DEE-2015-31596

DEE BK 109-Q PG 467-511
Recorded 45 Pages on 07/24/2015 12:37:02 PM
Recording Fee: $51.00
Office of REGISTER OF DEEDS, SPARTANBURG, S.C.
Dorothy Earle, Register Of Deeds

THE PROVISIONS OF THIS INSTRUMENT ARE SUBJECT TO ARBITRATION. ALL MEMBERS OF THE ASSOCIATION, BY ACCEPTING A DEED REFERENCING THIS INSTRUMENT OR EXECUTING AN AGREEMENT SUBJECTING REAL PROPERTY TO THE PROVISIONS OF THIS INSTRUMENT, AGREE THAT ANY DISPUTE ARISING BETWEEN MEMBERS AND THE ASSOCIATION, OR ANY DISPUTE ARISING BETWEEN THE ASSOCIATION AND THE DECLARANT OR THE RAVINES AT WOODRIDGE II, SHALL BE RESOLVED THROUGH ARBITRATION PURSUANT TO THE RULES PROMULGATED BY THE AMERICAN ARBITRATION ASSOCIATION. THE PARTIES AGREE THAT JUSISDICTION AND VENUE FOR ANY DISPUTE RESOLUTION HEREUNDER SHALL BE GREENVILLE COUNTY, SOUTH CAROLINA.

DECLARATION OF PROTECTIVE COVENANTS FOR THE RAVINES AT WOODRIDGE II

THIS DECLARATION is made this 23 day of JULY, 2015 by Edwin Builders, Inc. (the "Declarant').

WHEREAS, the Declarant is the owner of the property described on Exhibit A (the "Property"), attached hereto and incorporated herein by this reference;

WHEREAS, the Declarant desires to subject the Property and possibly other property, to the covenants, conditions, easements and provisions of this Declaration in order to create a residential community;

WHEREAS, Declarant desires to provide for the preservation of the value and amenities of the Property and to assure a flexible and appropriate development and improvement of the property for the overall benefit of the entire development; and

WHEREAS, Declarant intends by this Declaration to impose upon the Property certain covenants, conditions, easements, and provisions for the administration, maintenance, preservation, use and enjoyment of the Property under a general plan of development, and desires to provide for the management of the Property and any amenities by means of a homeowners association, which shall hold title to the common areas for the use and benefit of theowners.

DEDICATION OF PROPERTY:

NOW THEREFORE, the Declarant hereby declares that the Property (as described on **Exhibit A**), including any improvements which may be (but are not required to be) constructed on the Property, is subjected to the provisions of this Declaration. The Property or any portion thereof shall be held, sold, transferred, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens

contained in this Declaration. The provisions of this Declaration shall run with the title to the Property subjected to this Declaration. This Declaration shall be binding on all persons having any right, title, or interest in all or any portion of the property now or hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title, and assigns and shall inure to the benefit of each and every owner of all or any portion thereof.

ARTICLE I
DEFINITIONS

The following capitalized words, when used in this Declaration (unless the context shall prohibit), shall have the following meanings:

"Area of Common Responsibility" shall mean the Common Area, together with such other areas, if any, for which the Association has responsibility pursuant to this Declaration, any recorded plat, other covenants, contracts, or agreements.

"Association" shall mean The Ravines at Woodridge II Homeowners Association, Inc., a South Carolina nonprofit corporation, its successors and assigns.

"Board" or **"Board of Directors"** shall mean the governing body of the Association, selected as provided in the By-Laws.

"By-Laws" shall refer to the By-Laws of the Association, attached as Exhibit B.

"Common Area" shall mean, if any, the real property, interests in real property, and personal property, easements, and other interests, 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 all of the Owners.

"Community" shall mean the real property and interests described on Exhibit A and such additions to that property as may be made by Declarant or by the Association pursuant to this Declaration.

"Community-Wide Standard" shall mean the standard of conduct, maintenance, or other activity generally prevailing in the Community. Such standard may be more specifically determined by the Association's Board of Directors. Such determination must be consistent with the Community-Wide Standard originally established by the Declarant.

"Cooperative Agreement" shall mean any agreement between the Association, the Declarant and The Ravines at Woodbridge Horizontal Property Regime (the "HPR"), the purpose of which is to address any matters affecting both the Community and the HPR including, without limitation, street maintenance, mutual access rights and any other matters affecting both developments.

"Declarant" shall mean Edwin Builders, Inc. The Declarant may appoint and designate a successor Declarant by designating such appointment or designation in a deed filed in the real property records of the office of the Register of Deeds of Spartanburg County, South Carolina.

"Declaration" shall mean this Declaration of Protective Covenants for The Ravines at Woodridge II and include any amendment or Supplementary Declaration hereto.

"Lot" shall mean any plot of land within the Community, whether or not improvements are constructed on that land, which constitutes or will constitute, after the construction of improvements, a single family dwelling site as shown on a plat recorded in the land records of Spartanburg County, South Carolina. The ownership of each Lot shall include, and there shall pass with each Lot as an appurtenance thereto, whether or not separately described, the right of an Owner or Occupant to the use of the Common Area, subject to the terms of the Declaration

and the rules and regulations promulgated from time to time by the Association, and membership of the Owner in the Association.

"Mortgage" shall mean any mortgage, security deed, deed of trust, or similar instrument used for the purpose of encumbering real property in the Community as security for the payment or satisfaction of an obligation.

"Mortgagee" shall mean the holder of a Mortgage.

"Occupant" shall mean any Person lawfully occupying all or any portion of a Lot or other property located within the Community for any period of time, regardless of whether such Person is a tenant of the Owner of such property.

"Open Space" means land and/or water within the property, owned by the Association, which is designed and intended for the common use and enjoyment of each Owner, which may contain such accessory structures and improvements as are necessary and appropriate for passive recreational purposed and utilities, but which may not be further subdivided and which is or shall be designated as "Open Space" on the plat or plats of the property. All Open Space shall be considered part of the Common Area, but all Common Area may not be as restricted as Open Space.

"Owner" shall mean the record owner, whether one or more Persons, of the fee simple title to any Lot located within the Community; excluding any Person holding such interest merely as security for the performance or satisfaction of any obligation.

"Person" means a natural person, corporation, joint venture, partnership (general or limited), limited liability company, limited liability partnership, association, trust, or other legal entity.

"Supplementary Declaration" means an amendment or supplement to this Declaration which subjects additional restrictions and obligations on the land described therein, or both.

ARTICLE II
PROPERTY SUBJECT TO THIS DECLARATION

2.1 Property Subject to this Declaration. The real property which is subject to the covenants and restrictions contained in this Declaration is the real property described in Exhibit A.

2.2 Other Property. (a) Only the real property described in Section 3.1 is made subject to this Declaration. However, Declarant may subject additional property to this Declaration by recording one or more amendments hereto or supplementary declarations. Declarant specifically reserves the right, but shall not be obligated, to annex additional property into the subdivision and Declarant specifically reserves the right, but shall not be obligated, to impose these covenants and restrictions upon said additional property.

(b) Several lots (the "Prior Parcels"), which are contemplated to be in the Community and subject to this Declaration, have been conveyed prior to the recording of this Declaration. These lots consist of the following parcels: Lot 2, Lot 8, Lot 16, Lot 17 and Lot 18 as shown on a plat entitled "Final Plat, The Ravines at Woodridge Phase 3", prepared by Fant, Riechert & Fogelman, Inc., dated June 28, 2012, revised February 27, 2014, and recorded in Plat Book 168 at Page 394 in the Register of Deeds Office for Spartanburg, South Carolina. Each of the Prior Parcels shall be subject to the Declaration upon an instrument to such effect being executed by the owner of the particular parcel and being recorded in the Register of Deeds Office for Spartanburg, South Carolina.

2.3 Removal of Property Subjected to this Declaration. There is no guarantee being given by Declarant that all of the property made subject to this Declaration will be developed and/or will remain subject to this Declaration. Declarant expressly reserves the right to remove, and shall have the right to release, all or any portion of the undeveloped property described on Exhibit A from the provisions of this Declaration, at any time, in its sole discretion by filing a written instrument in the office of the Register of Deeds for Spartanburg County, SC, removing such property. The determination of whether such property shall be considered "undeveloped" shall be in the sole discretion of the Declarant.

ARTICLE III
ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

3.1 Membership. Every Owner shall be deemed to have a membership in the Association. If a Lot is owned by more than one Person, there shall be only one (1) membership per Lot, and the votes and rights of use and enjoyment shall be as provided in this Declaration and in the By-Laws. Membership shall be appurtenant to and may not be separated from ownership of any Lot. The rights and privileges of membership, including the right to vote and to hold office, may be exercised by a member or the member's spouse, but in no event shall more than one (1) vote be case nor more than one (1) office held for each Lot owned.

3.2 Voting. (a) The Association shall have two (2) classes of voting membership Class A and Class B as described below.

(i) Class A: Class A members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members and shall be entitled to rights of membership and of the use and enjoyment appurtenant to such ownership. The vote for each such Lot shall be exercised as they among themselves determine, and the Secretary of the Association shall be notified of such designation prior to any meeting, but in no event shall more than one vote be cast with respect to any such Lot. In the absence of such notification, the vote allocated to such particular Lot shall be suspended in the event more than one person or entity seeks to exercise the right to vote. Any Owner of a Lot which is leased may assign his voting right to the tenant, provided that a copy of the assignment is furnished to the Secretary of the Association prior to any meeting at which the tenant exercises the voting right. In the event the Owner is an entity, that entity shall, by written resolution, designate the individual who shall be authorized to exercise the voting rights of that Lot and shall deliver an original or certified copy of such written resolution to the Secretary of the Association, who shall file it with the Association's books and records.

(ii) Class B: The Class B members(s) shall be the Declarant and any successor of Declarant who takes title to all or a portion of the Property for the purpose of development and sale and who is designated as a successor Declarant in a recorded instrument in accordance with this Declaration. Declarant shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

(1) December 31, 2025; or

(2) When the total votes outstanding in the Class A membership equal the total outstanding in the Class B membership.
Notwithstanding the provisions above, the Class B membership shall not terminate if, within on hundred twenty (120) days after the condition set forth in Section 3.2(a)(ii)(2) is fulfilled, all or a portion of any additional property is incorporated into the Community and as a result, the number of votes of the Class B member(s), determined on the basis of three (3) votes per Lot owned, is greater than the number of votes held by Class A members. From and after the termination of the Class B membership, Declarant and any designated successor Declarant shall be entitled to one (1) vote for each Lot owned. At such time, or at any earlier time as Declarant may desire to voluntarily relinquish its Class B membership, Declarant shall call a meeting of the Owners to inform the members of the termination of the Class B membership and to transfer control of the Association to the Owners, to be evidenced by a written notice recorded in the office of the Register of Mesne Conveyances for Spartanburg County, South Carolina.
(b) Total Association Vote shall mean all votes entitled to be cast whether or not actually cast at any vote of the Association.

3.3 Association as Successor to Declarant. Upon the termination of the Class B membership as described above, the Association shall succeed to all of the rights, duties and responsibilities of the Declarant under this Declaration. The Association shall not, however, succeed to any rights of Declarant regarding any portion of any additional property which has not then been annexed to, and incorporated within, the Community, nor succeed to the any rights of the Declarant regarding any portion of undeveloped Property subjected to this Declaration that may be removed by the Declarant. The Association may delegate any of such rights, duties and responsibilities to the Architectural Review Committee or to any other committee or entity which it may choose to form.

ARTICLE IV
ASSESSMENTS

4.1 Purpose of Assessment. The assessments provided for in this Declaration shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and Occupants of Lots, as may be authorized from time to time by the Board. The assessments levied by the Association shall also be used for the administration, operation, improvement, maintenance, use and enjoyment of the Common Area, including the streets, the entrance landscaping, whether or not located on Common area, and including, but not limited to, the cost of repairs, replacements, additions, insurance, labor, equipment, materials, management and supervision, other personnel or contract services deemed appropriate, establishing a maintenance and replacement reserve, repaying loans incurred by the Association, including interest, the payment of taxes assessed against such Common Area, and the employment of attorneys, accountants and other professionals to represent the Association when necessary, and to provide such other services which the Association determines to be necessary or desirable.

4.2 Creation of the Lien and Personal Obligation for Assessments. With respect to each Lot owned within the Community, each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, covenants and agrees, and is

deemed to covenant and agree, to timely pay the Association: (1) annual assessments or charges, including any street maintenance, entrance landscaping, whether or not located on Common Area, and privacy costs, which assessments or charges may be assessed and/or collected on such basis as the Association deems appropriate, and (2) Special assessments for capital improvements and other purposes, such assessments to be established and collected as hereinafter provided; and (3) default assessments which may be assessed against an Owner's Lot for failure to perform an obligation under this Declaration, or because the Association has incurred an expense on behalf of an Owner under this Declaration or the Association documents. The Declarant shall not be responsible for the payment of any assessments on Lots it owns until such time as the Association converts to Class A Membership.

4.3 Late Charges. All assessments shall accrue late charges, interest (not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum on the principal amount due), and costs, including, without limitation, reasonable attorney's fee actually incurred. The assessments and charges shall be a continuing lien upon the Lot against which each assessment is made, and shall also be the personal obligation of the person who was the Owner of such Lot at the time the assessment fell due and upon such Owner's successor in title if unpaid on the date of the conveyance of such Lot.

4.4 Personal Liability. Each Owner shall be personally liable for the portion of each assessment coming due while the owner of a Lot, and each grantee of an Owner, shall be jointly and severally liable for the assessments which are due at the time of conveyance; however, the liability of a grantee for the unpaid assessments of its grantor or immediately preceding Owner shall not apply to any first Mortgagee taking title through foreclosure proceedings, in which event, the prior owner shall continue to remain liable.

4.5 Certificate of Payment. The Association shall, within five (5) business days after receiving a written request, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate shall be binding upon the Association as of the date of issuance. The Board shall have the right to impose a reasonable charge for providing this certificate.

4.6 Annual Assessments. Annual assessments shall be levied equally on all similarly situated Lots and shall be paid in such manner and on such dates as may be fixed by the Board. The Board may, in its sole discretion, distinguish between the occupied Lots and the unoccupied Lots for the purpose of annual assessments. If the Board sets a lower assessment for the unoccupied Lots, the Owner of an unoccupied Lot may not use the Common Areas unless such Owner pays the assessment established by the Board for occupied Lots. The Board may allow annual assessments to be paid in monthly, quarterly, semi-annual or annual periodic payments as determined by the Association's Board of Directors, and the Board shall have the right to accelerate any unpaid installments in the event an Owner is delinquent. The Declarant shall not be responsible for the payment of assessments on Lots it owns until such time as the Association converts to Class A membership.

4.7 Computation of Annual Assessments. The Board shall prepare a budget covering the estimated costs of operating the Association during the coming year, which may include a

capital contribution or reserve. The Board shall cause the budget and the assessments to be mailed or delivered to each member at least thirty (30) days prior to the end of the current fiscal year. The budget and the assessment shall become effective unless disapproved at a meeting by a majority of the Total Association Vote as long as the budget does not exceed 125% of the prior year's budget. If the budget exceeds 125% of the prior year's budget, the budget must be approved at a meeting by two-thirds (2/3) of the Total Association Vote. In the event the membership disapproves the proposed budget, or the Board fails to establish a budget for the succeeding year, the budget in effect for the then current year shall continue for the succeeding year until changed by the Board. In the event the Board's budget is disallowed, the Board shall have the right to make a new budget retroactive to the start of the fiscal year. In the event a Cooperative Agreement is executed requiring a sharing of mutual expenses between the two associations, prior to preparing the budget the Board (or its designee) shall meet with the Board of Directors (or its designee) for The Ravines at Woodbridge Property Owners Association, Inc. to determine the budget for the Common Areas covered by the Cooperative Agreement and shall factor in The Ravines at Woodbridge II Property Owners Association, Inc.'s proportional share into the budget.

4.8 Special Assessments. In addition to the other assessments authorized by this Declaration, the Association may levy special assessments from time to time. Special assessments must be approved at a meeting by two-thirds (2/3) of the Total Association Vote. Special assessments shall be paid as determined by the Board, and the Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

4.9 Lien for Assessment. All sums assessed against any Lot, Owner, or member pursuant to this Declaration shall be secured by a lien on such Lot in favor of the Association.

4.10 Priority. The lien of the Association shall be superior to all other liens and encumbrances on such Lot, except for (a) liens for ad valorem taxes; (b) liens for all sums unpaid on a first priority Mortgage or deed to secure debt; (c) a lien arising by virtue of any Mortgage in favor of Declarant which is duly recorded in the land records of the county where the Community is located. All other Persons acquiring liens or encumbrances on any Lot after this Declaration shall have been recorded shall be deemed to acknowledge that their liens shall be inferior to the lien of the Association for assessments in existence at that time or which arise in the future.

4.11 Effect of Nonpayment of Assessment. Any assessments (or installments) which are not paid when due shall be delinquent. Any assessment (or installment) which is delinquent for a period of more than ten (10) days shall incur a late charge in an amount set by the board. If the assessment is not paid within thirty (30) days, a lien shall attach to the Owner's Lot. The lien shall cover all assessments then due or which come due until the lien is cancelled of record, and any other amounts provided in this Declaration or permitted by law. In the event that the assessment remains unpaid after thirty (30) days, the Association may, in its sole discretion, may take any or all of the following actions:

(i) Assess an interest charge from the date of delinquency at the rate per annum two points above the prime rate charged by the Association's bank, or such other rate as shall have been established by the Board of Directors;
(ii) Assess a late charge at the rate established by the Board per delinquency or such other charge as shall have been established by the Board of Directors;
(iii) Suspend the voting rights of the Owner during any period of delinquency;
(iv) Accelerate all remaining assessments for the fiscal year in question so that unpaid assessments for the remainder of the fiscal year shall be due and payable at once;
(v) Bring an action at law or in equity against the Owner personally obligated to pay the delinquent assessment by instituting suit to collect such amounts and foreclose its lien against the Lot, and interest, costs of collection and reasonable attorneys' fees of such action of foreclosure shall be added to the amount of such assessment. The Association shall have the right to foreclose its lien through any method allowed by law. The Association shall have the power to bid on the Lot at any foreclosure sale or to acquire, hold, lease, mortgage, and convey the same.
No Owner may waive or otherwise escape liability of the assessments provided for herein by non-use of the Common Area or abandonment of such Owner's Lot.

4.12 No Set Off or Deduction. No Owner may waive or otherwise exempt himself from liability for the assessments provided for in this Declaration. No setoff, diminution, or abatement of any assessment shall be claimed or allowed by reason of any alleged failure of the Association to take some action for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority. The obligation to pay assessments is a separate and independent covenant on the part of each Owner and is not subject to setoff.

4.13 Application of Payments. All Payments shall be applied first to costs, then to late charges, then to interest, and then to delinquent assessments.

4.14 Date of Commencement of Assessments. Assessments shall commence on the date of closing for the sale of the Lot to a Person other than Declarant. The first annual assessment shall be adjusted according to the number of days then remaining in that fiscal year.

4.15 Special Assessments. (a) The Board shall have the power to determine special assessments pursuant to this Section as it shall deem appropriate, in its sole discretion. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future. The Board may also determine special assessments on Owners for the following Association expenses (except for expenses incurred for maintenance and repair of items which are the maintenance responsibility of the Association):
(i) expenses of the Association which benefit less than all of the Lots may be specifically assessed equitably among all of the Lots which are benefitted according to the benefit received; and
(ii) expenses of the Association which benefit all Lots, but which do not provide an equal benefit to all Lots, may be assessed equitably among all Lots according to the benefit received.

(b) In addition to the annual assessments authorized above, the Association may levy, in any calendar year, a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of capital improvements upon any Common Area, including the streets, entrance walls, signs, and landscaping, including fixtures and personal property related thereto, or to make up any deficit or shortage in the current year's budget; provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of Class A members and the approval of the Class B member(s) who are voting in person or by proxy at a meeting duly called for this purpose. All special assessments shall be fixed at a uniform rate for all Lots and may be collected on a monthly, quarterly, semi-annual or annual basis as determined by the Association's Board of Directors. Notice of the amount and due dates for such special assessments must be sent to each Owner at least thirty (30) days prior to such due date.

4.16 Budget Deficits During Declarant Control. For so long as the Declarant has the authority to appoint the directors and officers of the Association, Declarant may (but shall not be required to):
(i) advance funds to the Association sufficient to satisfy the deficit, if any, between the actual operating expenses of the Association and the sum of the annual, special, and specific assessments collected by the Association in any fiscal year. Such advances shall, upon request of Declarant, be repaid from assessments or may be evidenced by promissory notes from the Association in favor of the Declarant. The failure of Declarant to obtain a promissory note shall not invalidate the debt; or
(ii) cause the Association to borrow such amount, or a general borrowing from a third party at the then prevailing rates for such a loan in the local area of the Community. Declarant, in its sole discretion, may guarantee repayment of such loan, if required by the lending institution, but no Mortgage secured by the Common Area or any of the improvements maintained by the Association shall be given in connection with such loan; or
(iii) acquire property for, or provide services to, the Association or the Common Area. Declarant shall designate the value of the property or the services provided and such amounts, at the request of the Declarant, be evidenced by a promissory note. Failure to obtain a promissory note shall not invalidate the obligation referred to in this Section.

ARTICLEV
MAINTENANCE & CONVEYANCE
OF COMMON AREA TO ASSOCIATION

5.1 Association's Responsibility. (a) The Association shall maintain in good repair the Common Area, including (without limitation) maintenance, repair, and replacement of all landscaping and improvements situated on the Common Area including but not limited to roads and parking areas. The Association shall also maintain all lakes and associated dams, if any, in or about the Community or any Lot thereon to the extent maintenance of such lake is required and the lake is not otherwise maintained by a governmental entity or third party.
(b) The Association shall also maintain all Community entry features, Common Areas, and operate and maintain street lights (if not maintained and operated by a governmental entity) for the Community including the expenses for water and electricity, if any, provided to all such entry features, Common Areas, and street Lights; all storm water detention facilities and easements

serving the Community (to the extent such facilities and easements are not maintained by a governmental entity); and all property outside of Lots located within the Community which was originally maintained by Declarant.
(c) The Association shall provide monthly lawn maintenance to include: grass cutting, weed control, lawn fertilization as necessary, and twice yearly replacement of mulch. In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association the right to unobstructed access over and up on each lot at reasonable times to perform maintenance as provided in this article.
(d) The Association shall have the right, but not the obligation, to maintain other property not owned by the Association, whether within or without the Community where the Board has determined that such maintenance would benefit the Owners.
(e) In the event that the Association determines that the need for maintenance, repair, or replacement of property described above is caused through the willful or negligent act of an Owner, or the family, guest, lessees, or invitee of any Owner, and is not covered or paid for by insurance, in whole or in part, then the Association may perform such maintenance, repair, or replacement at such Owner's sole cost and expense, and all costs thereof shall be a special assessment against such Owner subject to the Association's lien and collection rights provided for in this Declaration.
(f) All maintenance shall be performed consistent with the Community-Wide Standard.

5.2 Owner's Responsibility. Except as provided in Section 5.1(a)-5.1(c) above, all maintenance of the Lot and all structures, parking areas, landscaping, and other improvements thereon shall be the sole responsibility of the Owner thereof, who shall maintain such Lot in a manner consistent with the Community-Wide Standard and this Declaration. In the event that the Board determines that any Owner has failed or refused to discharge properly any of such Owner's obligations with regard to the maintenance, repair, or replacement of items for which such Owner is responsible, the Association may perform such maintenance, repair, or replacement for the Owner at the expense of the Owner. Except in an emergency situation, the Association shall give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement. The notice shall set forth with reasonable particularity the maintenance, repairs, or replacement deemed necessary. The Owner shall have ten (10) days after receipt of such notice within which to complete such maintenance, repair, or replacement, or, in the event that such maintenance, repair, or replacement is not capable of completion within a ten (10) day period, to commence such work and to diligently pursue the completion of such work, which shall be completed within a reasonable time. If any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at such Owner's sole cost and expense, and all costs shall be assessed against the Owner as a special assessment.

5.3 Conveyance of Common Area by Declarant to Association. The Declarant may convey to the Association any personal property, any improved or unimproved real property, leasehold, easement, or other property interest located within or adjacent to the Community. Such conveyance shall be accepted by the Association, and the property shall thereafter be Common Area to be maintained by the Association for the benefit of all or a part of its members. Declarant shall not be required to made any improvements whatsoever to property to be conveyed and accepted pursuant to this Section.

ARTICLE VI
USE RESTRICTIONS AND RULES

6.1 General. This article sets out certain use restrictions which must be complied with by all Owners and Occupants. These use restrictions may only be amended as provided in this Declaration. In addition, the Board may, from time to time, without consent of the members, promulgate, modify, or delete other use restrictions and rules and regulations applicable to the Community. Such use restrictions and rules shall be distributed to all Owners and Occupants prior to the date that they are to become effective and shall thereafter be binding upon all Owners and Occupants until and unless overruled, canceled, or modified in a regular or special meeting by a majority of the total Association Vote.

6.2 Residential Use. (a) All Lots shall be used for residential purposes exclusively. No business or business activity shall be carried on in or upon any Lot at any time, except with the written approval of the Board. The provisions of this Section shall not apply to the Common Area. Leasing of a Lot to an Occupant for use as a residence shall not be considered a business or business activity. Private offices may be maintained in dwellings located on any of the Lots so long as such use is incidental to the primary residential use of the dwelling.
(b) The Board, by prior written approval, may permit, but shall not be obligated to allow, a Lot to be used for business purposes so long as such business, in the sole discretion of the Board, does not otherwise violate the provisions of the Declaration of By-Laws, does not create a disturbance, and does not unduly increase traffic flow or parking congestion and complies with all local government requirements for permits, zoning and other regulations. The Board may issue rules regarding permitted business activities.
(c) The Declarant shall have the right to operate a sales-office and a construction office from one or more Lots within the Community specifically including, but not limited to, maintaining business offices, storage areas, construction yards and equipment, signs and sales offices.

6.3 Storage Sheds and Garages. Construction, installation, or placement of a storage shed, tree house, play house, detached garage, or a building separate from the main house on the Lot is not permitted.

6.4 Compliance with Zoning and Subdivision Regulations. In no event shall any building be erected and located upon any Lot in a manner which violates the requirements and provisions of the applicable city or county zoning ordinances and subdivision regulations in effect where the Community is located.

6.5 Obstructions to View at Intersection. All property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem. The lower branches of trees and other vegetation shall not be permitted to obstruct the view at intersections and it shall be the responsibility for the respective Lot Owner upon whose Lot such branches or vegetation exist to insure that the view of traffic at intersections in unimpeded.

6.6 Signs. No sign of any kind shall be erected by an Owner or Occupant within the Community without the prior written consent of the Declarant or the Association, after Declarant has transferred control of the Association to the Lot Owners. Notwithstanding the foregoing, the Board and the Declarant shall have the right to erect reasonable and appropriate signs. "For Sale" and "For Rent" signs and security signs consistent with the Community-Wide Standard and any signs required by legal proceedings may be erected upon any Lot. The provisions of this Section shall not apply to any Person holding a Mortgage who becomes the Owner of any Lot as purchaser at a judicial or foreclosure sale conducted with respect to a first Mortgage or as transferee pursuant to any proceeding in lieu thereof.

6.7 Vehicles. The term "vehicles," as used herein, shall include, without limitation, motor homes, boats, trailers, motorcycles, minibikes, scooters, go-carts, trucks, campers, buses, vans, and automobiles.

(a) Unless and except to the extent that the occupants of a Lot shall have more vehicles that the number of parking areas serving their Lot, all vehicles shall be parked within such parking areas. Where the Lot contains a garage, "parking areas" shall refer to the number of garage parking spaces. Garage doors shall be kept closed at all times, except during times of ingress and egress from the garage.

(b) No vehicle, boat, motor home, trailer, recreational vehicle, or trailer may be left upon any portion of the Community for a period longer than three (3) days, unless it is stored in a garage or stored in another area designated or approved by the Board. Vehicles, boats, motor homes, trailers, or recreational vehicles which are either unlicensed or inoperable for a period of three (3) days or more may not be stored upon any portion of the Community at any time unless fully enclosed in a garage.

(c) No unlicensed vehicle shall be left upon any portion of the Community, except in a garage or other area designated by the Board.

(d) Upon request of Declarant or the Board, such vehicles identified in 6.7(b) and 6.7(c) above must be removed by the Owner. The Association shall have the right to remove any such vehicle if not removed by the Owner within ten (10) days of notice, and the costs of such removal shall be an assessment against such owner.

(e) No recreational vehicle parking of any kind including but not limited to camper top trucks is allowed in the Community, except in a garage or other area designated by the Board.

(f) No motorized vehicles shall be permitted on pathways or unpaved areas of the Common Area, except for public safety vehicles and vehicles authorized by the Board.

6.8 Leasing. Lots may be leased for residential purposes. All leases shall have a minimum term of at least twelve (12) months. All leases shall require, without limitation, that the tenant acknowledge receipt of a copy of the Declaration, By-Laws, use restrictions, and rules and regulations of the Association. The lease shall also obligate the tenant to comply with the foregoing and shall provide that in the event of noncompliance, the Board, in addition to any other remedies available to it, may evict the tenant on behalf of the Owner and specifically assess all cost associated therewith against the Owner and the Owner's property.

6.9 Occupants Bound. All provisions of the Declaration, By-Laws, and of any rules and regulations, use restrictions, or design guidelines promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Occupants even though Occupants are not specifically mentioned. Fines may be levied against

Owners or Occupants. If a fine is first levied against an Occupant and is not paid in a reasonable period of time, the fine may then be levied against the Owner, but shall, if not paid, remain the responsibility of the Owner.

6.10 Clothes Lines and Garbage Containers. No clothes lines, exposed garbage containers (except for local government required containers) equipment and other unsightly objects are to be erected or used on any Lot. All garbage cans are to be kept in the garage. All residential utility service lines to residences shall be underground. All fuel tanks must be buried.

6.11 Garbage and Refuse Disposal. (a) No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept on the Lots, except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. If such litter or other material is found on any Lot, the same shall be removed by the Owner of such Lot, at the Lot Owner's expense, upon written request of the Board. No such items shall be burned in any fashion within the boundaries of said Lot.
(b) All garbage cans shall be located inside of the garage or other screened area so as to be concealed from view of neighboring streets and property. All rubbish, trash, and garbage shall be regularly removed and shall not be allowed to accumulate. Trash, garbage, debris, or other waste matter of any kind may not be burned within the Community, except that Declarant may maintain a "burn pit" during development and construction of the Community.

6.12 Animals and Pets. No animals shall be kept, maintained or quartered on any Lot except that domesticated cats, small dogs, small caged birds, and household pets may be kept for the pleasure of the occupants. A maximum of two (2) pets shall be allowed per Lot. Seeing eye dogs are allowed, also small caged animals which are not normally taken outside (such as fish, gerbils, etc.) may be kept in reasonable numbers. The Board is authorized (but not required) to issue reasonable rules for the protection of all Owners in this subdivision relating to the number and size of pets which may be kept on any numbered Lot. No animals shall be permitted to go beyond the perimeter of any Residence unless the animal is on a leash and under control of its Owner or the Owner's agent. Pet owners shall be required to remove any animal waste from Lots and Common Areas, streets, etc. in a timely manner. All pets shall be registered, licensed, and vaccinated as required by law. Pets which endanger health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners or Occupants, determined in the sole discretion of the Board, must be removed by their Owner upon request of the Board.

6.13 Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her property. No property within the Community shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on within the Community, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any Person using any property within the Community. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous,

unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Community. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes shall be located, installed, or maintained upon the exterior of any Lot unless required by law.

6.14 Unsightly or Unkempt Conditions. The pursuit of hobbies or other activities, including, without limitation, the assembly and disassembly of motor vehicles and other mechanical devices, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken in any part of the Community.

6.15 Antennas. In no event shall transmission or reception towers or antennae, or satellite disks be permitted, except small satellite dishes no larger than eighteen (18") inches in diameter. Any such satellite dishes must be installed in a location as approved in writing by the Board, preferably behind the main residential dwelling located on any such Lot, hidden from view from the street on which such Lot fronts. The Board shall also have the right to establish rules and guidelines for the color, size, location, quantity, installation and other issues regarding satellite dishes on any Lot.

6.16 Drainage. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be places in these areas. No Owner or Occupant may alter, obstruct, or rechannel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains, the right to alter same being expressly reserved to Declarant.

6.17 Guns. The use of firearms in the Community is prohibited. The term "firearms" includes rifles, shotguns, pistols, "BB" guns, pellet guns, and firearms (small or large) of all types.

6.18 Utility Lines. No overhead utility lines, including lines for cable television, shall be permitted within the Community, except for temporary lines as required during construction, and lines installed by or at the request of Declarant.

6.19 Air-Conditioning Units. No window air conditioning units may be installed.

6.20 Lighting. Except as may be permitted by the Board, exterior lighting visible from the street shall not be permitted except for (a) approved lighting as originally installed on a Lot; (b) one (1) decorative post light, (c) street lights in conformity with an established street lighting program for the Community; (d) seasonal decorative lights; or (e) front house illumination of model homes.

6.21 Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on the exterior of any property. Exterior sculpture, fountains, flags, and similar items must be approved by the Board.

6.22 Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless they

are an integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of the Board.

6.23 Swimming Pools and Hot Tubs. No swimming pool shall be constructed, erected, or maintained upon any Lot, without the prior written approval of the Board. Hot tubs and portable spas shall not be permitted without the prior written consent of the Board and then only if enclosed by an approved fence.

6.24 Gardens and Play Equipment. No vegetable gardens, hammocks, statuary, swing sets or similar play equipment, boats or boating equipment, or swimming pools shall be erected on any Lot without the prior written consent of the Board; and, if approved by the Board, any such items must be located between the rear of the dwelling located on the Lot and the rear lot line.

6.25 Exteriors. Any change to the exterior color of any improvement located on a Lot, including, without limitation, the dwelling, must be approved by the Board.

6.26 Exterior Security Devices. No exterior security devices, including, without limitation, window bars, shall be permitted on any residence or Lot. Signs less than six inches (6") by six inches (6") placed on the Lot or the exterior of the residence stating that such residence is protected by a security system shall not be deemed to constitute an exterior security device.

6.27 Entry Features. Owners shall not alter, remove, or add improvements to any entry features constructed by the Declarant on any Lot, or any part of any easement area associated therewith without the prior written consent of the Board.

6.28 Streams and Wetlands.(a) Owners shall have no riparian rights with respect to the waters in any stream, pond, pool or wetlands (herein "waterways") within the Community and shall not be permitted to withdraw water from any waterways that may exist in the Community or from any waterway which is made available for the use by the Owners and Occupants within the Community without having first obtained the prior written consent of the Board or its designee. As long as the Declarant has the right unilaterally to subject property to this Declaration or owns any property in the Community for development and/or sale, Declarant may authorize and grant easements to withdraw water from such waterways without the consent of the Association.

(b) Notwithstanding anything contained in this Declaration to the contrary, no vegetable gardens, hammocks, statuary, swing sets or similar play equipment, basketball goals or similar athletic equipment, boats or boating equipment, pools, fences, clothes drying equipment, dog houses, dog runs or other enclosures, signs, retaining walls or any other structure or thing which, in the sole discretion of the Board or its designee, tend to detract from the appearance of the Community, and especially the streams and wetlands, shall be permitted on any Lot which abuts or is appurtenant to any stream or wetland within the Community or any stream made available for the use of all Owners and Occupants within the Community, without the prior written consent of the Board or its designee.

ARTICLE VII
ARCHITECTURAL CONTROL

7.1 Architectural Standards. (a) Except for the Declarant and except as provided herein, no Owner, Occupant, or any other person may make any encroachment onto the Common Area, or make any exterior change, alteration, or construction (including painting and landscaping), nor erect, place or post any object, sign, antenna, playground equipment, light (except for reasonable seasonal decorative lights), storm door or window, artificial vegetation, exterior sculpture, fountain, flag, or thing on the exterior of buildings, or in any windows, without first obtaining the written approval of the Architectural Review Board ("ARB").
(b) The standard for approval for such improvements shall include, but not be limited to, aesthetic consideration, materials to be used, harmony with the external design of the existing buildings, and the location in relation to surrounding structures and topography. Applications for approval of any such architectural modification shall be in writing and shall provide such information as the ARB may reasonably require. The ARB or its designated representative shall be the sole arbiter of such application and may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction which is not in conformance with approved plans. The Board or the ARB may publish written architectural standards for exterior and Common Area alterations or additions, and any request in substantial compliance therewith shall be approved; provided, however, each such requested change shall be in harmony with the external design of the existing buildings and the location in relation to surrounding structures and topography.
(c) In the event that the ARB fails to approve or to disapprove such application within forty-five (45) days after the application and all information as the ARB may reasonably require have been submitted, its approval will not be required; provided however, even if the requirements of this subsection are satisfied, nothing herein shall authorize anyone to construct or maintain any structure or improvement that is otherwise in violation of the Declaration, the By-Laws, or the rules and regulations.

7.2 Architectural Review Board. The ARB shall have exclusive jurisdiction over all construction on any portion of the Property. For so long as the Declarant owns any portion of the Property or has the unilateral right to annex additional property to the Community, the Declarant retains the right to appoint and remove members of the ARB, who shall serve at the Declarant's discretion. The ARB shall consist of one to three members, with the exact number being set from time to time by and in the sole discretion of the Declarant for so long as the Declarant retains the right to appoint and remove ARB members. There shall be no surrender of these rights prior to their expiration as provided above, except in a written instrument in recordable form executed by the Declarant; provided, however, that Declarant may delegate certain authority of the ARB to the Association for such periods of time as Declarant, in its sole discretion may decide. Upon expiration or permanent surrender of such rights, the Board shall set the number of members of the ARB and appoint the members of the ARB, who shall thereafter serve and may be removed in the Board's discretion.

7.3 Condition of Approval. As a condition of approval for a requested architectural change, modification, addition, or alteration, an Owner, on behalf of such Owner and such Owner's successors-in-interest, shall assume all responsibilities for maintenance, repair,

replacement and insurance of such change, modification, addition or alteration. In the discretion of the ARB, an Owner may be required to verify such condition of approval by written instrument in recordable form acknowledged by such Owner.

7.4 Limitation of Liability. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and neither the Declarant, the Board of Directors, or the Architectural Review Board shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Association, the Board of Directors, the Architectural Review Board, or any member of any of the foregoing shall be held liable for any injury, damages or loss arising out of the manner or quality of approved construction on or modifications to any Lot.

7.5 No Waiver of Future Approvals. Each Owner acknowledges that the members of the Board of Directors and the Architectural Review Board will change from time to time and that interpretation, application and enforcement of the architectural standards may vary accordingly. The approval of either the Board of Directors or the Architectural Review Board of any proposals, plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of the Board of Directors or the Architectural Review Board, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings, or matters subsequently or additionally submitted for approval or consent.

7.6 Enforcement. Any construction, alteration, or other work done in violation of this Article shall be deemed nonconforming. Upon written request from the ARB, or from the Board of Directors, if said authority has been delegated by the Declarant to the Association or Declarant's right to appoint ARB members of delegate authority of the ARB to the Association has expired or been surrendered, Owners shall, at their own cost and expense, remove such construction, alteration, or other work and shall restore the property to substantially the same condition as existed prior to the construction, alteration, or other work. Should an Owner fail to remove and restore as required hereunder, the ARB shall have the right to enter the property, remove the violation and restore the property to substantially the same condition as existed prior to the construction, alteration or other work. All costs thereof, including reasonable attorney's fees, may be assessed against the property and collected as an assessment pursuant to this Declaration. In addition to the foregoing, the ARB shall have the authority and standing, on behalf of the Association, to impose reasonable fines and to pursue all legal and equitable remedies available to enforce the provisions of this Article. Any exterior change, alteration, or construction (including landscaping) upon the Common Area made by an Owner in violation of this Declaration shall be at such Owner's sole risk and expense. The ARB may require that the Owner remove the change, alteration, or construction and restore the Common Area to its original condition, or may require that the change, alteration or construction remain on the Common Area without reimbursement to the Owner for any expense incurred in making the change, alteration or construction.

ARTICLE VIII
INSURANCE AND CASUALTY LOSSES

8.1 Insurance of Common Areas. The Board of Directors or the duly authorized agent of the Association shall have the authority to, and shall obtain, insurance for all insurable improvements whether or not located on the Common Area which the Association is obligated to maintain. This insurance shall provide, at a minimum fire and extended coverage, including vandalism and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

8.2 Liability Insurance. The Board shall obtain a general commercial liability policy applicable to the common area covering the Association and its members for all damage or injury caused by the negligence of the Association or any of its members or agents. The public liability policy shall have a combined single limit of at least one million ($1,000,000.00) dollars. If available, the Board is also authorized to obtain directors' and officers' liability insurance coverage.

8.3 Premiums. Premiums for all insurance shall be common expenses of the Association. The policies may contain a reasonable deductible, and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the full replacement cost.

8.4 Miscellaneous. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association, as trustee for the respective benefitted parties, as further identified below. Such insurance shall comply with these provisions:
(a) All policies shall be written with a company licensed to do business in South Carolina, with a rating of not less than "A" as determined by *Best's Key Rating Guide*, or if no longer available, by another comparable rating guide.
(b) Exclusive authority to settle losses under policies obtained by the Association shall be vested in the Association's Board of Directors; however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.
(c) In no event shall the insurance coverage obtained and maintained by the Association be brought into contribution with insurance purchased by individual Owners, Occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.
(d) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available and all insurance policies shall be reviewed annually.
(e) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:
(1) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners, and Occupants and their respective tenants servants, agents and guests;
(2) A waiver by the insurer of its rights to repair and reconstruct instead of paying cash;
(3) That no policy may be cancelled, invalidated, or suspended on account of any one or more individual Owners;

(4) That no policy may be cancelled, subjected to non-renewal, invalidated, or suspended on account of any defect or the conduct of any director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct, and the allowance of a reasonable time thereafter within which a cure may be effected by the Association, its manager, any Owner, or Mortgagee;
(5) That any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and
(6) That no policy may be canceled, subjected to non-renewal, or substantially modified without at least thirty (30) days prior written notice to the Association.
(f) In addition to the other insurance required by this Section, the Board shall obtain worker's compensation insurance to the extent necessary to satisfy the requirements of applicable laws, and shall obtain a fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds, if reasonably available. If obtained, the amount of fidelity coverage shall be determined in the minimum amount of three (3) months' assessments plus reserves on hand. Bonds shall contain a waiver of all defenses provision based upon the exclusion of persons serving without compensation and may not be canceled, subjected to non-renewal, or substantially modified without at least thirty (30) days prior written notice to the Association. The Association shall also obtain construction code endorsements, steam boiler coverage, and flood insurance, if and to the extent necessary to satisfy the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and the U.S. Department of Veterans Affairs, or the U.S. Department of Housing and Urban Development.

8.5 Individual Insurance. By virtue of taking title to a Lot subject to the terms of this Declaration, each Owner acknowledges that the Association has no obligation to provide any insurance for any portion of individual Lots, and each Owner covenants and agrees with all other Owners and with the Association that each Owner shall carry blanket "all-risk" casualty insurance on the Lot and all structures constructed thereon and a liability policy covering damage or injury occurring on a Lot. The casualty insurance shall cover loss or damage by fire and other hazards commonly insured under an "all-risk" policy, if reasonably available, including vandalism and malicious mischief and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. If all-risk coverage is not reasonably available, Owners shall obtain, at a minimum, fire and extended coverage. The policies required hereunder shall be in effect at all times. Authority to adjust losses under policies obtained by an Owner shall be vested in the Owner. The losses under policies obtained by an Owner shall be vested in the Owner. The Association shall have the right, but not the obligation, at the expense of the Owner, to acquire the insurance required to be maintained by the Owner if the Owner fails to provide a valid policy to the Association with a prepaid receipt within ten (10) day after receipt by the Owner of a written request from the Association. If the Association does acquire insurance of behalf of any Owner, the cost thereof shall be assessed against the Owner and the Lot as a special assessment.

8.6 Damage and Destruction – Insured by Association.
(a) Immediately after damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board, or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such

insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Article, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. The Board shall have the enforcement powers specified in this Declaration necessary to enforce this provision.

(b) Any damage or destruction to property covered by insurance written in the name of the Association shall be repaired or reconstructed unless, within sixty (60) days after the casualty at least seventy-five (75%) percent of the Total Association Vote otherwise agree. If for any reason either the amount of the insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not made available to the Association within such period, then the period shall be extended until such information shall be made available; however, such extension shall not exceed sixty (60) days. No Mortgagee shall have the right to participate in the determination of whether damage or destruction shall be repaired or reconstructed.

(c) If the damage or destruction for which the insurance proceeds are paid is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Board shall, without the necessity of a vote of the Association's members, levy a special assessment against all Owners in proportion to the number of Lots owned by such Owners. Additional assessments may be made in like manner at any time during or following the completion of any repair or reconstruction. If the funds available from insurance exceed the costs of repair or reconstruction or if the improvements are not repaired or reconstructed, such excess shall be deposited to the benefit of the Association.

(d) In the event that it is determined by the Association in the manner described above that the damage or destruction shall not be repaired or reconstructed and no alternative improvements are authorized, then and in that event, the property shall be restored to its natural state and maintained as an undeveloped portion of the Community by the Association in a neat and attractive condition.

8.7 Damage and Destruction – Insured by Owners. The damage or destruction by fire or other casualty to all or any portion of any improvement on a Lot shall be repaired by the Owner thereof within seventy-five (75) days after such damage or destruction or, where repairs cannot be completed within seventy-five (75) days, they shall be commenced within such period and shall be diligently completed within a reasonable time thereafter. Alternatively, the Owner may elect to demolish all improvements on the Lot and remove all debris therefrom within seventy-five (75) days after such damage or destruction. In the event of noncompliance with this provision, the Board shall have all enforcement powers specified in this Declaration.

8.8 Damage and Destruction – Deductible Allocation. In the event of damage or destruction to the Common Areas or other areas or improvements maintained by the Association, the deductible for any casualty insurance policy carried by the Association shall be paid by the Association, but the Association may allocate the cost thereof among any Persons who are responsible, in whole or in part, for such damage or destruction.

8.9 Non-responsibility of Declarant. The Declarant shall not be responsible for or be required to obtain insurance on behalf of the Association or to incur any expense in connection with or related to the provisions of this Article.

ARTICLE IX
CONDEMNATION

In the event of a taking by eminent domain for any portion of the Common Area on which improvements have been constructed, then, unless within sixty (60) days after such taking, at least seventy-five percent (75%) of the Total Association Vote shall otherwise agree, the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available therefore.

ARTICLEX
ANNEXATION AND WITHDRAWAL OF PROPERTY

10.1 UnilateralAnnexation By Declarant.
(a) The Declarant shall have the unilateral right, privilege, and option, from time to time, until seven (7) years after the recording of this Declaration to subject to the provisions of this Declaration the following property ("Annexation"):
(1) Any property which is adjacent to the property described on Exhibit "A".
(2) Any tract ofland, of which any portion is located within a five (5) mile radius of the property described in Exhibit "A".
(b) Annexation may be accomplished by filing for record in the county in which the property to be annexed is located a Supplementary Declaration describing the property being subjected.
(c) Any such annexation shall be effective upon the filing for record of such Supplementary Declaration unless otherwise provided therein.
(d) Declarant shall have the right, in connection with the annexation of other property, to modify the terms of this Declaration as it may apply to the annexed property.
(e) As long as covenants applicable to the real property previously subjected to this Declaration are not changed and as long as right of existing Owners are not materially adversely affected, the Declarant may unilaterally amend this Declaration to reflect the different character of any such annexed real property.
(f) The rights reserved unto Declarant to subject additional land to the Declaration shall not impose any obligation upon Declarant to subject any of such additional land to this Declaration or to the jurisdiction of the Association. If such additional land is not subjected to this Declaration, Declarant's reserved rights shall not impose any obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by Declarant or any subsequent Owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

10.2 Other Annexation. Subject to the consent of the owner(s) thereof and the consent of the Declarant (so long as the Declarant owns any property in the Community or has the right to unilaterally annex additional property to the Community), upon the affirmative vote or written consent, or any combination thereof, of the Owners of at least two-thirds (2/3) of the Lots, the

Associationmay annex any other real property not specifically described herein and subject it to the provisions of this Declaration by describing the property to be annexed in a Supplementary Declaration, which shall be signed by the President of the Association, whose signature shall be attested by the Secretary of the Association, and any such annexation shall be effective only upon the filing for record of such Supplementary Declaration in the register of deeds office for the county in which such property is located, unless a later effective date is provided therein.

10.3 Withdrawal of Property. So long as Declarant owns any portion of the property subject to this Declaration, whether improved or unimproved, the Declarant reserves the right to amend this Declaration for the purpose of removing any portion of the Community which has not been improved with residential dwellings from the provisions of this Declaration. Such amendment shall not require the consent of any Person other than the Owner of the property to be withdrawn, if not the Declarant.

ARTICLE XI
MORTGAGEE PROVISIONS

The following provisions are for the benefit of holders of first Mortgages of Lots in the Community. The provisions of this Section apply to both this Declaration and the By-Laws, notwithstanding any other provisions contained therein.

11.1 Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage, who provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the Lot number, therefore becoming an "eligible holder"), will be entitled to timely written notice of:
(1) any condemnation loss or any casualty loss which affects a material portion of the community or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such eligible holder;
(2) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; however, notwithstanding this provision, any holder of a first Mortgage, upon request, is entitled to written notice from the Association of any default in the performance by the Owner of the encumbered Lot of any obligation under the Declaration or By-Laws of the Association which is not cured within sixty (60) days; and
(3) any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

11.2 No Priority. No provision of this Declaration or the By-Laws gives, or shall be construed as giving, any Owner or other party priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to, or a taking of, the Common Area.

11.3 Notice to Association. Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Lot.

11.4 VA/HUD Approval. As long as the Declarant has the right to appoint and remove the directors of the Association and so long as the project is approved by the U.S. Department of Housing and Urban Development ("HUD"), or the U.S. Department of Veterans Affairs ("VA"), for insuring or guaranteeing any Mortgage in the Community, the following actions shall require the prior approval of the VA or HUD, as applicable: annexation of additional property to the Community, except for annexation by Declarant in accordance herewith or pursuant to a plan of annexation previously approved by the VA or HUD as applicable; dedication of Common Area to any public entity; mergers and consolidation of the Association; dissolution of the Association; and material amendment of the Declaration, By-Laws, or Articles ofIncorporation.

11.5 Applicability of Article. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, By-Laws, or South Carolina law for any of the acts set out in this Article.

11.6 Amendments by Board. Should the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, HUD, or VA subsequently delete any of their respective requirements which necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may cause an amendment to this Article to be recorded to reflect such changes.

ARTICLE XII
COMMON AREAS

12.1 Open Space. The term "Open Space," means land and/or water within the property, owned by the Association, which is designed and intended for the common use or enjoyment of each Owner, which may contain such accessory structures and improvements as are necessary and appropriate for passive recreational purposes and utilities, but which may not be further subdivided and which is or shall be designated as "Open Space" on the plat or plats of the property. All Open Space shall be considered Common Area, but all Common Area may not be as restricted as Open Space. The Board of Directors is authorized, but not required, to impose a conservation easement upon the Open Space.

12.2 Common Areas. The Common Areas shall be used only for the purposes for which they are intended in the furnishing of services and facilities for the enjoyment of the Owners. There shall be no obstruction or alteration of, nor shall anything be stored, altered or constructed in, or removed from, the Common Area without the prior written consent of the Board.

12.3 Insurance. No use shall be made of the Common Areas which will increase the rate of insurance upon the property without the prior consent of the Board. No Owner shall permit anything to be done or kept on the Common Areas which will result in cancellation of insurance or any part of the Common Areas or which will be in violation of any law. No waste shall be committed in the Common Areas.

12.4 Nuisances. No obnoxious or offensive activity shall be allowed upon the Common Areas, nor any use or practice which is the source of annoyance or nuisance to Owners or guests or which interferes with the peaceful possession and proper use of the Common Areas by

Owners. The Board shall have the power to adopt reasonable rules and regulations governing the use of the Common Areas and the personal conduct of the members and their guests thereon, and to establish fines for the infraction thereof as herein provided. In addition, the Board may also suspend the right of a member to use the Common Areas, after notice and hearing for a period not to exceed sixty (60) days, as a result of such member's infraction of such published rules and regulations.

12.5 Lawful Use. No immoral, improper, offensive or unlawful use shall be made of the Common Areas or any part thereof and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies pertaining to maintenance, replacement, modification or repair of the Common Areas shall be as is specified in this Declaration.

12.6 Reservation of Easements. Declarant reserves for itself, its successors and assigns, a right-of-way and easement to erect, maintain and use electric and telephone poles, wires, cables, conduits, storm sewers, drainage swales, sanitary sewers, water mains, gas sewer and water lines and other public conveniences or utilities on, in or over the Common Areas.

12.7 Additional Easements. Declarant reserves the right to impose further restrictions and to grant or dedicate additional easements and rights-of-way over the property owned by Declarant. In addition, Declarant hereby reserves the right to grant easements and rights-of-way over, under and through the Lots and Common Areas so long as Declarant shall own any portion of the property located within the Community. The easements and rights-of-way granted by Declarant shall not structurally weaken any improvements or unreasonably interfere with the enjoyment of the Common Areas.

12.8 Restoration and Repair. In the event that any portion of the Common Areas are damaged or destroyed by casualty, it shall be repaired or restored to substantially the condition prior to the damage or destruction by the Association, unless it is determined by the Association not to be reasonably practicable under the circumstance.

ARTICLE XIII
OTHER EASEMENTS

13.1 Easements for Encroachment and Overhang. If any portion of the Common Area now encroaches upon any Lot (or the residence thereon) or any Lot (or the residence thereon) now encroaches, or hereafter shall encroach, upon any portion of the Common Area as a result of the construction or repair of the residence on said lot, or if any encroachment shall occur hereinafter as a result of settlement or shifting of the residence or otherwise, a valid easement for the encroachment and for the maintenance of the same is hereby established and shall endure so long as the residence shall exist. In the event the residence or improvements on any adjoining Common Area shall be partially or totally destroyed as a result of fire or other casualty or as a result of condemnation or eminent domain proceedings, the reconstructive encroachments of parts of the Common Areas upon any Lot or over any Lot, or of the residence upon any portion of the Common Areas due to such reconstruction shall be permitted and valid easement for such encroachments and maintenance thereof shall exist so long as the residence shall stand. The

Common Areas shall be subject to an easement for entry and encroachment by the Declarant for a period not to exceed 18 months following the conveyance of a Lot to an Owner for the purpose of correcting any problems that may arise regarding grading and drainage. The Declarant, upon making entry for such purpose, shall restore the affected Common Area to as near the original condition as practical.

13.2 Easements for Use and Enjoyment. (a) Every Owner of a Lot shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Area which shall be appurtenant to, and shall pass with, the title to each Lot, subject to the following provisions:
(1) the right of the Association to charge reasonable dues, assessments and other fees for the use of any portion of the Common Area, including the streets, the entrance landscaping, whether or not located on Common Area, any recreational facilities situated upon such Common Area and for privacy protection;
(2) the right of the Association to limit the number of guests of Lot Owners and tenants who may use the Common Area, and to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by an Owner, his family, tenants, guests, and invitees;
(3) the right of the Association to suspend the voting rights of a Lot Owner and the right of an Owner to use the recreational facilities available for use by the Community, if any, for any period during which any assessment against such Owner's Lot which is hereby provided for remains unpaid; and, for a reasonable period of time, for an infraction of the Declaration, By-Laws, or rules and regulations;
(4) the right of the Association to borrow money for the purpose of improving the Common Area, or any portion thereof, or for construction, repairing, or improving any facilities located or to be located thereon, and to give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Area provided that the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements, and privileges herein reserved or established for the benefit of Declarant, or any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Lot Owner encumbering any Lot or other property located within the Community. Any such Mortgage on the Common Area shall be subject to approval by the Declarant and at least two-thirds (2/3) of the total Association Vote (excluding votes held by the Declarant). Any provision in this Declaration or in any such Mortgage given by the Association to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default thereunder shall not cancel or terminate any rights, easements, or privileges herein reserved or established for the benefit of Declarant, or any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Lot Owner encumbering any Lot or other property located with the Community.
(5) subject to the rights of the Declarant, the right of the Board to dedicate or grant licenses, permits, or easements for utilities or other facilities (including, but not limited to, drainage facilities) that are necessary or desirable, over, under, and through the Common Area to governmental entities for public purposes with an instrument signed by a least a majority of the members of the Board and recorded in the office of the Register of Deeds for Spartanburg County, South Carolina.
(6) subject to the rights of the Declarant, the right of the Association to dedicate or transfer all or any portion of the Common Area subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless an instrument

agreeing to such dedication or transfer has been approved by the affirmative vote of the Declarant and at least two-thirds (2/3) of the Total Association Vote (excluding votes held by the Declarant), which has been recorded in the office of the Register of Deeds for Spartanburg County, South Carolina.
(7) the right of Declarant, so long as Declarant owns any portion of the property subjected to this Declaration, to create new Common Area, to place advertising signs and literature in any Common Area and to use portions of the Common Area, including any improvements thereon;
(8) the right of the Declarant to mortgage, pledge or hypothecate any Common Area, except streets, as security for debts incurred in connection with the improvements to be placed on the Common Area, provided, however, Declarant shall be responsible for such debt(s), and shall pay all principal, interest and other payments as they come due; and
(9) subject to all easements and rights-of-way shown on any recorded plat of the property subjected to this Declaration or any portion thereof and to any other easements of record as of the date this Declaration is recorded.

13.3 Delegation. Any Lot Owner may delegate such Owner's right of use and enjoyment in and to the Common Area and facilities located thereon to the members of such Owner's family and to such Owner's tenants and guests or contract purchasers who actually reside on the Lot, and shall be deemed to have made a delegation of all such rights to the occupants of such Owner's Lot, if leased. Subject to the provisions of this Declaration, the Owner of an unoccupied Lot may delegate such rights to the members of the Board of Directors of the Association.

13.4 Easements for Utilities. There is hereby reserved to the Declarant and the Association blanket easements upon, across, above, and under all property within the Community, including all Lots, for access, ingress, egress, installation, repairing, replacing, and maintaining all utilities serving the Community or any portion thereof. This easement shall include, without limitation, gas, water, sanitary sewer, telephone, electricity, cable television, security, as well as storm drainage and any other service or system which the Declarant or the Association might decide to have installed to service the Community. It shall be expressly permissible for the Declarant, the Association, or the Designee of either, as the case may be, to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining of such wires, conduits, pipes, cables, and other equipment related to the providing of any such utility or service. Should any party furnishing any such utility or service request a specific license or easement by separate recordable document, the Declarant or the Board, as the case may be, shall have the right to grant such easement over all areas within the Community, including but not limited to Lots and Common Areas.

13.5 Easements for Drainage. Declarant hereby reserves a perpetual easement across all Community property for the purpose of altering drainage and water flow across all Community property. This right shall include, but is not limited to, altering swales, installing drains, drainage ditches, pipes, inlets, headwalls, and altering channeling, or piping water flow across any Lot or any property in the Community. Rights exercised pursuant to this reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the person causing the damage at its sole expense.

13.6 Easements for Entry. In addition to the other rights reserved to Declarant and the Association, the Declarant or the Association shall have the right (but not the obligation) to enter upon any property or Lot within the Community for emergency, security, and safety reasons. This right may be exercised by the Declarant or its designee, any officer of the Board, and all governmental employees, policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner, and the entering party shall be responsible for any damage caused. This right of entry shall include the right of the Board to enter to cure any condition which may increase the possibility of a fire, slope erosion, or other hazard or condition in the event an Owner or Occupant fails or refuses to cure the condition upon request by the Board.

13.7 Easements for Maintenance. Declarant hereby expressly reserves a perpetual easement for the benefit of Declarant or the Association across such portions of the Community, determined in the sole discretion of the Declarant and the Association, as are necessary to allow for the maintenance required by this Declaration. Such maintenance shall be performed with a minimum of interference to the quiet enjoyment to Owners' property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the person causing the damage at its sole expense.

13.8 Easements for Entry Features. There is hereby reserved to the Declarant and the Association an easement for ingress egress installation, construction, landscaping, and maintenance of entry features and similar streetscapes for the Community, over and upon each Lot as more fully described on the recorded subdivision plats for the Community. The easement and right herein reserved shall include the right to cut, remove, and plant trees, shrubbery, flowers, and other vegetation around such entry features and the right to grade the land under and around such entry features.

13.9 Construction and Sale Period Easement. Notwithstanding any provisions contained in the Declaration, the By-Laws, Articles of Incorporation, use restrictions, rules and regulations, design guideline, and any amendments thereto, until Declarant's right unilaterally to subject property to this Declaration terminates and thereafter so long as Declarant owns any property in the Community for development or sale, Declarant reserves an easement across the Community for Declarant and any builder or developer approved by Declarant to maintain and carry on construction and sales activities, upon such portion of the Community as Declarant may reasonably deem necessary. This reserved easement shall include an easement for such facilities and activities which, in the sole opinion of Declarant, may be required, convenient, or incidental to the development, construction, and sales activities related to property within or near the Community. This easement shall include, without limitation:

(a) the right of access, ingress, and egress for vehicular and pedestrian traffic and construction activities over, under, on, or in any portion of the Community as well as any Lot in the Community;

(b) the right to tie into any portion of the Community with driveways, parking areas, and walkways;

(c) the right to tie into or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain, and repair any device which provides utility or similar services;
(d) the right (but not the obligation) to construct recreational facilities on Common Area;
(e) the right to carry on sales and promotional activities in the Community;
(f) the right to place direction and marketing signs on any portion of the Community, including any Lot or Common Area;
(g) the right to construct and operate business offices, signs, construction trailers, model residences, and sales offices incidental to the construction, development, and sales activities; and
(h) Declarant and any such builder or developer may use residences, offices, or other buildings owned or leased by Declarant or such builder or developer as model residences and sale offices, and may also use recreational facilities available for use by the Community as a sales office or for marketing purposes without charge. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, and reasonable steps shall be taken to protect such property from damage. Any damage shall be repaired by the person causing the damage at its sole expense. This Section shall not be amended without the Declarant's express written consent until the Declarant's rights hereunder have terminated as provided in this Declaration.

13.10 Irrigation Easements. There is hereby reserved to the Declarant and the Association a blanket easement to pump water from streams and other bodies of water located within the Community for irrigation purposes.

13.11 Fence Easement. Declarant hereby reserves an easement across any Lot which borders upon or contains a portion of any water facility, detention pond, or retention pond for the purpose of access to such facility or pond, and for the purpose of erecting any fence which is either required by the subdivision development and construction plans or governmental regulation, rule, ordinance, or plan approval requirement.

ARTICLE XIV
GENERAL PROVISIONS

14.1 Enforcement. Each Owner and Occupant shall comply strictly with the By-Laws, the rules and regulations, the use restrictions, as they may be lawfully amended or modified from time to time, and with the covenants, conditions, restrictions set forth in the Declaration, the provisions of the Cooperative Agreement, and any such restrictions which may be placed in the deed to such Owner's Lot, if any. The Board may impose fines or other sanctions, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration, the By-Laws, the Cooperative Agreement or the rules and regulations shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Board of Directors, on behalf of the Association, or in a proper case, by an aggrieved Owner. Failure by the Association or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Board shall have the right to record in the appropriate land records a notice of lien, a notice of violation of the Declaration, By-Laws, rules and regulations, use restrictions, or design guidelines and to assess the cost of recording

and removing such notice against the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing.

14.2 Self-Help. In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon any Lot or any other portion of the Community to abate or remove, using such force as may be reasonably necessary, any structure, thing, or condition which violates this Declaration, the By-Laws, the rules and regulations, or the use restriction. Unless an emergency situation exists, the Board shall give the violating Lot Owner ten (10) days written notice of its intent to exercise self-help. Notwithstanding the foregoing, vehicles may be towed after reasonable notice. All cost of self-help, including reasonable attorney's fees, shall be assessed against the violating Lot Owner and shall be collected as provided for herein for the collection of assessments.

14.3 Duration. The covenants and restrictions of this Declaration shall run with the ownership of property within the Community, shall bind all such Owners and bind the Community, and shall inure to the benefit of and shall be enforceable by Declarant, the Association or any Owner, their respective legal representatives, heirs, successors, and assigns perpetually to the extent provided by law. If South Carolina law limits the period during which covenants restricting lands to certain uses may run, any provision of this Declaration affected thereby shall run with and bind the land so long as permitted by such law, after which time any such provision shall be automatically extended for successive periods of ten (10) years, unless a written instrument reflecting disapproval signed by the then Owners of two-thirds (2/3) of the Lots and the Declarant (if the Declarant still owns any property in the Community or has the right to annex additional property) is recorded within the year immediately preceding the beginning of a ten (10) year renewal period.

14.4 Amendment. (a) This Declaration may be amended unilaterally at any time and from time to time by Declarant (a) if such amendment is necessary to bring any provision hereof into compliance with any applicable governmental statute, rule or regulation, or judicial determination which shall be in conflict therewith; (b) if such amendment is necessary to enable any title insurance company to issue title insurance coverage with respect to the Lots subject to this Declaration; (c) if such amendment is required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association, the Department of Housing and Urban Development, the Veterans Administration, or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots subject to this Declaration; or (d) if such amendment is necessary to enable any governmental agency or private insurance company to insure or guarantee Mortgage loans on the Lots subject to this Declaration provided that any such amendment shall not adversely affect the title to any Owner's Lot unless any such Lot Owner shall consent in writing. Further, so long as Declarant has the right unilaterally to subject additional property to this Declaration or so long as the Class B membership has not terminated as set forth in Section 3.2(a)(ii) above, Declarant may unilaterally amend this Declaration for any other purpose provided that any such amendment shall not materially adversely affect the substantive rights of any Lot Owners hereunder, nor shall it adversely affect title to any Lot without the consent of the affected Lot Owner.

(b) In addition to the above, this Declaration may be amended: (1) by the Declarant so long as the Class B membership has not terminated; (2) for so long as the Declarant owns any property in the Community or has the right to annex additional property, with the affirmative written consent of the Declarant and upon the affirmative vote or written consent, or any combination thereof, of the Owners of at least two-thirds (2/3) of the lots; and (3) if the Declarant no longer owns any Property in the Community and no longer has the right to annex additional property, upon the affirmative vote or written consent, or any combination thereof, of the Owners of a least two-thirds (2/3) of the Lots.

14.5 Partition. The Common Area shall remain undivided, and no Owner nor any other Person shall bring any action for partition or division of the whole or any part thereof without the written consent of all Owners of all portions of the property located within the Community and without the written consent of all holders of all Mortgages encumbering any portion of the property, including, but not necessarily limited to, the Lots located within the Community.

14.6 Gender and Grammar. The singular, wherever used herein, shall be construed to mean the plural, when applicable, and the use of the masculine pronoun shall include the neuter and feminine.

14.7 Severability. Whenever possible, each provision of this Declaration shall be interpreted in such manner as to be effective and valid, but if the application of any provision of this Declaration to any person or to any property shall be prohibited or held invalid, such prohibition or invalidity shall not affect any other provision or the application of any provision which can be given effect without the invalid provision or application, and to this end, the provisions of this Declaration are declared to be severable.

14.8 Captions. The captions are inserted only for convenience and are in no way to be construed as defining, limiting, extending, or otherwise modifying or adding to the particular Article or Section to which they refer.

14.9 Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

14.10 Indemnification. To the fullest extent allowed by applicable South Carolina law, the Association shall indemnify every officer of the Association and director of the Association against any and all expenses, including, without limitation, attorney's fees, imposed upon or reasonably incurred by any officer or director in connection with any action, suit, or other proceeding to which such officer or director may be a party by reason of being or having been an officer or director. The officers and directors shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them, in good faith, on behalf of the Association (except to the extent that such officers or directors may also be members of the Association), and the Association shall indemnify and forever hold each such officer and director free and harmless

against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any officer or director, or former officer or director, may be entitled. This indemnification shall also include attorney's fees and expenses incurred in enforcing this indemnification. The Association shall maintain adequate general liability and officers' and directors' liability insurance to fund this obligation, if such coverage is reasonably available.

14.11 Books and Records.

(a) Inspection by Members and Mortgagees. This Declaration, the By-Laws, the copies of rules and use restrictions, membership register, books of account, and minutes of meetings of the members of the Board and of committees shall be made available for inspection and copying by Declarant or any member of the Association or by the duly appointed representative of any member and by holders, insurers, or guarantors of any first Mortgage at any reasonable time and for a purpose reasonably related to such Person's interest as a member or holder, insurer, or guarantor of a first Mortgage at the office of the Association or at such other reasonable place as the Board shall prescribe.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to: (1) notice to be given to the custodian of the records; (2) hours and days of the work when such an inspection may be made; and (3) payment of the cost of reproducing copies of documents.

(c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extra copies of documents at the reasonable expense of the Association.

14.12 Financial Review. A review of the books and records of the Association shall be made annually in such manner as the Board may decide provided that after having received the Board's financial statement at their annual meeting, by a majority of the Total Association Vote, the Owners may require that the accounts of the Association be audited as a common expense by a certified public accountant. Upon written request of any institutional holder of a first Mortgage and upon payment of all necessary costs, such holder shall be entitled to receive a copy of audited financial statements within ninety (90) days of the date of the request.

14.13 Notice of Sale, Lease, or Acquisition. In the event an Owner sells or leases such Owner's Lot, the Owner shall give to the Association, in writing, prior to the effective date of such sales or leases, the name of the purchaser or lessee of the Lot and such other information as the Board may reasonably require. Upon acquisition of a Lot, each new Owner shall give the Association, in writing, the name and mailing address of the Owner and such other information as the Board may reasonably require.

14.14 Agreements. Subject to the prior approval of Declarant (so long as Declarant owns any property for development or sale in the Community, or has the right to unilaterally annex additional property to the Community), all agreements and determinations, including settlement agreements regarding litigation involving the Association, lawfully authorized by the Board shall be binding upon all Owners, their heirs, legal representatives, successors, assigns, and others having an interest in the Community or the privilege of possession and enjoyment of any part of the Community.

14.15 Implied Rights. The Association may exercise any right or privilege given to it expressly by the Declaration, the By-Laws, the Articles of Incorporation, any use restriction or rule, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it therein or reasonably necessary to effectuate any such right or privilege.

ARTICLE XV
VARIANCES

Notwithstanding anything to the contrary contained herein, the Declarant and the Board or its designee shall be authorized to grant individual variances from any of the provisions of this Declaration, the By-Laws and any rule, regulation, or use restriction promulgated pursuant thereto if it determines that waiver of application or enforcement of the provision in a particular case would be inconsistent with the overall scheme of development for the Community.

ARTICLE XVI
ARBITRATION

ALL MEMBERS OF THE ASSOCIATION AGREE THAT ANY DISPUTE ARISING BETWEEN MEMBERS AND THE ASSOCIATION, OR ANY DISPUTE ARISING BETWEEN THE ASSOCIATION AND THE DECLARANT OR THE RAVINES AT WOODRIDGE II, SHALL BE RESOLVED THROUGH ARBITRATION PURSUANT TO THE RULES PROMULGATED BY THE AMERICAN ARBITRATION ASSOCIATION. THE PARTIES AGREE THAT JUSISDICTION AND VENUE FOR ANY DISPUTE RESOLUTION HEREUNDER SHALL BE GREENVILLE COUNTY, SOUTH CAROLINA.

ARTICLE XVII
CAPITALIZATION OF ASSOCIATION

Upon acquisition of record title to a Lot by an Owner other that Declarant or a builder, a contribution of Two Hundred Eighty and No/100 ($280.00) Dollars (the "Membership Fee") shall be made by or on behalf of the purchaser to the Association as set forth below. The Membership Fee shall be in addition to, not in lieu of, any annual or special assessments. The Membership Fee shall be payable at closing, shall not be prorated, and the Association shall have all rights under the Declaration for enforcement of assessments if it is not paid. The Membership Fee referred to in this paragraph is payable by each successive Owner upon the transfer of a Lot.

[Signature on Following Page]

IN WITNESS WHEREOF, the Declarant has caused this Declaration of Protective Covenants to be executed under seal this 23 day of JULY, 2015.

Signed, sealed and delivered in the presence of:

Witness

Witness

EDWIN BUILDERS, INC.

By: _____
Ed Burgan
Its President

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

ACKNOWLEDGMENT

I, a Notary Public for South Carolina, do hereby certify that Ed Burgan, President of Edwin Builders, Inc. personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 27 day of July, 2015.

Notary Public for South Carolina

My Commission Expires: 09/04/2023

MATTHEW IVEY NOTARY PUBLIC SOUTH CAROLINA

EXHIBIT A
to
DECLARATION OF PROTECTIVE COVENANTS

All those certain pieces, parcels or tracts of land situate, lying and being in the County of Spartanburg, State of South Carolina, being shown and designated as Lots 2 through 8, inclusive, Lots 11 through 19, inclusive, the two parcels designated as "Open Space", containing 0.93 and 0.89 acres respectively, and the southernmost portion of Ravines Lane bordering the western side of the aforementioned Lots 2 through 8 and the eastern side of the aforementioned Lots 11 through 17 and providing access to Willis Road, all as shown on the plat entitled "Final Plat, The Ravines at Woodridge Phase 3, prepared by Fant, Reichert & Fogelman, Inc., dated June 28, 2012, last revised February 27, 2014, and recorded in Plat Book 168 at page 394 in the Spartanburg County Register of Deeds Office (the "Final Plat"). Reference is made to the Final Plat for a more complete and accurate description of the real estate.

LESS and EXCEPT Lots 2, 8, 16, 17, and 18 as shown on said Final Plat, which lots were conveyed prior to the execution and recording of this Declaration of Protective Covenants.

This is the same property, as described in said Final Plat, conveyed to the Declarant by quitclaim deed of Villa Finance, LLC, dated July 6, 2015 and recorded July 20, 2015 in the Spartanburg County Register of Deeds Office in Deed Book 109-P at page 50.

TMS#: 6-20-00-007.59, 6-20-00-007.60, 6-20-00-007.61, 6-20-00-007.62, 6-20-00-007.63, 6-20-00-007.67, 6-20-00-007.68, 6-20-00-007.69, 6-20-00-007.70, 6-20-00-007.71, 6-20-00-007.75, 6-20-00-007.76, 6-20-00-007.77 are the parcels subject to this Declaration of Protective Covenants.

EXHIBIT "B"

BYLAWS

OF

THE RAVINES AT WOODRIDGE II HOMEOWNERS ASSOCIATION, INC.

BINDING ARBITRATION

This is the First page of the Bylaws for The Ravines at Woodridge II Homeowners Association, Inc. Pursuant to South Carolina Code Section 15-48-10 *et seq.*, as amended, these Bylaws are subject to the following:

THESE BYLAWS ARE SUBJECT TO ARBITRATION UNDER ARTICLE XVI OF THE COVENANTS, CONDITIONS AND RESTRICTIONS OF THE RAVINES AT WOODRIDGE II SUBDIVISION. THESE BYLAWS ARE BINDING ON ALL OWNERS OF LOTS WITHIN THE RAVINES AT WOODRIDGE II INCLUDING ANY PERSON OBTAINING FINANCIAL RIGHTS IN SAID LOTS.

In the event other pages, including, but not limited to, cover pages, indexes, or tables of contents, are placed in front of this page, those pages shall not be deemed the first page. This page and only this page shall be deemed or considered the first page of the Bylaws for all legal purposes.

BYLAWS

OF

THE RAVINES AT WOODRIDGE II HOMEOWNERS ASSOCIATION, INC.

ARTICLE I

NAME MEMBERSHIP, APPLICABILITY AND DEFINITIONS

1.1. Name. The name of the corporation shall be The Ravines at Woodridge II Homeowners Association, Inc. ("Association").

1.2. Membership. The Association shall have two (2) classes of membership, as is more fully set forth in that certain Declaration of Protective Covenants for The Ravines at Woodridge II Subdivision ("Declaration"), the terms of those of which pertain to membership are specifically incorporated by reference herein.

1.3. Definitions. The capitalized words used in these Bylaws shall have the same meaning as set forth in the Declaration, unless the context shall correspond otherwise.

ARTICLE II

ASSOCIATION: MEETINGS, QUORUM, VOTING, PROXIES

2.1. Place of Meetings. Meetings of the Association shall be held at the Association's principal office or at such other suitable place convenient to the members as may be designated by the Board, either in the Community or as convenient to the Community as possible and practical.

2.2. First Meeting and Annual Meetings. An annual or special meeting shall be held within one year form the date the Declaration is recorded. Annual meetings shall be set by the Board so as to occur no later than sixty (60) days after the close of the Association's fiscal year.

2.3. Special Meetings. The President may call special meetings. In addition, it shall be the President's duty to call a special meeting of the Association if so directed by resolution of the Board or upon a petition signed by at least five (5%) percent of the Total Association Vote (the consent of the Declarant shall not be required). The notice of any special meeting shall state the date, time, and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting, except as state in the notice.

2.4. Notice of Meetings. It shall be the duty of the Secretary to mail or to cause to be delivered to the Owner of each Lot (as shown in the records of the Association) and to the Declarant, so long as Declarant owns any real property within the Community, a notice of each annual or special meeting of the Association stating the

time and place where it is to be held and in the notice of a special meeting, the purpose thereof. If an Owner wishes notice to be given at an address other than his or her Lot, the Owner shall designate such other address in writing to the Secretary. The mailing or delivery of a notice of meeting in the manner provided in this Section shall be considered service of notice. Notices shall be served not less that ten (10) nor more than sixty (60) days before a meeting.

2.5. Waiver of Notice. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after such meeting. Such written notice shall be delivered to the Secretary for inclusion in the Association's minutes. Attendance at a meeting by a member, whether in person or by proxy, shall be deemed waiver by such member of notice of the time, date, and place thereof, unless such member specifically objects to lack of proper notice at the time the meeting is called to order.

2.6. Adjournment of Meetings. If any meetings of the Association cannot be held because a quorum is not present, a majority of the members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

2.7. Voting. The voting rights of the members shall be as set forth in the Articles of Incorporation and the Declaration, and such voting rights are specifically incorporated by this reference.

2.8. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing, dated, and filed with the Secretary before the appointed time of each meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of such member's Lot, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a member, or of written revocation, or upon the expiration of eleven (11) months from the date of the proxy.

2.9. Quorum. The presence, in person or by proxy, of twenty-five (25%) percent of the total eligible Association vote shall constitute a quorum at all meetings of the Association. The members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournments, notwithstanding the withdrawal of enough members to leave less than a quorum. Any amendment to this Section shall comply with the provisions of the South Carolina Nonprofit Corporation Act. ~~S.C. Code~~ Section 33-31-10, *et seq.*

2.10. Action Without a Formal Meeting. Any action to be taken at a meeting of the members, or which may be taken at a meeting of the members, may be taken without a meeting if one or more written consents setting forth the action so taken shall be signed by members holding at least eighty (80%) percent of the Association's voting power. Action taken without a meeting shall be effective on the date that the last

consent is executed, and consented to by the Declarant (so long as Declarant owns any property within the Community) unless a later effective date is specified therein. Each signed consent shall be delivered to the Association and shall be included in the minutes of meetings of members filed in the permanent records of the Association. Written notice of member approval pursuant to this Section must be given to all members who have not signed the written consent. Provided, however, that so long as Declarant holds a majority of the voting power of the Association, Declarant may take action without a meeting, in its sole discretion.

2.11. Action By Written Ballot. Any action to be taken at any annual, regular, or special meeting of members may be taken without a meeting if approved by written ballot as provided herein. The Association shall deliver a written ballot to each member entitled to vote on the matter. The written ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action. Approval by written ballot of an action shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting held to authorize such action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written ballot shall indicate the number of responses need to meet the quorum requirements; state the percentage of approvals necessary to approve each matter other than election of directors; and specify the time by which a ballot must be received by the Association in order to be counted. A timely written ballot received by the Association may not be revoked without the consent of the Board. The results of each action by written ballot shall be certified by the Secretary and shall be included in the minutes of meetings of members filed in the Association's permanent records.

ARTICLE III

BOARD OF DIRECTORS; NUMBER, POWERS, MEETINGS

A. Composition and Selection.

3.1. Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors. Except as provided in Section 3.2, the directors must reside in the Community and shall be members or spouses of such members; however, no person and his or her spouse may serve on the Board at the same time.

3.2. Directors Appointed by Declarant. The Declarant shall have the right to appoint or remove any member or members of the Board or any officer or officers of the Association until such time as the first of the following events shall occur; (a) seven years from the date the Declaration was recorded; (b) the Date on which seventy-five (75%) percent of the Lots shall have been conveyed to Persons who have purchased such Lots for the purpose of construction of a residence and/or resale of such Lot and residence; or (c) the surrender by Declarant in writing of the authority to appoint and remove directors and officers of the Association. Each Owner, by acceptance of a deed to or other

conveyance of a Lot, vests in Declarant such authority to appoint and remove directors and officers of the Association. The directors selected by the Declarant need not be Owners or residents in the Community.

3.3. Number of Directors. The Board shall consist of three members. After the Declarant's right to appoint directors and officers terminates, the Board, by two-thirds (2/3) vote of total association votes, may expand the number of directors to five (but not four) members, which shall be filled by a vote of the members in accordance with Section 3.5(b).

3.4. Nomination of Directors. Elected directors shall be nominated from the floor and may also be nominated by a nominating committee, if such a committee is established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

3.5. Election and Term of Office. Owner-elected directors shall be elected and hold office as follows:

(a) After the Declarant's right to appoint directors and officers terminates, the Association shall call a special meeting to be held at which Owners shall elect three directors.

(b) Thereafter, directors shall be elected at the Association's annual meeting. All eligible members of the Association shall vote on all directors to be elected, and the candidate(s) receiving the most votes shall be elected.

At the special meeting in which the Owners initially elect directors, two directors shall be elected to two-year terms and one director shall be elected to a one-year term. At the expiration of the initial term of office of each respective Owner-elected director, a successor shall be elected to serve for a term of two years. The directors shall hold office until their respective successors shall have been elected by the Association.

3.6. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the directors may be removed, with or without cause, by a majority of the Total Association Vote and a successor may then and there be elected to fill the vacancy thus created. A director whose removal has been proposed by the Owners shall be given at least ten (10) days notice of the calling of the meeting and the purpose thereof and shall be given an opportunity to be heard at the meeting. Additionally, any director who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of an assessment for more than 30 days may be removed by a majority vote of the remaining directors at a meeting. This Section shall not apply to directors appointed by Declarant.

3.7. Vacancies. Vacancies in the Board caused by any reason, excluding the removal of a director by vote of the Association, shall be filled by a vote of the majority of the remaining directors, even though less than a quorum, at any meeting of the Board. Each person so selected shall serve the unexpired portion of the term.

B. Meetings.

3.8. Organizational Meetings. The first meeting of the Board following each annual membership meeting shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

3.9. Regular Meetings. Regular meeting of the Board may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least four (4) such meetings shall be held during each fiscal year with at least one per quarter. Notice of the regular schedule shall constitute sufficient notice of such meetings. So long as the Declarant has the right to appoint directors to the Board, Declarant shall have the option to hold only one (1) meeting per fiscal year.

3.10. Special Meetings. Special meetings of the Board shall be held when requested by the President, Vice President, or by any two directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; (c) by telephone communication, either directly to the director or to a person at the director's home or office who would reasonably be expected to communicate such notice promptly to the director; (d) electronic message, fiber optic, or telecommunication to the director; (e) by commercial delivery service to such director's home or office. All such notices shall be given or sent to the director's address, telephone number, or other place of delivery as shown on the Association's records. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telecommunication shall be given at lease forty-eight (48) hours before the time set for the meeting.

3.11. Waiver of Notice. The transactions of any Board meeting, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice, if (a) a quorum is present, and (b) either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.12. Quorum of Board of Directors. At all Board meetings, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board. A meeting at which a quorum of directors is present initially may continue to transact business, notwithstanding the withdrawal of directors, if at least a majority of the required quorum for that meeting approves any action taken. If the Board cannot hold a meeting because a quorum is not present, a majority of the directors at such meeting may adjourn the meeting to a time not less than five (5) or more than thirty (30) days from the date of the original meeting. At the reconvened meeting, if a quorum is present the Board may transact, without further notice, any business which it might have transacted at the original meeting. Any amendments to this Section shall

comply with the provisions of the South Carolina Nonprofit Corporation Act, S.C. Code Section 33-31-10, *et seq.*

3.13. Compensation. No director shall receive any compensation from the Association for acting in such capacity.

3.14. Open Meetings. All meetings of the Board shall be open to all members, but members other than directors may not participate in any discussion or deliberation, unless expressly so authorized by the Board.

3.15. Executive Session. The Board may adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.

3.16. Action Without A Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if one or more consents, in writing, setting forth the action so taken, shall be signed by a majority of the directors and delivered to the Association for inclusion in the minutes for filing in the corporate records.

3.17. Telephonic Participation. One or more directors may participate in and vote during any regular or special Board meeting by telephone conference call or similar communication equipment by means of which all persons participating in the meeting can hear each other at the same time, and those directors so participating shall be present at such meeting. Any such meeting at which a quorum participates shall constitute a meeting of the board.

C. Powers and Duties.

3.18. Powers. The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles, or these Bylaws directed to be done and exercised exclusively by the members. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Board shall have the power to and be responsible for the following, in way of explanation, but not limitation:

(a) preparation and adoption of an annual budget in which there shall be established the contribution of each Owner to the common expenses;

(b) making assessments to defray the common expenses and establishing the means and methods of collecting such assessments;

(c) providing for the operation, care, upkeep, and maintenance of all areas which are the maintenance responsibility of the Association;

(d) designating, hiring, and dismissing the personnel necessary for the operation of the Association and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and material to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to administer the Association;

(f) making and amending use restrictions and rules and regulations;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) enforcing by legal means the provisions of the Declaration, these ByLaws, and the rules and regulations adopted by it, and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association; obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(i) paying the cost of all services rendered to the Association or its members which are not directly chargeable to Owners;

(j) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, and specifying the maintenance and repair expenses and any ~~other expenses incurred;~~ and functions.

(k) contracting with any Person for the performance of various duties

3.19. Management Agent. The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Declarant or an affiliate of the Declarant may be employed as managing agent. The term of any management agreement shall not exceed one (1) year and shall be subject to termination by either party, without cause and without penalty, upon not more than ninety (90) days written notice.

3.20. Borrowing. The Board shall have the power to borrow money without the approval of the members of the Association provided that the Board shall obtain membership approval in the same manner as for special assessments, so long as the proposed borrowing is for the purpose of modifying, improving, or adding amenities, and the total amount of such borrowing does not exceed ten thousand ($10,000.00) dollars of outstanding debt at any on time.

3.21. Fining or Suspension Procedure. The Board shall not impose a fine (a late charge shall not constitute a fine) or suspend a member's right to use any part of the Common Property unless and until the following procedure is followed:

(a) **Notice.** Written notice shall be served upon the violator by first-class or certified mail sent to the last address of the member shown on the Association's records, specifying:

(1) the nature of the violation, the fine or suspension to be imposed, and the date, not less that fifteen (15) days from the date of the notice, that the fine or suspension will take effect;

(2) that the violator may, within ten (10) days from the date of the notice, request a hearing regarding the fine or suspension imposed;

(3) the name, address, and telephone numbers of a person to contact to challenge the fine or suspension;

(4) that any statements, evidence, and witnesses may be produced by the violator at the hearing; and

(5) that all rights to have the fine or suspension reconsidered are waived if a hearing is not requested within ten (10) days of the date of the notice.

(b) **Hearing.** If a hearing is requested, it shall be held before the Board in executive session, and the violator shall be given a reasonable opportunity to be heard. The minutes of the meeting shall contain a written statement of the results of the hearing. No fine or suspension shall be imposed prior to the date that is five (5) days after the date of the hearing.

(c) **Enforcement.**In any action or proceeding to enforce the Declaration, these Bylaws, the rules and regulations of the Association, or decision of the Board, the Association shall be entitle to recover all expenses from the violator, including all attorney's fees.

ARTICLE IV

OFFICERS

4.1. Officers. The officers of the Association shall be a President, Secretary, and Treasurer. Any two or more offices may be held by the same person, excepting the offices of President and Secretary. The President and Treasurer shall be elected from among the members of the Board. The Board may appoint such other officers, including one or more Vice Presidents, Assistant Secretaries, or Assistant Treasurers, as it shall deem desirable.

4.2. Election, Term of Office, and Vacancies. Except during the period in which the Declarant has the right to appoint the officers of the Association under Section 3.2, the officers of the Association shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the members. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

4.3. Removal. Any officer may be removed by the Board whenever, in its judgment, the best interests of the Association will be served thereby.

4.4. President. The President shall be the chief executive officer of the Association and shall preside at all Association and Board meetings. The President shall have all the general powers and duties which are incident to the office of the president of a corporation organized under the South Carolina Nonprofit Corporation Act.

4.5. Vice President. If appointed by the Board, the Vice President shall act in the President's absence and shall have all powers, duties, and responsibilities provided for the President when so acting.

4.6. Secretary. The Secretary shall keep the minutes of all meetings of the Association and of the Board and shall have charge of such books and papers as the Board may direct and shall, in general, perform all duties incident tot the office of the secretary of a corporation organized in accordance with South Carolina law.

4.7. Treasurer. The Treasurer shall have the responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, for preparing all required financial statements and tax returns, and for the deposit of all monies and other valuable effects in the name of the Association or the managing agent in such depositories as may be designated by the Board from time to time.

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

ARTICLEV

COMITTTEES

Committees to perform such tasks and to serve for such periods as may be designated by the Board are hereby authorized. Each committee shall be composed and shall operate in accordance with the terms of the resolution of the Board designating the committee or with rules adopted by the Board.

ARTICLE VI

MISCELLANEOUS

6.1. Fiscal Year. The fiscal year of the Association shall be the calendar year, unless otherwise determined by resolution of the Board.

6.2. Parliamentary Rules. Roberts Rules of Order (current edition) shall govern the conduct of all Association proceedings, when not in conflict with South Carolina law, the Articles of Incorporation, the Declaration, these Bylaws, or a ruling made by the person presiding over the proceeding.

6.3. Conflicts. If there are conflicts or inconsistencies between the provisions of South Carolina law, the Articles of Incorporation, the Declaration, and these Bylaws, the provisions of South Carolina law, the Declaration, the Articles of Incorporation, and the Bylaws (in that order) shall prevail.

6.4. Amendment. These Bylaws may be amended by the Board if such amendment is necessary: (a) to bring any provision hereof into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (b) to enable any title insurance company to issue title insurance coverage with respect to the Lots subject to the Declaration; (c) to meet the requirements of an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase Mortgage loans on the Lots subject to the Declaration; or (d) to enable any governmental agency or private insurance company to insure or guarantee Mortgage loans on the Lots subject to the Declaration.

Further, so long as Declarant has the right unilaterally to subject additional property to the Declaration, Declarant may unilaterally amend these Bylaws for any other purpose; however, such amendment shall not adversely affect the substantive rights or title of any Lot Owner without the consent of the affected Lot Owner.

In addition, these Bylaws may be amended upon the affirmative vote or written consent, or any combination thereof, of at least two-thirds (2/3) of the Total Association Vote, and the consent of Declarant, so long as Declarant owns any property within the Community.

The U.S. Department of Veterans Affairs (if it is then guaranteeing Mortgage in the Community or has issued a project approval for the guaranteeing of such mortgages) an/or the U.S. Department of Housing and Urban Development (if it is then insuring any Mortgage in the Community or has issued a project approval for the insuring of such mortgages) shall have the right to veto amendments to these Bylaws for as long as the Declarant has the right to appoint and remove the directors and officers of the Association.

IN WITNESS WHEREOF, the undersigned have adopted and approved these By-Laws to be effective as of the date first above written.

Signed, Sealed and Delivered
in the presence of:

THE RAVINES AT WOODRIDGE II
HOMEOWNERS ASSOCIATION, INC.

By: _____ (Seal)
Ed Burgan
Its Incorporator

EXHIBIT "G"

By-laws of
The Ravines at Woodridge Property Owners Association

BY-LAWS

OF

THE RAVINES AT WOODRIDGE

PROPERTY OWNERS ASSOCIATION

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BY-LAWS

OF

THE RAVINES AT WOODRIDGE

PROPERTY OWNERS ASSOCIATION

ARTICLE 1.

GENERAL

1.1. Applicability. These By-Laws provide for the self-governance of The Ravines at Woodridge Horizontal Property Regime, in accordance with the South Carolina Horizontal Property Act, the Articles of Incorporation filed with the South Carolina Secretary of State, and the Master Deed for The Ravines at Woodridge Horizontal Property Regime, recorded in the Spartanburg County, South Carolina land records (the "Master Deed").

1.2. Name. The name of the corporation is The Ravines at Woodridge Property Owners Association (the "Association").

1.3. Principal Office. The principal office of the Association shall be located at 103 Life Style Lane, Anderson, South Carolina 29621. The Association may have such other offices, either within or outside the State of South Carolina, as the Board of Directors may determine or as the affairs of the Association may require.

1.4. Definitions. The words used in these By-Laws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in the Master Deed, as it may be amended, unless the context indicates otherwise.

ARTICLE 2.

ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES

2.1. Membership. An Owner of a Unit shall automatically become a member of the Association as more fully set forth in the Master Deed, the terms of which, pertaining to membership, are incorporated by this reference. If title to a Unit is held by more than one (1) Person, the membership shall be shared in the same proportion as the title, but there shall be only one (1) membership and one(1) vote per Unit, which vote shall be appurtenant to such Unit and weighted in accordance with the percentage of undivided interest in the Common Elements attributable to each Unit, as shown on Exhibit "E" to the Master Deed. In the event an Owner is a corporation, limited liability company, partnership, trust, or

other legal entity not being a natural person or persons, then any natural person who is an officer, director, manager, partner, or trustee designated by the entity shall be eligible to represent such entity or entities in the affairs of the Association. Membership shall be appurtenant to the Unit and shall be transferred automatically by conveyance of that Unit and may be transferred only in connection with the transfer of title.

2.2. Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the members as may be designated by the Board, either within the Regime or as convenient as is possible and practical.

2.3. Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one year from the date of incorporation of the Association. Subsequent regular meetings shall be held annually on a date and at a time set by the Board.

2.4. Special Meetings. The president may call special meetings. In addition, it shall be the duty of the president to call a special meeting if so directed by resolution of the Board or upon a petition signed by members representing at least twenty-five percent (25%) of the Total Eligible Association Vote.

2.5. Notice of Meetings. Written notice stating the place, day, and time of any meeting of the members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than ten (10) nor more than sixty (60) days before the date of such meeting, by or at the direction of the president or the secretary or the officers or persons calling the meeting.

In the case of a special meeting or when otherwise required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the member at its address as it appears on the records of the Association, with postage prepaid.

2.6. Waiver of Notice. Waiver of notice of a meeting of the members shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting of the members, either before or after such meeting. Attendance at a meeting by a member or the member's proxy shall be deemed waiver by such member of notice of the time, date, and place thereof, unless such member or proxy specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting also shall be deemed waiver of notice of all business transacted at such meeting unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.7. Adjournment of Meetings. Any meeting of the Association may be adjourned from time to time for periods not exceeding ten (10) days by vote of members holding at least fifty-one percent (51%) of the votes represented at such meeting, regardless of whether a quorum is present. At the reconvened meeting, if a quorum is present, any business may be transacted which might have been

transacted at the meeting originally called. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice for reconvening the meeting shall be given to members in the manner prescribed for regular meetings.

2.8. Voting. The voting rights of the members shall be as set forth in the Master Deed and in these By-Laws, and such voting rights provisions are specifically incorporated by this reference.

2.9. Proxies. At all meetings of members, each member may vote in person (if a corporation, limited liability company, partnership, trust, or other legal entity not being a natural person or persons, then through any officer, director, manager, partner, or trustee duly authorized to act on behalf of the member) or by proxy, subject to the limitations of South Carolina law. All proxies shall be in writing specifying the Unit(s) for which it is given, signed by the member or its duly authorized attorney-in-fact, dated and filed with the secretary of the Association prior to any meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon conveyance of any Unit for which it was given, or upon receipt of notice by the secretary of the death or judicially declared incompetence of a member who is a natural person, or of written revocation, or eleven (11) months from the date of the proxy, unless a shorter period is specified in the proxy.

2.10. Quorum. Except as otherwise provided in these By-Laws or in the Master Deed, the presence, in person or by proxy, of members representing fifty percent (50%) of the Total Eligible Association Vote shall constitute a quorum at all meetings of the Association. Except when a higher vote is required under the Master Deed or these By-laws, the vote of at least fifty-one percent (51%) of the members present and eligible to vote shall constitute a decision of the Association. Owners whose voting rights have been suspended pursuant to the Master Deed or these By-Laws shall not be counted in determining the Total Eligible Association Vote or the establishment of a quorum.

2.11. Conduct of Meetings. The president shall preside over all meetings of the Association, and the secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted and all other transactions occurring at such meetings.

2.12. Action Without a Meeting.

(a) Action by Written Consent. Any action required or permitted by law to be taken at a meeting of the Association may be taken without a meeting, without prior notice and without a vote if written consent specifically authorizing the proposed action is signed by Members holding at least eighty percent (80%) of the Total Eligible Association Vote. Such consents shall be signed within sixty (60) days after receipt of the earliest dated consent, dated and delivered to the Association at its principal place of business in the State of South Carolina. Such consents shall be filed with the minutes of the Association and shall have the same force and effect as a vote of the Members at a meeting.

(b) **Action by Written Ballot**. In the discretion of the Board, any action that may be taken at any annual, regular, or special meeting of members may be taken without a meeting if the Association delivers a written ballot to every member entitled to vote on the matter.

(i) A written ballot shall: (1) set forth each proposed action; and (2) provide an opportunity to vote for or against each proposed action.

(ii) Approval by written ballot pursuant hereto shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

(iii) All solicitations for votes by written ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than election of directors; and (iii) specify the time by which a ballot must be received by the Association in order to be counted.

(iv) A written ballot may not be revoked. The Association shall maintain such ballots in its file for a period of at least three (3) years.

ARTICLE 3.

BOARD OF DIRECTORS: NUMBER, POWERS, MEETINGS

A. **Composition and Selection.**

3.1. **Governing Body: Composition**. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) equal vote. Except with respect to directors appointed by the Declarant, the directors shall be residents or eligible members; provided, however, no two (2) residents representing the same Unit may serve on the Board at the same time. No Owner or resident shall be eligible to be elected to serve as a director if any assessment for such Person's Unit is delinquent. A "resident" shall be any natural person eighteen (18) years of age or older whose principal place of residence is a Unit within the Regime. In the case of a member which is not a natural person, any officer, director, manager, partner, employee, or trust officer of such member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such member; provided, no member may have more than one (1) such representative on the Board at a time, except in the case of directors appointed by the Declarant.

3.2. **Number of Directors**. The Board shall consist of three (3) directors.

3.3. **Nomination and Election of Directors**. Except with respect to directors appointed by the Declarant, directors shall be nominated from the floor and may also be nominated by a nominating committee, if such a committee is established by the Board. All candidates shall have a reasonable opportunity to communicate their qualifications to the members and to solicit votes.

Each Owner may cast the entire vote assigned to his or her Unit for each position to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

3.4. **Election and Term of Office**. Upon termination of the Declarant's right to appoint directors as provided in the Master Deed, the Association shall hold an election at which the members shall be entitled to elect all three (3) directors, with the two (2) directors receiving the largest number of votes being elected for a term of two (2) years and one (1) director being elected for a term of one (1) year.

Upon the expiration of the term of office of each initial director elected by the members, a successor shall be elected to serve a term of two (2) years, and all subsequent terms shall be for two (2) years. The directors elected by the members shall hold office until their respective successors have been elected.

3.5. **Removal of Directors and Vacancies**. Any director elected by the members may be removed, with or without cause, by sixty-seven percent (67%) of the Total Eligible Association Vote. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the members to fill the vacancy for the remainder of the term of such director.

Any director elected by the members who has three or more consecutive unexcused absences from Board meetings, or who is more than thirty (30) days delinquent (or is the resident of a Unit that is more than thirty (30) days delinquent, or is the representative of a member who is more than thirty (30) days delinquent) in the payment of any assessment or other charge due the Association, may be removed by a Majority of the directors present at a regular or special meeting at which a quorum is present, and the Board may appoint a successor to fill the vacancy until the next annual meeting, at which time the members shall elect a successor for the remainder of the term.

In the event of the death, disability, or resignation of a director elected by the members, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the members shall elect a successor for the remainder of the term.

This section shall not apply to directors appointed by the Declarant. The Declarant shall be entitled to appoint a successor to fill any vacancy on the Board resulting from the death, disability or resignation of a director appointed by the Declarant, during the period in which the Declarant has the right

to appoint directors.

B. Meetings.

3.6. Organizational Meetings. Within thirty (30) days after the election or appointment of new directors, the Board shall hold an organizational meeting at such time and place as the Board shall set.

3.7. Regular Meetings. Regular meetings of the Board may be held at such time and place as a Majority of the directors shall determine, but at least one such meeting shall be held during each quarter.

3.8. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president or on written request of at least two (2) directors.

3.9. Notice. Notice of a regular meeting shall be communicated to directors not less than four (4) calendar days prior to the meeting. Notice of a special meeting shall be communicated to directors not less than two (2) days prior to the meeting. No notice need be given to any director who has signed a waiver of notice or a written consent to holding of the meeting. The notice shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. Notices shall be given to each director by: (a) personal delivery; (b) first class mail, postage prepaid; (c) telephone communication, either directly to the director or to a natural person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; (d) telecopier transmission to the director's home or office, with confirmation of receipt by the receiving telecopier; (e) telegram, charges prepaid; (f) overnight or same day delivery, charges prepaid; or (g) electronic mail ("e-mail"), using Internet accessible equipment and services, if the director has consented in writing to such method of delivery and has provided the Board with an e-mail address. All such notices shall be given at the director's telephone or telecopier number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deemed communicated when deposited into a United States mailbox. Notices given by personal, overnight or courier delivery, telephone, telecopier, telegraph, or e-mail shall be deemed communicated when delivered, telephoned, telecopied, e-mailed, or given to the telegraph company.

3.10. Waiver of Notice. The transactions of any meeting of the Board, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.11. Telephonic Participation in Meetings. Members of the Board or any committee designated by the Board may participate in a meeting of the Board or committee by means of conference telephone or similar communications equipment, by means of which all persons participating in the

meeting can hear each other. Participation in a meeting pursuant to this section shall constitute presence in person at such meeting.

3.12. Quorum of Board of Directors. At all meetings of the Board, a Majority of the directors shall constitute a quorum for the transaction of business, and the votes of a Majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board, unless otherwise specifically provided in these By-Laws or the Master Deed. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a Majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a Majority of the directors present at such meeting may adjourn the meeting to a time not more than five (5) days from the date of the original meeting. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

3.13. Compensation. Directors shall not receive any compensation from the Association for acting as such unless approved by members representing at least sixty-seven percent (67%) of the total Association vote. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a Majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a Majority of the Board of Directors, excluding the interested director.

3.14. Conduct of Meetings. The President shall preside over all meetings of the Board, and the Secretary shall keep a minute book of Board meetings recording all Board resolutions and all transactions and proceedings occurring at such meetings.

3.15. Open Meetings. Subject to the provisions of Section 3.16, all meetings of the Board shall be open to all members, but members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board, reconvene in executive session, and exclude members to discuss matters of a sensitive nature.

3.16. Action Without a Formal Meeting. Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a Majority of the directors consent in writing to such action. Such written consent must describe the action taken and be filed with the minutes of the Board.

C. **Powers and Duties.**

3.17. Powers. The Board of Directors shall have all of the powers and duties necessary for the administration of the Association's affairs and for performing all responsibilities and exercising all rights of the Association as set forth in the Master Deed, these By-Laws, the Articles, and as provided by law. The Board may do or cause to be done all acts and things as are not directed by the Master Deed, the Articles, these By-Laws, or South Carolina law to be done and exercised exclusively by the membership generally.

3.18. Duties. The duties of the Board shall include, without limitation:

(a) preparing and adopting, in accordance with the Master Deed, an annual budget establishing each Owner's share of the Common Expenses;

(b) levying and collecting such assessments from the Owners, as set forth in the Master Deed;

(c) providing for the operation, care, upkeep, and maintenance of those portions of the Regime as provided in the Master Deed;

(d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(e) depositing all funds received on behalf of the Association in a bank depository which it shall approve and using such funds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;

(f) making and amending rules in accordance with the Master Deed;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(b) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Elements in accordance with the Master Deed and these By-Laws;

(i) enforcing by legal means the provisions of the Master Deed, these By-Laws, and the rules of the Association and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association shall not be obligated to take action to enforce any covenant, restriction or rule which the Board reasonably determines is, or is likely to be construed as, inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action;

(j) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Master Deed, paying the cost thereof, and filing and adjusting claims, as appropriate;

(k) paying the cost of all services rendered to the Association;

(l) keeping books with detailed accounts of the receipts and expenditures of the Association;

(m) making available to any Owner, and the holders, insurers, and guarantors of any Mortgage on any Unit, current copies of the Master Deed, the Articles of Incorporation, the By-Laws, rules and all other books, records, and financial statements of the Association, as necessary and appropriate;

(n) permitting utility suppliers to use portions of the Common Elements reasonably necessary to the ongoing development or operation of the Regime; and

(o) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association to the extent such indemnity is required or permitted under South Carolina law, the Articles of Incorporation or the Master Deed.

3.19. Management. The Association may, but shall not be required to, hire a professional management agent or agents, at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board shall use reasonable efforts in any management contract to provide for termination of such contract, with or without cause and without penalty, upon no more than thirty (30) days' written notice. No management contract shall have a term in excess of one (1) year.

3.20. Accounts and Reports. The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

(a) cash basis accounting, as defined by generally accepted accounting principles, shall be employed;

(b) accounting and controls should conform to generally accepted accounting principles;

(c) cash accounts of the Association shall not be commingled with any other accounts;

(d) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association;

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board;

(f) commencing at the end of the quarter in which the first Unit is sold and closed, financial reports shall be prepared for the Association at least quarterly (such financial statements shall include an income statement reflecting all income and expense activity for the preceding period on an accrual basis and may include such other reports as deemed necessary by the Board); and

(g) an annual financial report shall be made available to all members within one hundred twenty (120) days after the close of the fiscal year and at each Association annual meeting. Such annual report may be prepared on an audited, reviewed or compiled basis, as the Board determines; provided, upon written request of any holder, guarantor or insurer of any first Mortgage on a Unit, or upon request of a Majority of the total Association vote as set forth herein or in the Master Deed, the Association shall provide an audited financial statement.

3.21. Borrowing. The Association shall have the power to borrow money for any legal purpose; provided, however, if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed ten percent (10%) of the budgeted gross expenses of the Association for that fiscal year, the Board shall obtain the approval of members representing a Majority of the total Association vote, prior to borrowing such money.

3.22. Right to Contract. The Association, acting through the Board of Directors, shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational or other agreements with trusts, condominiums, cooperatives, or neighborhood and other owners or residents associations, within and outside the Regime.

3.23. Enforcement.

(a) Notice. Prior to imposition of any sanction requiring compliance with these procedures as set forth in the Master Deed, the Board or its delegate shall serve the alleged violator with written notice including (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a statement that the alleged violator may present a written request for a hearing to the Board or its delegate within ten (10) days of the notice; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a request for a hearing is received within ten (10) days of the notice. If a timely request is not received, the sanction stated in the notice shall be imposed; provided, however, the Board or its delegate may, hut shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person. In the event of a continuing violation, each day the violation continues beyond the ten (10) day period shall constitute a separate offense, and fines may be imposed on a per diem basis without further notice to the violator. In the event of a violation which recurs within one (1) year from the date of any notice hereunder, the Board or its delegate may impose a sanction without further notice to the violator.

(b) Hearing. If a hearing is requested within the allotted ten (10) day period, the hearing

shall be held before the Board in executive session. The alleged violator shall be afforded a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or delegate who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board may adopt a schedule of sanctions for violations of the Regime Instruments.

ARTICLE 4.

OFFICERS

4.1. Officers. The officers of the Association shall be a president, secretary and treasurer. The president shall be elected from among the members of the Board; other officers may be, but are not required to be, members of the Board. The Board may appoint such other officers, including one or more vice presidents, one or more assistant secretaries and one or more assistant treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two or more offices may be held by the same person.

4.2. Election and Term of Office. The Board shall elect the officers of the Association at the first meeting of the Board following each annual meeting of the members, to serve until their successors are elected.

4.3. Removal and Vacancies. The Board may remove any officer, either with or without cause, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise for the unexpired portion of the term.

4.4. Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board of Directors. The president shall be the chief executive officer of the Association. The treasurer shall have primary responsibility for the preparation of the budget as provided for in the Master Deed and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both. The secretary shall keep the minutes of all meetings of the Association and Board of Directors and have charge of such books and papers as the Board of Directors may direct.

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

4.6. Agreements, Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two officers or by such other person or persons as may be designated by Board resolution.

4.7. Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors as set forth herein.

ARTICLE 5.

INDEMNIFICATION OF DIRECTORS AND OFFICERS

The Association shall indemnify any director or officer of the Association to the fullest extent permitted by law.

ARTICLE 6.

COMMITTEES

The Board may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

ARTICLE 7.

MISCELLANEOUS

7.1. Fiscal Year. The fiscal year of the Association shall be the calendar year unless the Board establishes a different fiscal year by resolution.

7.2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order Newly Revised (current edition) shall govern the conduct of Association proceedings when not in conflict with South Carolina law, the Articles of Incorporation, the Master Deed, or these By-Laws.

7.3. Conflicts. If there are conflicts between the provisions of South Carolina law, the Articles of Incorporation, the Master Deed, and these By-Laws, the provisions of South Carolina law, the Master Deed, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

7.4. Severability. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws or the Master Deed.

7.5. Gender and Grammar. The use of the masculine gender in these By-Laws shall be deemed to include the feminine gender, and the use of the singular shall be deemed to include the plural whenever the context so requires.

7.6. Financial Review. A financial review of the accounts of the Association shall be performed annually in the manner provided by the Board, and a financial statement shall be prepared and presented to the members at the annual meeting. However, after having received the Board's financial statement review at the annual meeting, the members may, by a Majority of the total Association vote, require that the accounts of the Association be audited, as a Common Expense, by an independent accountant. Such statement shall be made available to the holder, insurer, or guarantor of any first Mortgage on a Unit upon submission of a written request, and must be available within one hundred twenty (120) days after the fiscal year end of the Association.

7.7. Books and Records.

(a) Inspection by Members and Mortgagees. The Board shall make available for inspection and copying by any holder, insurer or guarantor of a first Mortgage on a Unit, any member, any Person who has executed a binding contract for the purchase of a Unit, or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Unit: the Master Deed, By-Laws and Articles of Incorporation, any amendments to the foregoing, the rules of the Association, books of account, the minutes of meetings of the members, the Board and committees, and the Association's corporate books and records. The Board shall provide for such inspection to take place at the office of the Association or at such other place within the Regime as the Board shall designate.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

(i) notice to be given to the custodian of the records;

(ii) hours and days of the week when such an inspection may be made; and

(iii) payment of the cost of reproducing copies of documents requested.

(c) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make a copy of relevant documents at the expense of the Association.

7.8. Notices. Except as otherwise provided in the Master Deed or these By-Laws, all notices, demands, bills, statements, and other communications under the Master Deed or these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States mail, first class postage prepaid:

(a) if to a member, at the address which the member has designated in writing and filed with

the secretary or, if no such address has been designated, at the address of the Unit of such member; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, or at such other address as shall be designated by notice in writing to the members pursuant to this section.

7.9. **Amendment**.

(a) **By Declarant**. For so long as the Declarant has the right to appoint directors as provided in the Master Deed, the Declarant may unilaterally amend these By-Laws for any purpose. Thereafter, the Declarant may unilaterally amend these By-Laws at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Units; (iii) to enable any institutional or governmental lender, purchaser, insurer, or guarantor of Mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure, or guarantee Mortgage loans on the Units; or (iv) to satisfy the requirements of any local, state or federal governmental agency. However, any such amendment shall not adversely affect the title to any Unit unless the Owner shall consent in writing.

(b) **By Members**. Except where a higher vote is required for action under a particular provision of the Master Deed or these By-Laws, in which case such higher vote shall be necessary to amend, these By-Laws may be amended by the affirmative vote, written consent, or any combination of affirmative vote and written consent of the members holding sixty-seven percent (67%) of the Total Eligible Association Vote. As long as the Declarant has the right to appoint directors of the Association as provided in the Master Deed, any amendment to these By-Laws shall also require the written consent of the Declarant. Notice of any meeting at which an amendment will be considered shall state that fact and the subject matter of the proposed amendment. No amendment shall become effective until it is certified by the president and secretary of the Association and recorded in the Spartanburg County, South Carolina land records. Any amendment duly certified and recorded shall be conclusively presumed to have been fully adopted in accordance with the By-Laws.

Any action to challenge the validity of an amendment adopted under this section must be brought within one (1) years of the amendment's effective date. No action to challenge any such amendment may be brought after such time.

[Signatures on next page]

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting secretary of The Ravines at Woodridge Property Owners Association, a South Carolina nonprofit corporation;

That the foregoing By-Laws constitute the original By-Laws of said Association, as duly adopted at a meeting of the Board of Directors held on the 11TH day of OCTOBER, 2005.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 11TH day of OCTOBER, 2005.

[SEAL]
Secretary

Flags and Garden Flags

Below are the guidelines for having flags attached to homes and garden flags.

1. One “Garden-Type” small flag placed in the ground **and**
2. One standard U.S. Flag **or** one standard South Carolina state flag.
3. Homeowners can select either item 1 above or item 2 above, or both.

4. Maximum size for U.S. or SC flag is 3 x 5 feet.
5. No political flags or political garden flags.
6. The U.S Flag or South Carolina state flag must be attached to the home on a single pole to match the flag size in item 4 above.
7. No “in ground” flag poles are allowed.
8. Garden flags must be located close to the home and not in open areas in the yard. The landscape contractor will need to be able mow the yard without having a garden flag causing an obstruction.