STATE OF SOUTH CAROLINA	}	COVENANTS, CONDITIONS
	}	AND RESTRICTIONS FOR
COUNTY OF SPARTANBURG	}	***THE TOWNES AT ABNER CREEK***

WHEREAS, PAKT DIVINE, LLC (as defined below, "Declarant") is the owner of a certain tract of land located in the County of Spartanburg, known as ***The Townes at Abner Creek***, containing 21.48 acres, more or less, shown on a plat for entitled "The Townes at Abner Creek" made by 3D Land Surveying, Inc., recorded in the Office of Register of Deeds for Spartanburg County, South Carolina (said plat along with any amendments or modifications thereto are defined below as the "Plat") and reference to which Plat is hereby craved for a description of such property (hereinafter the "Real Property").

WHEREAS, the Declarant is the owner of the Real Property and desires to impose certain restrictive covenants upon the Real Property for the benefit of Declarant and Approved Builders for so long as either may own any of the Real Property and thereafter in order to ensure its use for residential purposes, to prevent impairment of the attractiveness of the Property, and to maintain the desired quality of the Subdivision;

NOW, THEREFORE, Declarant hereby declares that all of the Real Property shall be held, sold, conveyed, and used subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the land and be binding on all parties having any right, title, or interest in the Subdivision or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each Owner thereof.

ARTICLE I - DEFINITIONS

Section 1. **"Additional Property"** shall mean and refer to any additional real estate that is or may become contiguous, adjacent to, or neighboring the Property, all or a portion of which may be made subject to the terms of the Declaration in accordance with the provisions of this Declaration.

Section 2. **"Annual Assessment"** shall have the meaning set forth in Article IV, Section 4 of the Declaration.

Section 3. **"Approved Builder"** shall mean and refer to those builders which have been selected by Declarant to purchase Lots and construct Townhouses for sale in the Subdivision, and their respective contractors and subcontractors during construction.

Section 4. **"Articles of Incorporation"** shall mean and refer to the articles of incorporation of the Association filed with the Secretary of State of South Carolina, as amended and modified from time to time.

Section 5. **"Association"** shall mean and refer to ***Townes at Abner Creek Association***, a South Carolina non-profit corporation, its successors and assigns.

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Section 6. **"Board of Directors"** or **"Board"** shall mean and refer to the body responsible for administering the Association, selected as provided in the Bylaws and serving the same role as the board of directors under South Carolina corporate law.

Section 7. **"Bylaws"** shall mean and refer to the bylaws of the Association, as amended and modified from time to time.

Section 8. **"Common Area"** and **"Common Areas"** shall mean and refer to those portions of the Property that are designated on the Plat as "Common Area" and/or "Open Space" including but not limited to, any real property or easements owned by the Association for the common use and enjoyment of the Owners together with any other portions of the Property or any Additional Property that shall be designated by Declarant or the Association (as the case may be) as "Common Area" in a recorded amendment to this Declaration or in some other recorded document. To the extent any roads or streets in the Subdivision are private roads or streets which have not been dedicated to any public agency or authority, said private roads or streets shall expressly be included as part of this definition of "Common Area" and "Common Areas" as used in this Declaration.

Section 9. **"Declarant"** shall mean and refer to **PAKT DIVINE, LLC,** a South Carolina limited liability company, and its successors and assigns to whom the rights of Declarant are specifically assigned as evidenced by an instrument signed by Declarant and recorded with the Office of the Register of Deeds for Spartanburg County, South Carolina (the "ROD"). Declarant may, at its option, assign only a portion of its rights hereunder, or all of such rights in connection with the appropriate portions of the Property. Any assignment must be recorded in the ROD. In the event of such partial assignment, the assignee shall not be deemed to be the Declarant, but may exercise those rights assigned to it by the Declarant. Any such assignment may be made on a non-exclusive basis.

Section 10. **"Declarant Control Period"** means any period of Declarant control of the Association, as established in this Declaration. For purposes of this Declaration and other Governing Documents, "Declarant Control Period" refers to the period during which the Declarant shall have the right to control the Association and appoint all of the Board of Directors. The Declarant Control Period shall expire on first to occur of the following events:

(a) Twenty years from the first recording date of this Declaration; or

(b) the later of (x) 240 days or (y) the first annual meeting, in each case, after the date on which one hundred (100%) percent of the Lots in all phases of the Property that may ultimately be subject to this Declaration have been conveyed to non-Builder Class A Members.

Section 11. **"Declaration"** shall mean and refer to this Covenants, Conditions, and Restrictions for The Townes at Abner Creek, as it may be amended or supplemented from time to time.

Section 12. **"Governing Documents"** means collectively this Declaration, Articles, Bylaws, and any rules and regulations of the Association; and all exhibits, amendments and supplements thereto.

Section 13. **"Initiation Fee"** shall have the meaning set forth in Article IV, Section 3 of the Declaration.

Section 14. **"Lot"** shall mean that portion of the Property (1) which is developed or intended for development, use and occupancy as a Townhouse and is shown as a numbered or letter parcel on any Subdivision Plat of any part or all of the Property and is declared to be a Lot in this Declaration and (2) which is not a Common Area, dedicated street or transit right of way, or greenway or park lands owned in fee simple by the City or County. The Declarant may declare a portion of the Property to be a "Lot" on a Subdivision Plat, this Declaration or any other recorded instrument; subject to the Governing Documents. The term "Lot" shall include any Townhouse constructed thereon.

Section 15. **"Member"** shall mean and refer to every person or entity who holds membership with voting rights in the Association by virtue of ownership of a Lot.

Section 16. **"Monthly Assessment"** shall have the meaning set forth in Article IV, Section 5 of the Declaration.

Section 17. **"Operating Deficit"** means for any calendar year, the difference between the total amount of the Assessments for such calendar year levied on all Lots and the amount of actual expenditures by the Association during such calendar year for purposes permitted by this Declaration, excluding (1) expenditures for the funding of reserves, and (2) Special Assessments for capital improvements.

Section 18. **"Owner"** shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including Declarant if it owns a Lot and any Approved Builder that owns a Lot, but excluding those persons having such interest merely as security for the performance of an obligation.

Section 19. **"Permitted User"** shall mean and refer to any tenant, guest, invitee, or other person who is physically present in and is entitled to occupy a Townhouse.

Section 20. **"Plat"** shall mean and refer to: (i) the plat The Townes at Abner Creek, recorded in the Office of the Register of Deeds for Spartanburg County, and (ii) any revisions, supplements, or amendments thereof, and (iii) subsequent plats of The Townes at Abner Creek hereafter recorded by Declarant in the Office of the Register of Deeds for Spartanburg County, and any revisions, supplements, or amendments thereto.

Section 21. **"Property," "Properties,"** and **"Subdivision"** shall mean and refer to the Real Property, plus any improvements thereon; and such Additional Property as may hereafter be

annexed into the Subdivision as hereinafter provided, plus any improvements thereon.

Section 22. **"Special Assessment"** shall have the meaning set forth in Article IV, Section 6(a) of the Declaration.

Section 23. **"Special Individual Assessment"** shall have the meaning set forth in Article IV, Section 6(b) of the Declaration.

Section 24. **"Storm Water Management Facility"** shall mean any structural storm water management measure used to manage storm water runoff, including, but not limited to, basins, ponds, proprietary devices, low impact development features, water quality buffers, filtration and/or other devices, but excluding gutters and downspouts on the Townhouses.

Section 25. **"Townhouse"** shall refer to any single-family dwelling townhouse unit constructed on any Lot in the Subdivision.

ARTICLE II - PROPERTY RIGHTS

Section 1. **Owners' Easements of Enjoyment.** Every Owner shall be a Member of the Association, which membership shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) The right of the Association to charge reasonable fees and Assessments for the expenses incurred by the Association for the maintenance, repair and replacement of any and all improvements located in or on the Common Areas, including without limitation, exterior lighting, fences, landscaping and irrigation systems;

(b) The right of the Association and Declarant to suspend the voting rights of an Owner for any period not to exceed sixty (60) days for any infraction of the Association's published rules and regulations and the right of the Association to impose a Special Individual Assessment for such infractions;

(c) The right of the Association to dedicate or transfer all or any part of the Common Areas as set forth herein;

(d) The right of the Association, in accordance with the Articles of Incorporation and its Bylaws, to impose regulations for the use and enjoyment of the Common Areas and improvements thereon, which regulations may further restrict the use of the Common Areas;

(e) The right of the Association, in accordance with its Articles of Incorporation and its Bylaws, to borrow money for the purpose of improving the Common Areas and facilities thereon; providing that no such mortgage of the Common Areas shall be effective unless an instrument agreeing to such mortgage of the Common Areas is signed by Members holding two-thirds (2/3) of the votes in the Association; and

(f) The right of the Association, but not the obligation, to deed and convey a portion of the Common Area to an Owner for the purpose of eliminating unintentional encroachments of improvements onto portions of the Common Areas or for any other purpose or reason.

Section 2. Declarant's Covenant to Convey Title to Common Areas. Declarant hereby covenants for itself, its successors and assigns, that it will convey by general warranty fee simple title (subject to any easements and encumbrances) to its property designated herein as Common Areas to the Association anytime before such time as the Declarant conveys the last Lot to some person other than Declarant, except for those areas which are required by law to be conveyed to a municipality. The Association shall accept all Common Areas deeded to it and/or dedicated to it, including any improvements installed thereon by Declarant, without setoff, condition, or qualification of any nature, whether or not the conveyance or dedication occurs prior to the time of the conveyance of the first Lot within the applicable phase of the Property. The Association shall be responsible for the maintenance of all Common Areas (whether or not conveyed or to be conveyed to the Association) in a continuous and satisfactory manner provided, however, Declarant, in its sole discretion may elect, but shall not be obligated, to maintain such Common Areas in such manner as Declarant deems reasonable prior to its conveyance of such Common Areas to the Association. The Association shall be deemed to have assumed and agreed to pay all continuing obligations and service services and similar contracts relating to the ownership, maintenance and operation of the Common Areas and other obligations relating to the Common Areas imposed herein. Additionally, if Storm Water Management Facilities are located within the Common Areas, the Declarant shall take the following actions at or prior to the time in which the Subdivision is fifty (50%) percent built: (1) convey fee simple title to the applicable Storm Water Management Facilities to the Association, and (2) file any and all necessary documentation defining the responsible party for maintaining the Storm Water Management Facilities with the person or office designated as responsible for such matters. The Common Areas shall be free from any monetary liens but subject to easements of record, including any easements established by this Declaration. The Association shall accept the conveyance of all such Common Areas and Storm Water Management Facilities pursuant to this Section. Common Areas are for the common, non-exclusive use of the Declarant, Owners of all Lots, and all of the respective Permitted Users and invitees of the Declarant and the Owners, all as provided and regulated herein or otherwise by the Association.

Section 3. Delegation of Use. Any Owner may delegate his or her rights of enjoyment of the Common Areas to Permitted Users, all as provided and regulated herein or otherwise by the Association.

Section 4. Leases of Lots.

An Owner may lease his Townhouse, provided that any such lease must be for not less than twelve (12) months. Only entire Townhouses may be leased. No subleases or assignments of leases of a Townhouse are allowed. All leases shall be in writing and shall contain the following provisions:

(a) Each tenant shall comply, and all leases shall require the tenant to comply, with the covenants, terms, conditions and restrictions of the Governing Documents. A violation of any of the terms of any of the Governing Documents shall constitute a material breach of the lease and shall constitute grounds for damages, termination of the lease and eviction by the Association.

(b) The Association has the right to collect all rental payments due to the Owner and apply them against unpaid Assessments if, and to the extent that, the Owner is in default in the payment of Assessments.

(c) The Board of Directors shall have the power and authority to terminate the lease and/or bring proceedings to evict the tenant in the name of the Owner if either the tenant defaults under the lease or the Association forecloses a lien for unpaid Assessments on the Townhouse.

The Governing Documents then in effect must be given to the tenant by or on behalf of the Owner at or before the commencement of the lease term; provided, however, that such tenant's obligations under this Section shall not be affected by the failure to receive the Governing Documents. All tenancies are hereby made subordinate to any lien filed by the Association, whether prior or subsequent to such lease.

If an Owner fails to include any of the foregoing provisions in any lease, the provisions shall be deemed to be included and part of the lease.

Prior to the time a tenant takes possession of the Townhouse, the Owner shall furnish the Association with a copy of the lease for the Townhouse. Each Owner or tenant of a leased Townhouse shall be obligated to deliver a copy of the lease to the Association within seven (7) days after request by the Association.

The Owner of a Townhouse, except an Approved Builder who is an Owner, is responsible for all conduct of each Permitted User of the Townhouse, including any claim for injury, loss or damage to Persons or property caused by the acts or omissions of the Owner's Permitted User(s), except an Approved Builder who is an Owner. Each Owner shall be jointly and severally liable with the Permitted User to the Association for any amount which is required by the Association to repair any injury, loss or damage to the Common Areas resulting from acts or omissions of the Permitted User and to pay any claim for injury, loss or damage to property caused by the negligence of the Permitted User, and the Association may levy a Special Individual Assessment against the Owner of the non-Approved Builder owned Townhouse therefor.

When a Townhouse is leased, the Permitted User shall have all use rights in Common Areas and Association Property otherwise readily available for use generally by Owners, and the Owner of the leased Townhouse shall not have such rights, except as a Permitted User of another Owner or the tenant. Nothing herein shall interfere with the access and eviction rights of the Owner as a landlord pursuant to South Carolina law. The Association shall have the right to adopt rules to prohibit dual usage by an Owner and a Permitted User of Common Areas.

The Declarant, its successors and assigns, shall be permitted to use Townhouses which the

Declarant owns, leases or manages for any activities relating to marketing, selling, purchasing, reselling, leasing or promoting those Townhouses as well as for models, sales, resales, leasing, and management offices, overnight accommodations by its designees or any other lawful purpose.

ARTICLE III – THE ASSOCIATION

Section 1. **Membership.** **Declarant and every other Lot** Owner within the Property, shall be a Member of the Association. Ownership of a Lot will be the sole qualification for such membership. If fee title to a Lot is transferred or otherwise conveyed, the membership in the Association which is appurtenant thereto will automatically pass to such transferee, notwithstanding any failure of the transferor to endorse to his transferee any certificates or other evidences of such membership. The foregoing is not intended to include any persons who hold an interest merely as security for the performance of an obligation, and the giving of a security interest will not terminate or otherwise affect an Owner's membership in the Association.

Section 2. **Voting Rights.** The Association shall have two classes of voting membership:

Class A Members. "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. The vote for such Lot shall be exercised as the Owners of the specific Lot determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B Members. "Class B Member" shall be the Declarant, and shall be entitled to three (3) votes for each Lot owned by Declarant. The Class B membership shall cease and be converted to Class A membership on the expiration of the Declarant Control Period. Notwithstanding anything herein to the contrary, Declarant shall, at all times during the Declarant Control Period, be deemed to have no less than an eighty percent (80%) voting interest in the Association.

(a) Only those Members in good standing and eligible to vote pursuant to the Bylaws shall be entitled to cast any vote required or permitted hereunder, and only the votes of Members in good standing and eligible to vote shall be considered in any calculation of votes or any required percentage thereof.

(b) When any Lot of a Class A Member is owned in the name of two or more persons, other than a legally married couple (either of whose vote will bind both), by an entity, or in any other manner of joint or common ownership, the vote for such Lot will be exercised as such co-Owners determine among themselves and advise the secretary of the Association in writing prior to any meeting; or the vote will be exercised by such co-Owner, or his duly appointed proxy, which will be delivered to the secretary of the Association and will remain effective for all meetings until revoked by the co-Owners in a similar writing or until such designation terminates pursuant to the terms of such writing.

Section 3. **The Board.** The Board shall initially consist of three (3) Members who shall serve in accordance with and govern the Association pursuant to its Bylaws.

Section 4. **The Bylaws**. Except as otherwise provided in this Declaration, rules and procedures of the Association, including, but not limited to, conducting elections, meetings (both regular and special), and for casting of votes by Members, and the number thereof required for quorums and approval or ratification, shall be as set forth in the Bylaws of the Association. The Bylaws of the Association shall be kept on file with the Association and made available to all Owners as required by applicable law.

Section 5. **Management**. The Association shall have the power to hire a management company to operate the day-to-day affairs of the Association, and the fees, costs and expenses of the management company shall be paid through assessments as set forth in Article VI, Section 2. During the Declarant Control Period, the Declarant shall have the authority to hire a management company on behalf of the Association.

ARTICLE IV – COVENANT FOR MAINTENANCE AND ASSESSMENTS

Section 1. **Creation of the Lien and Personal Obligation of Assessments.** Each Owner of any Lot (except for Declarant and Approved Builder(s)) by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) a one-time Initiation Fee, (2) Annual Assessments, (3) Monthly Assessments, (4) Special Assessments; and (5) Special Individual Assessments (collectively "Assessments" and individually an "Assessment"). Assessments, interest, costs, and reasonable attorneys' fees shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made as of that date upon which such Assessment is made and continuing until paid. Each Assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment fell due. The personal obligation for delinquent Assessments shall not pass to such Owner's successors in title unless expressly assumed by them, but shall remain a lien upon the transferred Lot.

Section 2. **Purpose and Use of Assessments.**

(a) The assessments levied by the Association shall be used for the following purposes, unless explicitly stated to the contrary elsewhere in this Declaration:

i. the costs of repairs, replacements and additions, labor, equipment, materials management and supervision of the Common Areas;
ii. the payment of taxes assessed against the Common Areas;
iii. the maintenance of water and sewer mains in and upon the Common Areas;
iv. the maintenance of open spaces and streets which have not been accepted for dedication by a public authority, roadway medians and islands (including medians and islands located in dedicated right-of-way), drives

and parking areas within the Common Areas,

v. the procurement and maintenance of insurance;

vi. the improvement, maintenance, and replacement of irrigation systems on the Lots and the Common Areas;

vii. lawn maintenance on the Lots and the Common Areas;

viii. maintenance and repair of the roof, including shingles, flashing, fascia, soffit, decking, gutters, downspouts, and boots around vents and air returns; but excluding roof trusses, joists, or any other structural elements of the roof;

ix. maintenance and repair of exterior finish, façade and trim materials, shutters, painting, caulking and exterior lighting.

x. maintenance and repair of sidewalks, walkways and driveways;

xi. the maintenance of lakes, ponds, retention areas or other bodies of water located within the Common Areas, if any, as well as the maintenance of dams and areas surrounding such water;

xii. the maintenance of any "sign easement" areas located on any Lot, as shown on a recorded plat;

xiii. the maintenance of entranceways, landscaping and lighting of the Common Areas, road medians, islands and entranceways, and the lighting of streets;

xiv. the payment of charges for garbage collection and municipal water and sewer services furnished to the Common Areas;

xv. the costs associated with duties of the Architecture Review Committee;

xvi. the employment of attorneys and other agents to represent the Association when necessary;

xvii. restoration of those portions of Townhouses when damaged by casualty or loss;

xviii. obtaining and maintaining termite and wood-infestation treatment and bonds for each Townhouse;

xix. obtaining annual inspections of the vapor barrier and mitigation systems on the Lots and performing the repairs recommended by the inspector;

xx. maintenance and repair of retaining walls on the Property, other than those located on a Lot that exclusively serve that Lot;

xxi. the fees, costs and expenses of a management company;

xxii. the provision of adequate reserves for the replacement of capital improvements and any other major expense for which the Association is responsible; and such other needs as may arise;

xxiii. Other goods, services, items or benefits provided by the Association for the benefit of the Townhouses; and

xxiv. Other expenses for which this Declaration expressly provides assessments may be used.

(b) Notwithstanding any provision to the contrary, no funds of the Association shall be used to pay for Declarant's acquisition or development of the Property.

(c) The Association shall establish and maintain an adequate reserve fund for

the periodic maintenance, repair and replacement of improvements to the Common Areas and those other portions of the Subdivision which the Association may be obligated to maintain. Such reserve fund is to be established out of regular assessments for the purposes set forth in Section 2 hereof.

(d) All monies collected by the Association shall be treated as the separate property of the Association, and such monies may be applied by the Association to the payment of any expense of operating and managing the Subdivision, or to the proper undertaking of all acts and duties imposed upon it by virtue of the Governing Documents. When a Lot Owner shall cease to be a Member of the Association by reason of his divestment of ownership of his Lot, by whatever means, the Association shall not be required to account to such Owner for any share of the funds or assets of the Association, which may have been paid to the Association by such Owner, as all monies which any Owner has paid to the Association shall be and constitute an asset of the Association which may be used in the operation and management of the Subdivision.

(e) The Declarant and the Association shall be responsible for maintenance and repair of the Storm Water Management Facilities until title to the Storm Water Management Facilities is transferred to the Association pursuant to Article II, Section 2 above, at which time the Association shall be solely responsible for the maintenance and repair thereof. Maintenance and repair of the Storm Water Management Facilities is mandatory per local, state, and federal regulations.

(f) Funds for storm water management will be kept separate from other funds as a line item in the Association's overall budget.

Section 3. Initiation Fee. Upon the sale of each and every Lot to an Owner other than an Approved Builder, after it has been improved with a residence for which a Certificate of Occupancy has been issued, an Initiation Fee set by the Declarant and thereafter by the Board shall be collected from the Purchaser (at closing or occupancy whichever occurs first) for the benefit of the Association. The Initiation Fee shall be collected each and every time the Lot legally changes title and shall not be prorated. The Initiation Fee shall be used for the same purposes as those described herein.

Section 4. Annual Assessment. The "Annual Assessment" shall be the initial annual assessment set by the Declarant, if any, as adjusted pursuant to this Section. Once the initial Annual Assessment has been set, the Annual Assessment shall be paid on a calendar year basis unless changed by the Board.

Section 5. Monthly Assessment. The "Monthly Assessment" shall be an Assessment set by Declarant, if any, and payable on the first day of each month with or without notice.

From and after January 1 of the year immediately following the conveyance of the first Lot to a Class A Member, the maximum Annual and/or Monthly Assessment may be increased each year by the Declarant or the Board by not more than twenty (20%) percent above the maximum Assessment for the previous year without a vote of the Owners. From and after January

1 of the year immediately following the conveyance of the first Lot to a Class A Member, the maximum Annual Assessment may be increased above twenty (20%) percent of the maximum Assessment for the previous year only upon approval of two-thirds (2/3) of all the votes entitled to be cast by the Members, who are voting in person or by proxy, at a meeting duly called for this purpose.

Section 6. Special Assessments and Special Individual Assessments.

(a) In addition to the Annual Assessments and Monthly Assessments, the Association may levy, in any calendar year, a Special Assessment ("Special Assessment") applicable to that year only for the purpose of defraying, in whole or in part: (a) the cost of any construction, reconstruction, repair, or replacement of a capital improvement in the Subdivision, or (b) the cost of any construction of a capital improvement in the Subdivision after the Declarant Control Period. Any Special Assessment must be approved by a vote of 2/3 of all of the votes entitled to be cast by the Members, who are voting in person or by proxy at a meeting duly called for this purpose at which a quorum is present. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Lot or otherwise.

(b) In addition to the Annual Assessments, the Monthly Assessments, and the Special Assessments, the Board shall have the power to levy a Special Individual Assessment ("Special Individual Assessment") applicable to any particular Owner (1) for the purpose of paying the cost of any construction, reconstruction, repair or replacement of any damaged component of the Common Areas, including, but not limited to, the public roads (prior to their acceptance for public maintenance), whether occasioned by an act or omission of such Owner, members of such Owner's family, or such Owner's Permitted Users and not as a result of ordinary wear and tear, (2) the purpose of paying the costs of any exterior maintenance of a Townhouse, which maintenance is required due to the gross negligence of Owner, or any permittee of Owner or (3) for the payment of fines, penalties, or other charges imposed against any Owner relative to such Owner's failure to comply with the terms and provisions of the Governing Documents. The due date of any Special Individual Assessment levied pursuant to this Section shall be fixed in the Board's resolution authorizing such Special Individual Assessment. Upon the establishment of a Special Individual Assessment, the Board shall send written notice of the amount and due date of such Special Individual Assessment to the affected Owner(s) at least ten (10) days prior to the date upon which such Special Individual Assessment shall be due.

Section 7. Notice and Quorum for any Action Authorized under Sections 4, 5, and 6. Written notice of any meeting called for the purpose of taking any action authorized under Sections 4, 5, or 6 shall be sent to all Owners not less than thirty (30) days and no more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Owners or of proxies entitled to cast forty (40%) percent of all the votes of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half *(½)* of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 8. Uniform Rate of Assessment. Annual, Monthly and Special Assessments

must be fixed at a uniform rate for all Lots. Notwithstanding the foregoing, Assessments may vary between Declarant, Approved Builders and other Owners.

Section 9. Date of Commencement of Annual and Monthly Assessments; Due Dates.

The Annual Assessments provided for herein shall commence as to all Lots owned by Class A Members after the date of this Declaration on the date of the title transfer or occupancy whichever comes first. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. Subsequent Annual Assessments will be due not more than once in a twelve-month period as determined by the Board. The Board shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of the Annual Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board.

Monthly Assessments shall commence at occupancy or title transfer (whichever occurs first) and shall be due on the first day of each month. The Board of Directors of the Association shall fix the monthly amounts due for twelve (12) months at least thirty (30) days in advance of a new twelve (12) month period. Written notice of the Monthly Assessments for the twelve (12) month period shall be provided to every Owner subject thereto within a reasonable time after the Board of Directors of the Association has fixed the monthly amounts due for a particular twelve (12) month period. Unless the Board of Directors of the Association alters or amends the Monthly Assessment amounts due for a particular twelve (12) month period, no further written notice shall be provided beyond the initial written notice described in the preceding sentence.

The Association shall, upon demand, and for a reasonable charge, 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 of the Association as to the status of Assessments on a Lot is binding upon the Association as of the date of its issuance.

Notwithstanding the provisions of this Section 9, Lots owned by Declarant or Approved Builder(s) shall be exempt from the Initiation Fee, Annual Assessments, Monthly Assessments, Special Assessments, and Special Individual Assessments during Declarant's or Approved Builder'(s) ownership of the Lot(s). The Initiation Fee, Annual Assessments, Monthly Assessments, Special Assessments, and Special Individual Assessments for such Lot(s) shall commence upon the date of sale of the Lot to a Class A Member.

Section 10. Effect of Nonpayment of Assessments: Remedies of the Association.

Any Initiation Fee, Annual Assessment, Monthly Assessment, Special Assessment, or Special Individual Assessment not paid within thirty (30) days after the due date shall be subject to a fee plus interest as set forth in the Association's rules and regulations. The Association may bring an action at law or in equity against the Owner personally obligated to pay the same, or foreclose the lien created herein against the Lot subject to the Assessment in the same manner as prescribed by the laws of the State of South Carolina for the foreclosure of mortgages, and interest, costs, and reasonable attorney's fees for representation of the Association in such action or foreclosure shall be added to the amount of such Assessment. No Owner may waive or otherwise escape liability

for payment of the Assessment provided for herein by nonuse of the Common Areas or abandonment of his or her Lot nor shall damage to or destruction of any Improvements on any Lot by fire or other casualty result in any abatement or diminution of the Assessments provided for herein.

Section 11. Effect of Default in Payment of Ad Valorem Taxes or Assessments for Public Improvements by Association. Upon default by the Association in the payment to the appropriate governmental authority of any ad valorem taxes levied against the Common Areas or assessments for public improvements to or for the benefit of the Common Areas, which default shall continue for a period of six (6) months, each Owner of a Lot in the Subdivision shall become personally obligated to pay to the taxing or assessing governmental authority a portion of such unpaid taxes or assessments (including any late payment penalties) in an amount determined by dividing the total taxes, assessments, and penalties due the governmental authority by the total number of Lots in the Subdivision. If such sum is not paid by the Owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien on the Lot of the then Owner, his heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law or equity or may elect to foreclose the lien against the Lot of the Owner. This Section shall not become applicable until Class B Membership ceases to exist.

Section 12. Subordination of the Lien to Mortgages. The lien of the Assessments against a Lot provided for herein shall be subordinate to the lien of any first mortgage upon such Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such foreclosure sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

Section 13. Obligation of the Declarant with respect to Maintenance Assessments. Notwithstanding any other provision of this Declaration, Declarant shall not be responsible for paying any Assessment assessed against any portion of the Community. In lieu of any obligation to pay Assessments, during the Declarant Control Period the Declarant shall pay funds to the Association in the amount of any Operating Deficit not later than thirty (30) days following the end of the calendar year in which the Operating Deficit occurred.

ARTICLE V – INTENTIONALLY OMITTED

ARTICLE VI –INSURANCE

Section 1. Insurance of Townhouses.

(a) The Association shall obtain a group or blanket insurance policy equal to the full replacement value of the Subdivision. Said policy shall contain a Replacement Cost Endorsement providing for replacement of a Townhouse from insurance loss proceeds. Such coverage shall

provide protection against: loss or damage by fire and other hazards, including extended coverage, vandalism and malicious mischief, and such other risks as from time to time shall be reasonably required by the Association.

(b) All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners and their mortgagees, as their interests may appear, and shall provide that all proceeds thereof shall be payable to the Association as insurance trustee under this Declaration. The sole duty of the Association as insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purposes stated herein or stated in the Bylaws. The full amount of any insurance proceeds shall be applied to the rebuilding or repair of any Townhouse.

(c) The Townhouse shall be rebuilt or repaired in the event of damage thereto provided the Townhouse is insured under a group or blanket hazard insurance policy which contains a replacement cost endorsement providing for replacement of a Townhouse from insurance proceeds.

(d) The Owner shall keep the Townhouse in good repair except for repairs required of the Association as described in this Declaration.

(e) The Association shall procure general liability insurance with limits of liability of no less than Two Million Dollars ($2,000,000.00) per occurrence and shall include an endorsement to cover liability of the Owners as a group, to a single Owner. If an insured casualty shall occur resulting in damage or injury to a claimant whose claim is insured against in said policy, proceeds from the Association shall be applied as follows: all expenses of the insurance trustee shall be first paid or provisions made therefor; and the balance held in undivided shares for compensation for injuries suffered by each claimant whose claim is insured against in said policy, all as determined by the Association.

(f) Premiums for the liability, group and blanket hazard insurance policies shall be a common expense and shall be collected in the same manner and to the same extent as the Annual Monthly and Special Assessments as set forth in this Declaration.

(g) Any Owner may, if he wishes, at his own expense, carry any and all other insurance he deems advisable beyond that included in the homeowner's policy required by the Association.

(h) The Association may levy in any calendar year, a Special Assessment for the purpose of defraying the cost of construction, reconstruction, repair, or replacement of a Townhouse or Townhouses containing single family residential units, to the extent that insurance proceeds under a group insurance policy containing a Replacement Cost Endorsement are insufficient to pay all costs of said construction, reconstruction, repair or replacement to as good condition as existed prior to damage or destruction by fire or other casualty covered by said insurance.

ARTICLE VII – SHARED STRUCTURES

Section 1. General Rules of Law to Apply. Each wall, fence, driveway, or similar structure built as a part of the original construction on a Lot or Townhouse, which serves and/or separates any two adjoining Lots or Townhouses shall constitute a "Party Structure." To the extent not inconsistent with the provisions of this Section, the general rules of law regarding party walls, lateral support on below-ground construction, and liability for property damage due to negligent or willful acts or omissions shall apply thereto.

Section 2. Maintenance, Damage, and Destruction. The cost of reasonable repair and maintenance of a Party Structure shall be shared equally by the Owners who make use of the Party Structure. If a Party Structure is destroyed or damaged by fire or other casualty, then to the extent that such damage is not covered by insurance and repaired out of the proceeds of insurance, any Owner who has used the Party Structure may restore it. Other Owners using the Party Structure thereafter shall contribute to the restoration cost in equal proportions. However, such contribution will not prejudice the right to call for a larger contribution from the other users under any rule of law regarding liability for negligent or willful acts or omissions.

Section 3. Construction of a Party Wall. The Owner of any Lot or Townhouse may construct, reconstruct, or extend in any direction on his Lot or Townhouse (subject to and within the limitation of architectural control and other limitations of this Declaration) with the right to go upon the adjoining Lot or Townhouse to the extent reasonably necessary to perform such construction. Such construction shall be done expeditiously. Upon completion of such construction, such Owner shall restore the adjoining Lot or Townhouse to as near the same condition which prevailed on it before the commencement of such construction as is reasonably practicable.

Section 4. Weatherproofing. Notwithstanding any other provision of this Section VII, an Owner who by his negligent or willful act causes the Party Structure to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs With the Land. The right of any Owner to contribution from any other Owner under this Section VII shall be appurtenant to the land and shall pass to such Owner's successors in title.

ARTICLE VIII – ARCHITECTURAL CONTROL

During the Declarant Control Period, Declarant shall annually appoint the members of the Architecture Review Committee which will be comprised of at least three (3) members.

Section 1. Plan of Design Approval. All residences, outbuildings, and other structures initially constructed within the Subdivision by an Approved Builder (collectively, "Initial Improvements") shall be built in accordance with plans and specifications which have been previously approved by Declarant. Under no circumstances shall any additional architectural approval be required as to the Initial Improvements constructed by any Approved Builder. Other than the Initial Improvements constructed by an Approved Builder, no building, fence, wall, porch,

deck, or any other structure or improvement (collectively, "Improvements"), including, without limitation, the alteration or painting of the exterior surface of any Improvement, shall be undertaken upon any Lot unless the plans and specifications and location of the proposed Improvement shall have been expressly approved in writing by the Architecture Review Committee. No subsequent alteration or modification of any Improvements or construction, erection or installation of additional Improvements may be undertaken or allowed to remain on any Lot without the review and express written approval of the Architecture Review Committee in accordance with the provisions of this Declaration. Notwithstanding the foregoing, neither (1) the improvement, maintenance, and replacement of irrigation systems on the Lots or the Common Areas by the Association nor (2) lawn maintenance on the Lots or on the Common Areas by the Association shall constitute "Improvements" as that term is used herein and elsewhere in this Declaration.

Section 2. **Architecture Review Committee.** During the Declarant Control Period, Declarant shall appoint the members of the Architecture Review Committee, the exact number of members of the Architecture Review Committee being designated by Declarant from time to time. In the event of the death or resignation of any member of the Architecture Review Committee, Declarant, for so long as it has the authority to appoint the members of the Architecture Review Committee, and thereafter the Board, shall have full authority to designate and appoint a successor. Members of the Architecture Review Committee may be removed and replaced at any time with or without cause, and without prior notice, by Declarant, for so long as Declarant has the right to appoint the members thereof, and thereafter by the Board. Subsequent to the expiration of Class B Membership (and earlier if Declarant specifically assigns this right to the Board), the Board shall designate the number of and appoint the members of the Architecture Review Committee on an annual basis. At any time, Declarant may elect not to designate the number of and/or appoint the members of the Architecture Review Committee and may assign this right to the Board. If such appointment to the Board occurs, all references to the Architecture Review Committee shall mean and include the Board.

Section 3. **Procedure.** No building, fence, wall, or other structure shall be commenced, or erected on any Lot or Common Areas, nor shall any exterior addition to, or change, or alteration therein be made until the plans and specifications showing the nature, kind, shape, height, materials, and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Architecture Review Committee.

Section 4. **Rejection of Plans and Specifications**. The Architecture Review Committee shall have the right to refuse to approve any plans, specifications, and/or plot plans, taking into consideration the suitability of the proposed building or other Improvements, the materials of which it is to be built, whether or not it is in harmony with the surroundings, and the effect it will have on other residences already constructed in the Subdivision.

Section 5. **Submittal of Plans to Architecture Review Committee**. Prior to the commencement of any construction, other than the Initial Improvements made by an Approved

Builder, each Owner shall submit to the Architecture Review Committee, in duplicate, plans and drawings, in a one-eighth (1/8) scale or larger, which shall contain, at a minimum:

(a) front, rear and side elevations;
(b) floor plans showing major dimensions and openings;
(c) exterior building material to include color and type of material (vinyl, aluminum, cedar, etc.);
(d) exterior trim color;
(e) roofing material and color;
(f) other materials necessary to illustrate the character of the proposed construction;
(g) a statement of the estimated completion dates of all construction and improvements; and
(h) other standards set forth within this Declaration or as may be published by the Architecture Review Committee.

These requirements also pertain to any alterations and/or additions to existing structures.

The documents and other information required to be submitted shall be delivered or mailed to the Architecture Review Committee of Townes of Abner Creek Subdivision at William Douglas Property Management, or some other designee as may be appointed by Declarant or the Board. One complete set shall be retained by the Architecture Review Committee and the other complete set shall be returned to the applicant, with the Architecture Review Committee's approval or disapproval clearly noted thereon.

The terms "Building" or "Improvements" shall be deemed to include the erection, placement, or alteration of any wall, fence driveway, or parking area, or any such activity undertaken subsequent to initial construction.

Section 6. Effect of Failure to Approve or Disapprove.

In the event the Architecture Review Committee, or its designated committee fails to approve or disapprove such plans within thirty (30) days after they have been received by the Architecture Review Committee, such approval shall be deemed automatically denied. The terms "Building" or "Improvements" shall be deemed to include the erection, placement, or alteration of any wall, fence driveway, or parking area, or any such activity undertaken subsequent to initial construction.

Section 7. Hardships. The Architecture Review Committee is authorized to modify or amend, during or before the construction or alteration of any Improvement, the provisions of this Declaration concerning set-back and location and size of Improvements for any particular Lot if in the reasonable opinion of the Architecture Review Committee, such shall be necessary to prevent undue hardship.

Section 8. Enforcement. In addition to the rights of the Declarant and the Association to enforce the provisions of this Declaration as set forth hereinafter, the Architecture

Review Committee shall have the specific, nonexclusive right to enforce the provisions contained in this Article and/or to prevent any violation of the provisions contained in this Article by a proceeding at law or in equity against the Owner violating or attempting to violate any such provisions contained herein. In the event that the Architecture Review Committee, the Declarant or the Association resorts to litigation to determine the propriety of any constructed Improvement, to remove any unapproved Improvement or otherwise to remedy a violation of this Article VIII, the Architecture Review Committee, the Declarant, or the Association, as applicable, shall be entitled to recover court costs, reasonable attorneys' fees and expenses incurred in connection therewith, which costs, fees and expenses may be levied as a Special Individual Assessment against the offending Owner's Lot.

Section 9. Reservation of Rights by Declarant. The Declarant expressly reserves the right to assign any of the duties, powers, functions, and approval authority set forth in this Declaration to any assignee at Declarant's sole discretion.

Section 10. Exculpation. Neither Declarant, any Approved Builder nor any member of the Architecture Review Committee, shall be responsible or liable in any way for any defects in any plans or specifications approved by the Architecture Review Committee, nor for any structural defects in any work done according to such plans and specifications approved by the Architecture Review Committee. FURTHER, NEITHER DECLARANT, ANY APPROVED BUILDER NOR ANY MEMBER OF THE ARCHITECTURE REVIEW COMMITTEE SHALL BE LIABLE FOR DAMAGES TO ANYONE BY REASON OF MISTAKE IN JUDGMENT, NEGLIGENCE, MISFEASANCE, MALFEASANCE OR NONFEASANCE ARISING OUT OF OR IN CONNECTION WITH THE APPROVAL OR DISAPPROVAL OR FAILURE TO APPROVE OR DISAPPROVE ANY SUCH PLANS OR SPECIFICATIONS OR THE EXERCISE OF ANY OTHER POWER OR RIGHT OF THE ARCHITECTURE REVIEW COMMITTEE PROVIDED FOR IN THIS DECLARATION. EVERY OWNER WHO SUBMITS PLANS AND SPECIFICATIONS TO THE ARCHITECTURE REVIEW COMMITTEE FOR APPROVAL AGREES, BY THE SUBMISSION OF SUCH PLANS AND SPECIFICATIONS, AND EVERY OWNER OF ANY LOT AGREES, THAT HE WILL NOT BRING ANY ACTION OR SUIT AGAINST THE DECLARANT, ANY APPROVED BUILDER, THE ASSOCIATION, THE BOARD, ANY MEMBERS OR OFFICERS OF THE ASSOCIATION OR OF THE BOARD, OR ANY MEMBER OF THE ARCHITECTURE REVIEW COMMITTEE, TO RECOVER ANY SUCH DAMAGES AND HEREBY RELEASES, REMISES, QUITCLAIMS, AND COVENANTS NOT TO SUE FOR ALL CLAIMS, DEMANDS, AND CAUSES OF ACTION ARISING OUT OF OR IN CONNECTION WITH ANY LAW WHICH PROVIDES THAT A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS, DEMANDS, AND CAUSES OF ACTION NOT KNOWN AT THE TIME THE RELEASE IS GIVEN.

Section 11. Exterior Maintenance. The Association shall be responsible for maintaining the exterior of each Townhouse. Such maintenance includes, but is not limited to, painting, repairing, replacement and care of roofs, gutters, downspouts, windows, doors, and exterior improvements on any Townhouse, obtaining and maintaining termite and wood-infestation treatment and bond, annual inspections of the vapor barrier and mitigation systems and repairs recommended by the inspector, removal of signs in violation of this Declaration, lawn

maintenance on the Lots, and the improvement, maintenance, and replacement of irrigation systems on the Lots.

Section 12. Maintenance of Lot. Each Owner shall maintain all portions of such Owner's Lot except for the maintenance obligations of the Association as expressly set forth above. It shall be the responsibility of each Owner of a Lot to prevent the accumulation of litter, trash, packing crates, or any other accumulations which shall create an unkempt condition of the buildings or grounds on a Lot and/or which shall otherwise tend to substantially decrease the beauty of the Subdivision as a whole or the specific area. No loose trash will be permitted to be strewn about the Subdivision at any time. Garbage containers must be kept out of sight from the street, except during garbage collection hours. All personal use items shall be stored inside when not in use. These items include, but are not limited to, yard tools, sprinklers, wheel barrows and children's toys which would create a nuisance for the community. Owners shall follow the Requirements for maintenance set forth in any applicable Landscaping Guidelines provided to the Owners by the Declarant and/or the Association. All Improvements on the Lot shall be kept within reasonable neighborhood standards as determined by the Architecture Review Committee. In the event the requirements of this section are not adhered to, the Association shall send written notice to the Owner via certified mail giving an additional period for compliance of ten (10) days, unless a hardship or special circumstance requires additional time. If the violation continues, the Association may at its sole discretion hire contractors or other personnel to correct said violation and bill the Owner for all costs incurred. In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association the right and easement to unobstructed vehicular and pedestrian access over and upon each Lot at all reasonable times to perform maintenance as provided for in this Article. The amounts owed shall be assessed to the Owner as a Special Individual Assessment and shall become a lien on the Lot until the Special Individual Assessment has been paid in full.

Section 13. Exemption. Notwithstanding the foregoing, as to any Approved Builder, Declarant or its predecessors or affiliates may provide, in a contract with the Approved Builder or otherwise, blanket exemption from the provisions of this Article or blanket approval of construction activities, site plans, general housing styles or finishes which may then be constructed or performed on any Lot without the need for additional written approvals of, or the submission of, specifications, exterior color and finish, landscape plan, site development or any other matter otherwise required for submission or payment of any fees to the Architectural Review Committee or the Association. Once granted, such blanket approval shall be irrevocable and binding on the Architectural Review Committee and Association as to any Lots owned by Approved Builder or subject to any contract to purchase or option to purchase of an Approved Builder. Once blanket approval is granted, an Approved Builder shall not be obligated to provide any further submittals nor obtain any other approvals from, or pay any fees to, the Association, Declarant, Board or Architectural Review Committee.

ARTICLE IX - USES PERMITTED AND PROHIBITED

Section 1. Residential Use of Property. All Lots in the Subdivision shall be used for single-family, residential purposes only and no business or business activity shall be carried on or

upon any Lot at any time, except with the written approval of the Board; provided however, that nothing herein shall prevent Declarant or any Approved Builder from using any Lot owned by Declarant or such Approved Builder for the purpose of carrying on business related to the development, improvement and sale of Lots in the Subdivision.

Section 2. **Use of Outbuildings and Similar Structures.** No tent, shack, garage, barn, storage building, or other out-buildings shall be erected upon any Lot without approval from the Architecture Review Committee and, if approved, it shall not be used as a residence either temporarily or permanently. No structure of a temporary nature (including, but not limited to tents) or an unfinished Townhouse shall be used as a residence and no house trailer, modular home, manufactured home, mobile home, or watercraft longer than twelve feet (12') shall be placed on any Lot either temporarily or permanently.

Section 3. **Trailers, Boats, Boat Trailers.** Any boat or boat trailers, camping trailer, recreational vehicle, utility trailer and/or similar equipment used for the personal enjoyment of a resident of a Lot shall at all times be neatly stored and positioned so as to be inconspicuous or shall be within a covered and screened area and such placement is subject to Architecture Review Committee approval. The Architecture Review Committee may ask that such equipment be removed at any time it is deemed to be a nuisance by the Board or the Architecture Review Committee. A Special Individual Assessment will be imposed for all costs or expenses incurred by the Association and/or the Architecture Review Committee in connection with any violation of this Section.

The term "inconspicuous" as used in the preceding paragraph shall be deemed to mean: (a) "invisible" or "not visible" from the street or any neighbor's Lot, or (b) completely obstructed by a privacy fence such that it appears invisible from any angle exterior to the subject Lot.

Section 4. **Offensive Activities**. No obnoxious or offensive activity shall be permitted anywhere on a Lot or Common Areas nor shall anything be done which may become an annoyance, nuisance, or menace to the Subdivision. No Lot or any part thereof shall be used for any business, commercial, or public purpose except as set forth in Article IX, Section 1 above. The Board of Directors shall have the power to make and to enforce reasonable rules and regulations in furtherance of this provision. Further, no Owner shall permit anything to be done or kept in or on his Lot or Townhouse or on the Common Areas which will increase the rate of insurance on the adjoining Lot or Townhouse or the Common Areas. Notwithstanding the foregoing, construction, development and marketing activities of Declarant, Approved Builders or their subcontractors shall not be considered an annoyance, nuisance or menace to the Subdivision.

Section 5. **Livestock.**

(i) No Owner may keep any pets other than a reasonable number of generally recognized household pets, as determined by the Association, on any portion of the Property. No Owner or occupant may keep, breed, or maintain any pet for any commercial purpose. Animals must be kept on a leash and be under the physical control of a responsible person at all times while outdoors. Any waste left upon a Lot or the Common Areas by an animal must be immediately removed by the owner of the animal or the person responsible for the animal. No pet is to be left on a balcony, porch, or patio unless supervised by an occupant.

(ii) No animal determined to be dangerous, in the Association's sole and absolute discretion, may be brought onto or kept on the Property at any time. The Association may remove or cause to be removed without notice any animal that presents an immediate danger to the health, safety, or property of any resident.

(iii) Each Owner who keeps an animal on the Property agrees to indemnify and hold the Association and its directors, officers, and agents harmless from any loss, claim or liability of any kind whatsoever arising by reason of such animal.

Section 6. **Aesthetics, Natural Growth, Screening**. Tall shrubbery or hedges shall be trimmed to reasonable limits where traffic hazards may be created. If said tall shrubbery or hedge is located on an Owner's Lot, said Owner shall be responsible for trimming the tall shrubbery or hedges. Likewise, if said tall shrubbery or hedge is located in/on the Common Areas, it shall be the Association's responsibility to trim any such tall shrubbery or hedge. All Owners shall be required to maintain their Lots and any Improvements thereon at all times in a neat, attractive and presentable manner so as not to detract from the overall appearance of the Subdivision or the surrounding property, however, the Association shall be responsible for lawn maintenance and the installation, repair, and maintenance of irrigation systems on the Lots and Common Areas.

Clotheslines and portable basketball goals shall not be allowed. No bird baths, vegetable gardens, frog ponds, lawn sculpture, artificial plants, birdhouses, rock gardens or similar types of accessories and lawn furnishings, sand boxes or other children's play equipment shall be permitted in the front or side yards of any Lot and the installation or location of a swing set and/or permanent basketball goal on a Lot must receive prior written approval of the Architecture Review Committee.

Section 7. **Vehicles**. Each Owner subject to these restrictions shall provide space for the off-street parking of automobiles prior to the occupancy of any building or structure constructed on a Lot in accordance with reasonable standards established by the Architecture Review Committee. Vehicles shall not be parked in any front or side yard except in areas designated as a driveway or parking area. Vehicles in disrepair shall not be stored within the Subdivision. No passenger vehicles without current registration and license tags will be allowed in the Subdivision or on any Owner's Lot. Vehicles being repaired out of doors must have work completed within twenty-four (24) hours. Visiting guests only may use paved streets for temporary parking of their vehicles. No commercial vehicles, with the exception of police cruisers, may be parked overnight in the Subdivision, unless parked inside the garage.

Street parking shall be for temporary parking only and is prohibited as a long-term parking solution. The Board or its designee shall have the specific right to impose Special Individual Assessments for extended on-street parking. Special consideration may be granted by the Board for extenuating circumstances.

Section 8. **Garbage and Refuse Disposal**. No portion of a Lot shall be used or maintained as a dumping ground for rubbish, trash or garbage. Trash, garbage or other waste shall only be temporarily stored awaiting pickup and must be kept in adequate sanitary containers. All equipment for the storage or disposal of trash, garbage or other waste shall be kept in a clean and sanitary condition. Any container used to store garbage, refuse and debris until collected by a public or private waste disposal service shall be stored on each Lot so that it shall be out of sight from all streets. All containers shall be removed from the street within twenty-four (24) hours of garbage pick-up.

Section 9. **Outdoor Fires**. No outside burning of wood, leaves, trash, garbage or other refuse shall be permitted on any Lot, except that an outdoor fireplace or permanent outdoor fire pit may be approved by written approval from the Architecture Review Committee as further described herein.

Section 10. **Fireworks**. The use of fireworks on any Lot or Common Area within the Subdivision is strictly prohibited.

Section 11. **Fences and Walls**. All fences, walls and other screens or types of barriers must be approved prior to installation or alteration. Both material and locations of any fences, walls and other screens or types of barriers must be expressly approved in writing by the Architecture Review Committee. All fences shall be approximately 6 feet in height and composed of white vinyl panels.

Section 12. **Above Ground Pools**. No above-ground pool shall be constructed or placed on any Lot, except that inflatable pools for small children are acceptable.

Section 13. **Signage**. No signs shall be permitted on any Lots except that a single sign offering the Lot for sale may be placed on such Lot, provided such sign is approved by the Architecture Review Committee. Further, so long as Class B Membership exists, Declarant reserves the right to place additional signs as needed within the Subdivision. The Board through the Architecture Review Committee reserves the right to allow additional signs as deemed appropriate after Class B Membership ceases. Notwithstanding the foregoing, Declarant and any Approved Builder may display signs related to development, construction, marketing and sales in the Subdivision.

Section 14. **Mailboxes**. All residences shall have a special mailbox which will be available from a source to be specified by the Declarant. Common box units as required by the USPS shall be located throughout the neighborhood. Initial placement of these units shall be determined by Declarant and/or Approved Builder with maintenance being the responsibility of the Association. Declarant reserves for the benefit of itself, the Association, the Owners, and the USPS and its successors and assigns easements for access to, and the installation, use, maintenance, repair, and replacement of, mailboxes.

Section 15. **General Rules and Regulations.** The Board shall have the power to formulate, publish, and enforce reasonable general rules and regulations concerning the use and enjoyment of each Lot and the Common Areas.

ARTICLE X – EASEMENTS

Section 1. **Easements Along Lot Lines**. In addition to other easements as are shown on the Plat, a five foot easement is reserved over and across each side and rear Lot line, and a ten foot easement is reserved over and across the front Lot line of each Lot, for drainage, utility, cable television, gas, water, power, sewer, and telephone installation and maintenance; provided that should two Lots be consolidated to support one residence, then and in that event, the easements herein above provided shall apply only with respect to the exterior lines of such consolidated Lot.

Section 2. **Reservation of Right to Grant Utility Easements**. Declarant specifically reserves the right to grant specific easements to any utility services at any time following the date hereof until any specific Lot shall be conveyed by Declarant. The right is reserved to authorize the laying and placement of sewer, gas, and water pipelines, telephone, cable television, telegraph, and electrical light poles and drainage lines, drop inlets, and culverts on any of the streets and easements shown on the Plat. An easement for the installation and maintenance of utilities and drainage facilities is hereby reserved over all streets and easements.

Section 3. **Access Easement.** Easements for access to the Subdivision are reserved as indicated on the Plat and in recorded easements. The Declarant hereby grants, gives and conveys to each Owner and Approved Builder(s) a perpetual, nonexclusive easement over the areas designated as a "Court," "Drive," "Road," "Street," "Way," "Lane," "Avenue," or "Trail," on the Plat for vehicular and pedestrian ingress and egress to and from the Subdivision. The easements granted under this Section are reserved and shall run with the land in perpetuity and be binding upon and inure to the benefit of all persons and entities now owning or subsequently acquiring all or a part of the Subdivision, subject to Declarant's right to amend the Plat in the future. Declarant specifically reserves the right to dedicate or convey any street, road or driveway to any governmental entity at any time following the date hereof without the consent or approval of any Owner or the Association.

ARTICLE XI- SETBACK, LOCATION, AND SIZE OF IMPROVEMENTS

Section 1. **Setbacks**. No building shall be erected on any Lot nearer to the front Lot line or nearer to the side street line than the building setback line shown on the Plat. Any such building shall face toward the front line of the Lot except that buildings to be constructed on corner Lots shall face in the direction designated by the Architecture Review Committee. No building shall be located nearer to any interior side Lot line than the distance determined by applicable building codes.

Section 2. **Detached Buildings**. Detached buildings, approved as provided in this Declaration shall be of an acceptable exterior material, which coordinates with the Townhouse on

the Lot, and of a size no greater than 12' x 12' and shall be placed no nearer to any Lot line than the distance determined by applicable building codes. **THE LOCATION OF ALL DETACHED BUILDINGS IS SUBJECT TO THE ARCHITECTURE REVIEW COMMITTEE REQUIREMENTS SET FORTH IN ARTICLE VIII.**

Section 3. **Barriers and Obstructions**. No wall, fence, or hedge shall be erected between the street and the front corner of the main body of a Townhouse on any Lot. Subject to approval by the Architecture Review Committee, fences, of an approved style, with a maximum height of six (6') feet are required on the line facing the street and can be placed no closer to the street than the middle of the Townhouse on any Lot.

Section 4. **No Subdivision of Any Lot**. No Lot shall be recut so as to face in any direction other than is shown on the Plat nor shall it be recut so as to make any building site smaller than is provided for on the Plat.

Section 5. **Above Ground Pools**. No above-ground pool shall be constructed or placed on any Lot, except that inflatable pools for small children are acceptable.

Section 7. **Garages**. No residence shall be constructed without having at least a one-car garage which will be maintained permanently as a functional garage, with the exception that sales models constructed by Approved Builder(s) are not required to have functional garages while they are being used as sales models.

Section 8. **Driveways and Entrances to Garages.** All driveways and entrances to garages shall be concrete or other substance approved in writing by the Board or the Architecture Review Committee and of a uniform quality.

ARTICLE XII – GENERAL AND MISCELLANEOUS PROVISIONS

Section 1. **Enforcement.** The Declarant, the Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Governing Documents. The Association may not commence any litigation, arbitration, legal action or any other legal proceeding against any non-Owner, any Approved Builder or Declarant, unless two-thirds (2/3) of the Members vote to approve such proceeding. The Declarant or the Association shall have the right to impose Special Individual Assessments for infractions of such restrictions. In imposing such sanctions, Declarant or the Association may consider potential costs and savings, including avoidance of litigation. In the event that the Declarant, any Approved Builder, any Owner, or the Association resorts to litigation to remedy a violation of this Declaration, the prevailing party shall be entitled to recover court costs, reasonable attorneys' fees and expenses incurred in connection therewith, which costs, fees and expenses may be levied by the Association in its sole discretion as a Special Individual Assessment against the offending Owner's Lot. Failure by the Declarant, the Association, an Approved Builder, or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

The Declarant, the Association, the Approved Builder(s), and any Owner shall have the right to request that law enforcement, public safety and animal control officers come on the Subdivision to facilitate the enforcement of the laws, codes and ordinances of any governmental authority. No provision of this Declaration shall relieve Declarant of its contractual obligations.

Section 2. **Severability.** Invalidation of any one of these covenants or restrictions by a judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. **Amplification.** The provisions of this Declaration are amplified by the Articles of Incorporation and Bylaws, but no such amplification shall alter or amend any of the rights or obligations of the Owners set forth in this Declaration. Declarant intends that the provisions of this Declaration on the one hand, and the Articles of Incorporation and Bylaws on the other, be interpreted, construed and applied to avoid inconsistencies or conflicting results. If such conflict necessarily results, however, the provisions of this Declaration shall prevail over any inconsistent provision contained in the Articles of Incorporation or Bylaws to the contrary, to the extent permitted by law.

Section 4. **Term.** The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless expressly terminated by an instrument signed by Owners owning not less than two thirds (2/3) of the Lots.

Section 5. **Amendment**. Declarant specifically reserves the right to amend this Declaration, or any portion hereof, on its own motion without the consent of any other Owners or Members so long as Declarant owns at least one (1) Lot in the Subdivision. After the Declarant Control Period, this Declaration may be amended by a recordable instrument signed by Members representing not less than sixty-seven (67%) percent of the outstanding votes. Any amendment must be recorded with the Office of the Register of Deeds of Spartanburg County, South Carolina. During Declarant Control Period, no amendment shall be effective without the written consent of Declarant or Approved Builder; provided however, that an amendment proposed by Declarant own its own motion shall not require the written consent of any Approved Builder.

Section 6. **Annexation**. Additional Property may be annexed into the Subdivision and made subject to this Declaration by the Declarant by unilateral act of Declarant and without the consent of the other Owners within ten (10) years of the date of this instrument; provided, however, that should Declarant elect to improve and develop all or part of the Additional Property, Declarant shall not have the right to impose covenants and restrictions which materially differ from those contained herein without the written approval of the Association.

Section 7. **Notice of Conveyance**. The Owner of each Lot, except for Declarant and each Approved Builder, shall cause written notice to be delivered to the Association upon the conveyance of any Lot by the Owner, advising the Association of the conveyance.

ARTICLE XIII – ADDITIONAL PROVISIONS WITH RESPECT TO DECLARANT AND APPROVED BUILDERS

Section 1. **No Obligation with respect to Additional Development.** Nothing in this Declaration shall be construed to require the Declarant or any transferee to develop any of the property adjacent to or contiguous with the Property.

Section 1. **Special Rights of Declarant and Approved Builders.** In addition to the rights and reservations of Declarant and Approved Builders described elsewhere in this Declaration, and notwithstanding any other provisions of the Governing Documents to the contrary, the following provisions shall apply for so long as Declarant or any Approved Builder owns any portion of the Property:

(a) It shall be expressly permissible for the Declarant and Approved Builders to maintain and carry on upon portions of the Common Areas and public streets such facilities and activities as, in the sole option of the Declarant, may be reasonably required, convenient, or incidental to the construction or sale of such units, including, but not limited to business offices, signs, model units, sales offices, and rental units. The Declarant and Approved Builders authorized by Declarant shall have easements for access to and use of such facilities as well as vehicular access for construction along any streets or roads in the Subdivision. The right to maintain and carry on such facilities and activities shall include specifically, without limitation, the right to units owned by the Declarant and any Common Areas or other facilities which may be owned by the Association, as models, sales offices, or rental units.

(b) Declarant reserves for itself and shall have the right to replat or revise the recorded plats relating to any portion of the Property without the consent of any Owner other than the Owner(s) of the Lots have boundaries being altered.

(c) Declarant may, without the consent of any Owner, the Board, the Association or the Architecture Review Committee, include in any contract or deed hereafter executed covering all or any portion of the Subdivision, any additional covenants or restrictions applicable to such lands, so long as they are consistent with and do not lower the standards set forth in this Declaration and do not violate any covenants or restrictions then in effect and recorded against the Subdivision. Further, the Declarant may make any amendments to the Declaration which are necessary to comply with the guidelines established by, or the requirements of, any governmental authority, title insurer or institutional lender without the consent of any Owner, the Association, the Board of Directors, or the Architecture Review Committee.

(d) No person or entity shall record any declaration of covenants, conditions and restrictions, or similar instrument affecting all or any portion of the Property without Declarant's review and written consent. Any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or similar instrument being void and of no force and effect unless subsequently consented to by Declarant in an instrument recorded in the public records.

[Signature page to follow]

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hands and seals this 6th day of July, 2026.

PAKT DIVINE, LLC

WITNESSES:

Alan C Baird

Libby Hoffman

BY: _____

Print Name: KEN PATEL

Title: Member

STATE OF SOUTH CAROLINA)
)
COUNTY OF Greenville)

ACKNOWLEDGMENT

I, Libby Hoffman, Notary Public for the State of South Carolina, do hereby certify that Ken Patel, in his/her capacity as Manager of PAKT DIVINE, LLC, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 6th day of July, 2026

Libby Hoffman

Notary Public for South Carolina
Printed Name of Notary: Libby Hoffman
My Commission Expires: 3-6-36

LIBBY HOFFMAN
My Commission Expires
NOTARY
PUBLIC
MARCH 06, 2036
SOUTH CAROLINA

"EXHIBIT B"

BY-LAWS OF

TOWNES AT ABNER CREEK ASSOCIATION

ARTICLE I

NAME AND LOCATION

The name of the non-profit corporation is Townes at Abner Creek Association, hereinafter referred to as the "Association." The initial principal office of the corporation shall be located at 22 Garlington Rd. Greenville, SC 29615 but meetings of members and directors may be held at such place within the State of South Carolina, County of Spartanburg, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Declaration" shall mean and refer to the Covenants, Conditions and Restrictions for The Townes at Abner Creek, as amended from time to time, applicable to the Community and recorded in the Office of the Register of Deeds for Spartanburg County, South Carolina. All capitalized terms not otherwise defined herein shall have the meaning set forth in the Declaration.

ARTICLE III

MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held at a date and time determined by the Declarant, and each subsequent regular annual meeting of the Members shall be held on approximately the same day of the same month of each year thereafter, as determined by the Board of Directors from time to time. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. All meetings of Members shall be conducted according to the most current edition of Robert's Rules of Order.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the President or by the Board of Directors, or upon written request of the Members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A Membership.

Section 3. , Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days before such meeting to each member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of Membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary of the Association not later than the beginning of the meeting. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his or her Lot/Unit.

Section 6. Voting. Members shall be comprised of Class A and Class B members, in accordance with the Declaration, and such Class A members and Class B members (the Members) shall have such voting rights as are described in and consistent with the Declaration, which is incorporated herein by reference thereto. The Declaration provides generally that Class A and Class B vote together, and the number of votes per lot owned.

Section 7. Declarant Control Period. Notwithstanding the foregoing or anything to the contrary, Declarant shall have the sole and unilateral right to call member meetings during the Declarant Control Period.

ARTICLE IV

TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who need not be Members of the Association. Provided, however, that the initial Board of Directors shall consist of PAKT DIVINE, LLC and its appointees who shall manage the affairs of the Association until the first annual meeting.

Section 2. Term of Office. At the first annual meeting and at each annual meeting thereafter, the Members shall elect three (3) directors, each to serve for a period of one (1) year. Notwithstanding the one year term, each director shall serve until his or her successor is elected.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by: (a) Declarant during the Declarant Control Period; or (b) a majority vote of the Members of the Association after the Declarant Control Period. In the event of death, resignation or removal of a director, his or her successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of his or her predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his or her actual expenses incurred in the performance of his or her duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written

approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors may be made by a Nominating Committee if one is convened and chooses to make such nominations. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee may be appointed by the Board of Directors prior to an annual meeting of the Members. The Nominating Committee may make as many nominations for election to the Board of Directors as it shall in its discretion determine, but normally not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 2. Appointment/ Election. During the Declarant Control Period, any vacancy on the Board of Directors shall be filled by appointment by Declarant. After the Declarant Control Period, any vacancy on the Board of Directors shall be filled by election by the Members. Election to the Board of Directors shall be by secret written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 3. Declarant Control Period. Notwithstanding the foregoing or anything to the contrary, Declarant shall have the sole and unilateral right to nominate, elect and appoint the Board of Directors during the Declarant Control Period.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meeting. Regular meetings of the Board of Directors shall be held at such intervals as may be determined by the Board of Directors. Regularly-scheduled meetings shall take place without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

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

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights and right to use of the recreational facilities of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association, Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the Membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from four (4) consecutive regular meetings of the Board of Directors; and

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A Members who are entitled to vote;

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

(c) as more fully provided in the Declaration, to:

(1) fix the amount of the annual assessment and any other assessment permitted by the Declaration against each Lot/Unit;

(2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same;

(d) issue, or to cause an appropriate officer to issue upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Area and the exterior of the residences to be maintained.

Section 3. Indemnity. 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 an 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.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Election of officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 2. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 3. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time, giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of 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.

Section 5. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 3 of this Article.

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

President

(a) The President shall preside at all meetings of the Board of Directors and Association Membership; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co- sign all checks and promissory notes.

Vice-President

(b) The Vice-President shall act in the place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Members; keep appropriate current records showing the Members of the Association, together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

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

ARTICLE IX

COMMITTEES

The Association shall appoint an Architectural Review Committee (or the Board shall serve as such committee), at such time, and in such manner, as is provided with greater specificity in the Declaration, which states that the Declarant initially has the right to appoint all members of the Architectural Review Committee but that upon the expiration or surrender in writing of such right, the Board of Directors of the Association shall appoint the Architectural Review Committee. The Association may also appoint a Nominating Committee as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments and any other assessment described therein, which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen (18%) percent per annum or on the principal amount due, or the maximum rate permitted by law, whichever is lesser, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for therein by non-use of the Common Area or abandonment of his Lot/Unit.

ARTICLE XII

AMENDMENTS

Section 1. During the Declarant Control Period, these By-Laws may be amended by the Declarant, After the Declarant Control Period, these By-Laws may be amended, at a regular or special meeting of the Members, by a vote of two-thirds of a Total Association Vote (this term is defined in the Declaration) of the Members, voting in person or by proxy. In any event, the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B Membership.

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

ARTICLE XIII

MISCELLANEOUS

Section 1. The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 2. Rules regarding the rights and obligations of Members, as well as rules regarding the Association, are stated in the Declaration, which Declaration is hereby incorporated by reference and by such act the Declaration, as it may be amended from time to time, is expressly made a part of these By-laws,

These By-Laws are hereby certified to be the By-Laws of the Corporation.

PAKT DIVINE, LLC

_____(sign)
By: _____(print)
Its: Authorized Member