

STATE OF SOUTH CAROLINA)	COVENANTS, CONDITIONS,
)	RESTRICTIONS,
COUNTY OF SPARTANBURG)	RESERVATIONS, GRANTS AND
		EASEMENTS, FOR WEST
		HAMPTON TOWNHOMES

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ARTICLE I

GENERAL PURPOSE OF THIS DECLARATION
WEST HAMPTON TOWNHOMES

Declarant contemplates construction on the Property of approximately 134 fee simple townhouses or patio homes. The townhomes, together with the individual lots upon which they are situated (hereinafter referred to as "Residential Units"), will be sold to individual purchasers (hereinafter referred to as "Residential Owners") for use as single family dwellings. The Property is hereby subjected to the Covenants hereby declared, to insure proper use and appropriate development and improvement of every part thereof; to protect the owner of each individual lots which may depreciate the value of this Property; to guard against the erection on any of the lots of buildings built of improper or unsuitable materials; to insure adequate and reasonable development of said property; to encourage the erection of attractive improvements thereon, with appropriate locations thereof; to prevent haphazard and inharmonious improvements; to secure and maintain proper setbacks from streets, and adequate free spaces between structures; to insure desired high standards of maintenance and operation of community facilities and services for the benefit and convenience of all owners of Property and all residents and in general to provide adequately for a residential subdivision of the highest quality and character.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

2.01 The Property which is by this Declaration declared to be held, transferred, sold, conveyed and occupied subject to the Covenants is located in the County of Spartanburg, State of South Carolina, and is more particularly described in Exhibit "A", Lots A-Z & AA-JJ attached hereto and made part hereof. Declarant shall prepare or cause to be prepared plats of the property from time to time on which portions of the property is to be developed into Individual Residential Units.

ARTICLE III

PROVISIONS RELATING TO THE RESIDENTIAL UNITS

3.01 The Property described in Section 2.01 is hereby declared to be subject to the Covenants, set forth in this Declaration, to be and remain in effect until such time as amended, modified or revoked in accordance with the provisions of this Declarations.

3.02 No construction of a Residential Unit, nor any other improvement, fence or other structure shall be commenced, executed, installed or maintained upon the Property until the plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to and approved in writing by the Association so as to preserve harmony of exterior design and location in relation to surrounding structures and topography. It is not anticipated that fences or outbuildings will generally be approved. The Residential Owner shall bear the burden of proof that plans have been submitted to the Association. In the event plans have not been approved or disapproved in writing by the Association within sixty (60) days after said plans have been submitted to it the plans shall be deemed to have been approved.

The Association shall have the right, at their election, to enter upon any lot during construction, erection, or installation of improvements, or alterations to inspect the work being undertaken in order to determine that such work is being performed in conformity with approved plans and specifications and in a good and workmanlike manner, utilizing approved methods and good quality materials.

3.03 From and after the completion of the construction of each Residential Unit and the delivery thereof to its initial Residential Owner there shall be no alterations, changes, additions or deletions to the Residential Unit or the Property unless approved by the Association, or deletions to or from said Residential Unit of any nature which will be visible from the exterior of the Residential Unit or which will, or may, adversely affect any other Residential Unit, as, for example, impairment of strength of any foundations, increase of sound transmission between units, or otherwise. Submission of plans and approval shall operate as set forth in 3.02 above.

- 3.04 There shall be no change in any exterior color of any Residential Unit from the color scheme then in effect throughout the Property, except in connection with a general change in such color scheme under the direction or with the approval of the Association.
- 3.05 From and after the completion of the construction of each Residential Unit and the delivery thereof of its initial Residential Owner, no trade or business shall be carried on within any Residential Unit and no signs shall be placed on or within any Residential Unit (other than designations, in such styles and materials as the Association shall by regulation approve of street addresses and names of Residential Owners) except that Residential Owners desiring to offer Residential Units for rent or sale have the right to place upon the Residential Unit concerned such "for rent" or "for sale" signs as the Association may approve provided however, that nothing herein shall prevent builders of West Hampton townhomes from using any unit as a model or sales office even though not owned by Declarant or from using such other signs as Declarant may deem appropriate in the development of the Property or Phases II and III.
- 3.06 No domestic or other animals of any kind shall be kept or maintained within any Residential Unit, except for such birds, dogs, cats, ornamental fish and other household pets as may be permitted by regulations adopted by the Association from time to time. In any event all pets, while outside a Residential Unit, shall be kept on a leash or other proper restraint, and shall at all times while outside be accompanied by the Owner or the Owner's agent.
- 3.07 Laundry, bedding and the like shall not be hung out to dry in any position in which it is visible from the exterior of any Residential Unit. No vehicles, bicycles, carriages or other articles shall be outside the Residential Units except when in use and except for automobiles parked in areas designated therefor.
- 3.08 Exterior television antennae and other electronic equipment shall be permitted only to the extent permitted by regulations adopted by the Association from time to time, it being expressly understood that the Association is hereby granted and shall have power to entirely prohibit the installation or continuation thereof, if the Association shall provide for master television antennae, cable television, or other equipment for the use of the owners of the Residential Units, in lieu of any such prohibited equipment.

- 3.09 No noxious or offensive activity shall be carried on upon any Residential Unit, nor shall anything be done thereon which may be or become an annoyance or nuisance as determined by the Association.
- 3.10 No trailer, truck except for pickups, boat, motor home, tent or shack may be erected or placed on any Residential Unit or street whether temporary or permanent.
- ★ 3.11 No healthy living trees over four (4) feet tall shall be cut or removed from any Residential lot without the approval of the Association.
- 3.12 Each Residential Unit is hereby declared to be subject to an easement and right to, and in favor of the Association and each and all of its employees, agents and instrumentalities to go upon such Residential Unit for reasonable inspection thereof from time to time and for the purpose of carrying out any and all of the obligations and functions with respect to such Residential Unit as are herein imposed upon or permitted to the Association, expressly including, without limitation, the maintenance, repair and replacement of any and all of the facilities for the supply of utilities and other facilities, apparatus and equipment serving said Residential Unit and/or other Residential Units. Each Residential Unit is further declared to be subject to an easement in favor of any adjoining Residential Unit to the extent necessary to permit the maintenance, supply, repair, and servicing of utility services to the various Residential Units, and the repair or reconstruction thereof in the event of damage or destruction. Also a 10' easement shall exist on the rear of each property for walking trail throughout the neighborhood. ★

ARTICLE IV FORMATION OF ASSOCIATION

- 4.01 In order to carry out the intents and purposes hereof, a South Carolina non-profit corporation (hereinafter and hereinafter referred to as the "Association") will be formed and conducted as hereinafter set forth, for the benefit of the Residential Owners and to be known as West Hampton Property Owner's Association, Inc. The Association will be formed by Declarant at such time as shall be deemed appropriate by it not later than the time at which all of the Residential Units shall have been sold to Residential Owners, and if Declarant shall fail so to do by such time, then the Association may be formed at any time thereafter by action of any one or more of the Residential Owners. Regardless of when or by whom formed, the Association and its Articles of Incorporation and By-Laws shall conform to the provisions of this Article IV.

4.02 The record owner, or owners collectively, (including contract sellers) of a fee simple title to any Residential Unit shall be a member of the Association, and shall be entitled to cast upon all matters upon which the members shall be entitled to vote, one vote for each Residential Unit, provided however that the Declarant or its agent shall be entitled to three (3) votes for each such Residential Unit owned by it instead of one (1) vote. Upon sale or other transfer of any ownership interest in any Residential Unit, the ownership of the membership in such Residential Unit, the ownership of the membership in the Association and the said power to vote shall be deemed for all purposes as having been transferred to the person or other entity having acquired such ownership interest in proportion thereto. Each Residential Owner shall in advance of a meeting of the members of the Association, designate in writing, the particular individual who shall have the right to cast the vote on behalf of such Residential Unit.

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4.03 The property shall be subdivided into approximately 136 Individual units. For purposes of the Declaration, the Declarant is deemed to be the owner of all Residential Units as of the recordation hereof. The number of units owned by Declarant shall be increased in the event that the property is ultimately subdivided into more than 136 Residential Units. The number of Residential Units owned by Declarant shall be reduced by one for each Residential Unit conveyed to each individual Residential Owner. The 40 ft. easement between lots X & W is intended for future street to adjoining property but may at the option of Declarant be used for additional homes.

4.04 The provisions of Section 4.02 hereof shall be mandatory. No owner of any interest in Residential Unit shall have any right or power to disclaim, terminate or withdraw from his membership in the Association or any of his obligations as such member, and no purported disclaimer, termination or withdrawal thereof or therefrom on the part of any such owner shall be of any force or effect for any purpose.

4.05 The purpose of the Association shall be to perform all the functions provided in this Declaration to be performed by the Association and the Association shall have and possess all such powers as shall be necessary or appropriate for the accomplishment thereof.

- 4.06 The Association shall have a board of not less than five (5) Directors who shall be elected by the members of the Association at such intervals as the corporate charter and By-Laws of the Association shall provide, except that vacancies in said Board occurring between regularly scheduled meetings of the members may be filled by the Board of Directors if so provided by the corporate charter or By-Laws. The Association shall have such officers as shall be appropriate from time to time, who shall be elected by the Board of Directors and who shall manage and conduct the affairs of the Association under the direction of the Board of Directors. Except as expressly otherwise provided by the charter or By-Laws, all power and authority to act on behalf of the Association both pursuant to this Declaration and otherwise, shall be vested in its Board of Directors from time to time and its officers under the direction of said Board, and shall not be subject to any requirement or approval on the part of its members.
- 4.07 The making of changes or amendments in this Declaration or in the covenants, conditions, restrictions, reservations, grants and easements herein set forth, and the amendment, modification, and revocation thereof, all pursuant to the powers so to do granted or reserved to the Association in and by this Declaration, shall be done by the Association only upon recommendation of its Board of Directors with the approval by affirmative vote of not less than two-thirds (2/3) of the members entitled to vote upon such matter. Provided, however, that no such amendments, modifications or revocations shall be effective without the written approval of Declarant until Declarant has divested itself of ownership of all property subject this Declaration or January 1, 2010 whichever occurs first. Any requirement of these covenants that conflicts with HUD or Fannie Mae guidelines or regulations shall be null and void without the consent of the Declarant or other members.
- 4.08 The Association shall not distribute to its members any sums in the nature of dividends upon its shares. To the extent that funds shall not be required for current expenditures or for such reserves, the next annual assessment may, in the discretion of the Board, be eliminated or the amount thereof appropriately reduced. Such reduction shall not prevent reinstatement of or increase in such assessments when required, but such reinstatement or increase shall not be retroactive.

4.09 Whenever possible, the Association shall perform its functions and carry out its duties by entering into agreements for the performance thereof with such persons and business entities regularly engaged in the performance of generally similar functions and duties as the Board of Directors shall determine, which agreements shall be for such length of time at such rates of compensation as determined from time to time. Such persons or business entities may, but need not, be persons or business entities owning or otherwise directly or indirectly interested in the Property or any part thereof. The Association itself shall also have power to perform its functions and carry out its duties, but shall do so only to the extent and so long as the performance pursuant to agreements as aforesaid shall not be reasonably feasible.

ARTICLE V
ASSESSMENT FOR COMMON EXPENSES

5.01 Declarant, as initial owner of each Residential Unit now existing or to exist hereby imposes upon each Residential Unit an obligation to pay annual assessments which comprise a pro rata share of the costs of street lights, and the maintenance of subdivision entrance and yards. Declarant has installed street lights under a ten year contract with Duke Power at a cost of \$150 per month and is personally responsible to Duke Power for this cost. Also declarant will maintain entrance until all of the residential units are sold, or until duties are assumed by the association. Declarant anticipates pro rata reimbursement for these costs from the Association. The first years per unit cost is estimated at \$400 per year per unit. The Declarant or the Association shall have no power of assessment other than those mentioned above. Each subsequent owner of any home by acceptance of a deed, covenants and agrees to pay to the Association (1) annual assessment or charges. The annual assessments, together with interest, costs, and reasonable attorneys' fees, shall be a charge on the Residential Unit and the owner thereof from time to time. Said lien shall be subordinate only to: (1) ad valorem tax liens on the lot and improvements in favor of any governmental assessing unit, and (2) a first or second mortgage encumbering the Residential Unit.

5.02 The full annual provided for herein shall commence as to any Residential Unit on the day of transfer of title of a Residential Unit and such payment shall continue on semi annual basis unless abated by the Board as provided in Section 4.08. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year and the number of days remaining in the month of initial occupancy. The semi- annual assessments shall be due and payable thereafter on January 1 and July 1 of each following year.

- 5.03 Except as hereinafter provided in Section 5.04, all annual assessments shall be fixed at a uniform rate for all Residential Units and shall be collected on an annual basis or any other basis approved by the Board of Directors.
- 5.04 Declarant is the initial owner of each Residential Unit and as such shall be entitled to exercise all rights, and shall be burdened with all obligations, of an owner appurtenant thereto, until such time as Declarant has conveyed title to such Residential Unit to another person. It is anticipated that Residential Units owned by the Declarant for sale to subsequent purchasers will not be furnished all of the services available to Residential Units which have been acquired by other owners. Residential Units owned by the Declarant shall, at the option of Declarant, be exempt from the payment of assessments until sold, rented, or occupied for a residence. Such exemption shall not affect the voting rights of the Declarant as a Residential Unit Owner as provided in Article IV, Section 4.02, hereto.
- 5.05 Any annual assessment not paid within forty-five (45) days after the due date shall be increased to include a penalty of 2% per month from the due date. The Association may bring an action at law against the owner personally or jointly and severally obligated to the same or foreclose the lien created herein securing the obligation to pay assessments penalties, costs and reasonable amount of such assessment in the same manner and in all respects as though secured by a recorded mortgage as provided by the laws of the State of South Carolina. No owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Residential Unit, or vote against any assessment or increase in assessment
- 5.06 Written notice of any meeting called for the purpose of taking any action authorized shall be sent to all owners not less than ten (10) days nor more than fifty (50) days in advance of the meeting. At such meeting called, the presence of owners or of proxies entitled to cast one half (1/2) of all votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the proceeding meeting.
- 5.07 The Association shall have, and is hereby given, power to require full payment of all sums then due it from any Residential Owner as a condition precedent to the transfer of any interest in the Residential Unit owned by such Residential Owner.

ARTICLE VI

REPAIR, RESTORATION AND REBUILDING, INSURANCE

6.01 In the event the Property or any part thereof or any of the Residential Units thereon shall be damaged or destroyed by fire, other casualty or any other cause or event whatsoever, the owner or owners of the property so damaged or destroyed shall cause it to be repaired, restored or rebuilt, as the case may be, as rapidly as possible to at least as good a condition as existed immediately prior to such damage or destruction, subject only to the right of the Association (which right is hereby granted to the Association) to authorize and direct such different action as shall be recommended by the Board of Directors and approved by affirmative vote of not less than two-thirds (2/3) of the members entitled to vote, which majority shall include the affirmative vote of all the members whose Residential Units shall have been damaged or destroyed and the holders of first mortgages on any such Residential Units.

6.02 All repair, restoration or rebuilding pursuant to the provisions of this Article VI shall be carried out under such supervision and direction as the Board of Directors of the Association shall deem appropriate in order to assure the expeditious and correct completion of the work concerned, and the owner or owners of each Residential Unit which shall have been damaged or destroyed shall fully cooperate with, and abide by all instructions and directions of the Association in connection therewith.

- 6.03 In any case in which the owner or owners of the Residential Unit concerned shall fail to carry out and see to the repair, restoration or rebuilding required by the provisions of this Article VI, or shall request the Association to carry out and see to such repair, restoration or rebuilding, and, in any case, where more than one contiguous Residential Unit shall be involved, the Association may carry out and see to the repair, restoration, or rebuilding required by the provisions of this Article VI, provided, however, that to the extent the insurance proceeds referred to in Section 6.05 are insufficient as to any Residential Unit, the particular Residential Owner shall be responsible to the Association for such deficiency, and the Association shall have, and is hereby given, a continuing lien on the Residential Unit for which any such repairs or rebuilding are furnished by the Association in the aggregate amount of (a) the costs thereof, (b) interest at the highest rate permitted by law, but not exceeding fifteen (15%) percent per annum nor less than eight (8%) per annum from the date of the association's payment of such costs, and (c) reasonable attorney's fees and any court or other costs incurred by the Association in connection therewith, which lien shall bind such Residential Unit in the hands of such owner, his heirs, devisees, personal representatives, grantees and assigns. In the event such owner does not forthwith fully repay the Association therefor, as aforesaid, such lien may be foreclosed against the Residential Unit by the Association, in the same manner as hereinafter provided in connection with unpaid assessments. The Association's lien in this Section 6.04 provided for shall be subordinate to the lien of any first mortgage made by an institution customarily making first mortgage loans on residences in Spartanburg County, South Carolina now or hereafter placed upon the Residential Unit.
- 6.04 Each Residential Owner shall maintain in full force at all times insurance covering the Residential Unit owned by him consisting of, or providing all the protections afforded by, the insurance now generally described as fire, extended coverage vandalism and malicious mischief, to one hundred (100%) percent of the full insurable value thereof, with loss payable on the basis of the cost for replacement without deduction for depreciation. Policies shall be on file with the Association if requested by the Association.

- 6.05 The Association and its officers, directors, employees, agents and representatives shall have no liability to any Residential Owner for damage to or loss of either the Residential Unit of such Residential Owner or any personal property of said Residential Owner. Each insurer of any of said Residential Owner's interest in said Residential Unit or personal property shall be bound by the provisions of this Section 6.06 and shall, by appropriate provision in each policy of insurance concerned, waive its rights of subrogation against the Association and its officers, directors, employees, agents and representatives.
- 6.06 The failure by any Residential Owner to carry maintain, or renew any insurance required by this Article VI shall give the Association the right (but not the duty) to proceed to obtain such insurance or lesser coverage as it may deem advisable, and the cost thereof shall be due to the Association from the owner of the Residential Unit so insured forthwith upon demand, and such cost shall be collectible in the same manner as assessments as described in Section 5.06.
- 6.07 In any case in which insurance proceeds shall not be paid or payable on account of any damage to, or destruction of, any Residential Unit, or shall be inadequate to fully cover the cost of repair, restoration or rebuilding which the Association is by the provisions of this Article VI required to carry out, the cost of such repair, restoration or rebuilding in excess of the amount of insurance proceeds available may be borne and paid for the Association, but without diminishing or in any way affecting any rights of recovery thereof which the Association may have by law against any person or persons who shall be directly or indirectly responsible for such damage or destruction by reason of any negligent or wrongful act or omission or against any Residential Owner for his failure to maintain insurance coverage in accordance with Section 6.04.

- 6.08 Notwithstanding anything to the contrary herein contained the obligations of the Association under the provisions of the Article VI shall be limited to the restoration and repair to or for so much of the Residential Units as constitutes exterior structural improvement upon the real estate and the Association shall not be responsible for repair, restoration, or replacement of any interior personal property of the Residential Owners or others which, although situated in, on or about the Residential Units, shall not be attached thereto so as to form an affixed part thereof.
- 6.09 The Association may, but shall not be required to, obtain and maintain additional insurance as its Board of Directors shall from time to time deem prudent with respect to damage to or destruction of any property which is the responsibility of the Association to maintain, or of any or all of the Residential Units, from any cause not covered by the insurance hereinabove described, and may also obtain such other kinds of insurance protection against such other matters or happenings as its Board of Directors shall from time to time deem prudent. Provided, the Association shall maintain legal liability insurance in such amounts as the Board of Directors shall elect and the Association may maintain fidelity bonds on all officers and/or directors who shall have charge or control over the collection and disbursement of Association funds.
- 6.10 Notwithstanding the foregoing, to the extent required by the terms of any mortgage for value of any part of the property, the proceeds of any insurance becoming payable on account of any loss of, or damage to, the part of the Property so mortgaged shall be paid first to such mortgagee to the extent of its interest; provided, however, that such mortgagee shall cause or permit all such proceeds received by it to be applied upon the cost of repair, restoration or rebuilding of such loss or damage, and shall not apply or seek to apply such proceeds to reduce such mortgage, except for any excess of such proceeds over the full costs of such repair or restoration, unless it shall be determined in accordance with the provisions of this Declaration that such loss or damage is not to be rebuilt or restored.

ARTICLE VII

INTERIM PROCEDURE

- 7.01 Until each of the various Residential Units shall have been conveyed by the Declarant to the first Residential Owner thereof the Declarant shall, with respect to each such unsold Residential Unit, have all rights granted to the Residential Owners including, without limitation, the right to cast upon all matters upon which the members are entitled to vote, three votes for each such Residential Unit.
- 7.02 Until the Association shall have been organized and shall have assumed its duties and powers, the Declarant shall have all the rights, powers, duties, and obligations herein granted to, or imposed upon, the Association and shall be authorized and empowered to take all such actions as the Board of Directors, officers or members of the Association would have been authorized and empowered to take if the Association had then been formed.
- 7.03 The powers granted to the Declarant by Section 7.02 hereof shall include, without limitation, the power to assess upon and collect from the individual Residential Owners their respective assessments required for the carrying out of all the duties and obligations of the Association, except that the Declarant shall not obtain by means of any such assessment, reimbursement for any of the costs of the construction of any of the Residential Units or of the original improvements to or of the Commons (if any), it being the obligation of the Declarant to provide said initial construction at its cost.

ARTICLE VIII

ENCROACHMENTS

- 8.01 In the matter of the construction and completion of each Residential Unit, certain eaves, roof overhangs, brick veneer or other wooden siding or other building material that may be attached to the structural walls will or may encroach over onto either the air space or the real estate of the adjoining or contiguous Residential Unit. There is hereby created on each of said Residential Units so affected an easement three (3) feet in width for said encroachments or overhangs created by said construction. In addition, if any such encroachment shall occur hereafter as a result of settling or shifting of improvements upon a Residential Unit, a valid easement shall exist for such encroachment. In addition to the valid easements for each of said encroachments or overhangs, there is also granted the right to maintain and repair the same so long as said encroachments and overhangs shall and do exist. In the further event that any Residential Unit is totally or partially destroyed and then rebuilt, the Owners of the Residential Units so affected agree that said encroachments and easements shall be permitted in the matter of the reconstruction and the right of maintenance shall continue to exist.
- 8.02 All of the property, including Residential Units, shall be subject to a perpetual non-exclusive easement or easements in favor of all Residential Owners for their use and the use of their immediate families, guests, invitees, tenants or lessees for ingress and egress and regress and to such easements as shown on the recorded plat of the property or for water lines, telephone and electric power line, television antenna lines, cable television lines and other public utilities as shall be established prior to subjecting the property to this Declaration by the Declarant or its predecessors in title and for the use of the owner, their families, guests and tenants.
- 8.03 Every portion of a Residential Unit which contributes to the structural support of the adjoining Residential Unit shall be burdened with an easement of structural support for the benefit of all other adjoining Residential Units
- 8.04 Every Residential Unit shall be subject to an easement for entry by the Association for the purpose of correcting, repairing, or alleviating any emergency condition which arises upon any lot or within any Residential Unit that endangers any adjoining Residential Unit.

- 8.05 Every Residential Unit shall have frontage on a public street or road and access to the rear for ingress and egress.

ARTICLE IX

OBLIGATIONS OF RESIDENTIAL OWNERS

- 9.01 Each Residential Owner, by acceptance of his deed, covenants with all other Residential Owners to keep his Residential Unit in a good state of maintenance and repair including without limitation: painting and caulking thereof at such intervals as shall be prudent, repair or replace all building material on the exterior of such Residential Unit as the need arises due to ordinary wear and tear, maintain and repair the grounds and landscaping of the Residential Unit.
- 9.02 Notwithstanding anything to the contrary in this Declaration contained, if the association shall incur any cost or expense for or on account of any item of maintenance, repair or other matter directly or indirectly occasioned or made necessary by any wrongful or negligent act or omission of any Residential Owner or of any agent, employee or invitee of any Residential Owner, or failure of the Residential Owner to conform with the provisions of Section 9.01 above, such cost or expense shall not be borne by the Association, but by such Residential Owner, and if paid out by the Association, shall be paid or reimbursed to the Association by such Owner forthwith upon the Association's demand, and shall be collectible in the same manner as assessments. Prior to undertaking any maintenance upon any Residential Unit, the Association shall provide the Residential Owner fifteen (15) days notice, as provided herein, to perform the required maintenance or repair. If, after fifteen (15) days notice, corrective measures have not been taken by the Owner, the Association may enter the Residential Unit to perform said maintenance and collect the costs therefore as aforesaid. An easement to each Residential Unit is hereby granted to the Association to enter the Residential Unit and perform the necessary maintenance or repair.

- 9.03 By reason of the nature of the community herein contemplated, any violation on the part of any Residential Owner of any of the terms and conditions of this Declaration to regulations adopted by the Associations pursuant to the authority herein granted to it so to do, will or is likely to result in damages which are irreparable or impossible to ascertain. Therefore, the Association or any owner of a Residential Unit, shall have, and is hereby granted the right to prevent any such threatened violation on the part of any Residential Owner, or the further continuation of any such violation, as the case may be, by means of injunctive proceedings. In addition, the Board of Directors of the Association may restrict or entirely suspend for such period or periods as the Board of Directors of the Association may from time to time determine, the use by the offending person of any facility or service the use of which has been abused.
- 9.04 The various rights and remedies herein granted to the Association shall be in addition to all other rights and remedies which may be available and in addition to each other. All the rights and remedies available to the Association may be exercised either concurrently or consecutively, or partly concurrently and partly consecutively as the Association may from time to time elect, and as often as the Association may elect.
- 9.05 The failure of the Association or any Residential Unit Owner to seek redress for any violation, or to enforce any term or provision of this Declaration or of any rule or regulation issued hereunder or pursuant hereto shall not be deemed a waiver of any such right of redress or enforcement, Either as to any subsequent violation of a similar or other nature or as to any further continuation of any violation.

ARTICLE X

AMENDMENTS AND ADDITIONAL RULES

10.1 The Association shall have, and is hereby granted, the power to amend, modify and otherwise alter this Declaration and each and all of the terms and provisions hereof and each and all of the covenants, conditions, restrictions, reservations, grants and easements herein contained at any time and from time to time, by action recommended by its Board of Directors and approved by the affirmative vote of two-thirds (2/3) of its then members subject of the limitation that such action shall not cause the Property or any part thereof to be in non-compliance with any zoning ordinance or other applicable law or governmental regulation. Provided however, that Declarant may amend, modify or revoke this Declaration at any time prior to the conveyance of a Residential Unit to the first Residential Owner.

- 10.2 Any action taken pursuant to Section 10.01 hereof shall be evidenced by an appropriate written instrument issued by the Association and shall become and be effective as of such date as shall be designated in such instrument, but not earlier than the date on which such instrument shall be filed for record in the Office of the Register of deeds for Spartanburg County, South Carolina
- 10.3 The Association shall have, and is hereby granted, the power to adopt, amend, modify, and otherwise alter and enforce additional rules and regulations bearing upon the use and the manner of occupancy and maintenance of the Property, including the Residential Units, or any part thereof at any time and from time to time by action recommended by its Board of Directors, subject only to the limitations that any such action bearing upon Residential Units shall be applied uniformly to all the Residential Units, and that such action shall not cause the Property or any part thereof, to be in non-compliance with any zoning ordinance or other applicable governmental law or regulation. Provided, however, that said adoption, amendment, modification or other alteration of any additional rules or regulations shall not conflict with this Declaration.
- 10.4 Any additional rules of regulations adopted by the Association pursuant to the authority granted to it in Section 10.03 hereof or any amendment or modification of any such additional rules or regulations shall be evidenced by an appropriate written instrument issued by the Association and shall become and be effective as of such date as shall be designated in such instrument, but not earlier than the date upon which such instrument shall be filed for record in the office of the Register of Mesne Conveyance of Spartanburg County, South Carolina, if such recording shall be elected, and otherwise shall be effective as to each Residential Owner not earlier than the date upon which a full, true and complete copy of such instrument shall be transmitted to him in the manner herein provided for the service of notice upon him.
- 10.5 Whenever the Association shall cause any instrument to be placed on record in order to render effective any action taken pursuant to Section 10.02 or 10.03 hereof, it shall be the duty of the Association to transmit a full, true and complete copy of such instrument to each Residential Owner promptly; provided, however, that failure so to do shall not invalidate or delay the effective date of any action effectuated by such instrument.

ARTICLE XI

MISCELLANEOUS

- 11.01 If any part of the Property including one or more Residential Units shall be taken by one or more concurrent condemnation proceedings, the entire net proceeds of such taking or takings, shall be divided equitably among, and retained by, the owners of the Residential Units wholly or partially taken in condemnation proceedings, subject to the rights of any first mortgagee thereto.
- 11.02 Any notice to be given hereunder shall be deemed to have been properly served in the following manners respectively: (a) in the case of a Residential Owner, if delivered personally to him or to a member of his household of the age of more than fifteen (15) years, or when placed in the United States Mail, first class and registered postage fully prepaid, addressed to him at his most recent address as shown on the records of the Association (or the Declarant prior to the organization of the Association): (b) in the case of the Declarant upon delivery to Declarant as its usual place of business in an envelope marked to refer to Declarant by name, provided that no notice shall be in any event binding upon Declarant until actually received by it; (c) in the case of the Association, upon delivery to its president, its secretary, or its registered agent in person or when placed in the United States Mail, first class and registered postage fully prepaid, addressed to the Association in care of its then Registered Agent at its then Registered Office.
- 11.03 If any covenant condition, restriction, reservations, grant easement, rule or regulation contained in this Declaration, or any rule or regulation issued hereunder, shall be or be held to be invalid, the remainder of this Declaration and the remainder of such rules and regulations shall not be invalidated or terminated thereby but shall remain in full force and effect to all intents and purposes as though such invalid covenant, condition, restriction, reservations, grant, easement rule or regulation had not been included herein.
- 11.04 All the covenants, conditions, restrictions, reservations, grants, and easements, herein contained shall run with the land and shall inure to the benefit of and be binding upon Declarant and each subsequent holder of any interest in any portion of the Property and their grantees, heirs, successors, personal representatives and assigns with the same full force and effect for all purposes as though set forth at length in each and every conveyance of the property or any part thereof.

- 11.05 The divisions of this Declaration into Articles, and the Section numbers and headings, are for convenience only, and the validity and enforceability of any portion of this Declaration shall not be affected or called into question by reason of the position thereof in this Declaration or the captions or Article headings pertaining thereto.
- 11.06 The covenants, conditions, restrictions, reservations, grants and easements of this Declaration shall run with the land and be binding on all parties and all persons claiming under them until the first day of January, 2015 and shall thereafter automatically be renewed for successive ten (10) year periods unless terminated or otherwise modified by two thirds (2/3) of the then Owners in the same method as provided for amendments herein.

ARTICLE XII

RIGHTS OF FIRST MORTGAGEE

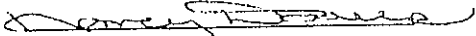
- 12.01 The following sections, in addition to sections set forth elsewhere in this Declaration, shall be applicable to the holders of first mortgagees and other parties as may be indicated, upon the individual Residential Units subject to this Declaration and any amendments thereto.
- 12.02 This Declaration and other constituent documents create a fee simple townhouse community, hereinafter referred to as "Community."
- 12.03 Any first mortgagee who obtains title to a Residential Unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such unit's unpaid dues or charges which accrue prior to the acquisition of title to such unit by the mortgagee.
- 12.04 Unless at least two-thirds (2/3) of the first mortgagees consent in writing (based upon one vote for each first mortgage owned), the Association shall not be entitled to:
- (a) by act or omission seek to abandon
 - (b) change the method of determining the obligations, assessments, dues or other charges which may be levied against a Residential Unit and/or Owner;
 - (c) by act or omission change, waive or abandon any scheme of regulations, or enforcement thereof, pertaining to the architectural design or the exterior appearance of units, the exterior maintenance of units, or the maintenance of the fence or the upkeep of the lawns and plantings in the Community.

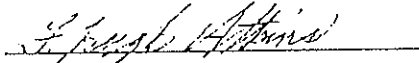
12.05 Upon written request to the Association, identifying the name and address of the holder, insurer, or guarantor and the Residential Unit number of address, any mortgage holder, insurer, or guarantor will be entitled to timely written notice of:

- (a) Any condemnation or casualty loss that affects either a material portion of the project or the Residential Unit securing its mortgage.
- (b) Any forty(40) day delinquency in the payment of assessments or charges owed by the owner or any lot on which it holds the mortgage.
- (c) A lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.
- (d) Any proposed action that requires the consent of a specific percentage of mortgage holders.

IN WITNESS WHEREOF, the undersigned owner has caused this instrument to be executed and his seal affixed this 14th day of June 2001.

WITNESSES:





F. Hugh Atkins (SEAL)
Chairman F. Hugh Atkins Real Estate
And Construction, Inc.

