

**THIS AGREEMENT IS SUBJECT TO ARBITRATION PURSUANT TO THE UNIFORM ARBITRATION ACT, SECTION 15-48-10 ET. SEQ. CODE OF LAWS OF SOUTH CAROLINA 1976 (AS AMENDED).**

**FIRST AMENDED AND RESTATED MASTER DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR  
TRAILSIDE AT DRAYTON MILLS RESIDENTIAL DEVELOPMENT**

DEE-2022-4609



Made by:

**DM VENTURE, LLC**

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Office of REGISTER OF DEEDS, SPARTANBURG, S.C.

Dorothy Earle, Register Of Deeds

a South Carolina limited liability company

**KNOW ALL MEN BY THESE PRESENTS**, that this First Amended and Restated Master Declaration of Covenants, Conditions and Restrictions for Trailside at Drayton Mills Residential Development (the "Declaration") is made and entered into on this 28<sup>th</sup> day of January, 2022 by **DM VENTURE, LLC**, a South Carolina limited liability company (hereinafter referred to as the "Declarant").

**RECITALS**

WHEREAS, Declarant is the owner of the real property described in Article Two of this Declaration and desires to create thereon a group residential community comprising two individual sub-communities known as the Trailside at Drayton Mills Townhomes and the Trailside at Drayton Mills Cottages (collectively, the "Community") together with streets, roads, bike paths, footways, open spaces, landscaping, entrances, drainage facilities, access easements, site lighting and signage, and any recreation area(s) and any other common facilities for the benefit of the Community.

WHEREAS, on or about August 3, 2021, Declarant filed the Declaration of Covenants, Conditions and Restrictions for the Trailside at Drayton Mills Residential Development as recorded in Deed Book 133-F, Pages 326-359 in the Office of the Register of Deeds in Spartanburg County, South Carolina in which it subjected the Property to the covenants, conditions, restrictions, easements, charges and liens, all set forth therein, for the benefit of the Property and all of its owners (the "Original Declaration");

WHEREAS, the Declarant wishes to amend and restate the Original Declaration with the Declaration it being the intention of the Declarant that the Original Declaration shall be replaced in its entirety by this Declaration;

WHEREAS, Declarant desires to subject the real property described in Article Two to the covenants, conditions, restrictions, easements, charges, and liens, hereinafter set forth, each and all of which is, and are, for the benefit of said real property and each owner of a portion thereof.

WHEREAS, Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the Community, to create an entity to which should be delegated and assigned the powers of maintaining, administering, operating, and replacing the Common Areas and the improvements thereon, administering and enforcing the covenants, conditions and restrictions, and collecting and disbursing the assessments and charges hereinafter created.

WHEREAS, Declarant has caused or will cause to be incorporated under the laws of the State of South Carolina a non-profit corporation, the Trailside at Drayton Mills Association, Inc. (the "Association"), for the purpose of exercising the functions aforesaid.

**NOW THEREFORE**, the Declarant declares that the real property described in Article Two and any additions thereto, is and shall be held, used, transferred, sold, conveyed and occupied subject to the terms, conditions and

provisions of the covenants, conditions, restrictions, charges and liens (sometimes referred to herein as "covenants and restrictions") as hereinafter set forth.

## ARTICLE ONE: DEFINITIONS

The following words when used in this Declaration or any amended or Supplemental Declaration (unless the context shall require otherwise) shall have the following meanings:

"Assessment(s)" shall mean and refer to the assessment(s) and charges levied by the Association against Members who are the Owners of Lots or Improved Lots and shall include annual assessments, special assessments (whether for capital improvements or otherwise) and special individual assessments as described in Article Eight of this Declaration.

"Association" shall mean and refer to the Trailside at Drayton Mills Association, Inc.

"Board" shall mean and refer to the Board of Directors of the Association.

"Builder" shall mean and refer to a person or entity who in the regular course of business purchases Lots and becomes the Owner of such Lots or Improved Lots solely for the purpose of constructing improvements thereon for resale to their successors and assigns and not for the purpose of residing in such improvements. No successor or assignee of Builder shall have any rights or obligations of a Builder hereunder unless such rights and obligations are specifically set forth in the instrument of succession or assignment or which pass by operation of law. The rights and obligations set forth herein of a Builder shall cease when all of the Lots and Improved Lots owned by such Builder have been purchased by an Owner or Owners other than a Builder or Declarant.

"Bylaws" shall mean and refer to the bylaws of the Association attached hereto as Exhibit C and all amendments thereto.

"Committee" shall mean and refer to the architectural control committee established pursuant to Article Four hereof.

"Common Area(s)" shall mean, if any, the real property (including property in the "open space"), streets, interests (whether contractual, equitable or legal) in real property, and personal property, easements, and other interest, together with improvements located on that property (if any) which are now or are hereafter owned by the Association for the common use and enjoyment of some or all of the Owners, including any stormwater device that serves more than one (1) Lot or Improved Lot, any utility line located outside public street rights-of-way and public utility easements, and serving more than one (1) Lot or Improved Lot, and any shared facility or property required to be shared by Spartanburg County ordinances.

"Common Expenses" shall mean and refer to:

- a) Reasonable expenses of administration, operation, utilities, maintenance, repair or replacement of the Common Areas owned in fee, including payment of taxes and public assessments levied against the Common Areas.
- b) Expenses declared Common Expenses by the provisions of this Declaration or the Bylaws.
- c) Expenses agreed upon from time to time as Common Expenses by the Association and lawfully assessed against Members in accordance with the Bylaws or this Declaration.
- d) Any valid, reasonable charge against the Association or against the Common Areas as a whole.

- e) Any reasonable expenses incurred by the Association in connection with the discharge of its duties hereunder and under the Bylaws and its Articles of Incorporation.

“Declarant” shall mean and refer to DM Venture, LLC, a South Carolina limited liability company, its successors and assigns, and any person or entity who is specifically assigned the rights and interests of Declarant hereunder or under a separate instrument executed by the Declarant and recorded in the Spartanburg County Register of Deeds.

“Declarant Control Period” shall mean that period of time during which the Declarant owns any property which is subject to this Declaration, or any adjacent property, or has the unilateral right to subject additional property to this Declaration; provided, however, the Declarant Control Period shall not terminate until one hundred percent (100%) of the total number of Lots permitted by the Recorded Plat for the Property have certificates of occupancy issued thereon and have been conveyed to persons other than the Declarant or Builder. The Declarant may, but shall not be obligated to, unilaterally relinquish its rights under this Declaration and/or terminate the Declarant Control Period upon an earlier date by a written instrument to the Board.

“Improved Lot” shall mean and refer to any improved parcel of land within the Community which was formerly a Lot and is intended for use as a townhome residence or a detached single-family home residence. A parcel of land shall be deemed to be improved when the improvements constructed thereon have received a certificate of occupancy.

“Lot” shall mean and refer to any unimproved numbered parcel of land within the Community which is intended for use as a site for a House, as shown upon any Recorded Plat of any part of the Community and labeled thereon as a “Lot”, and shall not include Improved Lots, Common Areas, or any property in the Community not yet subdivided for sale as an individual lot. No property in the Community shall be developed as an Improved Lot until designated as a Lot on a Recorded Plat. Property designated as a Lot may later be designated for some other use on a Recorded Plat.

“Member” shall mean a member of the Association and shall refer to an Owner in the Community.

“Owner” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot or Improved Lot situated upon the Community. Notwithstanding any applicable theory of any lien or mortgage law, “Owner” shall not mean or refer to any mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure. (Note: the words “Member” and “Owner” are meant to describe all of the owners of the Community interchangeably as semantics dictate throughout this Declaration.)

“Plans” shall have the meaning assigned to it in Section 4.2 of this Declaration.

“Property” shall have the meaning assigned to it in Section 2.1 of this Declaration.

“Quorum” shall have the meaning assigned to it in Article 3, Section 4 of the Bylaws.

“Recorded Plat” shall mean and refer to any map of the Property, or any portion thereof, recorded in the Spartanburg County Register of Deeds and executed by the Declarant or the Association to show its consent thereto (and all Owner(s) of such property if different). In any case in which the designation and/or boundary lines of the same property shown on two different Recorded Plats are different (for example, property is designated as a street on one plat and as a Lot on the other, or boundary lines are shown differently on two different Recorded Plats), the designations and boundary lines on the later-recorded of the Recorded Plat shall control.

“Spartanburg County ordinances” shall mean all Spartanburg County codes, regulations and ordinances governing zoning, subdivisions, construction and land use.

“Special Individual Assessments” shall have the meaning assigned to it in Section 8.5 of this Declaration.

“Supplemental Declaration” shall mean an instrument including but not limited to a deed of conveyance, filed in the public records, which subjects additional property to this Declaration and/or imposes, expressly or by reference, additional restrictions and obligations on the land described in such instrument. The term shall also refer to an instrument filed by the Declarant which imposes additional restrictions or limits on the Declarant or the Association, any declaration or covenants, conditions and restrictions, and any declaration of condominium.

## **ARTICLE TWO: PROPERTY SUBJECT TO THIS DECLARATION**

Section 2.1 The Property. The real property which is, and shall be, held, used, transferred, sold, conveyed and occupied subject to this Declaration (the “Property”) is located in Spartanburg County, South Carolina, and is or will be commonly known as Trailside at Drayton Mills, and is more specifically described on Exhibit A attached hereto and incorporated herein by reference.

Section 2.2 Mergers, Combinations or Consolidations. Any merger, combination or consolidation of the Association with another association must first be approved by an affirmative vote of at least sixty-seven percent (67%) of the Members authorized to vote, voting at a meeting in which a Quorum is present. If approved, upon merger, combination or consolidation of the Association with another association, the properties, rights and obligations of the Association may, by operation of law, be transferred to another surviving or consolidated association, or, in the alternative, the properties, rights, and obligations of another association may, by operations of law, be added to those of the Association as the surviving corporation pursuant to a merger, combination or consolidation. The surviving or consolidated association may administer the restrictions established upon any other properties, as one scheme. No such merger, combination or consolidation, however, shall affect any revocation, change or addition to, the covenants and restrictions established by this Declaration within the Property.

Section 2.3 Access Easement Reserved. The Declarant reserves unto itself for the benefit of Declarant, its successors and/or assigns, and Builders a perpetual, non-exclusive and alienable easement and right of ingress, egress and regress over and across all private streets and roads within the Community for access to and from other real property of Declarant or its successors and/or assigns. Such easement shall continue until that time when all new construction has ceased on the Property and any damage caused by Declarant, Builders, their agents, successors and/or assigns to the private streets and roads within the Community shall be repaired at the expense of Declarant or Builder, as applicable. In addition, an easement and right of ingress, egress and regress over and across all private streets and roads within the Community, if any, is hereby granted to any applicable government agency, for the purpose of fulfilling their duties, including, without limitation, law enforcement, fire protection, garbage collection, delivery of the mail, and any other service related to keeping the peace and preserving the general welfare.

## **ARTICLE THREE: MEMBERSHIP; VOTING RIGHTS IN THE ASSOCIATION; RIGHTS AND RESPONSIBILITIES OF THE ASSOCIATION**

Section 3.1 Membership. Every person or entity who is a record Owner of a fee simple interest in any Lot or Improved Lot in the Community is subject by this and any other Supplemental Declarations made in connection herewith to all rights, responsibilities and assessments of the Association and shall be a Member of the Association, provided, however, that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a Member.

Section 3.2 Voting Rights. The Association shall have two (2) classes of voting memberships:

a) Class I. The Class I Members shall be all Owners of Lots or Improved Lots within the Community, except Class II Members, if any. Any Class I Member in the Community shall be entitled to one (1) vote for each Lot or Improved Lot which it owns. In the case of multiple ownership of any Lot or Improved Lot, however, those multiple Owners shall be treated collectively as one Owner for voting purposes.

b) Class II. The sole Class II Member shall be the Declarant. The Class II Member shall appoint all members the Board during the Declarant Control Period which shall continue until the first to occur of the following:

- i. When one hundred percent (100%) of the Lots and Improved Lots which are planned for the Community have certificates of occupancy and have been conveyed to Persons other than the Declarant or a Builder; or
- ii. When the Declarant, in its sole discretion, voluntarily relinquishes its Class II Member rights in a written instrument in recordable form. Upon such relinquishment, the Declarant shall become a Class I Member as to any Lots or Improved Lots then owned by the Declarant.

Section 3.3 Right of Class II Member to Disapprove Actions. So long as the Class II Membership exists, the Class II Member shall have the right to disapprove any action, policy or program of the Association, the Board, and any committee which, in the sole judgment of the Class II Member, would tend to impair rights of the Declarant under these Declarations, the Bylaws, or Spartanburg County ordinance, or interfere with development of or construction on any portion of the Properties, or diminish the level of services being provided by the Association.

(a) The Class II Member shall be given written notice of all meetings and proposed actions approved at meetings (or by written consent in lieu of a meeting) of the Association, the Board, or any committee. Such notice shall be given by certified mail, return receipt requested, or by personal delivery at the address the Class II Member has registered with the secretary of the Association, which notice complies with the Bylaws and which notice shall, except in the case of the regular meetings held pursuant to the Bylaws, set forth in reasonable particularity the agenda to be followed at such meeting. The Class II Member may waive its right to receive notice in the same manner as provided in the Bylaws.

(b) The Class II Member shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor or any prospective action, policy or program which would be subject to the right of disapproval set forth herein.

No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met.

The Class II Member, its representatives or agents may make its concerns, thoughts and suggestions known to the Board and/or the members of the subject committee. The Class II Member, acting through any officer or director, agent or authorized representative, may exercise its right to disapprove at any time within ten (10) days following the meeting at which such action was proposed or, in the case of any action taken by written consent in lieu of a meeting, at any time within ten (10) days following receipt of written notice of the proposed action. No action, policy, or program shall be effective or implemented if the Class II Member exercises its right to disapprove. This right to disapprove may be used to block proposed actions but shall not include a right to require any action or counteraction on behalf of any committee, or the Board or the Association. The Class II Member shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

Section 3.4 Termination of Class II Membership. Class II membership shall terminate upon the expiration of the Declarant Control Period.

Section 3.5 Rights and Responsibilities of the Association. Subject to the provisions set forth in this Declaration, the Association has exclusive management and control of the Common Areas and all improvements thereon and all furnishings, equipment and other personal property relating thereto.

The Association's duties with respect to such Common Areas include, but are not limited to, the following:

- a) maintenance of the Common Areas, including private streets;
- b) maintenance of all furnishings, equipment and other personal property of the Association;
- c) maintenance of all entry signs and features serving the Properties, constructed by or on behalf of the Declarant;
- d) maintenance of all signage within or adjacent to public rights-of-way within or adjacent to the Properties which the Board, in its sole discretion, deems appropriate, except for signage maintained by Spartanburg County or other governmental agency;
- e) maintenance of all mailboxes;
- f) management, operation, maintenance, repair, servicing, replacement and renewal of all landscaping, improvements, equipment and personal property constituting part of the Common Areas or located upon the Common Areas so as to keep all of the foregoing in good, clean, attractive, sanitary, safe and serviceable condition, order and repair;
- g) all landscaping of the Common Areas; and
- h) payment of all taxes and assessments validly levied, assessed or imposed with respect to the Common Areas owned in fee.

The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverages as are reasonably available. The types of insurance in effect may or may not include the following:

- (i) Blanket property insurance for all insurable Improvements within the Common Area;
- (ii) Commercial general liability insurance on the Common Area, insuring the Association and its Members;
- (iii) Workers compensation insurance and employer liability insurance, if and to the extent required by law;
- (iv) Director and officer liability coverage;
- (v) Fidelity insurance covering all persons responsible for handling Association funds; and
- (vi) Such additional insurance as the Board, using its business judgment, determines advisable or is required by law.

Premiums for all insurance on the Common Area and the activities of the Association and its Board shall be considered Common Expenses and shall be included in the Assessment. In the event of an insured loss, the deductible shall be treated as a Common Expense and assessed in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the Bylaws, that the loss is the result of the negligence or willful misconduct of one or more Owners, their employees, lessees, invitees, clients, customers or guests, then the Board may specifically assess the full amount of such deductible against such Owners and their Homes.

The Association shall be responsible for the maintenance of the trail, as set forth in that certain Resolution No. R-13-50 adopted by Spartanburg County Council on April 15, 2013, where such trail is located on a portion of that certain easement, as set forth in that certain Perpetual Easement Agreement for Recreational Use dated June 18, 2018 recorded in the Spartanburg County Register of Deeds in Deed Book 120-J Page 389 (the "Easement"), located on the Property. The Association shall coordinate all maintenance activities with the grantor, or its successor, of the Easement, which as of the date of this Declaration is Pacolet Milliken, LLC (formerly known as Pacolet Milliken Enterprises, Inc.).

The Association may in its discretion also provide other services as and to the extent the Association deems appropriate, such as, but not limited to, security services or devices, including but not limited to operation of the entry guard house and any other security gates, security personnel and overall traffic control.

The Association may obtain and pay for the services of any person or firm to manage its affairs to the extent the Board deems advisable, as well as such other person or firm as the Board determines is necessary or desirable, whether such person or firm is furnished or employed directly by the Association or by any person with whom it contracts. Without limitation, the Board may obtain and pay for legal, accounting, engineering or other professional services necessary or desirable in connection with the Common Areas or the enforcement of this Declaration, the Association's Articles of Incorporation, Bylaws, rules or regulations.

The Association may acquire, hold, exchange, and dispose of real property and tangible and intangible personal property, subject to such restrictions as from time to time may be contained in the Association's Articles of Incorporation or the Bylaws and Spartanburg County ordinances.

The Association, from time to time, may adopt, alter, amend, rescind and enforce reasonable rules and regulations governing use and operation of the Common Areas, which rules and regulations shall be consistent with the rights and duties established by this Declaration. The validity of the Association's rules and regulations, and their enforcement, shall be determined by a standard of reasonableness for the purpose of protecting the value and desirability of the Community.

The Association may, acting through its Board, contract with other residential associations or commercial entities, neighborhoods or clubs to provide services or perform services on behalf of the Association and its Members.

#### **ARTICLE FOUR: RESTRICTIONS ON USE AND RIGHTS OF THE ASSOCIATION, DECLARANT AND OWNERS**

Section 4.1. Residential Use. All Lots and Improved Lots shall be used exclusively for residential purposes, excluding models or sales office operated by the Declarant or a Builder. No Owner shall permit the use of his Lot or Improved Lot for transient hotel or commercial purposes.

Section 4.2. Intentionally omitted.

Section 4.3. Temporary Structures. No structure of a temporary character, trailer, tent, shack, carport, or other building shall be used as a dwelling on any portion of the Lot, Improved Lot or Common Area at any time, either temporarily or permanently without the prior written consent of the Association.

Section 4.4 Nuisance. No Owner shall use, permit or allow Owner's Lot or Improved Lot to be used for any unlawful purpose nor shall any Owner permit or allow any nuisance or other activity to be conducted in any Lot or Improved Lot which would be a source of annoyance or interfere with the peaceful possession, enjoyment and use of the Community by other Owners. Notwithstanding the foregoing, this Section 4.4 shall not apply to or be enforced against Declarant or any Builder.

Section 4.5 Insurance Risk. No Owner shall permit anything to be done or kept in Owner's Lot or Improved Lot or on the Common Area which will increase the rate of insurance on the Lot or Improved Lot and/or the Common Area. Notwithstanding the foregoing, this Section 4.5 shall not apply to or be enforced against Declarant or any Builder.

Section 4.6 Pets.

- (a) Only dogs, cats, birds and similar domestic house pets shall be allowed in the Community subject to the restrictions set forth below. All farm animals or other exotic pets are specifically prohibited unless prior written approval is obtained from the Association.
- (b) The pet restriction detailed above shall not apply to Service Animals. A "Service Animal" is defined as any guide dog, signal dog, or other animal individually trained to provide assistance to an individual with a disability. To qualify as a Service Animal, Owner must provide the Association with a letter from a licensed physician on his/her letterhead stating that the person suffers from a physical condition that requires the Service Animal or a letter from a mental health professional on his/her letterhead stating the person is under his/her care, and prescribes for the person an emotional support animal.
- (c) No Owner shall willfully or negligently permit any pet that belongs to such Owner, family members or guests, to run at large within the Common Area unless the pet is under control of the Owner, a family member or guest by means of a leash or other similar restraining device. Further, the Owner shall be responsible for picking up and disposing of the feces of such pet deposited in any Common Area or other Lot or Improved Lot.
- (d) No pet is to be left on a balcony, porch or patio unless supervised by an occupant of the Improved Lot.
- (e) Each Owner shall indemnify, defend and hold Declarant and the Association harmless from any claim resulting from any action of an Owner's pet and shall repair any damage to the Common Areas caused by Owner's pet, at Owner's sole expense.

Section 4.7 Obstructions of Common Area. The sidewalks, entrances, passages and parking areas shall not be obstructed or encumbered or used in any manner which would prohibit ingress and egress to or from any Lot or Improved Lot or to or from the Common Area. Notwithstanding the foregoing, this Section 4.7 shall not apply to or be enforced against Declarant or any Builder.

Section 4.8 Trash Removal. The Association has contracted with one or more third parties for the installation of an underground waste containment and removal system. Each Owner shall exclusively use such underground system for all exterior waste disposal and containment and shall not use or maintain any other trash bins in any visible exterior areas. The Association has also contracted for the removal of all litter, trash, refuse and waste and shall keep the trash pick-up, service and loading areas in a neat and clean condition. Notwithstanding the foregoing, this Section 4.8 shall not apply to or be enforced against Declarant or any Builder.

Section 4.9 Signs. No signs, advertisements, or other notices shall be inscribed or exposed on any part of the Common Area without the prior written consent of the Board. No signs, advertisements, or other notices shall be inscribed or exposed on or at any window or any part of a Lot or Improved Lot for more than 24 hours without the prior written consent of the Board. Notwithstanding anything contained herein to the contrary, Owners may place one (1) "For Sale" or "For Lease" sign on Owner's Lot which does not exceed 24" X 36" in size as such Lot or Improved Lot remains for sale or lease. Notwithstanding the foregoing, this Section 4.9 shall not apply to or be enforced against Declarant or any Builder.

Section 4.10 Awnings, Satellite Dishes and Antennas. No awnings, satellite dishes, or antennas shall be placed upon or attached to or hung from the exterior of any Lot or Improved Lot or any Common Area, without the prior written approval of the Board. Notwithstanding the foregoing, each Builder shall be entitled to install a temporary awning on its models and/or sales offices.

Section 4.11 Leases. Any lease or rental agreement for a Lot or Improved Lot shall be in writing and for a period of at least thirty (30) days, unless the prior written approval of the Board is obtained. Such leases shall provide that the terms of the lease are subject to the provisions of this Declaration, the Articles of Incorporation, the Bylaws and the rules and regulations of the Association, and that any failure by the lessee to comply with the terms of such documents shall be a default under the terms of the lease. The Board shall be furnished with a copy of all leases. The Owner shall remain primarily responsible for all the terms and conditions and provisions of this Declaration and the Bylaws. Notwithstanding the foregoing, this Section 4.11 shall not apply to or be enforced against Declarant or any Builder.

Section 4.12 Parking. Where practicable, each Owner, Owner's family members, and visitors are encouraged to routinely park vehicles in the alleyway parking and not on any public or private street in the Community. At no time shall motorcycles, dirt bikes, boats, trailers, jet skis, campers or other recreational vehicles (collectively, "Recreational Vehicles") or panel trucks, buses, trucks with a load capacity of one (1) ton or more, commercial vans or other vehicles primarily used for commercial or business purposes (collectively "Commercial Vehicles") be parked within the Common Area or on the Owner's Lot (except in the garage). Notwithstanding anything contained in this Section to the contrary, an Owner may temporarily park such Recreational Vehicles for loading purposes only for a period not to exceed twenty-four (24) hours. Further, Commercial Vehicles shall be allowed temporarily on the Lot, Improved Lot or Common Area during normal business hours for the purpose of serving a Lot, Improved Lot or Common Area; provided, however, that no Commercial Vehicle shall remain on a Lot, Improved Lot or Common Area overnight for any purpose without the prior written consent of the Board. Any vehicle that is parked in violation of this Section or any vehicle that has been left on a Lot, Improved Lot or Common Area for more than twenty-four (24) hours in an inoperable, unattended condition and/or with expired license tags or no license tags or under circumstances indicating the vehicle has been abandoned, shall be subject to being towed at the direction of the Association at the expense of the owner of the vehicle. Notwithstanding the foregoing, this Section 4.12 shall not apply to or be enforced against Declarant or any Builder.

Section 4.13 Fireworks and Firearms. The discharge of fireworks or firearms is prohibited within the Community. Firearms as used herein shall include BB guns, paintball guns, pellet guns or firearms of all types.

Section 4.14 Recreational Facilities. The Declarant may (but shall not be obligated to) construct recreational amenities, including without limitation tennis court(s), pool(s), clubhouse(s) serving the pool or tennis court, sidewalks or bike paths, or tot lots, in any areas shown as "Common Area," "Present Community Recreational Facilities" or "Other Community Residential Facilities" on any Recorded Plat or in any areas deeded or to be deeded to the Association for recreational Common Areas (the areas so designated and the improvements erected thereon referred to herein as the "Recreational Facilities"). Any such Recreational Facilities shall comply with all requirements of the Spartanburg County ordinances and shall be provided for the benefit of all Owners of Lots or Improved Lots, their tenants and guests within the Property. The Recreational Facilities shall be maintained as part of the Common Areas out of assessments imposed on all Owners. The Board shall have the right to form an affiliated association (the "Operator") which may be a separate corporation or a division of the Association and

assign to it the responsibilities of maintenance and operation of the Recreational Facilities on a non-profit basis and upon such terms and conditions, not inconsistent herewith, as the Board may deem reasonably necessary. The Operator shall maintain and operate such portions of all Recreational Facilities as are designated to be maintained and operated by such Operator for the benefit of every Owner in good standing with the Association. The Association (by action of its Board) may require that all Assessments hereunder be current in order for any Owner to enjoy the use of the Recreational Facilities. Other than the aforementioned right to use such Recreational Facilities as a tenant or guest of an Owner, non-resident memberships or fees paid by the general public shall not be permitted. The Operator may impose reasonable regulations regarding the use of any such Recreational Facilities to insure accessibility, safety, harmony and preservation of any such Recreational Facilities. The Association reserves the right to revoke an assignment made by it to an Operator and to assume the operation of any such Recreational Facilities, on a membership basis, and to impose special fees, charges or assessments against the Owners with respect thereto. The cost of the management, operation, maintenance, repair, servicing, replacement and renewal of the Recreational Facilities shall be deemed Common Expenses as to all Owners.

Section 4.15 Owner's Responsibilities. The Association has elected that each Owner will be responsible for the exterior maintenance of Owner's Lot and all improvements located thereon. Each Owner shall maintain its dwelling and all improvements located thereon, including without limitation, all structures, parking areas, drainage facilities, setback areas and other improvements located in rights-of-way adjacent to the Lot or Improved Lot in a manner consistent with these Declarations, the Bylaws, and Spartanburg County ordinances, unless such maintenance responsibility is otherwise assumed by or assigned to the Association or that certain Townhome Association as defined in those certain Declaration of Covenants, Conditions and Restrictions for the Trailside at Drayton Mills Townhomes ("Townhome Declaration") that apply to a portion of the Property. Such Owner's maintenance includes but is not limited to the following:

- (a) All exterior maintenance of dwellings and improvements;
- (b) Keeping exterior lighting, signage, fixtures, and mechanical facilities in working order;
- (c) Keeping lawns, patios and any adjoining rights-of-way or drainage ditches attractive and free of trash and debris;
- (d) Keeping parking areas and driveways in good repair;
- (e) Repair of exterior damage to Improvements and keeping exterior Improvements in good repair.

Every Owner shall also be responsible for the security and safety of its dwelling notwithstanding any security systems or measures which may be provided by the Association.

In addition to any other enforcement rights, if an Owner fails properly to perform its maintenance responsibility, the Association may perform such maintenance responsibilities and assess all costs incurred by the Association against the dwelling and the Owner in accordance with Section 8.8.

Section 4.16. Yard Maintenance. The Association has elected to perform maintenance of the Lots as follows:

- (i) Lawn mowing on a regular basis; Tree and shrub pruning as needed as determined in the sole discretion of the Association;
- (ii) Mulching all planting beds once per year; and
- (iii) Watering as needed as determined in the sole discretion of the Association.
- (iv) Maintenance of irrigation system(s);

Any other yard maintenance desired by each Owner shall be done by the Owner at Owner's expense.

Section 4.17. Environmental Protection. Any activities which materially disturb or destroy the vegetation, wildlife, wetlands, or air quality within the Property or adjoining buffer zones or which use excessive amounts of water or which result in unreasonable levels of sound or light pollutions are prohibited. Restricted and prohibited activities include without limitation the following:

(a) Dumping of grass clippings, leaves or other debris, petroleum products, fertilizers, or other potentially hazardous or toxic substances in any buffer zone, drainage or irrigation ditch, swale, stream, pond, wetlands or creek, or elsewhere within the Property or adjoining areas is prohibited, except that fertilizers may be applied to landscaping on Lots or Improved Lots provided care is taken to minimize runoff.

(b) Obstruction, re-channeling or any other interference with drainage flows after location and installation of drainage swales, storm sewers, or storm drains is prohibited, except that the Declarant and the Association shall have such right; provided the exercise of such right shall not materially diminish the value of or unreasonably interfere with the use of any Lot or Improved Lot without the Owner's consent.

(c) Sprinkler or irrigation systems or wells of any type which draw upon water from creeks, streams, rivers, ponds, wetlands, canals, or other ground or surface waters within the Property are prohibited, except that Declarant and the Association shall have the right to draw water from such sources.

(d) Living trees shall be removed from the Property only in conformance with plans approved in accordance with Article 5 and applicable governmental rules, regulations and ordinances.

(e) All areas designated on a recorded plat as "wetlands" shall be generally left in a natural state, and any proposed alteration of the wetlands must be in accordance with any restrictions or covenants recorded against such property and be approved by all appropriate regulatory bodies. Prior to any alteration of a Lot or Improved Lot, the Owner shall determine if any portion thereof meets the requirements for designation as a regulatory wetland. Notwithstanding anything contained in this Section, the Declarant, the Association, and the successors, assigns, affiliates and designees of each may conduct such activities as have been or may be permitted by the U.S. Army Corps of Engineers or any successor thereof responsible for the regulation of wetlands.

Notwithstanding the foregoing, this Section 4.16 shall not apply to or be enforced against Declarant or any Builder.

Section 4.18 Other Regulations. Each Owner shall be subject to such other reasonable regulations concerning the use of the Common Areas may be made and amended from time to time by the Board.

## ARTICLE FIVE: ARCHITECTURAL CONTROL

Section 5.1 Purposes. The Declarant desires to provide for the preservation of the values in the Community with respect to vegetation and any improvements to be constructed or altered on any Lot or Improved Lot constituting a portion of the Community, and to that end, the Declarant will establish an architectural control committee to provide, enforce and maintain certain standards as to harmony of exterior design and location of the improvements or alterations thereto on any Lot or Improved Lot in relation to surrounding structures, natural features and topography.

Section 5.2 Architectural Control. Unless expressly authorized in writing by the Committee, no single family residence, townhome, fence, wall, driveway, patio, building or other structure or improvement whatsoever shall be constructed or maintained (including, but not limited to, painting such structures); nor shall the initial landscaping installed by the Declarant or a Builder be materially changed; nor shall any exterior addition or alteration to any single family residence, townhome, fence, wall, driveway, patio or other building or structure or improvement (including, but not limited to, painting such structures) be started; nor shall any clearing or site work be commenced or maintained upon any Lot or Improved Lot in the Community, until plans and specifications

showing the shape, dimensions, materials, basic exterior finishes and colors, location on site, driveway, parking, decorative landscape planting, floor plans and elevations (all of which is hereinafter referred to collectively as the "Plans") have been approved by the Committee and any application fee set by the Association has been paid. The Committee shall have the absolute and exclusive right to refuse to approve any such Plans which are not suitable or desirable in the opinion of the Committee for any reason, including purely aesthetic reasons, which in the sole and uncontrolled discretion of the Committee shall be deemed sufficient. The Committee may promulgate design standards from time to time to be adhered to by the Plans for the Lots and Improved Lots in the Community. A current copy of all design standards shall be kept on file in the principal office of the Association.

Each Lot and Improved Lot shall be maintained consistently with the initial landscaping as installed by the Declarant or Builder. All material changes to the landscaping installed on a Lot or Improved Lot shall be first approved by the Committee. The Committee shall have the authority to create landscaping guidelines with which each Lot and Improved Lot shall comply.

In no event shall any dwelling be erected and located upon any Lot closer to the front, rear and side property lines than those setback measurements, if any, shown on the Recorded Plat. Each dwelling which shall be erected on any Lot shall be situated on such Lot in accordance with the Spartanburg County ordinance and any design guidelines approved in writing by the Committee. Approval shall be received before commencement of lot clearing preparatory to construction unless either a variance shall have been granted by the Committee or Declarant shall have amended the Recorded Plat. In no event shall any dwelling be erected and located upon any such Lot in a manner which violates the requirements and provisions of any applicable zoning ordinances and subdivision regulations.

Notwithstanding anything contained herein, the limited exterior maintenance and landscaping maintenance provided by the Townhome Association (as defined in the Townhome Declaration) shall not require the prior approval of the Committee.

### Section 5.3 Architectural Control Committee.

#### a) Membership

(i) As to the initial construction of improvements on any Lot (the "Initial Construction of Improvements") and the modification or alteration of improvements on any Improved Lot (the "Modification of Improvements"), the Declarant shall be responsible for the review, approval, and monitoring of construction of improvements. Thus, for the purposes of this Declaration, wherever the Committee is described, regulated or permitted to act, the Declarant shall act as the Committee when such provisions are used in connection with the Initial Construction of Improvements and the Modification of Improvements. The right of the Declarant to review and approve plans pursuant to this section shall cease upon expiration of the Declarant Control Period and transfer to the Committee.

(ii) From and after the expiration of the Declarant Control Period, the Committee shall be composed of three (3) persons (who need not be Members of the Association) appointed by the Board. A majority of the Committee may designate a representative to act for it. In the event of death, resignation, or removal by the Board of any member of the Committee, the Board shall have full authority to designate a successor. Unless otherwise approved by the Association, neither the members of the Committee nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. The Association shall keep, or cause to be kept, a list of the names and addresses of the persons who form the Committee and a list of the names and addresses of any designated representatives of the Committee, and such a list shall be available in the principal office of the Association to any Owner upon request.

b) Procedure. At least forty-five (45) days prior to the commencement of any construction, the Plans shall be submitted to the Committee. Approval shall be subject to such regulations and architectural standards as

may from time to time be promulgated by the Committee. Within thirty (30) days after receipt of the complete Plans and all other required information, the Committee shall notify the Owner of the Lot in writing as to whether the Plans have been approved. Unless a response is given by the Committee within thirty (30) days, the Plans shall be deemed approved. The response of the Association may be an approval, a denial or a request for additional information. A request for additional information shall be deemed a determination that the information submitted was inadequate, and the thirty (30) daytime period for further Committee response shall only commence upon receipt of the requested additional information. No improvements shall be made except in strict conformity with the approved Plan. The Committee shall have the right to monitor construction of improvements and investigate compliance with the approved Plan, and hereby reserves the right to enter upon any Lot or Improved Lot to do so.

Owners are responsible for the contractors they hire to perform work. Any contractor damaging Common Areas, improvements or infrastructure of the Community, and the Owner(s) who engaged the services of such contractor, shall be jointly and severally liable for such damage. The Committee may from time to time, in its sole discretion, require of any contractor or Owner a cash or insurance performance bond to guarantee final site clean up and/or extraordinary road repairs necessitated by the actions of the contractor and its workers and subcontractors during the construction of any improvements in the Community.

Any Owner submitting Plans to the Committee and disagreeing with the finding of the Committee may appeal the decision to the Board by giving written notice of appeal to the President of the Association within fifteen (15) days following receipt of notice of denial. The Board shall then review the Plans, giving the Chairman of the Committee, in the presence of the Owner or Owner's agent, the opportunity to present to the Board specific reasons why the Plans were denied. The Owner or Owner's agent may present information challenging the findings of the Committee. The decision of the Committee shall be overridden by simple majority vote of the Board, but such override must occur within forty-five (45) days of the Board's receipt of the Committee's decision. Notwithstanding the foregoing, decisions pursuant to Section 5.3(a)(i) shall not be appealable to the Board.

The Committee may adopt a schedule of reasonable fees for processing requests for approval. Such fees will be payable to the Association at the time that the Plans and other documents are submitted to the Committee. The payment of such fees, as well as other expenses of the Committee required to be paid, shall be deemed to be an individual Assessment, enforceable against the Owner. The Committee expressly reserves the right and power, exercisable in its sole discretion, to procure the services of a consultant of its own choosing for purposes of assisting the Committee in its review of any Plans, and the cost of such consulting service(s) shall be the responsibility of the respective applicant or Owner of the subject Lot or Improved Lot and shall be in addition to any fees due for processing any requests for approval.

All notices required to be given under this Section shall be given in writing, hand-delivered or mailed postage prepaid, certified or registered mail, return receipt requested or deposited with an overnight carrier and the Committee shall be obligated to specify the particular grounds upon which denial of any application is founded. If the Committee approves the Plans, one set of Plans, marked approved, shall be retained by the Committee, and one set shall be returned to the applicant.

Construction must be completed in strict accordance with the Plans approved by the Committee. In addition, single family residences and townhomes shall comply with all applicable building, plumbing, electrical and other codes.

c) Application of this Article.

(i) This Article shall apply to any additions to the Property subsequently made subject to this Declaration, as amended.

(ii) Notwithstanding anything contained within this Article or any other provision of this Declaration, no building, construction, reconstruction or repair of a single family residence, townhome, roadway, curbing, utility service, fence, improvements on Common Areas or any other structure on a Lot or

Improved Lot made or caused to be made by the Declarant in accordance with plans previously approved pursuant to Section 5.3(a) shall require the re-approval of or be subject to the re-review of the Committee.

(iii) Repainting, re-roofing, minor repairs, and the like shall not require the approval of the Committee if done or made in accordance with construction and design guidelines promulgated or adopted by the Committee or the Association.

(iv) No amendment to this Declaration changing the provisions of this Article shall be effective during the Class II membership and two years thereafter without the consent of the Declarant.

## ARTICLE SIX: ADDITIONAL RIGHTS RESERVED TO DECLARANT

Section 6.1 Conversion of Lots to Common Area. Declarant hereby reserves the right during the Declarant Control Period to convert an existing Lot owned by Declarant entirely to Common Area, without the consent of any Owner or mortgagee.

Section 6.2 Annexation by Declarant. Until the earlier of (i) 20 years after the recording of this Declaration in the public records, or (ii) the expiration or earlier termination of the Declarant Control Period, Declarant may from time to time unilaterally subject all or any additional property to the provisions of this Declaration or any similar document imposing covenants, conditions, restrictions and easements thereon in keeping with the mixed use development of the such additional property as determined in the discretion of Declarant.

The Declarant may transfer or assign this right to annex property, provided that the transferee or assignee is the developer of at least a portion of the real property described in Exhibits A and that such transfer is memorialized in a written, recorded instrument executed by Declarant.

Such annexation shall be accomplished by filing a Supplemental Declaration in the public records describing the property being annexed. Such Supplemental Declaration shall not require the consent of Members, but shall require the consent of the owner of the property being annexed, if other than the Declarant. Any such annexation shall be effective upon the filing in the public records of such Supplemental Declaration unless otherwise provided therein.

Nothing in this Declaration shall be construed to require the Declarant or any successor to annex or develop any additional property in any manner whatsoever.

Section 6.3 Annexation by Membership. The Association may annex any real property to the provisions of this Declaration with the consent of the owner of such property, the affirmative vote of Class I Members holding at least 67% of all votes, and, during the Declarant Control Period, the written consent of the Declarant.

Section 6.4 Additional Covenants and Easements. The Declarant may unilaterally subject any portion of the Properties to additional covenants and easements, including covenants obligating the Association to maintain and insure such property on behalf of the Owners and obligating such Owners to pay the costs incurred by the Association. Such additional covenants and easements shall be set forth in a Supplemental Declaration, filed either concurrently with or after the annexation of the subject property, and shall require the written consent of the owners of the property affected by such additional covenants and easements, if other than the Declarant. The Supplemental Declaration may contain such complementary or contradictory additions and modifications of the provisions contained in this Declaration as may be necessary or convenient in the judgment of Declarant to reflect the different character, if any, of the added properties. Further, it is contemplated by Declarant that future development of any additional property may include multi-family residential, retail, commercial, office, and live/work uses, each of which shall be as determined by Declarant.

Section 6.5 Declarant's Easement Over Common Areas, Lots, Improved Lots. There shall be and is hereby reserved to the Declarant and its agents, contractors, successors and assignees, a nonexclusive easement within

the Community over any Common Areas and that portion of Lots or Improved Lots as the Association deems necessary for the purpose of making, constructing, installing, repairing and maintaining improvements to Common Areas or utility systems serving the Community, including, but not limited to roads, trails, sidewalks, sanitary sewers, water lines, gas lines and/or cables, telecommunication cables, storm drains, grading for drainage and drainage swales, and the like. The easement shall automatically transfer to the Association upon the expiration of the Declarant Control Period.

Section 6.6 Right to Transfer or Assign Declarant Rights. Any or all of the special rights and obligations of the Declarant set forth in this Declaration or the Bylaws may be transferred in whole or in part to other persons; provided, the transfer shall not reduce an obligation nor enlarge a right beyond that which the Declarant has under this Declaration or the Bylaws. No such transfer or assignment shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Spartanburg County Register of Deeds. The foregoing sentence shall not preclude Declarant from permitting other persons to exercise, on a one time or limited basis, any right reserved to Declarant in this Declaration where Declarant does not intend to transfer such right in its entirety, and in such case, it shall not be necessary to record any written assignment unless necessary to evidence Declarant's consent to such exercise.

Section 6.7 Right to Redesignate Certain Property. The Declarant, during the Declarant Control Period and until one year after it terminates, hereby reserves for itself and its successors and assigns the right to redesignate property types or boundary lines shown on a Recorded Plat by recording a new Recorded Plat showing such changes and executed by the Declarant or its successor or assigns and any Owners of property redesignated or for which the boundary line is thereby changed.

Section 6.8 Easement to Exercise Rights and Perform Duties. The Declarant hereby reserves for itself and each Builder, during the Declarant Control Period and for the Association thereafter, an easement across the Community for the purpose of fulfilling its obligations, and those of the Association, and exercising its rights, and those of the Association, under this Declaration.

Section 6.9 Advertising on Common Area. Declarant and each Builder shall have the right to display advertising signs upon the Common Area during the period of Lot and Improved Lot sales. Any such signs may be located upon such portions of the Common Area as Declarant shall select, and Declarant shall have the right at any time and from time to time to relocate any signs from their previous location to another location.

Section 6.10 Method of Exercising Development Rights. In the event Declarant exercises any of its development rights under this Article ("Development Rights"), Declarant shall prepare, execute with the same formalities as a deed, and record an amendment to this Declaration in the public records of Spartanburg County, South Carolina, such amendment to refer specifically to the recording data identifying this Declaration. **Each Owner shall be deemed by Owner's acceptance of the deed to a Lot or Improved Lot to have consented to the Development Rights reserved in this Article and to any amendments previously or thereafter executed by Declarant pursuant to this Article.**

Section 6.11 Amendment. This Article 6 shall not be amended during the Declarant Control Period without the prior written consent of Declarant.

## **ARTICLE SEVEN: PROPERTY RIGHTS IN THE COMMON AREAS**

Section 7.1 Members' Easements of Enjoyment. Subject to the provisions of Section 7.3, every Member shall have a right and easement of enjoyment in and to all of the Common Areas and such easement shall be appurtenant to and shall pass with the title to every Lot and Improved Lot in the Community.

Section 7.2 Delegation of Use. Subject to the provisions of Section 7.3, any Owner may delegate its rights of enjoyment of the Common Areas to the members of its family, its tenants, contract purchasers who reside on the property, or its guests.

Section 7.3 Title to Common Areas. The Declarant shall convey, and upon such conveyance the Association shall accept, legal title to any Common Areas shown on any Recorded Plat of the Community, and such title to Common Area shall be conveyed by the Declarant and accepted by the Association no later than the time of the conveyance to a third party (other than a Builder) of the last Lot within the Community. The conveyance shall be in fee simple without any encumbrances except drainage, greenway and utility easements and easements reserved hereunder or on Recorded Plats. Title in the Common Areas, and private streets, if any, shall be for the perpetual benefit of the Members, and private or public ownership for any purpose other than for the benefit of the Members is prohibited.

Upon conveyance of the Common Areas by the Declarant to the Association, the Association shall not subsequently subdivide or convey the Common Areas, except in the event the Association is dissolved, the Common Areas shall first be offered to Spartanburg County, and if accepted, deeded to Spartanburg County in fee simple. If Spartanburg County refuses such property, then it shall be offered to the City of Spartanburg, and if accepted, deeded to the City of Spartanburg in fee simple. If the City of Spartanburg also refuses such property, it shall be offered to another nonprofit organization that shall agree to maintain it.

If ingress or egress to any Lot or Improved Lot is through the Common Area, any conveyance or encumbrance of such Common Area shall be subject to said Owner's access easement.

Conveyance of Common Areas to the Association shall be made subject to the right of the Declarant to construct common improvements or complete construction thereof, as applicable, on the Common Areas. The right of Declarant to construct or complete construction of such improvements shall terminate one year after the termination of the Declarant Control Period.

Section 7.4 Extent of Members' Easements. The use of Common Areas belonging to the Association shall be a membership entitlement. The rights and easements of enjoyment created herein shall be subject, however, to the following:

- a) the right of the Declarant, in its sole discretion, to grade, pave or otherwise improve any road or street shown on any Recorded Plat;
- b) the right of the Association to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the Common Areas, and to limit the number of guests, to regulate hours of operations and behavior, and to curtail any use or uses it deems necessary for either the protection of the Common Areas or Recreational Facilities or the peace and tranquility of adjoining residents;
- c) the right of the Association, as provided in its Bylaws, to suspend the enjoyment rights of any Member for any period during which any assessment of that Member remains unpaid, and for any period not to exceed sixty (60) days for any infraction of any published rules and regulations adopted by the Board;
- d) the right of the Association to grant easements across the Common Areas for any purpose not inconsistent with the use of those areas by Members;
- e) the right of the Association, consistent with Spartanburg County ordinances, to transfer part of the Common Areas for the purpose of adjusting lot lines in accordance with the Declarations;
- f) the right of the Association to dedicate or transfer all or any part of the Common Areas (which includes streets and roads) or private water/sewer lines to any public agency, authority or utility (public or private) for such purposes and subject to such conditions as may be agreed to by the Members. Except as provided below, no such dedication or transfer shall be effective unless the Declarant (during

the Declarant Control Period) and, following expiration of the Declarant Control Period, the Members entitled to at least seventy-five percent (75%) of the Class I votes agree to such dedication or transfer and signify their agreement by a signed and recorded written document; provided that, notwithstanding the foregoing, the Declarant (during the Declarant Control Period), and thereafter the Association shall each have the right, power and authority to grant easements and rights-of-way for the installation and maintenance of drainage facilities and of utilities, whether private, public or quasi-public, including cable television, water, gas and sewer upon, over, under and across any Common Area, without the assent of the Members when, in the sole opinion of the Declarant or the Board, as applicable, such easements are required or reasonably necessary for the development and/or the convenient use and enjoyment of the Community and, in the sole opinion of the Declarant or said Board, as applicable, will not unreasonably interfere with the overall use and enjoyment of the Common Areas;

g) Any greenway or park deeded to Spartanburg County shall be made accessible to the general public; and

h) the right of the Association to charge reasonable admission or other fees for special or extraordinary uses for the Common Areas.

Section 7.5 Private Roads. In the development of the Community, the Declarant may construct certain private streets or roads connecting parcels of the Community to public rights of way. All Owners shall have an easement for ingress and egress over all private roads for themselves, their tenants, agents, employees, representatives, invitees and assigns and, except as set forth in Section 2.3, there shall be no public rights of any kind therein, unless approved by the Members. Subject to the approval of Spartanburg County, the Declarant reserves the right to name and revise from time to time the names or other designations given to such private streets or roads. In no case shall Spartanburg County be responsible for failing to provide any emergency or regular fire, police, or other public service to the Community or the Owners, their guests or tenants, when such failure is due to a lack of access to such areas due to inadequate design or construction, blocking of access routes, inadequate maintenance, or any other factor within the control of the Declarant, the Association, or the Owners. In no case shall Spartanburg County or the State of South Carolina be responsible for maintaining any private street. Such responsibility shall rest with the Association and Owners in that such private streets will not be inspected by Spartanburg County and/or the State of South Carolina to ensure that they were constructed to the minimum standards sufficient to allow their inclusion for public maintenance. The Association shall also be responsible for any curbs, gutters, storm drains and the like associated with the private streets.

#### ARTICLE EIGHT: COVENANT FOR PAYMENT OF ASSESSMENTS

Section 8.1 Creation of the Lien and Personal Obligation for Assessments. Other than the Declarant and a Builder, each Member, by acceptance of a deed for a Lot or Improved Lot, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to and does hereby covenant and agree to pay to the Association:

- a) annual assessments or charges as herein provided,
- b) special assessments for capital improvements (such annual and special assessments to be fixed, established, and collected from time to time as herein provided); and
- c) Special Individual Assessments, as defined and described in Section 8.5.

The annual and special Assessments and any Special Individual Assessments of an Owner and any fines, liquidated damages or summary charges as provided herein or in the Bylaws, together with such interest thereon and costs of collection thereof as herein provided, shall be a charge on the land and shall be a continuing lien upon the Lot or Improved Lot against which each such Assessment is made. Each such Assessment, together with

interest and costs of collection, shall also be the personal obligation of the Owner(s) of such Lot or Improved Lot at the time when the Assessment fell due.

Section 8.2 Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, access, maintenance of property values, security, safety and welfare of the residents of the Community and other Members, and in particular for:

- a) improvement, maintenance, and replacement of any of the Common Areas including, without limitation, private streets, and improvements located on Common Areas;
- b) payment of the Common Expenses;
- c) establishment of capital replacement reserves; and
- d) acquisition of services and facilities devoted to the foregoing purposes or for the use and enjoyment of the Common Areas, including but not limited to, the cost of repairs, replacements, additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against those Common Areas, the procurement and maintenance of insurance related to those Common Areas, the employment of attorneys to represent the Association if necessary, and such other requirements as are necessary to perform all of the aforesaid functions and purposes.

Section 8.3 Assessment of Uniform Rates Within Different Categories or Forms of Ownership. Both annual and special assessments shall be fixed at uniform rates per category for every Lot or Improved Lot within the Community.

Section 8.4 Special Assessments for Capital Improvements. In addition to the regular annual Assessments, the Association may levy in any assessment year, a special Assessment, applicable to that year only, for the purpose of defraying, in whole or in part, the cost of professional or consulting fees, any construction or reconstruction, unexpected repairs or replacement of any capital improvement (including, without limiting the generality thereof, any lake, waterway, or pond) located upon the Association's Common Areas, including the necessary fixtures and personal property related thereto, or any other unexpected expense of the Association, provided that any such Assessment shall have the consent of sixty-seven (67%) percent of the votes of the Members. Notwithstanding the foregoing, this Section 8.4 shall not apply to or be enforced against Declarant or any Builder.

Section 8.5 Special Individual Assessments. In addition to the regular annual Assessments and the special Assessments for capital improvements described above, the Association may levy, from time to time, on a particular Lot or Improved Lot, special individual Assessments, immediately due and payable, consisting of any fines assessed by the Association under authority contained in the Bylaws for an Owner's violations of the terms and conditions of this Declaration, any liquidated damages or summary charges imposed under authority contained in the Bylaws, together with costs, fees and expenses (including reasonable attorneys' fees) incurred by the Association incidental to the enforcement of any rules and regulations, or the collection of Assessments (both annual and special) or the collection of damages or charges arising under the Bylaws, all of the foregoing of which shall comprise "Special Individual Assessments." Notwithstanding the foregoing, this Section 8.5 shall not apply to or be enforced against Declarant or any Builder.

Section 8.6 Date of Commencement of Annual Assessment: Due Dates. The regular annual Assessments provided for herein shall be paid (as determined by the Board) in annual installments. The payment of the regular annual Assessment by Owners shall commence as to each Lot and Improved Lot on the first day of the month following the conveyance of that property to a third party other than Declarant or a Builder (provided, however, that in the event Declarant and/or any Builder continues to occupy an Improved Lot for purposes of operating a model home or sales office thereon after the conveyance of such Improved Lot to a third party (other than Declarant or a Builder), whether pursuant to a lease or otherwise, the payment of the regular annual Assessment

by the Owner of such Improved Lot shall not commence until such time as the Declarant and/or Builder ceases to operate a model home or sales center thereon). The first regular annual Assessment shall be prorated according to the number of months remaining in the calendar year. The Board shall fix the amount of the annual Assessment at least fifteen (15) days in advance of each regular annual Assessment period. Written notice of the regular annual Assessment shall be sent to every Member subject thereto. The due dates shall be established by the Board. The Association, upon any qualified demand (as determined by the Board) at any time, shall furnish a certificate in writing signed by an officer of the Association setting forth whether any specific Assessment has been paid. Such properly executed certificate of the Association as to the status of the Assessment is binding upon the Association as of the date of its issuance. The first Assessments levied against any additions to the Community not now subject to Assessment, at a time other than the beginning of any Assessment period, shall be prorated. The due date of any special Assessment or any other Assessments permitted by the Declaration shall be fixed in the resolution or resolutions authorizing such Assessment.

Section 8.7 Duties of the Board. The Board shall fix the date of commencement, and the amount of the Assessment or Assessments against each Member, for each Assessment period, at least fifteen (15) days in advance of such date or period and shall, at that time, prepare a roster of the Members and Assessments applicable thereto which shall be kept in the office of the Association, or at any other place designated by the Board upon notice to the Members, and which shall be open to inspection by any Member. Written notice of the Assessment or Assessments thereupon shall be sent to every Member. Based on the projected Assessments to be collected, the Board shall develop an annual operating budget for the Association (the "Budget").

Section 8.8 Non-Payment of Assessments. If the Assessments of an Owner are not paid within ten (10) days following the due date, then such Assessments shall become delinquent and shall, together with such interest thereon and costs of collection, become a continuing lien on the Lot(s) or Improved Lot(s), which shall bind the Owners of such Lot(s) or Improved Lot(s), and the heirs, devisees, personal representatives, successors and assigns. The personal obligation of the then-Owner to pay such Assessment shall remain the Owner's personal obligation for the statutory period; and, in addition, shall pass to the Owner's successors in title (as an encumbrance or lien against the Lot or Improved Lot unless expressly waived by the Board.)

If the Assessment(s) is not paid within thirty (30) days after the delinquency date, the Assessment(s) shall bear interest from the date of delinquency at the rate of one and one-half percent (1.5%) per month (or the highest rate allowed by law, whichever is less), and the Association may authorize its officers to bring appropriate civil action against the Owner or to foreclose the lien against any such Lot(s) or Improved Lot(s). In the event a judgment is obtained against any Owner for such Assessments, such judgment shall include interest on the Assessment as above provided and a reasonable attorney's fee to be fixed by the court, together with the costs of the action and any other costs incurred in collection. In addition, the Board may set a schedule of late fees also due and payable if an Assessment is not paid within thirty (30) days after the delinquency date, which late fees shall be in addition to the other charges described herein.

Section 8.9 Subordination of the Lien on an Owner's Property to Mortgages. The lien on a Lot or Improved Lot of the Assessments provided for herein shall be absolutely subordinate to the lien of any mortgage now or hereafter placed upon any Lot or Improved Lot. The subordination shall not relieve any Lot or Improved Lot from liability for any Assessments now or hereafter due and payable, but the lien shall be subordinate to any mortgage as if said lien were a junior lien, irrespective of when such mortgage was executed and recorded. The sale or transfer of a Lot or Improved Lot shall not affect any lien for Assessments. However, the sale or transfer of a Lot or Improved Lot pursuant to a foreclosure or any proceeding in lieu of foreclosure shall extinguish the lien of such Assessments which became due prior to such sale or transfer. No such sale or transfer shall relieve a Lot or Improved Lot from liability for any assessments thereafter becoming due, or from the lien thereof, but said liens shall continue to be subordinate to the lien of any such first mortgage.

Section 8.10 Exempt Property. The following property subject to this Declaration shall be exempted from the Assessments, charges and liens created herein:

- a) all Common Areas; and
- b) all properties exempted from taxation by the laws of the State of South Carolina, upon the terms and to the extent of such legal exemption. (Homestead exemptions shall not be considered an exemption.)

Notwithstanding any provisions of this Section, no Lot or Improved Lot shall be exempt from said Assessments, charges or liens, except as provided in Section 8.13.

Section 8.11. Maximum Annual Assessment. Until December 31<sup>st</sup> of the year in which the first Lot or Improved Lot is conveyed to an Owner other than Declarant or a Builder, the maximum annual assessment shall be Two Thousand Five Hundred and 00/100 Dollars (\$2,500.00) per Lot or Improved Lot. From and after January 1 of the year immediately following the conveyance of the first Lot or Improved Lot to an Owner other than Declarant or a Builder, the maximum annual assessment may be increased by no more than twenty-five percent (25%) a year by the Board. The annual assessment may be increased more than twenty-five percent (25%) upon a vote of the Owners to whom sixty-seven percent (67%) or more of the Association's votes have been assigned who are voting in person or by proxy, at a meeting duly called for such purpose. The limitations in the increase in the annual Assessments herein shall not apply to any change in the maximum amount of the Assessments undertaken as an incident to (1) a merger or consolidation in which the Association is authorized by law to participate, (2) as an incident to any additions to the Community or submission of additional property, (3) in connection with the addition of Recreational Facilities for the Community, or (4) any increases in insurance premiums

At the first closing of a Lot or Improved Lot to an Owner other than the Declarant or any Builder, and any subsequent resales thereafter, a one-time contribution equal to six (6) months pro-rated annual assessment shall be paid to the Association by the purchasing Owner upon the conveyance of a Lot or Improved Lot to such Owner and maintained in an account for the use and benefit of the Association. Amounts paid as a one-time contribution are not to be considered as an advance payment of regular assessments. The one-time contributions may not be used by the Declarant for the initial development of the subdivision's infrastructure or improvements, but may be used for utilities, maintenance and other reasonable expenses as deemed applicable by Declarant until expiration or earlier termination of the Declarant Control Period at which time the Association may review the Assessments in place and revise such amounts as needed.

Section 8.12 Assessments Collected. All monies collected by the Association shall be treated as the separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the Community, or to the proper undertaking of all acts and duties imposed upon it by virtue of this Declaration, the Articles of Incorporation and the By-Laws of the Association. As monies for any assessment are paid to the Association by any Owner, the same may be commingled with monies paid to the Association by the other Owners. Although all funds are common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom or from the leasing or use of Common Areas, shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or transfer its membership interest therein, except as an appurtenance to Owner's Lot or Improved Lot. When a Owner shall cease to be a member of the Association by reason of its divestment of ownership of such Lot or Improved Lot, by whatever means, the Association shall not be required to account to such Owner for any share of the funds or assets of the Association, or which may have been paid to the Association by such Owner, as all monies paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Community.

Section 8.13. Declarant and Builder Responsibility for Assessments. Declarant's responsibility for payment of assessments and for contributions to the budget of the Association and Builder's responsibility for payment of assessments and for contributions to the budget of the Association shall be as follows:

1. During the development of the Community, Declarant may elect to pay to the Association an amount sufficient to cover the operating deficit in the budget of the Association, on a periodic basis. This

payment will be made in lieu of the assessments which would be levied against the Declarant as the owner of any unsold Lots or Improved Lots.

2. At a time selected by the Declarant, the Declarant will begin paying periodic assessments in the same amounts and in the same manner as all other Owners and shall thereafter have no obligation for covering the deficit in the operating budget.

3. Notwithstanding anything to the contrary contained herein, no Builder shall be responsible for the payment of any Assessments or Reserve Contributions.

## ARTICLE NINE: CONDEMNATION AND INSURANCE

### Section 9.1 Condemnation of Common Area.

If any portion of the Common Area is taken by condemnation or other taking for public use, the Association shall use any condemnation proceeds to replace or rebuild the affected Common Area and any deficit shall automatically be levied against the Lots and Improved Lots as a Special Assessment for Capital Improvements. The affected Common Area shall be replaced or rebuilt by the Association unless the Members holding two-thirds (2/3) of all votes elect not to replace or rebuild the affected Common Area.

If the taking or conveyance does not involve any Improvements on the Common Area, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds shall be paid to the Declarant so long as the Declarant is funding any deficits of the Association and, thereafter, may be used by the Association for such purposes as the Board shall determine.

### Section 9.2 Destruction or Damage to Common Area.

If any portion of the Common Areas is destroyed or damaged by fire or other such casualty, the Association shall use any insurance proceeds to rebuild or repair the affected Common Area and any deficit shall automatically be levied against the Lots and Improved Lots as a Special Assessment for Capital Improvements. The affected Common Area shall be rebuilt or repaired by the Association unless Members holding two-thirds (2/3) of all votes elect not to rebuild or repair.

## ARTICLE TEN: AMENDMENT TO DECLARATION OR EXTRAORDINARY ACTION

### Section 10.1 "Material Amendment" and "Extraordinary Action" Defined.

- a) A "Material Amendment" includes adding, deleting or modifying any provisions regarding the following:
- (1) Assessment basis or assessment liens;
  - (2) Any method of imposing or determining any charges to be levied against Owners;
  - (3) Reserves for maintenance, repair or replacement of Common Area improvements;
  - (4) Maintenance obligations;
  - (5) Allocation of rights to Common Areas;
  - (6) Reduction of insurance requirements;
  - (7) Restoration or repair of Common Areas;
  - (8) The addition, annexation or withdrawal of land to or from the Property;
  - (9) Voting rights;

- (10) Restrictions affecting leasing or sale of a Lot or Improved Lot; or
- (11) Any provision which is for the express benefit of mortgagees.

b) An "Extraordinary Action" shall include:

(1) merging or consolidating the Association with another entity other than another non-profit entity formed for purposes similar to the Association;

(2) expanding the Association to include land not previously described as additional land which increases the overall land area of the Community by more than ten percent (10%);

(3) abandoning, partitioning, or otherwise relocating the boundaries of the Common Areas, except for: (i) granting easements which are not inconsistent with or do not interfere with the intended Common Area use; (ii) dedicating the Common Areas as required by public authority or conveyance to the Association; or (iii) limited boundary line adjustments made in accordance with the provisions of this Declaration;

(4) using insurance proceeds for purposes other than construction or repair of the insured improvements; or

(5) making capital expenditures, other than for repair or replacement of existing Common Areas and the improvements thereon, during any period of twelve (12) consecutive months costing more than twenty percent (20%) of the Budget.

Section 10.2 Owner/Member Initiated. Any amendment to this Declaration or Extraordinary Action may be proposed by the Board or any Owner.

a) Notice: Any proposed amendment to this Declaration or proposal for Extraordinary Action shall be transmitted in writing to all current Owners, and there shall be called a special meeting of the Owners for a date not sooner than ten (10) days nor later than sixty (60) days from date of notice. It shall be required that each Owner be given written notice of such special meeting, stating the time and place, containing a copy of the proxy that can be cast in lieu of attendance, and reciting the proposed amendment or action in reasonably detailed form, which notice, if mailed, shall be mailed not less than ten (10) days nor more than sixty (60) days before the date set for such special meeting. Such notices shall be made in compliance with the provisions of Section 12.1 and shall be deemed to be properly given. Any Owner may, by written waiver of notice signed by such Owner, waive such notice, and such waiver, when filed in the records of the Association, whether before or after the holding of the meeting, shall be deemed equivalent to the giving of notice to such Owner.

b) Material Amendment or Extraordinary Action. For a Material Amendment or an Extraordinary Action, the Material Amendment or Extraordinary Action proposed must be approved by the Declarant during the Declarant Control Period and, after the Declarant Control Period, by Members holding at least sixty-seven percent (67%) of all authorized votes at a meeting in which a Quorum is present.

c) Other Amendments. For any other amendment to the Declarations other than a Material Amendment or an Extraordinary Action, the amendment proposed must be approved by an affirmative vote of a majority of all Members present, in person or by proxy, and voting at a meeting in which a Quorum is present, or in writing by a majority of the total authorized votes of all the Members.

d) Absentee Voting. At any meeting held to consider such amendment or action, the written vote of any Owner shall be recognized and counted even if such Owner is not in attendance at such meeting or represented thereat by proxy, provided such written vote is delivered to the Secretary of the

Association prior to or at such meeting. Owners may also vote electronically so long as voting is not opened prior to the meeting to consider such amendment or action and voting does not remain open for more than 72 hours following such meeting.

e) Documentation of Approval. If approved, a Material Amendment of this Declaration, Extraordinary Action or other amendment shall be properly transcribed and certified by two (2) officers of the Association on a form substantially similar to the form attached as Exhibit B, stating that such amendment or action was duly adopted and approved by the requisite percentage of Owners. The original or an executed copy of a Material Amendment or other amendment, properly executed with the same formalities as a deed, shall be recorded in the Office of the Register of Deeds of Spartanburg County, and no such amendment to this Declaration shall be effective until so recorded. If any Material Amendment or other amendment to the Declaration creates an inconsistency in the Bylaws, to the extent such inconsistency exists, the Declaration shall control.

f) Limitation on Owner/Member-initiated amendments. Without the prior written consent of the Declarant, there shall not be allowed any Owner/Member-initiated amendments to this Declaration for a period of five years from the effective date hereof, and in addition, no Owner/Member-initiated amendments may be made for any reason to Article 6 or Section 8.13. The above limitations shall in no way limit or diminish Declarant's rights to make amendments to any part of the Declaration under the powers reserved in Section 10.4 below.

Section 10.3 Exceptions. The following Material Amendments and Extraordinary Actions shall require approval by Members entitled to cast at least ninety percent (90%) of the authorized votes of the Members of the Association:

- a) Termination of the Declarations or other termination of the planned unit development;
- b) Dissolution of the Association; and
- c) Conveyance or Encumbrance of any of the Common Areas.

Section 10.4 Declarant's Right to Unilaterally Amend.

a) Declarant, or its successor or assigns, shall be allowed to unilaterally make any amendments to this Declaration necessary, in the Declarant's reasonable opinion (i) to establish the nonprofit qualifications of the Association; (ii) to correct any discovered typographical error contained herein; (iii) to clarify any ambiguity contained herein; (iv) to comply with governmental directives; or (v) to maintain the tax-exempt status of the Association. This right may be exercised and shall be effective only upon the recordation of a "Corrected Declaration" in the Office of the Register of Deeds of Spartanburg County, which Corrected Declaration shall specifically reference this document, and the provision impacted.

b) The Declarant may also amend this Declaration by filing an amendment in the Spartanburg County Register of Deeds, executed by only the Declarant, if at the time of the recording of the amendment the Declarant still owns sixty-seven percent (67%) of the existing or proposed Lots and Improved Lots in the Community. Such amendment need not be certified by the Association.

Section 10.5 When Effective; Recording; Title Searching. An amendment to this Declaration that complies with this Article shall be effective when recorded in the Spartanburg County Register of Deeds. The amendment shall be indexed under the name of the Declarant or its successor, the Association or its successor, or the Owners of the property in the Community. The failure of the amendment to be indexed under all of the foregoing shall not invalidate such amendment so long as the amendment has been indexed under at least one of the foregoing. Anyone searching title on Lots or Improved Lots in the Community should search under the names of the foregoing to discover amendments to this Declaration that may have occurred after the Lot or Improved Lot has been conveyed to an Owner from the Declarant.

Section 10.6 Certain Builder Approval. Notwithstanding anything to the contrary contained in this Declaration, in the event that Dan Ryan Builders South Carolina, LLC ("Dan Ryan Builders") shall become a "Builder" as defined herein, as long as Dan Ryan Builders owns at least one (1) Lot, the prior written consent of Dan Ryan Builders shall be obtained prior to any amendment or other modification of this Declaration that would materially reduce or limit Dan Ryan Builders' rights, or materially increase Dan Ryan Builders' obligations hereunder. The foregoing shall not apply to any Builder other than Dan Ryan Builders.

## ARTICLE ELEVEN: RIGHTS OF MORTGAGEES

If the holder of a first mortgage upon a Lot or Improved Lot notifies the Association in writing of its mortgage, the following provisions shall be applicable to said first mortgage holder:

Section 11.1 Planned Unit Development. This Declaration, the Bylaws, the Articles of Incorporation, and other Constituent Documents (collectively, the "Constituent Documents") create a Planned Unit Development, hereinafter referred to as "PUD".

Section 11.2 Mortgagee Rights. All first mortgagees of Lots or Improved Lots in the Community have:

- a) the right to inspect Association documents and records on the same terms as the Members;
- b) the right to receive notice of all Material Amendments and/or Extraordinary Actions;
- c) the right to receive notice of any property loss, condemnation or eminent domain proceeding affecting the Common Areas resulting in losses greater than ten percent (10%) of the Association's Budget or any improvement insured by the Association in which the first mortgagee has an interest;
- d) the right to receive written notification from the Association of any default in the performance by an Owner/Borrower of any obligation under the Constituent Documents which is not cured within sixty (60) days;
- e) the right to receive notice of any proposal to terminate the Declarations or dissolve the Association at least thirty (30) days before any such action is taken;
- f) the right of a majority of the first mortgagees to demand professional management of the Association;
- g) the right of a majority of the first mortgagees to demand an audit of the Association's financial records; and
- h) the right to receive notice of any termination, lapse, or material modification of any insurance policy held by the Association.

Section 11.3 Liability for Assessment. Any mortgagee who obtains title to a Lot or Improved Lot pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for any applicable unpaid dues or charges which accrue prior to the acquisition of title by the mortgagee.

Section 11.4 Delinquent Taxes, Insurance Premiums and other Charges. First mortgagees of Lot or Improved Lots may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Areas and may pay overdue premiums on hazard insurance policies, or secure new hazard insurance coverage on the lapse of a policy, for such Common Areas and first mortgagees making such payments shall be owed immediate reimbursement from the Association.

Section 11.5 Insurance and Condemnation Proceeds. No provision of the Constituent Documents gives an Owner, or any other party, priority over any rights of the first mortgagee of a Lot or Improved Lot pursuant to its

mortgage in the case of a distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of Common Areas.

Section 11.6 Notice of Default. A first mortgagee is entitled to written notification from the Association of any default in the performance by an Owner/Borrower of any obligation under the Constituent Documents which is not cured within sixty (60) days.

Section 11.7 Duty to Collect Assessments. Mortgagees shall not be required to collect assessments.

## ARTICLE TWELVE: GENERAL PROVISIONS

Section 12.1 Notices. Any notice required to be sent to any Member, under the provisions of this Declaration, shall be deemed to have been properly sent when: (a) hand-delivered; or (b) mailed, postage prepaid, registered or certified mail, return receipt requested; or deposited with an overnight courier (such as, but not limited to Federal Express) and addressed to the person at the last known address of the person who appears as Owner on the records of the Association at the time of such mailing. In the event an Owner's address is absent from the Association's records, the notice may be sent to the address listed on the Spartanburg County tax records at the time of the mailing. The sender shall not be required to cause title to any Lot or Improved Lot to be examined. Notice to any one of the Owners, if title to a Lot or Improved Lot is held by more than one, shall constitute notice to all Owners of that Lot or Improved Lot.

Section 12.2 Enforcement. The Association and/or any Owner may enforce these covenants and restrictions. Enforcement of these covenants and restrictions shall be by an appropriate civil proceeding against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, or both, and against the land to enforce any lien created by these covenants and restrictions. Failure by the Association or any Owner to enforce any covenant or restriction herein contained shall not be deemed a waiver of the right to do so thereafter.

Section 12.3 Duration. The covenants and restrictions of this Declaration shall run with the land, and shall inure to the benefit of, and be enforceable by, the Association or any Owner, their respective legal representatives, heirs, successors, and assigns, for a term of fifty (50) years from the date this Declaration is recorded, after which time said covenants and restrictions shall be automatically extended for successive periods of ten (10) years unless terminated by Members holding sixty-seven percent (67%) of the votes.

Section 12.4 Arbitration. Except as otherwise provided herein, any controversy, claim, or dispute of whatever nature arising out of or in any way relating to any aspect of this Declaration, any of the covenants, conditions, easements, or restrictions contained herein or the Association's Articles of Incorporation or Bylaws (excluding, however, any controversies, claims, or disputes between Declarant and any Builder) shall be submitted to binding arbitration in Greenville, South Carolina, in accordance with the South Carolina Uniform Arbitration Act. The decision rendered by the arbitrator shall be final, and a judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof. Notice of demand for arbitration shall be filed in writing with the other party. The demand for arbitration shall be made within a reasonable time after the claim, dispute or other.

**This arbitration provision shall not apply to any collection efforts by the Association of unpaid Assessments of any kind, attorney's fees or collection costs.**

Section 12.5 Captions, Introductions and Gender. The captions and introductory material herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Declaration nor the intent of any provision hereof. The use of the masculine gender in this Declaration shall be deemed to refer to the feminine and neuter genders, and the use of the singular shall be deemed to refer to the plural, and the use of the plural shall be deemed to include the singular, whenever the context so requires.



EXHIBIT A

PROPERTY DESCRIPTION

**EXHIBIT B**

Documentation of Approval

As officers of the Trailside at Drayton Mills Association, Inc. (the "Association"), we hereby certify that on \_\_\_\_\_, the Amendment or Extraordinary Action attached hereto as Exhibit A was duly adopted and approved by at least \_\_\_\_\_ percent of the Members of the Association, which constituted approval by the requisite percentage of Members.

\_\_\_\_\_  
Title: President

\_\_\_\_\_  
Title: Secretary

**EXHIBIT C****BYLAWS OF  
TRAILSIDE AT DRAYTON MILLS ASSOCIATION, INC.****ARTICLE I  
NAME AND LOCATION**

The name of the corporation is Trailside at Drayton Mills Association, Inc. (the "Association"). The principal office of the corporation shall be located, and meetings of Members and Directors may be held, at such places within the State of South Carolina as may be designated by the Board of the Association (the "Board").

**ARTICLE II  
DEFINITIONS**

Section 1. All capitalized terms not defined herein shall have the meanings ascribed to such terms in that certain Master Declaration of Covenants, Conditions, and Restrictions for the Trailside at Drayton Mills Residential Development executed by DM Venture, LLC, as Declarant therein, and recorded in the Office of the Register of Deeds of Spartanburg County, South Carolina (as the same may be modified, amended or supplemented, from time to time, the "Declaration").

Section 2. "Membership" means all Members, as a group.

**ARTICLE III  
MEETING OF MEMBERS**

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within thirty (30) days from the expiration of the Declarant Control Period, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within Spartanburg County, South Carolina selected by the Board.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board, or upon written request of the Members entitled to vote fifty-one (51%) of all of the votes in the Membership with notice given in compliance with Section 12.1 of the Declaration.

Section 3. Notice of Meetings. Except as otherwise provided in the Declaration or these Bylaws, written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing or by electronic transmission a copy of the notice, postage prepaid, not less than ten (10) days and no more than sixty (60) days prior to the meeting to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting, and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes and any proposal to remove a Director or Officer.

Section 4. Quorum. The presence at the meeting of Members or proxies entitled to cast fifty percent (50%) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. In the event business cannot be conducted at any meeting because a quorum is not present, that meeting may be adjourned to a later date by the affirmative vote of a majority of those present in person or by proxy and such majority may, in its discretion, also determine that the presence at the rescheduled meeting of Members or proxies entitled to cast twenty-five percent (25%) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of Member's Lot or Improved Lot.

Section 6. Electronic Voting. Notwithstanding anything contained in this Article to the contrary, electronic voting is permitted; however, under no circumstances shall electronic voting or any other voting be permitted prior to the meeting and such electronic voting shall be closed within 72 hours after such meeting.

#### ARTICLE IV BOARD

Section 1. Number. The Board shall consist of five (5) directors (the "Directors") and shall manage the affairs of the Association. Upon expiration of the Declarant Control Period, a Majority of the Directors shall be Members of the Association.

Section 2. Nomination. Nomination of persons for election to the Board shall be made by a Nominating Committee (the "Nominating Committee"). Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board, and two or more other persons. The Nominating Committee shall be appointed by the President of the Association prior to each annual meeting of the Members, to serve until the close of the annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall, in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations may be made from Members or non-Members.

Section 3. Election. Election to the Board shall be by written ballot. At the election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative and fractional voting is not permitted. Electronic voting is permitted. In the event that any Director resigns, the remaining Directors shall elect a substitute Director to fill his or her unexpired term.

Section 4. Election of Directors by Declarant. Until the expiration of the Declarant Control Period, the Declarant shall be entitled to appoint and remove the members of the Board. Following the expiration of the Declarant Control Period, the Board shall be elected by the Members.

Section 5. Term of Office. The terms of each Director shall be for one (1) year or until the successor is elected, whichever shall be the longer period. Each Director shall be elected at the annual meeting.

Section 6. Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 7. Removal. Any Director, other than those appointed by the Declarant, and those appointed to fill a resignation, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association present and entitled to vote at any meeting of the Members at which a majority of the votes of the Association is present. Any Director selected by the Declarant during the Declarant Control Period may be removed by the Declarant, with or without cause. In the event of death, resignation or removal, pursuant to the Bylaws, of a Director (a) if such Director was elected by the Members of the Association, the successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor and (b) if such Director was appointed by the Declarant during the Declarant Control Period, the successor shall be selected by the Declarant.

Section 8. Resignation. Any Director may resign at any time by giving written notice to the Board. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

ARTICLE VI  
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. In the event business cannot be conducted at any meeting because a quorum is not present, that meeting may be adjourned to a later date by the affirmative vote of a majority of those present in person or by proxy. Notwithstanding any provision to the contrary in the Declaration or these Bylaws, the quorum requirement at the next meeting shall be one-half of the quorum requirement applicable to the meeting adjourned for lack of a quorum. This provision shall continue to reduce the quorum by fifty percent (50%) from that required at the previous meeting, as previously reduced, until such time as a quorum is present and business can be conducted. Thereafter, the quorum requirement shall increase to its original amount.

ARTICLE VII  
POWERS AND DUTIES OF THE BOARD

Section 1. Powers. The Board shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Common Area including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infractions, including fines;

(b) suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association. These rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) contract for the management of the Community and to designate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration to have approval of the Board or the membership of the Association; and

(e) designate and remove personnel necessary for the maintenance, repair, replacement and operation of the Community.

Section 2. Duties. It shall be the duty of the Board to:

(a) keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Class I Members, and to make its financial and other records reasonably available for examination by Members and their authorized agents;

(b) supervise all Officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) make, levy and collect assessments against Lots and Improved Lots to defray the common expenses of the Community; provided the Declarant's and Builders' obligations for periodic assessments are subject to the provisions of Article VIII of the Declaration;

(d) issue, or cause an appropriate Officer to issue, upon demand by any person and within ten (10) business days of receipt of such demand, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

(e) maintain, repair, replace, operate and manage the Common Areas wherever the same is required to be done and accomplished by the Association and to approve any expenditure made or to be made for said purposes;

(f) pay all taxes and assessments which are or may become liens against any part of the Common Area;

(g) purchase insurance for the protection of the Common Area and Association against casualty and liability;

(h) pay all costs of power, water, sewer and other utility services rendered to the Common Area; and

(i) cause all Officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

#### ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The Officers of this Association shall be a President, a Vice-President, a Secretary, and a Treasurer and such other Officers as the Board may from time to time by resolution create (the "Officers").

Section 2. Election of Officers. The election of Officers shall take place at the first meeting of the Board and thereafter at the first meeting of the Board following each annual meeting of the Members.

Section 3. Term. The Officers shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may determine.

Section 5. Resignation and Removal. Any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The Officer appointed to the vacancy shall serve for the remainder of the term of the Officer he replaces.

Section 7. Duties. The duties of the Officers are as follows:

(a) President. The President shall preside at all meetings of the Members and of the Board and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, and other written instruments, including but not limited to amendments to the Declaration and certifications by the Association.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence or inability or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice President shall have authority to sign all leases, mortgages, deeds, and other written instruments, including but not limited to amendments to the Declaration and certifications by the Association.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; prepare amendments to the Declaration or certifications thereof by the Association upon approval by the Association; record amendments to the Declaration and/or certifications thereof by the Association; attest to the execution of documents by the President or the Vice President; and perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse these funds as directed by resolution of the Board; keep proper books of accounts; cause an independent annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and prepare an annual budget and a statement of income and expenditures to be presented to the Membership at its regular annual meeting, and deliver a copy of each to the Members requesting the same.

#### ARTICLE IX COMMITTEES

The Association shall appoint such committees as deemed appropriate in carrying out its purposes.

#### ARTICLE X BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours and upon reasonable notice to the Association, be subject to inspection by any Member. The records of the Association's (i) governing documents, (ii) actions, including but not limited to meeting minutes and resolutions, and (iii) financial condition shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at a reasonable cost unless said document contains privileged or confidential information. The Association shall retain records for at least three years.

#### ARTICLE XI ASSESSMENTS AND FINES

As more fully provided in the Declaration, each Member is obligated to pay to the Association assessments which are secured by a continuing lien upon a Lot or Improved Lot. If the assessment is not paid on the due date, the assessment shall bear interest as provided in the Declaration, and the Association may bring an action at law against the Owner or foreclose the lien against a Lot or Improved Lot, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for assessments by nonuse of the Common Area or abandonment of a Lot or Improved Lot.

The Association may also establish a schedule of fines for violations of the terms of the Declaration. Fines may be enforced in the same manner as assessments and shall not exceed the annual assessment for a Lot or Improved Lot in any twelve (12) month period.

The Association shall establish and maintain an adequate reserve fund for the replacement of improvements to the Common Area.

ARTICLE XII  
AMENDMENTS

Section 1. These Bylaws may be amended by the holders of fifty-one percent (51%) of the votes of the Members of the Association present in person or by proxy at the meeting at which the vote is taken; provided, however, the consent of the Declarant shall be required for any amendment so long as Declarant owns any Lot or Unit in the Community.

Section 2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and the Articles or these Bylaws, the Declaration shall control.

ARTICLE XIII  
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31<sup>st</sup> day of December of every year, except that the first fiscal year shall begin on the date of incorporation and end on December 31<sup>st</sup> of that year.

IN WITNESS WHEREOF, the undersigned, being the sole incorporator of Trailside at Drayton Mills Association, Inc. has hereunto set his hand and seal this 3rd day of August, 2021.

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Its Incorporator

**BYLAWS OF  
TRAILSIDE AT DRAYTON MILLS ASSOCIATION, INC.**

**ARTICLE I  
NAME AND LOCATION**

The name of the corporation is Trailside at Drayton Mills Association, Inc. (the "Association"). The principal office of the corporation shall be located, and meetings of Members and Directors may be held, at such places within the State of South Carolina as may be designated by the Board of the Association (the "Board").

**ARTICLE II  
DEFINITIONS**

Section 1. All capitalized terms not defined herein shall have the meanings ascribed to such terms in that certain Master Declaration of Covenants, Conditions, and Restrictions for the Trailside at Drayton Mills Residential Development executed by DM Venture, LLC, as Declarant therein, and recorded in the Office of the Register of Deeds of Spartanburg County, South Carolina (as the same may be modified, amended or supplemented, from time to time, the "Declaration").

Section 2. "Membership" means all Members, as a group.

**ARTICLE III  
MEETING OF MEMBERS**

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within thirty (30) days from the expiration of the Declarant Control Period, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter, at a date, time and place within Spartanburg County, South Carolina selected by the Board.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board, or upon written request of the Members entitled to vote fifty-one (51%) of all of the votes in the Membership with notice given in compliance with Section 12.1 of the Declaration.

Section 3. Notice of Meetings. Except as otherwise provided in the Declaration or these Bylaws, written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing or by electronic transmission a copy of the notice, postage prepaid, not less than ten (10) days and no more than sixty (60) days prior to the meeting to each Member, addressed to the Member's address last appearing on the books of the Association, or supplied by the Member to the Association for the purpose of notice. The notice shall specify the place, day, and hour of the meeting, and the items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes and any proposal to remove a Director or Officer.

Section 4. Quorum. The presence at the meeting of Members or proxies entitled to cast fifty percent (50%) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. In the event business cannot be conducted at any meeting because a quorum is not present, that meeting may be adjourned to a later date by the affirmative vote of a majority of those present in person or by proxy and such majority may, in its discretion, also determine that the presence at the rescheduled meeting of Members or proxies entitled to cast twenty-five percent (25%) of the votes of the Membership shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws.

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Office of REGISTER OF DEEDS, SPARTANBURG, S.C.

Dorothy Earle, Register Of Deeds

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of Member's Lot or Improved Lot.

Section 6. Electronic Voting. Notwithstanding anything contained in this Article to the contrary, electronic voting is permitted; however, under no circumstances shall electronic voting or any other voting be permitted prior to the meeting and such electronic voting shall be closed within 72 hours after such meeting.

#### ARTICLE IV BOARD

Section 1. Number. The Board shall consist of five (5) directors (the "Directors") and shall manage the affairs of the Association. Upon expiration of the Declarant Control Period, a Majority of the Directors shall be Members of the Association.

Section 2. Nomination. Nomination of persons for election to the Board shall be made by a Nominating Committee (the "Nominating Committee"). Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a Member of the Board, and two or more other persons. The Nominating Committee shall be appointed by the President of the Association prior to each annual meeting of the Members, to serve until the close of the annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall, in its discretion determine, but not less than the number of vacancies that are to be filled. Nominations may be made from Members or non-Members.

Section 3. Election. Election to the Board shall be by written ballot. At the election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative and fractional voting is not permitted. Electronic voting is permitted. In the event that any Director resigns, the remaining Directors shall elect a substitute Director to fill his or her unexpired term.

Section 4. Election of Directors by Declarant. Until the expiration of the Declarant Control Period, the Declarant shall be entitled to appoint and remove the members of the Board. Following the expiration of the Declarant Control Period, the Board shall be elected by the Members.

Section 5. Term of Office. The terms of each Director shall be for one (1) year or until the successor is elected, whichever shall be the longer period. Each Director shall be elected at the annual meeting.

Section 6. Action Taken without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 7. Removal. Any Director, other than those appointed by the Declarant, and those appointed to fill a resignation, may be removed from the Board, with or without cause, by a majority vote of the Members of the Association present and entitled to vote at any meeting of the Members at which a majority of the votes of the Association is present. Any Director selected by the Declarant during the Declarant Control Period may be removed by the Declarant, with or without cause. In the event of death, resignation or removal, pursuant to the Bylaws, of a Director (a) if such Director was elected by the Members of the Association, the successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his predecessor and (b) if such Director was appointed by the Declarant during the Declarant Control Period, the successor shall be selected by the Declarant.

Section 8. Resignation. Any Director may resign at any time by giving written notice to the Board. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

ARTICLE VI  
MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board shall be held at least annually at such place and hour as may be fixed from time to time by resolution of the Board, without the necessity of further notice.

Section 2. Special Meetings. Special meetings of the Board shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director.

Section 3. Quorum. A majority of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. In the event business cannot be conducted at any meeting because a quorum is not present, that meeting may be adjourned to a later date by the affirmative vote of a majority of those present in person or by proxy. Notwithstanding any provision to the contrary in the Declaration or these Bylaws, the quorum requirement at the next meeting shall be one-half of the quorum requirement applicable to the meeting adjourned for lack of a quorum. This provision shall continue to reduce the quorum by fifty percent (50%) from that required at the previous meeting, as previously reduced, until such time as a quorum is present and business can be conducted. Thereafter, the quorum requirement shall increase to its original amount.

ARTICLE VII  
POWERS AND DUTIES OF THE BOARD

Section 1. Powers. The Board shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Common Area including any improvements and amenities located thereon, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infractions, including fines;

(b) suspend the voting rights, and the right of use of any recreational facilities located on any Common Area during any period in which the Member is in default in the payment of any assessment levied by the Association. These rights may also be suspended for a period not to exceed sixty (60) days for an infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;

(d) contract for the management of the Community and to designate to such contractor all of the powers and duties of the Association, except those which may be required by the Declaration to have approval of the Board or the membership of the Association; and

(e) designate and remove personnel necessary for the maintenance, repair, replacement and operation of the Community.

Section 2. Duties. It shall be the duty of the Board to:

(a) keep a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such a statement is requested in writing by the holders of one-fourth (1/4) of the votes of the Class I Members, and to make its financial and other records reasonably available for examination by Members and their authorized agents;

(b) supervise all Officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) make, levy and collect assessments against Lots and Improved Lots to defray the common expenses of the Community; provided the Declarant's and Builders' obligations for periodic assessments are subject to the provisions of Article VIII of the Declaration;

(d) issue, or cause an appropriate Officer to issue, upon demand by any person and within ten (10) business days of receipt of such demand, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates (if the certificate states that an assessment has been paid, the certificate shall be conclusive evidence of payment with respect to any person relying on the certificate);

(e) maintain, repair, replace, operate and manage the Common Areas wherever the same is required to be done and accomplished by the Association and to approve any expenditure made or to be made for said purposes;

(f) pay all taxes and assessments which are or may become liens against any part of the Common Area;

(g) purchase insurance for the protection of the Common Area and Association against casualty and liability;

(h) pay all costs of power, water, sewer and other utility services rendered to the Common Area; and

(i) cause all Officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate.

#### ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The Officers of this Association shall be a President, a Vice-President, a Secretary, and a Treasurer and such other Officers as the Board may from time to time by resolution create (the "Officers").

Section 2. Election of Officers. The election of Officers shall take place at the first meeting of the Board and thereafter at the first meeting of the Board following each annual meeting of the Members.

Section 3. Term. The Officers shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other Officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may determine.

Section 5. Resignation and Removal. Any Officer may be removed from office with or without cause by the Board. Any Officer may resign at any time by giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of the notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The Officer appointed to the vacancy shall serve for the remainder of the term of the Officer he replaces.

Section 7. Duties. The duties of the Officers are as follows:

(a) President. The President shall preside at all meetings of the Members and of the Board and see that orders and resolutions of the Board are carried out. The President shall have authority to sign all leases, mortgages, deeds, and other written instruments, including but not limited to amendments to the Declaration and certifications by the Association.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence or inability or refusal to act, and exercise and discharge such other duties as may be required of him by the Board. The Vice President shall have authority to sign all leases, mortgages, deeds, and other written instruments, including but not limited to amendments to the Declaration and certifications by the Association.

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ARTICLE XIII  
MISCELLANEOUS

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IN WITNESS WHEREOF, the undersigned, being the sole incorporator of Trailside at Drayton Mills Association, Inc. has hereunto set his hand and seal this 3rd day of August, 2021.



*[Handwritten Signature]*  
\_\_\_\_\_  
Its Incorporator

State of: South Carolina  
County Of: Greenville  
The foregoing document was acknowledged  
before me 28<sup>th</sup> day of January, 2022  
Shelby Day  
Shelby Day, Notary Public  
My Commission Expires: November 5, 2029