holds title to the Property. Purchaser acknowledges that the Association is authorized to levy annual assessments against the Property for Purchaser's prorata share of the common expenses of the Association, as more fully set forth in the Declaration, and that such assessments are the personal obligation of each member.

(c) Expansion of the Community. Purchaser acknowledges that the Baxter community may be expanded in accordance with the terms of the Declaration. Purchaser also acknowledges that there is no obligation on the part of the Declarant under the Declaration, or any other person or entity, to expand the community of Baxter beyond the bounds of the property which is presently subject to the Declaration.

(d) Approved Builder. Purchaser acknowledges that only builders approved by Clear Springs Development Company, L.L.C. (the "Developer"), may construct homes in Baxter. Such approval requirement is for the protection of Developer only, and shall not be construed to create any duty or liability to Purchaser on the part of the Developer. In the event of termination of this Agreement for any reason after title has transferred to Purchaser and prior to completion of the improvements to be constructed on the Property by Seller, Purchaser agrees that Purchaser shall not permit any person other than a builder approved by the Developer to engage in any construction on the Property and shall promptly enter into an agreement with another approved builder to complete the improvements in accordance with the plans and specifications approved pursuant to the Declaration. This provision is for the express benefit of the Developer and it shall be entitled to any and all remedies available at law or in equity to enforce its rights hereunder.

2. NO RELIANCE. Purchaser acknowledges that Purchaser has entered into this Agreement without reliance on any warranties, statements or representations, either written or oral, express or implied, by Developer, Seller, or by any agent, employee or representative of Developer or Seller, or by any broker or other person purporting to represent Seller, relating to the marketability or investment potential of the Property, the legal or tax consequences of this Agreement and the purchase or ownership of the Property, or other matters, except as set forth in this Agreement between Seller and Purchaser. Purchaser warrants and represents that if such matters are of concern to him, Purchaser has sought and obtained independent advice relative thereto.

3. NOTICE OF TRANSFER OF TITLE. Purchaser acknowledges that, pursuant to the Declaration, Purchaser is required to give written notice to the Board of Directors of the Association prior to any transfer of title to the Property. Purchaser acknowledges and agrees that until such written notice is received by the Board of

Directors, Purchaser shall remain jointly and severally liable for all obligations of the owner of the Property, including payment of all assessments, notwithstanding the transfer of title to the Property.

4. SUBDIVISION IMPROVEMENTS. Purchaser acknowledges and recognizes that inasmuch as Purchaser may be purchasing the Property prior to the completion of construction on other lots and streets in the Baxter community, there may be certain inconveniences until all such construction is completed, and Purchaser waives all claims with respect thereto. Purchaser agrees that if Purchaser, his family, guests, employees, agents or invitees enters onto any area of construction, they do so at their own risk, and neither Seller, Clear Springs Development Company, L.L.C. (the "Developer"), The Springs Company, nor Developer's affiliates, contractors, agents, or employees, shall be liable for any damage, loss or injury to such person.

5. NO JOINT VENTURE. Purchaser acknowledges that Seller is not affiliated in any way with Clear Springs Development Company, the developer of Baxter.

6. COMMON OPEN SPACE AND CONSERVANCY AREAS. Purchaser acknowledges that:

(a) The Property may be located adjacent or in close proximity to common open space which may be improved with landscaping and other features intended for the use and enjoyment of the residents and visitors to Baxter or which may be left in a more natural or relatively undisturbed state. The level of maintenance which the Association provides to such areas may vary from regular, weekly maintenance to intermittent or no maintenance, depending on the nature and intended use of the particular common open space area.

(b) The Property may be located adjacent or in close proximity to a conservancy area designed to provide a habitat for various species of plants and animals which depend upon a wetland environment to survive. Such habitat may contain creeks, ponds, or intermittent pools of water, muddy areas, underbrush, and a variety of plant, animal and insect species, all of which contribute to the success of the conservancy area as a habitat. Purchaser agrees, on behalf of Purchaser and Purchaser's family, guests, invitees and all persons occupying or using the Property, to assist in maintaining any such conservancy area as a suitable habitat by avoiding entering upon or disturbing such conservancy area in any way.

(c) Common open space areas intended to be left in a more natural or relatively undisturbed state and conservancy areas may include a variety of native plant, animal, and insect species, creeks, fallen trees and other naturally occurring conditions, some of which may pose hazards to persons or pets coming in contact with them. Neither the Association, the Developer, nor Seller shall have any responsibility for providing maintenance in such areas or taking action to abate such conditions.

7. ON-SITE INSPECTION. Purchaser warrants that Purchaser has made a personal, on-the-lot inspection of the Property prior to signing the Agreement.

8. MIXED USE. Purchaser acknowledges that Baxter is a mixed use community and may contain single family homes, duplex, triplex (etc.), townhomes, condominiums, apartments, commercial, retail, medical, hotel, school, recreational and other uses.

9. MASTER PLAN. Purchaser acknowledges that the Baxter Master Plan is subject to change at the sole discretion of the Developer.

10. ARCHITECTURAL REVIEW. Purchaser acknowledges that the plans for the construction and landscaping of the home to be constructed on the Property, and any modifications to such plans, are subject to review and approval in accordance with the architectural review procedures set forth in the Declaration. The scope of such review shall include, without limitation, exterior elevations, color/material choices and repetition code. Purchaser acknowledges that modifications to the plans may be required in order to obtain approval.

11. YORK COUNTY CONVENIENCE AND RECYCLING CENTER – PHASE III-A. As a convenience to residents of Baxter and to encourage recycling, a recycling and trash drop-off and collection station is located on a five-acre site in Phase III-A. The Convenience Center site is being leased to York County. York County has the right to use the site for this purpose for at least 15 years.

12. TRAIL SYSTEM. The trail system, as illustrated in the Master Plan and various brochures, will contain different types of trails with different levels of improvement and maintenance. The majority of the trail system will consist of rustic, earthen paths which depend on foot and bicycle traffic to keep the trail clear of undergrowth.

Some portions of the trail system will be available for use by the general public.

To the extent that maintenance is provided on the trail system, it will be provided by Baxter Community Association, Inc. as a common expense.

13. WORKING CAPITAL CONTRIBUTION. Pursuant to the Declaration, at the closing of the sale of a home or lot to the first owner other than Declarant or a Builder, a contribution to the working capital of the Association equal to 1/6 of the Base Assessment is collected from the new owner. Purchaser will be responsible for paying such working capital contribution at closing of the purchase of the Property.

14. COMMUNITY SERVICE FEE. Upon resale or other transfer of title to a home or lot in Baxter by a person other than the Declarant or a Builder, the transferring owner is required to pay a community service fee to Baxter Community Association, Inc. in an amount not to exceed the greater of \$500 or twenty-five hundredths of 1% (.25%) of the gross selling price of the property, subject to certain exceptions set forth in Section 8.9(d) of the Declaration.

15. USE OF COMMUNITY CENTER. The Developer donated the \$1,500,000 Community Center to Baxter Community Association, Inc. The facility is available for use by all Baxter residents (single family, townhomes, apartments and condominiums). The facilities may also be rented to the general public for meetings, weddings, reunions, parties, etc.

16. BAXTER PARKS, GREEN SPACES & OPEN AREAS. Various parks, green spaces, and open areas within Baxter are or will be owned and maintained by Baxter Community Association, Inc. as a common expense, but may be made available for use by the general public. Such public use may be routine or on a specific approval basis.

17. PROXIMITY TO CERTAIN FACILITIES.

(a) Baxter is located approximately 10 miles from the Charlotte/Douglas International Airport and accordingly may be in flight paths on a regular, recurring basis.

(b) Baxter is located approximately 11 miles from the Bowater Inc. plant. This facility manufactures paper products. The manufacturing of paper generally results in the emission of strong odors which can, from time to time, be detected at Baxter.

(c) Baxter is located approximately 5 miles from the Duke Energy Catawba Nuclear Power Station. While Duke Energy is widely known for safe plant operations, no representations are or have been made by the Developer or Seller, or any by any person purporting to represent the Developer or Seller, regarding the safety of such plant or its operator.

18. PROXIMITY TO PLAY FIELDS/AREAS. Lots 384 through 391 of Phase V-B, Map 2 are contiguous to a play field to be used for soccer, baseball, etc. and as a general natural turf play area. Also contiguous to the above-referenced lots is a hard surface (asphalt) multi-purpose play area for skateboarding, roller skating, and other recreation activities which may be conducted on a hard surface.

The above-described play areas will be deeded to Baxter Community Association, Inc. for general recreation purposes for the entire community of Baxter. While it is the Association's intent to restrict access to this play area to Baxter residents, the proximity to both a public school and public streets may make restricting access impractical and/or cost prohibitive.

19. TOWN CENTER. Purchaser acknowledges that the development plan for Baxter's Town Center includes a variety of uses. The uses may include commercial, retail, civic, recreational, townhomes, condominiums, live/work (residential over commercial, retail, etc.) and apartments. These uses may be intermingled throughout Town Center.

Certain phases of Baxter including Phases XIV, XVI, XVII & XVIII are particularly close to Town Center. The commercial, restaurant and general mixed use characteristics in Town Center may result in certain conditions, including, but not limited to, increased vehicular and pedestrian traffic and increased litter from such traffic, aromas and noises from the operation of restaurants and other uses, and parking in the streets in front of your home. Many of the restaurants and other establishments will serve alcoholic beverages. Their hours of operations will be in accordance with State law. It would not be unusual for such operating hours to extend to midnight or later.

20. STORMWATER BASINS & SEDIMENT BASINS. Purchaser acknowledges that the development requirements for Baxter and other communities in York County, South Carolina require that stormwater and sediment basins be installed. Certain of these basins are permanent while others are temporary. The permanent basins will not be removed. After rain, they will hold water for anywhere from a few hours to a week or more. Initially, they will be maintained by the Developer but they will be turned over to the Association for maintenance within one year of the recording of the applicable subdivision plat. The interior of the basin will be maintained solely to ensure proper functioning. There is no planned maintenance for the area around the exterior of the basins. Over time, the area around the basin may reforest. The interior of the basin will be maintained consistent with York County requirements.

21. DRIVEWAYS, FENCES & OTHER IMPROVEMENTS OVER WATER & SEWER RIGHTS-OF-WAY. Purchaser acknowledges that Developer has installed and transferred or will transfer to York County certain water and sewer lines and the rights-of-way to operate, maintain and replace the same, over which driveways and fences may have been or will be constructed to serve the Purchaser's lot or home in Baxter. Purchaser understands and acknowledges that York County has the right to bore into and excavate through any driveways or to remove any fencing or other improvements lying over such rights-of-way in order to maintain or replace as necessary any such buried water and sewer lines and Purchaser shall be solely responsible for the replacement or repair of any damage to Purchaser's driveway or fencing arising out of York County's exercise of its rights. Purchaser also understands and acknowledges that Purchaser does not have the right to plant trees or shrubs or install other improvements over York County's rights-of-way.

22. POSSIBLE REMOVAL OF TREES FROM PORTION OF BUFFER – PHASE 23. Lots 861 – 880 (Richards Crossing & Bath Court) have a buffer between their rear lot lines and Highway 160. York County has a sewer easement that extends into that buffer approximately 15 feet. Much of the approximately 15 foot easement is wooded. In the future, it may be necessary to clear the easement area. In order to maximize screening between rear lots and Highway 160, homeowners are encouraged to examine the buffer area behind their lot and if they deem it necessary and/or desirable, to plant additional screening material in their rear yard. Please see the revised Phase 23 plat recorded February 8, 2006 at Book D-72, Page 1.

Lots 880 – 882 and 925 are adjacent to an open space containing a 153 foot Duke Power right-of-way and various storm drainage and sanitary sewer easements. Please refer to the aforementioned revised plat for Phase 23 for the exact location of these easements. The easement areas may contain trees, shrubs or other vegetation ("Plant Material"). If so, certain Plant Material may be removed in the future. Homeowners are encouraged to examine the rear or side lot lines that are contiguous to the easements and if they deem it necessary and/or desirable, to plant additional screening material in their yard.

23. PARKS & PUBLIC USE LOTS. Each park, public use lot and open space within Baxter is designed to have a different character, design and look. Accordingly, plant material, size of plant material, type, etc. will intentionally not be uniform from park to park, public use lot to public use lot or in different portions of large common areas. This is part of the master plan of Baxter and is done intentionally.

24. ADDITIONAL DEVELOPMENT CONTIGUOUS TO PHASES 27 & 28. An additional phase of Baxter, containing less than 25 lots, is being planned in the general area of Lots 1024–1026 and 1068–1074 of Phases 27 & 28. Development plans for this area are in process. If you are purchasing a home in Phase 27 or 28, please refer to the illustrative Master Plan updated as of November 2007.

25. AREA CONTIGUOUS TO PHASE 26. Clear Springs-Baxter, LLC and/or an affiliated company plan commercial development on an approximate two (2) acre parcel contiguous to the western and northwestern section of Baxter Phase 26. Development plans are not final. Purchaser understands that any information that

has been provided relating to such commercial development is based on current plans and expectations only and is subject to change without notice. Purchaser shall not be entitled to rely upon any such representations, oral or written, made by any person relating to the nature of businesses to be located within such parcel or adjacent properties outside of Baxter Phase 26.

26. AREA AROUND PHASES 25 A, B & C.

(a) A River Park is planned for approximately 5 acres of land located south of New Gray Rock Road which, upon completion, will be maintained by the Association as a Common Expense to be allocated among property owners in Baxter in accordance with the Declaration, notwithstanding that the River Park will be open to the public. Purchaser acknowledges that although the River Park is planned as a low impact park, its proximity to the Catawba River may attract the general public in significant numbers. The Association shall have no duty or authority to limit or prevent use or access by the general public.

(b) The planned River Park will be in close proximity to the Catawba River. Upstream there is a Duke Energy hydro electric facility. At various times of the day and/or night, Duke Energy releases water from Lake Wylie through their plant facilities for the production of electricity and/or Lake Wylie water level adjustments. This results in increased water flows through the section of the Catawba River in close proximity to the planned River Park. The amount of such flows varies, but caution should be exercised whenever any person, animal or property is on or in close proximity of the river. For additional information, contact Duke Energy at 800-777-9898.

(c) A golf course was formerly located on the area of Baxter around New Gray Rock Road. Lot owners in this area may encounter old irrigation lines, drain lines, and other items relating to the former use of their lots as a golf course. Neither the Developer nor the Association shall have any responsibility for removal of such items.

(d) The Phase 25 lots are larger than the typical Baxter lot size and are not mass graded. Accordingly, lot owners may encounter rock when grading their lots or building their homes. In addition to the items described in Paragraph 26(c), miscellaneous items may also be encountered such as tires, scrap metal or other "junk." Upon closing of the lot, Purchaser shall assume all responsibility for rock and all other miscellaneous items that may be encountered on the Lot. Purchaser is encouraged to thoroughly inspect the Lot prior to the purchase.

(e) Due to the topography in Phase 25, it will be necessary to install a grinder pump at the time of construction of a home on the Lot in order to grind wastewater from the home and pump it to common low pressure force main. Such grinder pump must meet specifications of York County and the South Carolina Department of Health and Environmental Control and must be installed by a service contractor approved by York County. Buyer shall be responsible for the cost of installation of the grinder pump. Buyer will be required to enter into a sewer service agreement and an easement agreement with York County to obtain sewer service and to grant to York County an easement and right-of-way to inspect and, if necessary, to operate and maintain sewer components on the Lot. York County shall have the right, without obligation, to perform service on the grinder pump as it deems necessary and, in such event, may charge Buyer three (3) times the actual cost of the repairs, including but not limited to parts and labor, in accordance with its customer service agreement.

(f) A 13-foot wide Utility Easement has been granted across the front of all Phase 25-A lots.

By signing below, Purchaser acknowledges Purchaser has read and fully understands all the terms, conditions and obligations of this Addendum.

SELLER: _____

PURCHASER(S): _____

Authorized Representative

Signature Date

Signature Date

Signature Date