DEE-2016-57223

DEE BK 114-G PG 36-101
Recorded 66 Pages on 12/20/2016 02:54:05 PM
Recording Fee: $72.00
Office of REGISTER OF DEEDS, SPARTANBURG, S.C.
Dorothy Earle, Register Of Deeds

DECLARATION

OF

PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

HIGHLAND SPRINGS SUBDIVISION

PLAT BOOK 171, PAGE 281

BINDING ARBITRATION

This is the First page of the Covenants, Conditions and Restrictions for Highland Springs Subdivision. Pursuant to South Carolina Code Section 15-48-10 *et seq.*, as amended, these Covenants, Conditions and Restrictions are subject to the following:

THESE COVENANTS, CONDITIONS AND RESTRICTIONS ARE SUBJECT TO ARBITRATION UNDER ARTICLE XVII HEREIN. THESE COVENANTS, CONDITIONS AND RESTRICTIONS ARE BINDING ON ALL OWNERS OF LOTS WITHIN HIGHLAND SPRINGS SUBDIVISION AND SUBSEQUENTLY INCORPORATED PHASES, INCLUDING ANY PERSON OBTAINING FINANCIAL RIGHTS IN SAID LOTS.

This Declaration imposes assessments constituting a lien on each Lot in the Subdivision. Please contact the Association to determine the status of a particular Lot with regard to payment of assessments.

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

NOTICE: THE PROVISIONS OF THIS DOCUMENT ARE SUBJECT TO ARBITRATION PURSUANT TO S.C. CODE ANN. TITLE 15, CHAPTER 48

TABLE OF CONTENTS

DEDICATION OF PROPERTY 2

ARTICLE I - DEFINITIONS 2

ARTICLE II - PRE-EXISTING COVENANTS IN COMMUNITY 4

2.1 WETLANDS 4

ARTICLE III -PROPERTY SUBJECT TO THIS DECLARATION 5

3.1. PROPERTY SUBJECTED TO THIS DECLARATION 5
3.2 OTHER PROPERTY 5
3.3 REMOVAL OF PROPERTY SUBJECTED TO THIS DECLARATION 5

ARTICLE IV - ASSOCIATION MEMBERSHIP AND VOTING RIGHTS 5

4.1 NONPROFITCORPORATION 5
4.2 MEMBERSHIP 6
4.3 VOTING 6
(a) Class A *6*
(b) Class B *6*
4.4 ASSOCIATION AS SUCCESSOR TO DECLARANT 7

ARTICLE V - ASSESSMENTS 7

5.1 PURPOSE OF ASSESSMENT 7
5.2 CREATION OF THE LIEN AND PERSONAL OBLIGATION FOR ASSESSMENTS 8
5.3 LATE CHARGES 8
5.4 PERSONAL LIABILITY 8
5.5 CERTIFICATE OF PAYMENT 8
5.6 ANNUAL ASSESSMENTS 8
5.7 COMPUTATION OF ANNUAL ASSESSMENTS 9
5.8 SPECIAL ASSESSMENTS 9
5.9 LIEN FOR ASSESSMENT 9
5.10 PRIORITY 9
5.11 EFFECT OF NONPAYMENT OF ASSESSMENT 9
5.12 NO SET OFF OR DEDUCTION 10
5.13 APPLICATION OF PAYMENTS 10
5.14 DATE OF COMMENCEMENT OF ASSESSMENTS 10
5.15 SPECIAL ASSESSMENTS 10
5.16 BUDGET DEFICITS DURING DECLARANT CONTROL 11

ARTICLE VI - MAINTENANCE AND CONVEYANCE OF COMMON AREA TO ASSOCIATION 12

6.1 ASSOCIATION'S RESPONSIBILITY 12
6.2 OWNER'S RESPONSIBILITY 13

ARTICLE VII - ARCHITECTURAL REVIEW 13

7.1 PURPOSE 13

7.2 Architectural Review Committee 15
7.3 Review and Approval of Plans 16
7.4 Violations 18
7.5 Declarant's Reservation of Rights 18

ARTICLE VIII- USE RESTRICTIONS AND RULES 18

8.1 General 18
8.2 Residential Use 18
8.3 Subdivision of Lots 19
8.4 Building Size Requirements 19
8.5 Setbacks and Building Lines 20
8.6 Walls and Fences 20
8.7 Terraces, Detached Garages and Eaves 20
8.8 Fences 20
8.9 Storage Sheds and Garages 21
8.10 Compliance with Zoning and Subdivision Regulations 21
8.11 Obstructions to View at Intersection 21
8.12 Completion of Construction 21
8.13 Aesthetics, Nature Growth 22
8.14 Delivery Receptacles, Property Identification Markers and all other Streetscapes 22
8.15 Signs 22
8.16 Vehicles and Parking 22
8.17 Leasing 23
8.18 Occupants Bound 23
8.19 Clothes Lines and Garbage Containers 23
8.20 Garbage and Refuse Disposal 23
8.21 Animals and Pets 24
8.22 Nuisance 24
8.23 Unsightly or Unkempt Conditions 25
8.24 Antennas 25
8.25 Drainage 25
8.26 Guns 25
8.27 Utility Lines 25
8.28 Air-Conditioning Units 25
8.29 Lighting 25
8.30 Artificial Vegetation, Exterior Sculpture, and Similar Items 26
8.31 Energy Conservation Equipment 26
8.32 Swimming Pools and Hot Tubs 26
8.33 Gardens and Play Equipment 26
8.34 Exteriors 26
8.35 Exterior Security Devices 26
8.36 Entry Features 26
8.37 Streams and Wetlands 26

ARTICLE IX - INSURANCE AND CASUALTY LOSSES 27

9.1 Insurance on Common Area 27
9.2 Liability Insurance 27
9.3 Insurance Coverage Through Declarant 27
9.4 Premiums 27
9.5 Miscellaneous 28
9.6 Individual Insurance 29
9.7 Damage and Destruction – Insured by Association 29
(a) *In General* 29
(b) *Repair and Reconstruction* 30
9.8 Damage and Destruction-- Insured by Owners 30
9.9 Insurance Deductible 30

ARTICLE X - CONDEMNATION 31

ARTICLE XI -ANNEXATION OF ADDITIONAL PROPERTY 31

11.1 Unilateral Annexation By Declarant 31
11.2 OtherAnnexation 32
11.3 Withdrawal of Property 32

ARTICLE XII - MORTGAGEE PROVISIONS 32

12.1 Notices of Action 32
12.2 No Priority 33
12.3 NoticetoAssociation 33
12.4 VA/HUD Approval 33
12.5 Applicability of Article 33
12.6 Amendments by Board 33

ARTICLE XIII- CONSERVATION EASEMENT; COMMON AREAS 33

13.1 Open Space 33
13.2 CommonAreas 34
13.3 Insurance 34
13.4 Nuisances 34
13.5 Lawful Use 34
13.6 Reservation of Easements 34
13.7 Additional Easements 34
13.8 Restoration and Repair 35

ARTICLE XIV - OTHER EASEMENTS 35

14.1 Easements for Encroachment and Overhang 35
14.2 Easements for Use and Enjoyment 35
14.3 Easements for Utilities 37
14.4 Easement for Drainage 37
14.5 Easement for Entry 37
14.6 Easement for Maintenance 38
14.7 Easement for Entry Features 38
14.8 Construction and Sale Period Easement 38
14.9 IrrigationEasements 39

14.10 FENCE EASEMENT 39
ARTICLE XV - GENERAL PROVISIONS 39
15.1 ENFORCEMENT 39
15.2 SELF-HELP 40
15.3 DURATION 40
15.4 AMENDMENT 40
15.5 PARTITION 41
15.6 GENDER AND GRAMMAR 41
15.7 SEVERABILITY 41
15.8 CAPTIONS 41
15.9 PERPETUITIES 41
15.10 INDEMNIFICATION 41
15.11 BOOKS AND RECORDS 42
(a) Inspection by Members and Mortgagees *42*
(b) Rules for Inspection *42*
(c) Inspection by Directors *42*
15.12 FINANCIAL REVIEW 42
15.13 NOTICE OF SALE, LEASE, ORACQUISITION 42
15.14 AGREEMENTS 43
15.15 IMPLIED RIGHTS 43
ARTICLE XVI - VARIANCES 43
ARTICLE XVII - ARBITRATION 43
ARTICLE XVIII - CAPITALIZATION OF ASSOCIATION 44
EXHIBIT 46
EXHIBIT "B - BYLAWS OF THE ASSOCIATION 47

DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

HIGHLAND SPRINGS SUBDIVISION

THIS DECLARATION is made on this the 12th day of October 2016

by **Enchanted Construction**, a South Carolina limited liability company, (herein sometimes as "Declarant").

WITNESSETH

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

WHEREAS, Enchanted Construction desires to subject its property described on **Exhibits "A"** and possibly other property, to the covenants, conditions, easements and provisions of this Declaration in order to create a residential community; and

WHEREAS, Declarant intends to develop the real property in phases, but Declarant reserves the right to remove any portion of the undeveloped property described on **Exhibit "A"** from the provisions of this Declaration by filing a written instrument in the office of the Register of Deeds for **Spartanburg** County, SC, removing such property; and

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

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

DEDICATION OF PROPERTY:

NOW THEREFORE, **Enchanted Construction, LLC** hereby declares that the real property described on **Exhibit "A" of** this Declaration (the property being described on **Exhibit "A"** being hereinafter sometimes referred to as the "Property"), including any improvements which may be (but are not required to be) constructed on the property, is subjected to the provisions of this Declaration. Such real property shall be held, sold, transferred, conveyed, used, occupied, and mortgaged or otherwise encumbered subject to the covenants, conditions, restrictions, easements, assessments, and liens contained in this Declaration. The provisions of this Declaration shall run with the title to the property subjected to this Declaration. This Declaration shall be binding on all persons having any right, title, or interest in all or any portion of the property now or hereafter made subject hereto, their respective heirs, legal representatives, successors, successors-in-title, and assigns and shall inure to the benefit of each and every owner of all or any portion thereof.

ARTICLE I
DEFINITIONS

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

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

"Association" shall mean Highland Springs Homeowners' Association, Inc., a South Carolina nonprofit corporation, its successors and assigns.

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

"Building" shall mean and refer to a structure containing one or more residences constructed or erected on the Property.

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

"Common Area" shall mean, if any, the real property, interests in real property, and personal property, easements, and other interests, together with improvements located on that property (if any) which are now or are hereafter owned by the Association for the common use and enjoyment of all of the Owners.

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

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

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

"Declaration" shall mean this Declaration of Protective Covenants, Conditions and Restrictions for Highland Springs Subdivision and include any amendment or Supplementary Declaration hereto.

"Exclusive Common Area or Exclusive Common Property" shall mean real property, interests in real property, and personal property, easements, and other interests, together with improvements located on that property, which the Association owns and which is designated for the common use and enjoyment of less than all of the Owners.

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

"Member" shall mean and refer to every person who is a member of the Association.

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

"Mortgagee" shall mean the holder of a Mortgage.

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

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

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

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

"Property" shall mean and refer to that certain real property described in **Exhibit A** and such additions thereto as may hereafter be brought within the jurisdiction of the Association by annexation.

"Residence" shall mean and refer to a dwelling or place of residence, constructed upon a Lot within the property and constituting all or part of a Building.

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

"Total Association Vote" means all of the votes attributable to members of the Association. If the Total Association Vote is taken during a time while Declarant has the right to appoint members of the Board of Directors, a Total Association Vote approving some item or proposition must contain the affirmative vote of Declarant or the item or proposition will be deemed not to have been approved.

ARTICLE III
PROPERTY SUBJECT TO THIS DECLARATION

3.1. Property Subjected to this Declaration. The real property which is subject to the covenants and restrictions contained in this Declaration is the real property described in **Exhibit "A".**

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

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

ARTICLE IV
ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

4.1 Nonprofit Corporation. Wynbrook Upstate Homeowners' Association, Inc. is a nonprofit corporation organized under the laws of the State of South Carolina. The Association shall initially be managed by a Board of three Directors who need not be Members of the Association. Until the first annual meeting is held, the initial Board of Directors shall be Aaron Aho, Conrad Kaiser, and Ryan Kaiser. The Association may increase the size of the Board up to seven Members by a majority vote of

the Members. The initial mailing address of the Board shall be 1479 Mount Lebanon Rd Campobello, SC 29322. Said Board shall be responsible for preparing the initial By-Laws of the Association and distributing the same to the Members thereof.

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

4.3 Voting. The Association shall have two (2) classes of voting membership.

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

(b) Class B: The Class B member(s) shall be the Declarant and any successor of Declarant who takes title to all or a portion of the Property for the purpose of development and sale and who is designated as a successor declarant in a recorded instrument in accordance with this Declaration. Declarant shall be entitled to three (3) votes for each Lot owned and three (3) votes for each one-half (0.50) of an acre of undeveloped land owned and subjected to this Declaration. The Class B membership shall cease and be converted tc Class A membership on the happening of either of the following events, whichever occurs earlier:

(1) December 01,2016; or

(2) when the total votes outstanding in the Class A membershipexceed the total votes outstanding in the Class B membership; or

(3)at such time as Declarant may desire to voluntarily relinquish its Class B membership. In the event Declarant should desire to voluntarily

relinquish its Class B membership, Declarant shall call a meeting of the Owners to inform the Members of the termination of the Class B membership and to transfer control of the Association to the Owners, which transfer shall be evidenced by a written notice recorded in the Office of the **Spartanburg** County Register of Deeds.

Notwithstanding the provisions above, the Class B membership shall not terminate if, within one hundred twenty (120) days after the condition set forth in Section 3.3(b)(2) is fulfilled, all or a portion of any additional property is incorporated into the Community and as a result, the number of votes of the Class B member(s), determined on the basis of three (3) votes per Lot owned and three (3) votes for each one-half (1/2) of an acre of undeveloped land owned and subjected to this Declaration, is greater than the number of votes held by Class A members. From and after the termination of the Class B membership, Declarant and any designated successor Declarant shall be entitled to one (1) vote for each Lot owned.

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

ARTICLE V
ASSESSMENTS

5.1 Purpose of Assessment. The assessments provided for in this Declaration shall be used for the general purposes of promoting the recreation, health, safety, welfare, common benefit, and enjoyment of the Owners and Occupants of Lots, as may be authorized from time to time by the Board or as set forth herein. The assessments levied by the Association shall also be used for the administration, operation, improvement, maintenance, use and enjoyment of the Common Area, including the entrance landscaping, whether or not located on Common area, and including, but not limited to, the cost of repairs, replacements, additions, insurance, labor, equipment, materials, management and supervision, other personnel or contract services deemed appropriate, establishing a maintenance and replacement reserve, repaying loans incurred by the Association, including interest, the payment of taxes assessed against such Common Area, and the employment of attorneys, accountants and other professionals to represent the Association when necessary, and to provide such other services which the Association determines to be necessary or desirable. Additionally, in the event that any Owner fails to properly maintain the exterior of such Owner's residence, including the yard and any fence or fences on such Owner's Lot, the Board of Directors of the Association may, by majority vote, levy a special assessment against the Owner of such Lot, which assessment shall be

in an amount equivalent to that required to properly maintain the exterior of such residence, fence, fences or yard or may expend portions of the assessments for maintenance of the exterior of such Owner's residence, yard or fence, in which event, the Owner shall be assessed for such expense of maintenance as provided for herein.

5.2 Creation of the Lien and Personal Obligation for Assessments. For each Lot owned within the Community, each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, covenants and agrees, and is deemed to covenant and agree, to timely pay the Association: (1) annual assessments or charges, including any entrance landscaping, whether or not located on Common Area, and privacy costs, which assessments or charges may be assessed and/or collected on such basis as the Association deems appropriate, and (2) special assessments for capital improvements and other purposes, such assessments to be established and collected as hereinafter provided; and (3) default assessments which may be assessed against an Owner's Lot for failure to perform an obligation under this Declaration, or because the Association has incurred an expense on behalf of an Owner under this Declaration or the Association documents. The Declarant, Enchanted Construction, LLC, will not be responsible for the payment of assessments on Lots it owns until such time as the Association converts exclusively to Class A membership; however, the Declarant shall fund, such amount necessary to pay approved expenses in excess of the amount collected by the Association until the date Class B membership ceases.

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

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

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

5.6 Annual Assessments. Annual assessments shall be levied equally on all Lots and shall be paid in such manner and on such dates as may be fixed by the Board.

Unless otherwise provided by the Board, the annual assessment shall be paid in annual installments. The Declarant will not be responsible for the payment of assessments on Lots it owns until such time as Enchanted Construction, LLC converts to Class A membership; however, the Declarant, Enchanted Construction, LLC, shall fund, such amount necessary to pay approved expenses in excess of the amount collected by the Association until the date Class B membership ceases.

5.7 Computation of Annual Assessments. The Board shall prepare a budget covering the estimated costs of operating the Association during the coming year, which may include a capital contribution or reserve. The Board shall cause the budget and the assessments to be mailed or delivered to each member at least thirty (30) days prior to the end of the current fiscal year.

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

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

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

5.11 Effect of Nonpayment of Assessment. Any assessments (or installments) which are not paid when due shall be delinquent. Any assessment (or installment) which is delinquent for a period of more than ten (10) days shall incur a late charge of $25.00. If the assessment is not paid within thirty (30) days, a lien shall attach to the Owner's Lot. The lien shall cover all assessments then due or which come due until the lien is cancelled of record, and any other amounts provided in this Declaration or

permitted by law. In the event that the assessment remains unpaid after thirty (30) days, the Association may, in its sole discretion, take any or all of the following action:

(a) Assess an interest charge from the date of delinquency at the rate of eighteen percent (18%) per annum , or such other rate as shall have been established by the Board of Directors;

(b) Assess a late charge at the rate established by the Board per delinquency or such other charge as shall have been established by the Board of Directors;

(c) Suspend the voting rights of the Owner during any period of delinquency.

(d) Accelerate all remaining assessments for the fiscal year in question so that unpaid assessments for the remainder of the fiscal year shall be due and payable at once;

(e) Bring an action at law or in equity against the Owner personally obligated to pay the delinquent assessment by instituting suit to collect such amounts and foreclose its lien against the Lot, and interest, costs of collection and reasonable attorneys fees of such action of foreclosure shall be added to the amount of such assessment. The Association shall have the right to foreclose its lien through any method allowed by law. The Association shall have the power to bid on the Lot at any foreclosure sale or to acquire, hold, lease, mortgage, and convey the same.

No Owner may waive or otherwise escape liability of the assessments provided for herein by non-use of the Common Area or abandonment of such Owner's Lot.

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

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

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

5.15 Special Assessments. The Board shall have the power to determine

special assessments pursuant to this Section as it shall deem appropriate, in its sole discretion. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association or the Board of Directors and shall not constitute a waiver of the Board's right to exercise its authority under this Section in the future. The Board may also determine special assessments on Owners for the following Association expenses (except for expenses incurred for maintenance and repair of items which are the maintenance responsibility of the Association):

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

(b) **For Exterior Maintenance, Yard and Fence.** In addition to the annual assessments authorized above, in the event that any Owner fails to properly maintain the exterior of such Owner's residence, including the yard and any fence or fences on such Owner's Lot, the Board of Directors of the Association may, by majority vote, levy a special assessment against the Owner of such Lot, which assessment shall be in an amount equivalent to that required to properly maintain the exterior of such residence, fence, fences or yard or may expend portions of the assessments for maintenance of the exterior of such Owner's residence, yard or fence, in which event, the Owner shall be assessed for such expense of maintenance as provided for herein.

5.16 Budget Deficits During Declarant Control. For so long as the Declarant has the authority to appoint the directors and officers of the Association, Declarant may (but shall not be required to):

(a) advance funds to the Association sufficient to satisfy the deficit, if any, between the actual operating expenses of the Association and the sum of the annual, special, and specific assessments collected by the Association in any fiscal year. Any such advances shall be contributed in by Declarant.

(b) cause the Association to borrow such amount, or a general borrowing from a third party at the then prevailing rates for such a loan in the local area of the Community. Declarant, in its sole discretion, may guarantee repayment of such loan, if required by the lending institution, but no Mortgage secured by the Common Area or any of the improvements maintained by the Association shall be given in connection with such loan; or

(c) acquire property for, or provide services to, the Association or the Common Area. Declarant shall designate the value of the property or the services provided and such amounts, at the request of the Declarant, be evidenced by a promissory note. Failure to obtain a promissory note shall not invalidate the obligation referred to in this Section.

ARTICLE VI
MAINTENANCE AND CONVEYANCE OF COMMON AREA TO ASSOCIATION

6.1 Association's Responsibility.

(a) The Association shall maintain in good repair the Common Area and any Exclusive Common Areas, including (without limitation) maintenance, repair, and replacement of all landscaping and improvements situated on the Common Area and Exclusive Common Areas.

(b) The Association shall also maintain all Community entry features, Common Areas, Exclusive Common Areas, and operate and maintain street lights (if not maintained and operated by a governmental entity) for the Community including the expenses for water and electricity, if any, provided to all such entry features, Common Areas, Exclusive Common Areas, and street lights; all storm water detention facilities and easements serving the Community (to the extent such facilities and easements are not maintained by a governmental entity); and all property outside of Lots located within the Community which was originally maintained by Declarant.

(c) The Association shall have the right, but not the obligation, to maintain other property not owned by the Association, whether within or without the Community, where the Board has determined that such maintenance would benefit the Owners.

(d) In the event that the Association determines that the need for maintenance, repair, or replacement of property described above is caused through the willful or negligent act of an Owner, or the family, guests, lessees, or invitees of any Owner,

and is not covered or paid for by insurance, in whole or in part, then the Association may perform such maintenance, repair, or replacement at such Owner's solecost and expense, and all costs thereof shall be a special assessment against such Owner subject to the Association's lien and collection rights provided for in this Declaration.

(e) All maintenance shall be performed consistent with the Community-Wide Standard.

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

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

ARTICLE VII
ARCHITECTURAL REVIEW

7.1 Purpose. In order to maintain a high quality residential development, to assure that all houses and other structures are of appropriate size, harmonious in design, properly located in relationship to neighboring structures and adapted to the terrain of each Lot, Declarant has retained full architectural control as herein provided. Accordingly, no building, fence, wall or other structure of any kind, or alterations or additions or change of exterior appearance thereto shall be commenced, erected or maintained upon the Property or any Lot until the plans and specifications showing the nature, kind, shape, height,

materials, color and location of the same shall have been submitted to and approved in writing by Declarant or by the Architectural Control Committee, as defined in Section **7.2** of this Article.

7.2 Architectural Review Committee.

(a)So long as Declarant owns any portion of the property subjected to this Declaration, the "Architectural Review Committee" shall mean the Declarant, unless Declarant shall elect to transfer such control to the Association or to an Architectural Review Committee whose members shall be Lot Owners.

(b) Written design guidelines and procedures shall be promulgated for the exercise of this review, which guidelines may be provided to Owners for a reasonable fee.

(c) So long as the Declarant owns any property for development or sale in the Community, the Declarant shall have the right to appoint all members of the Architectural Review Committee. Upon the expiration or earlier surrender in writing of such right, the Board shall appoint the members of the Architectural Review Committee.

(d) At such time as all of the Lots in the Community have been fully developed, permanent improvements constructed thereon, and such Lots have been sold to permanent residents, or at such time as Declarant desires to transfer control to an Architectural Review Committee, the Declarant shall notify the President of the Board of Directors of the Association to that effect. Declarant will then execute a written instrument transferring control to the Board of Directors of the Association and record it in the office of the Register of Deeds for **Spartanburg** County, South Carolina. Thereupon, the Declarant's rights and obligations as the Architectural Review Committee shall forthwith terminate; and, thereafter, the Board of Directors of the Association shall have the right, power, authority, and obligation to establish a successor Architectural Review Committee and prescribe rules and regulations pursuant to which such Committee shall serve and act. Any such successor Architectural Review Committee shall be composed of at least three (3)but not more than seven (7) Owners. The term of each committee member shall be determined by the Board of Directors of the Association.

7.3 Review and Approval of Plans.

(a) No building, fence, wall or other structure of any kind, or alteration or addition or change of exterior appearance thereto, may be commenced, erected or maintained on any Lot, until two (2) sets of plans and specifications showing the nature, kind, shape, height, materials, color and location of the same shall have been submitted to the Architectural Review Committee for written approval (i) as to conformity and harmony of external design and general quality with the standards of the Community and (ii) as to the location of structures in relation to surrounding structures and topography and finished ground elevation. The Architectural Review Committee reserves the right in its sole discretion to approve or disapprove all plans and specifications submitted. In the event the Architectural Review Committee fails to approve or disapprove such design and location within forty-five (45) days after said plans and specifications have been submitted in writing, Owner shall, by certified mail to the Architectural Review Committee, addressed to the office of the Architectural Review Committee, state the date the plans were submitted originally, the date of the plans, the person preparing the plans and a request for approval. If Owner has not received a reply from the Architectural Review Committee within thirty (30) days of the date such notice was received, the approval by the Architectural Review Committee will not be required.
(b)As a condition of approval under this Section, each Owner, on behalf

(b) As a condition of approval under this Section, each Owner, on behalf of such Owner and such Owner's successors-in-interest, shall assume all responsibilities for maintenance, repair, replacement, and insurance to and on any change, modification, addition, or alteration. The Architectural Review Committee shall be the sole arbiter of such plans and may withhold approval for any reason, including purely aesthetic considerations, and it shall be entitled to stop any construction that is in violation of these restrictions. Any Board member or its representatives shall have the right, during reasonable hours and after reasonable notice, to enter upon any property to inspect for the purpose of ascertaining whether or not these Persons shall not be deemed guilty of trespass by reason of such entry. In addition to any other remedies available to the Association, in the event of noncompliance with this Section, the Board may, as provided in this Declaration, record in the appropriate land records a notice of violation naming the violating Owner.

(c) Such plans and specifications shall be in such form and shall contain such information as may be reasonably required by the Architectural Review Committee including, but not being limited to:

(1) a site plan showing the location of all proposed and existing structures on the Lot including building setbacks, open space, driveways, walkways and parking spaces, including the number thereof;

(2) a foundation plan;

(3) a floor plan;

(4) exterior elevations with cross-sections of all proposed structures and alterations to existing structures, as such structures which will appear after all backfilling and landscaping are completed;

(5) specifications of materials, color scheme, lighting schemes and other details affecting the exterior appearance of all proposed structures and alterations to existing structures; and

(6) plans for landscaping and grading.

(d) Upon approval by the Architectural Review Committee of any plans and specifications submitted pursuant to this Declaration, a copy of such plans and specifications, as approved, shall be deposited for permanent record with the Architectural Review Committee and a copy of such plans and specifications bearing such approval, in writing, shall be returned to the applicant submitting the same. Approval for use in connection with any Lot or structure of any plans and specifications shall not be deemed a waiver of the Architectural Review Committee's right, in its discretion, to disapprove similar plans and specifications or any of the features or elements included therein if such plans, specifications, features or elements are subsequently submitted for use in connection with any other Lot or structure. Approval of any such plans and specifications relating to any Lot or structure, however, shall be final as to that Lot and structure and such approval may not be rescinded thereafter, provided that there has been strict adherence to, and compliance with, such plans and specifications, as approved, and any conditions attached to any such approval.

(e) Neither Declarant, nor any member of the Architectural Review Committee shall be responsible or liable in any way for any defects in any plans or specifications approved by the Architectural Review Committee, nor any structural defects in any work done according to such plans and specifications or for the location of the house rough-staked on any Lot. Further, neither Declarant, nor any member of the Architectural Review Committee, shall be liable in damages to anyone submitting plans or specifications for approval under this Article, or to any Owner affected by this Declaration by reason of mistake in judgment, negligence, 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 location of any such house. Every person who submits plans or specifications to the Architectural Review Committee for approval agrees, by submission of such plans and specifications, and every Owner of any Lot agrees, that he will not bring any action or suit against Declarant, or any member of the Architectural Review Committee, to recover for damages, and such right, if any, to institute any action or suit, is waived.

(f) During construction, any employee or agent of the Architectural Review Committee may, after reasonable notice, at any reasonable time, enter upon any Lot and structure thereon for the purpose of ascertaining compliance with the provisions of

the Declaration; and neither the Architectural Review Committee, nor any such agent shall be deemed to have committed a trespass or other wrongful act by reason of such entry or inspection.

7.4 Violations. If any structure shall be erected, placed, maintained or altered upon any Lot, other than in accordance with the plans and specifications approved by the Architectural Review Committee, such erection, placement, maintenance or alteration shall be deemed to have been undertaken in violation of this Article. If, in the opinion of the Declarant, or the Board of Directors of the Association upon recommendation of the Architectural Review Committee, such violation shall have occurred, the Board of Directors shall provide written notice to the Owner by certified mail, setting forth the nature of the violation and the specific action required to remedy the violation. If the Owner shall not have taken reasonable steps toward the required remedial action within thirty (30) days after the receipt of the aforesaid notice of violation, then the Board of Directors of the Association or Declarant shall have the right to file a lien against such Owner's Lot, proceed at law or in equity for the recovery of damages, or for injunctive relief or both.

7.5 Declarant's Reservation of Rights. Notwithstanding anything herein to the contrary, for so long as Declarant owns at least one (1) Lot in the Community and follows the general plan of development of the Community as previously approved by municipal or county regulatory authorities, Declarant may approve any plans and specifications rejected by the Architectural Review Committee or the Board of Directors for the construction of initial improvements on any Lot provided the initial improvements are approved by municipal or county regulatory authorities. Such approval by Declarant shall operate and have the same effect as approval by the Architectural Review Committee or the Board of Directors.

ARTICLE VIII
USE RESTRICTIONS AND RULES

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

8.2 Residential Use.

(a) All Lots shall be used for residential purposes exclusively. No business or business activity shall be carried on in or upon any Lot at any time, except with the written approval of the Board. The provisions of this Section shall not apply to the Common Area. Leasing of a Lot to an Occupant for use as a residence shall not

be considered a business or business activity. Private offices may be maintained in dwellings located on any of the Lots so long as such use is incidental to the primary residential use of the dwelling.

(b) The Board, by prior written approval, may permit, but shall not be obligated to allow, a Lot to be used for business purposes so long as such business, in the sole discretion of the Board, does not otherwise violate the provisions of the Declaration or By-Laws, does not create a disturbance, and does not unduly increase traffic flow or parking congestion and complies with all local government requirements for permits, zoning and other regulations. The Board may issue rules regarding permitted business activities.

(c) The Declarant or its designee shall have the right to operate a sales office and a construction office from one or more Lots within the Community specifically including, but not limited to, maintaining business offices, storage areas, construction yards and equipment, signs and sales offices.

8.3 Subdivision of Lots.

(a) No lot or contiguous group of Lots may be subdivided or replatted in any manner which would bring about a greater number of Lots, except by Declarant. Declarant hereby expressly reserves the right to subdivide, reduce, enlarge or change the boundary lines of any Lot, including the right to replat any Lot or Lots owned by Declarant. Any such division, boundary line change, or replatting shall not be in violation of the applicable subdivision and zoning regulations. Declarant's right to replat any Lot shall include the right to increase or decrease the size of any Lot, combine Lots or portions thereof, change the configuration of streets and otherwise make changes on the final plat for the Community as to how the streets and common areas in the Community are laid out.

(b) No Lot shall be subdivided, reduced in size or its boundary lines changed, except by Declarant, without the prior written approval of the Architectural Review Committee. The Architectural Review Committee may, but shall not be obligated to, allow adjacent Lot Owners or purchasers to acquire an additional Lot or Lots, or a portion thereof, for the purpose of adding said Lot or Lots, or such portion, to the Lots already owned or being purchased by them when approved, in advance, in writing, by the Architectural Review Committee. In such case, where less than a full Lot is involved, the portion of such additional Lot shall be merged with and become an integral part of the Lot which is already owned or is being purchased by the buyer of such Lot, and, in such event, shall be subject to these restrictions as one Lot and the building line requirements provided herein shall apply to such Lots as resubdivided or combined.

8.4 Building Size Requirements. No residence shall be permitted on any Lot with less than twelve hundred (1,200) square feet of heated and air conditioned living areas of the main structure, exclusive of open porches, garages, carports, screened porches, and all unfinished basement or other interior spaces, calculated from exterior dimensions. No building shall be erected, altered, placed, or permitted to remain on any Lot other than one-single family residence notto exceed three and one-half (3-1/2) stories in height. The term "story" or "stories" shall include any garage, basement or similar area.

8.5 Setbacks and Building Lines.

(a) In no event shall any dwelling be erected and located upon any such Lot closer to the front property line, closer to the rear property line and closer to the side property lines than those setback measurements shown on recorded plats of the Community filed by the Declarant, or as may be determined by the Declarant or the Architectural Review Committee, after Declarant has transferred control of the Association to the Lot Owners. The area included within these setback lines is the buildable area. All enclosed areas of the residence must be contained within the buildable area; provided, however, eaves, overhangs or gutters and foundations may extend beyond the buildable area if approved by the Architectural Review Committee.

(b) No building shall be erected or maintained so as to encroach upon any maintenance, utility or drainage easement.

(c) The Architectural Review Committee, in its sole discretion, may vary any or all of the front, rear, and/or side setback lines by not more than twenty-five (25%) percent of the distance required herein and may vary the square footage by not more than ten (10%) percent of the square footage required herein; provided, however, that so long as Declarant owns any property in the Community, Declarant shall have the right to vary such setback lines and square footage requirements by any amount, in its sole discretion. After Declarant turns over control of the Architectural Review Committee to the Association, any variance by the Architectural Review Committee in excess of the twenty-five (25%) percent for the setback lines and ten (10%) percent for the square footage requirements must be approved by the Owners holding not less than a majority of the voting membership.

8.6 Walls and Fences. No fence or wall shall be erected, placed or altered on any Lot nearer to any street than the said minimum front building setback line unless the same be retaining walls which do not in any event rise above the finished grade elevation of the earth embankment so retained, reinforced, or stabilized, except that this restriction shall not apply to fences or walls which have been approved by the Architectural Review Committee pursuant to this Declaration. The exposed part of the retaining walls shall be made of such material as is approved in writing in advance by the Architectural Review Committee.

8.7 Terraces, Detached Garages and Eaves. For the purpose of determining compliance or non-compliance with the foregoing building line requirements, terraces, stoops, eaves, wing-walls, and steps shall be considered as a part of the structure. All detached structures shall be placed to the rear of the main dwelling unless approved otherwise in writing by the Architectural Review Committee.

8.8 Fences. No fence or fencing type barrier of any kind shall be placed, erected, allowed, or maintained upon any Lot without the prior written consent of the Architectural Review Committee. Under no circumstances shall any fence be placed, erected, allowed, or maintained upon any Lot closer to the street than the rear one-third (1/3) of the residence located on the Lot. (Privacy fencing constructed no more than

six (6) feet in height shall be preferred by the Architectural Review Committee.) Notwithstanding the foregoing, the Declarant shall have the right to erect fencing of any type, at any location, on any Lot during the period that such Lot is being used by Declarant as a model home. The Board of Directors shall have the right to erect fencing of any type considered appropriate or desirable by the Board at any location on the Common Area.

8.9 Storage Sheds and Garages. Construction, installation, or placement of a storage shed, tree house, play house, detached garage, or a building separate from the main house on the Lot is not permitted without the prior written consent of the Architectural Review Committee, in its sole discretion. All plans (which must include the length, width, height, materials, colors, and location) must be submitted to the Architectural Review Committee for written approval prior to obtaining building permits or starting construction. The structure must be constructed, installed, or placed in a location inconspicuous as much as possible from public view. No two-story structures of this nature are permitted on any Lot within the Community. All materials used in the construction of such buildings must match the main dwelling located on the Lot.

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

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

8.12 Completion of Construction. All improvements commenced on any Lot in the Community shall be prosecuted diligently to completion and shall be completed within one (1) year from its commencement, unless such improvements are being constructed by Declarant, or unless an exception is granted in writing by the Architectural Review Committee. If an improvement is commenced and construction is then abandoned for more than ninety (90) days, or if construction is not completed within the required one-year period, then after notice to the Owner of the Lot, the Association shall have the right to impose a fine of Five Hundred and no/hundredths ($500.00) Dollars per day, or such other amount as the Association shall deem appropriate, on the Owner of the Lot until construction is resumed, or the improvement is completed, unless the Owner can prove to the satisfaction of the Architectural Review Committee that such abandonment is due to circumstances beyond the Owner's control. Such charges shall be considered a default assessment and lien as provided in hereinabove. Landscaping shall be completed within ninety (90) days after the completion of an improvement on the Lot or a fine of Ten and no/hundredths ($10.00) Dollars per day, or such other amount as the Association may deem appropriate, shall be levied against the Lot Owner. The Association may also take

appropriate court action, whether at law or in equity, to compel the immediate completion of any residence not completed within one (1) year from the date of commencement of construction.

8.13 Aesthetics,Nature Growth. *(The provisions of this paragraph shall not apply to the Declarant, Enchanted Construction, LLC.)* Trees which have a diameter in excess of four (4) inches measured two (2) feet above the ground and distinctive flora shall not be intentionally destroyed or removed except with the prior written approval of the Architectural Review Committee. Prior to clearing any Lot for the construction of a house and/or other structure, the Owner and/or builder must first rough-stake the house and intended location of driveway(s) on the Lot and obtain the prior written approval of the Architectural Review Committee as to the location of the house and/or structures that they are in compliance with the plans and specifications submitted to the Architectural Review Committee as described herein. Once written approval is received from the Architectural Review Committee as to the location of the rough-staking, all vegetation within ten (10) feet of the approved location of the construction may be removed with consideration for the remaining vegetation. In the event the Architectural Review Committee fails to approve or disapprove the location of the rough-staked structures within thirty (30) business days from the date it received notice in writing that said structure has been rough-staked, approval shall be deemed given by the Architectural Review Committee.

8.14 Delivery Receptacles, Property Identification Markers and all other Streetscapes. All mailboxes, property identification markers, entrance gates, fences, lights and all other streetscapes must conform to the design standards established by and on file with the Architectural Review Committee.

8.15 Signs. No sign of any kind shall be erected by an Owner or Occupant within the Community without the prior written consent of the Architectural Review Committee. Notwithstanding the foregoing, the Board and the Declarant shall have the right to erect reasonable and appropriate signs. "For Sale" and "For Lease" signs and security signs consistent with the Community-Wide Standard and any signs required by legal proceedings may be erected upon any Lot. The number and nature of any "For Sale" or "For Lease" **8.15**signs displayed on any lot is subject to limitation/approval by the Board, in the Board's Discretion.

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

(a)All Residences within the subdivision shall contain a garage. Carports shall not be permitted. Garage doors shall be kept closed at all times, except during times of ingress and egress from the garage.

(b) Vehicles shall not be parked in any front or side yard except in areas designated as a driveway or parking area or as approved by the Board. Furthermore, other than automobiles and pick-up trucks of¾ ton or less, all vehicles must be parked or stored

only in the garage at all times. Unlicensed, unregistered or inoperable vehicles shall not be stored upon any portion of a Lot unless the same are fully enclosed in a garage or in another area specifically designated by the Board. Visiting guests only may use paved streets for temporary parking of their vehicles. All Owners must park their automobiles in designated parking areas or the garages on their Lot.

(c) The parking of commercial vehicles within the subdivision will only be allowed with the approval of the Board.

(d) Upon request of Declarant or the Board, such vehicles identified in **8.16(b)** and **8.16(c)** above must be removed by the Owner. The Association shall have the right to remove any such vehicle if not removed by the Owner within ten (10) days of notice, and the costs of such removal shall be an assessment against such Owner.

(e) Trucks with mounted campers which are an Owner's or Occupant's primary means of transportation shall not be considered recreational vehicles, provided they are used on a regular basis for transportation and the camper is stored out of public view upon removal.

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

8.17 Leasing. Lots may be leased for residential purposes. All leases shall have a minimum term of at least six (6) months. All leases shall require, without limitation, that the tenant acknowledge receipt of a copy of the Declaration, By-Laws, use restrictions, and rules and regulations of the Association. The lease shall also obligate the tenant to comply with the foregoing and shall provide that in the event of noncompliance, specifically assess all costs associated therewith against the Owner and the Owner's property.

8.18 Occupants Bound. All provisions of the Declaration, By-Laws, and of any rules and regulations, use restrictions, or design guidelines promulgated pursuant thereto which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all Occupants even though Occupants are not specifically mentioned. Fines may be levied against Owners or Occupants. If a fine is first levied against an Occupant and is not paid in a reasonable period of time, the fine may then be levied against the Owner, but shall, if not paid, remain the responsibility of the Owner.

8.19 Clothes Lines and Garbage Containers. No clothes lines, exposed garbage containers (except for local governmental required containers) equipment and other unsightly objects are to be erected or used on any Lot except when they are screened to conceal such items from the streets and adjoining properties and general view. All residential utility service lines to residences shall be underground. All fuel tanks must be buried.

8.20 Garbage and Refuse Disposal.

(a) No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept on the Lots, except in sanitary containers. All equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. If such litter or other material is found on any Lot, the same shall be removed by the Owner of such Lot, at the Lot Owner's expense, upon written request of the Architectural Review Committee. No such items shall be burned in any fashion within the boundaries of said Lot.

(b) All garbage cans, woodpiles, hot tubs, spas, and related equipment, and other similar items shall be located or screened so as to be concealed from view of neighboring streets and property. All rubbish, trash, and garbage shall be regularly removed and shall not be allowed to accumulate. Declarant reserves the right to dump and bury rocks on property within the Community as needed for efficient construction and to allow developers and builders within the Community to bury rocks removed from a building site. Trash, garbage, debris, or other waste matter of any kind may not be burned within the Community, except that Declarant may maintain a "burn pit" during development and construction of the Community.

8.21 Livestock and Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot except that dogs, cats or other small household pets may be kept provided that they are not kept, bred, or maintained for any commercial purposes. Such household pets must not constitute a nuisance or cause unsanitary conditions. Pets shall be under leash at all times when walked or exercised in any portion of the Common Areas, and no pet shall be permitted to leave its excrement on any portion of the Common Areas, and the Owner of such pet shall immediately remove the same. Upon the written request of any Owner, the Board of Trustees may conclusively determine, in its sole and absolute discretion, whether, for purposes of this Section 8.21, a particular pet is a generally recognized house pet or such pet is a nuisance, and the Board shall have the right to require the owner of a particular pet to remove such pet from the Development if such pet is found to be a nuisance or to be in violation of these restrictions. The Board of Trustees shall have the further right to fine any Owner (in an amount not to exceed $50.00 per violation) for the violation of these pet restrictions by such Owner or an occupant of his Lot or Dwelling, and an Owner shall be liable to the Association for the cost of repair of any damage to the Common Areas caused by the pet of such Owner or of an occupant of such Owner's Lot or Dwelling. Any such fine or cost of repair shall be added to and become a part of that portion of any assessment next coming due which such Lot or Dwelling and its Owner are subject.

8.22 Nuisance. It shall be the responsibility of each Owner and Occupant to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her property. No property within the Community shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property. No noxious or offensive activity shall be carried on within the Community, nor shall anything be done tending to cause embarrassment,

discomfort, annoyance, or nuisance to any Person using any property within the Community. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Community. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes shall be located, installed, or maintained upon the exterior of any Lot unless required by law.

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

8.24 Antennas. No radio or television transmission or reception towers or antennae shall be erected on any Lot unless cable television is not available to any Lot, in which event customary antennae which do not exceed ten (10) feet in height above the roof ridge of any house will be permitted. In no event shall free standing transmission or reception towers or antennae, nor shall any satellite disks be permitted, except small satellite dishes no larger than eighteen (18") inches in diameter. Any such satellite dishes must be installed behind the main residential dwelling located on any such Lot, hidden from view from the street on which such Lot fronts or such other location as may be approved in writing by the Architectural Review Board. The Architectural Review Board shall also have the right to establish rules and guidelines for the color, size, location, quantity, installation and other issues regarding satellite dishes on any Lot.

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

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

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

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

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

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

8.31 Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless they are an integral and harmonious part of the architectural design of a structure, as determined in the sole discretion of the Architectural Review Committee.

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

8.33 Gardens and Play Equipment. No vegetable gardens, hammocks, statuary, swing sets or similar play equipment, or swimming pools shall be erected on any Lot without the prior written consent of the Architectural Review Committee; and, if approved by the Architectural Review Committee, any such items must be located between the rear of the dwelling located on the Lot and the rear lot line. Without limiting the foregoing, one basketball goal may be erected over the concrete slab used as a driveway or parking area for the dwelling located on a Lot, provided that the goal is supported by a black pole, permanently mounted, and the Architectural Review Committee has approved the location, height and type of goal and pole. Portable basketball goals are expressly prohibited.

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

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

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

ARTICLE IX
INSURANCE AND CASUAL TY LOSSES

9.1 Insurance on Common Area. The Board of Directors or the duly authorized agent of the Association shall have the authority to, and shall obtain, insurance for all insurable improvements located on the Common Area which the Association is obligated to maintain. This insurance shall provide, at a minimum fire and extended coverage, including vandalism and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. Alternatively, the Board may purchase "all-risk" coverage in like amounts.

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

9.3 Insurance Coverage Through Declarant. The Board is authorized to obtain the insurance coverage required hereunder through the Declarant and to reimburse Declarant for the cost thereof. The Board shall not be required to comply with the provisions of this Section if it has contracted for or otherwise arranged to obtain the required insurance coverage through the Declarant.

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

9.5 Miscellaneous. All such insurance coverage obtained by the Board of Directors shall be written in the name of the Association, as trustee for the respective benefited parties, as further identified below. Such insurance shall comply with these provisions:

(a) All policies shall be written with a company licensed to do business in South Carolina, with a rating of not less than "A" as determined by *Best's Key Rating Guide*, or if no longer available, by another comparable rating guide.

(b) Exclusive authority to settle losses under policies obtained by the Association shall be vested in the Association's Board of Directors; however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related thereto.

(c) In no event shall the insurance coverage obtained and maintained by the Association be brought into contribution with insurance purchased by individual Owners, Occupants, or their Mortgagees, and the insurance carried by the Association shall be primary.

(d) All casualty insurance policies shall have an inflation guard endorsement and an agreed amount endorsement if these are reasonably available and all insurance policies shall be reviewed annually.

(e) The Association's Board of Directors shall be required to make every reasonable effort to secure insurance policies that will provide for the following:

(1) A waiver of subrogation by the insurer as to any claims against the Association's Board of Directors, its manager, the Owners, and Occupants and their respective tenants, servants, agents, and guests;

(2) A waiver by the insurer of its rights to repair and reconstruct instead of paying cash;

(3) That no policy may be cancelled, invalidated, or suspended on account of any one or more individual Owners;

(4) That no policy may be cancelled, subjected to non-renewal, invalidated, or suspended on account of any defect or the conduct of any director, officer, or employee of the Association or its duly authorized manager without prior demand in writing delivered to the Association to cure the defect or to cease the conduct, and the allowance of a reasonable time thereafter within which a cure may be effected by the Association, its manager, any Owner, or Mortgagee;

(5) That any "other insurance" clause in any policy exclude individual Owners' policies from consideration; and

(6) That no policy may be canceled, subjected to non-renewal, or

substantially modified without at least thirty (30) days prior written notice to the Association.

(f) In addition to the other insurance required by this Section, the Board shall obtain worker's compensation insurance to the extent necessary to satisfy the requirements of applicable laws, and shall obtain a fidelity bond or bonds on directors, officers, employees, and other persons handling or responsible for the Association's funds, if reasonably available. If obtained, the amount of fidelity coverage shall be determined in the minimum amount of three (3) months' assessments plus reserves on hand. Bonds shall contain a waiver of all defenses provision based upon the exclusion of persons serving without compensation and may not be canceled, subjected to non-renewal, or substantially modified without at least thirty (30) days prior written notice to the Association. The Association shall also obtain construction code endorsements, steam boiler coverage, and flood insurance, if and to the extent necessary to satisfy the requirements of the, Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, and the U.S. Department of Veterans Affairs, or the U.S. Department of Housing and Urban Development.

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

9.7 Damage and Destruction -- Insured by Association.

(a) **In General.** Immediately after damage or destruction by fire or other casualty to all or any portion of any improvement covered by insurance written in the name of the Association, the Board, or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction of the damaged or destroyed property. Repair or reconstruction, as used in this Section, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty, allowing for any changes or improvements necessitated by changes in applicable building codes. The Board shall have the enforcement powers specified in this Declaration

necessary to enforce this provision.

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

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

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

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

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

ARTICLE X
CONDEMNATION

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

ARTICLE XI
ANNEXATION OF ADDITIONAL PROPERTY

11.1 Unilateral Annexation By Declarant.

(a) The Declarant shall have the unilateral right, privilege, and option, from time to time, until seven (7) years after the recording of this Declaration to subject to the provisions of this Declaration the following property ("Annexation"):

(1) Any property which is adjacent to the property described on **Exhibit "A"**.

(2) Any tract of land, of which any portion is located within a five (5) mile radius of the property described in **Exhibit "A"**.

(b) Annexation may be accomplished by filing for record in the county in which the property to be annexed is located a Supplementary Declaration describing the property being subjected.

(c) Any such annexation shall be effective upon the filing for record of such Supplementary Declaration unless otherwise provided therein.

(d) Declarant shall have the right, in connection with the annexation of other property, to modify the terms of this Declaration as it may apply to the annexed property.

(e) As long as covenants applicable to the real property previously subjected to this Declaration are not changed and as long as rights of existing Owners are not materially adversely affected, the Declarant may unilaterally amend this Declaration to reflect the different character of any such annexed real property.

(f) The rights reserved unto Declarant to subject additional land to the Declaration shall not impose any obligation upon Declarant to subject any of such additional land to this Declaration or to the jurisdiction of the Association. If such additional land is not subjected to this Declaration, Declarant's reserved rights shall not impose any

obligation on Declarant to impose any covenants and restrictions similar to those contained herein upon such additional land nor shall such rights in any manner limit or restrict the use to which such additional land may be put by Declarant or any subsequent Owner thereof, whether such uses are consistent with the covenants and restrictions imposed hereby or not.

11.2 Other Annexation. Subject to the consent of the owner(s) thereof and the consent of the Declarant (so long as the Declarant owns any property in the Community or has the right to unilaterally annex additional property to the Community), upon the affirmative vote or written consent, or any combination thereof, of the Owners of at least two-thirds (2/3) of the Lots, the Association may annex any other real property not specifically described herein and subject it to the provisions of this Declaration by describing the property to be annexed in a Supplementary Declaration, which shall be signed by the President of the Association, whose signature shall be attested by the Secretary of the Association, and any such annexation shall be effective only upon the filing for record of such Supplementary Declaration in the register of deeds office for the county in which such property is located, unless a later effective date is provided therein.

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

ARTICLE XII
MORTGAGEE PROVISIONS

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

12.1 Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage, who provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the Lot number, therefore becoming an "eligible holder"), will be entitled to timely written notice of:

(a) any condemnation loss or any casualty loss which affects a material portion of the Community or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such eligible holder;

(b) any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to the Mortgage of such eligible holder, where such delinquency has continued for a period of sixty (60) days; however, notwithstanding this provision, any holder of a first Mortgage, upon request, is entitled to written notice from the

Association of any default in the performance by the Owner of the encumbered Lot of any obligation under the Declaration or By-Laws of the Association which is not cured within sixty (60) days; and

(c) any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

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

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

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

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

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

ARTICLE XIII
CONSERVATION EASEMENT; COMMON AREAS

13.1 Open Space. The term, "Open Space", means land and/or water within the Property, owned by the Association, which is designed and intended for the common use or enjoyment of each Owner, which may contain such accessory structures and improvements as are necessary and appropriate for passive recreational purposes and utilities, but which may not be further subdivided and which is or shall be designated as

"Open Space" on the plat or plats of the property. A conservation easement is hereby imposed on all Open Space which is designated as "Open Space" on the plat or plats of the property. All Open Space shall be considered Common Area, but all Common Area may not be as restricted as Open Space.

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

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

13.4 Nuisances. No obnoxious or offensive activity shall be allowed upon the Common Areas, nor any use or practice which is the source of annoyance or nuisance to Owners or guests or which interferes with the peaceful possession and proper use of the Common Areas by Owners. The Board shall have the power to adopt reasonable rules and regulations governing the use of the Common Areas and the personal conduct of the members and their guests thereon, and to establish fines for the infraction thereof as herein provided. In addition, the Board may also suspend the right of a member to use the Common Areas, after notice and hearing for a period of sixty (60) days, as a result of such members infraction of such published rules and regulations.

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

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

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

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

ARTICLE XIV
OTHER EASEMENTS

14.1 Easements for Encroachment and Overhang. There shall be reciprocal appurtenant easements for encroachment and overhang as between each Lot and such portion or portions of the Common Area adjacent thereto, and between adjacent Lots due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration). Such reciprocal appurtenant easements for encroachment and overhang shall be allowed to a distance of not more than five (5) feet, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Area, or between adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point. In no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, Occupant, or the Association.

14.2 Easements for Use and Enjoyment.

(a) Every Owner of a Lot shall have a right and easement of ingress and egress, use and enjoyment in and to the Common Area which shall be appurtenant to, and shall pass with, the title to each Lot, subject to the following provisions:

(1) the right of the Association to charge reasonable dues, assessments and other fees for the use of any portion of the Common Area, including the entrance landscaping, whether or not located on Common Area, any recreational facilities situated upon such Common Area and for privacy protection;

(2) the right of the Association to limit the number of guests of Lot Owners and tenants who may use the Common Area, and to provide for the exclusive use and enjoyment of specific portions thereof at certain designated times by an Owner, his family, tenants, guests, and invitees;

(3) the right of the Association to suspend the voting rights of a Lot Owner and the right of an Owner to use the recreational facilities available for use by the Community, if any, for any period during which any assessment against such Owner's Lot which is hereby provided for remains unpaid; and, for a reasonable period of time, for an infraction of the Declaration, By-Laws, or rules and regulations;

(4) the right of the Association to borrow money for the purpose of improving the Common Area, or any portion thereof, or for construction, repairing, or

improving any facilities located or to be located thereon, and to give as security for the payment of any such loan a Mortgage conveying all or any portion of the Common Area provided that the lien and encumbrance of any such Mortgage given by the Association shall be subject and subordinate to any rights, interests, options, easements, and privileges herein reserved or established for the benefit of Declarant, or any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Lot Owner encumbering any Lot or other property located within the Community. Any such Mortgage on the Common Area shall be subject to approval by the Declarant and at least two-thirds (2/3) of the Total Association Vote (excluding votes held by the Declarant). Any provision in this Declaration or in any such Mortgage given by the Association to the contrary notwithstanding, the exercise of any rights therein by the holder thereof in the event of a default thereunder shall not cancel or terminate any rights, easements, or privileges herein reserved or established for the benefit of Declarant, or any Lot or Lot Owner, or the holder of any Mortgage, irrespective of when executed, given by Declarant or any Lot Owner encumbering any Lot or other property located within the Community;

(5) subject to the rights of the Declarant, the right of the Board to dedicate or grant licenses, permits, or easements for utilities or other facilities (including, but not limited to, drainage facilities) that are necessary or desirable, over, under, and through the Common Area to governmental entities for public purposes with an instrument signed by at least a majority of the members of the Board and recorded in the office of the Register of Deeds for **Spartanburg** County, South Carolina.

(6) subject to the rights of the Declarant, the right of the Association to dedicate or transfer all or any portion of the Common Area subject to such conditions as may be agreed to by the members of the Association. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer has been approved by the affirmative vote of the Declarant and at least two-thirds (2/3) of the Total Association Vote (excluding votes held by the Declarant), which has been recorded in the office of the Register of Deeds for **Spartanburg** County, South Carolina.

(7) the right of Declarant, so long as Declarant owns any portion of the property subjected to this Declaration, to create new Common Area, to place advertising signs and literature in any Common Area and to use portions of the Common area, including any improvements thereon as it deems necessary, in its sole discretion;

(8) the right of the Declarant to mortgage, pledge or hypothecate any Common Area, except streets, as security for debts incurred in connection with the improvements to be placed on the Common Area, provided, however, Declarant shall be responsible for such debt(s), and shall pay all principal, interest and other payments as they come due;

(9) subject to all easements and rights-of-way shown on any recorded plat of the property subjected to this Declaration or any portion thereof and to any other easements of record as of the date this Declaration is recorded; and

(10) the rights of owners of lots, if any, which lots have exclusive common area associated with such lots.

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

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

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

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

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

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

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

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

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

(c)the right to tie into or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain, and repair any device which provides utility or similar services;

(d) the right (but not the obligation) to construct recreational facilities; on the right to carry on sales and promotional activities in the Community;

(e) the right to place direction and marketing signs on any portion of the Community, including any Lot or Common Area.

(f)the right to construct and operate business offices, signs, construction trailers, model residences, and sales offices incidental to the construction, development, and sales activities; and

(g)Declarant and any such builder or developer may use residences, offices, or other buildings owned or leased by Declarant or such builder or developer as model residences and sales offices, and may also use recreational facilities available for use by the Community as a sales office or for marketing purposes without charge. Rights exercised pursuant to such reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, and reasonable steps shall be taken to protect such property from damage. Any damage shall be repaired by the Person causing the damage at its sole expense. This Section shall not be amended without the Declarant's express written consent until the Declarant's rights hereunder have terminated as provided in this Declaration.

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

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

ARTICLE XV
GENERAL PROVISIONS

15.1 Enforcement. Each Owner and Occupant shall comply strictly with the Bylaws, the rules and regulations, the use restrictions, as they may be lawfully amended or modified from time to time, and with the covenants, conditions, and restrictions set forth in this Declaration and any such restrictions which may be placed in the deed to such Owner's Lot, if any. The Board may impose fines or other sanctions, which shall be collected as provided herein for the collection of assessments. Failure to comply with this Declaration, the Bylaws, or the rules and regulations shall be grounds for an action to recover sums due for damages or injunctive relief, or both, maintainable by the Board of Directors, on behalf of the Association, or in a proper case, by an aggrieved Owner. Failure by the Association or any Owner to enforce any of the foregoing shall in no event be deemed a waiver of the right to do so thereafter. The Board shall have the right to record in the appropriate land records a notice of lien, a notice of violation of the Declaration, Bylaws, rules and regulations, use restrictions, or design guidelines and to assess the cost of recording and removing such notice against the Owner who is responsible (or whose Occupants are responsible) for violating the foregoing. In the event that any enforcement action as contemplated herein is brought by the Association, the violating Owner shall be responsible for the actual attorneys fees and costs incurred by the Association in such

action. Any such attorneys fees and costs assessed against an Owner shall constitute a lien on that Owner's Lot and shall be collected as provided herein for the collection of assessments.

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

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

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

In addition to the above, this Declaration may be amended:

(a) for so long as the Declarant owns any property in the Community or has the right to annex additional property, with the affirmative written consent of the Declarant and upon the affirmative vote or written consent, or any combination thereof, of the Owners of at least two-thirds (2/3) of the Lots; and

(b) if the Declarant no longer owns any Property in the Community and no longer has the right to annex additional property, upon the affirmative vote or written consent, or any combination thereof, of the Owners of at least two-thirds (2/3) of the Lots.

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

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

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

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

15.9 Perpetuities. If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall not continue.

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

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

15.11 Booksand Records.

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

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

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

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

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

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

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

ARTICLE XVI
VARIANCES

Notwithstanding anything to the contrary contained herein, the Declarant and the Board or its designee shall be authorized to grant individual variances from any of the provisions of this Declaration, the By-Laws and any rule, regulation, or use restriction promulgated pursuant thereto if it determines that waiver of application or enforcement of the provision in a particular case would not be inconsistent with the overall scheme of development for the Community.

ARTICLE XVII
ARBITRATION

ALL MEMBERS OF THE ASSOCIATION AGREE THAT ANY DISPUTE ARISING BETWEEN THE MEMBERS AND THE ASSOCIATION, OR ANY DISPUTE ARISING BETWEEN THE ASSOCIATION OR ANY OF ITS MEMBERS AND THE DECLARANT, SHALL BE RESOLVED THROUGH ARBITRATION PURSUANT TO THE RULES PROMULGATED BY THE AMERICAN ARBITRATION ASSOCIATION. THE PARTIES AGREE THAT JURISDICTION AND VENUE FOR ANY DISPUTE RESOLUTION HEREUNDER SHALL BE SPARTANBURG COUNTY, SOUTH CAROLINA.

ARTICLE XVIII
CAPITALIZATION OF ASSOCIATION

Upon acquisition of record title to a Lot by the first Owner other than Declarant or a builder, a contribution of $100.00 ("Initiation Fee") shall be made by or on behalf of the purchaser to the Association as set forth below. The Initiation Fee shall be in addition to, not in lieu of, any annual or special assessments. The Initiation Fee shall be payable at closing, shall not be prorated, and the Association shall have all rights under the Declaration for enforcement of assessments if it is not paid. The Initiation Fee referred to in this paragraph is payable only one time, and will not be charged subsequent purchasers of a Lot once paid.

[SIGNATURES BEGIN ON FOLLOWING PAGE}

IN WITNESS WHEREOF, the undersigned have executed the foregoing Declaration by its duly authorized officers or members, to be effective as of the date first above written.

Signed, Sealed and Delivered in the presence of:

ENCHANTED CONSTRUCTION, LLC a South Carolina corporation

BY: _____

PRINT NAME: David Allen

ITS: Member

STATE OF SOUTH CAROLINA)
)
COUNTY OF SPARTANBURG) **PROBATE**

Personally appeared before me, the undersigned witness, who being first duly sworn, deposes and says that (s)he saw the within named **ENCHANTED CONSTRUCTION, LLC.** by David Allen, Sign, Seal and as its act and deed, deliver the foregoing Declaration and that (s)he with the other witness, witnessed the execution thereof. and that the subscribing witness is not a party to or Beneficiary of the transaction

Sworn to before me this 7th day of December 2016

_____

_____

My Commission expires: 4/23/23

MICHAEL H WARREN
NOTARY PUBLIC
SOUTH CAROLINA
MY COMMISSION EXPIRES
APR 23 2023

EXHIBIT "A"

PROPERTY SUBJECT TO THIS DECLARATION

All that certain piece, parcel, or lot of land situate, lying, and being on the western side of Bishop Road in the County of Spartanburg, State of South Carolina, being shown and designated on a plat of Highland Springs, Phase I, Section I prepared by Marion R. Gramling, Jr., RLS, dated December 1, 2015 and recorded June 20, 2016 in Plat Book 171 at Page 281 in the Office of the Register of Deeds for Spartanburg County, South Carolina. Reference to said plat is hereby craved for a complete metes and bounds description.

BYLAWS

OF

HIGHLAND SPRINGS HOMEOWNERS' ASSOCIATION, INC.

as of **December** 012016

BINDING ARBITRATION

This is the First page of the Bylaws for Highland Springs Homeowners' Association, Inc. Pursuant to South Carolina Code § 15-48-10 *et. seq.*, 1976, as amended, these Bylaws are subject to the following:

THESE BYLAWS ARE SUBJECT TO ARBITRATION UNDER ARTICLE 13 HEREIN. THESE BYLAWS ARE BINDING ON ALL MEMBERS OF THE ASSOCIATION, INCLUDING ANY PERSON OBTAINING FINANCIAL RIGHTS IN THE HOMEOWNERS ASSOCIATION.

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

TABLE OF CONTENTS

ARTICLE 1 NAME AND LOCATION 1
Section 1.1. Name 1
Section 1.2. Location 1
Section 1.3. Registered Agent 1
Section 1.4. Purpose 1
ARTICLE 2 DEFINITIONS 1
ARTICLE 3 MEETINGS OF MEMBERS 1
Section 3.1. Membership 1
Section 3.2. Annual Meetings 2
Section 3.3. Special Meetings 2
Section 3.4. Place of Meetings 2
Section 3.5. Notice of Meetings 2
Section 3.6. Membership List 2
Section 3.7. Voting Rights 2
Section 3.8. Quorum 2
Section 3.9. Voting Rights 3
Section 3.10. Proxies 3
Section 3.11. Action by Members 3
Section 3.12. Waiver of Notice 3
Section 3.13. Informal Action by Members 3
ARTICLE 4 BOARD OF DIRECTORS 4
Section 4.1. Number 4
Section 4.2. Initial Directors 4
Section 4.3. Nomination 4
Section 4.4. Election 4
Section 4.5. Term of Office 4
Section 4.6. Removal 5
Section 4.7. Compensation 5
Section 4.8. Salaries of Employees and Agents 5
ARTICLE 5 MEETINGS OF DIRECTORS 5
Section 5.1. Regular Meetings 5
Section 5.2. Special Meetings 5
Section 5.3. Notice of Meetings 5
Section 5.4. Quorum 5
Section 5.5. Informal Action by Directors 6
Section 5.6. Chairman 6
Section 5.7. Liability of the Board of Directors 6
ARTICLE 6 POWERS AND DUTIES OF THE BOARD OF DIRECTORS 6
Section 6.1. Powers 6
Section 6.2. Duties 7

ARTICLE 7 OFFICERS AND THEIR DUTIES 8
Section 7.1. Officers 8
Section 7.2. Election of Officers 8
Section 7.3. Term 8
Section 7.4. Special Appointments 8
Section 7.5. Resignation, Removal and Vacancies 8
Section 7.6. Multiple Offices 8
Section 7.7. Duties 8
ARTICLE 8 COMMITTEES 10
Section 8.1. Executive Committee 10
Section 8.2. Nominating Committee 10
Section 8.3. Other Committees 10
Section 8.4. Compensation 10
ARTICLE 9 BOOKS AND RECORDS 10
ARTICLE 10 ASSESSMENTS 10
ARTICLE 11 CORPORATE SEAL 11
ARTICLE 12 AMENDMENTS 11
Section 12.1 11
Section 12.2 11
ARTICLE 13 ARBITRATION 11
ARTICLE 14 MISCELLANEOUS 12
ARTICLE 15 INDEMNIFICATION OF DIRECTORS AND OFFICERS 12

BYLAWS

OF

HIGHLAND SPRINGS HOMEOWNERS' ASSOCIATION, INC.

ARTICLE 1
NAME AND LOCATION

Section 1.1. Name. The name of the corporation is HIGHLAND SPRINGS HOMEOWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association."

Section 1.2. Location. The initial principal office of the Association shall be located in Spartanburg County, South Carolina.

Section 1.3. Registered Agent. The registered agent for the Association shall be the Secretary as from time to time elected, unless otherwise agreed upon by the Board of Directors. The initial registered office of the Association must be located in Spartanburg County, South Carolina and may be, but need not be, identical with the principal office.

Section 1.4. Purpose. The purpose for which the Association is organized is to: (i) provide maintenance services to the Owners; (ii) manage and maintain the Common Area within the Subdivision; and (iii) administer and enforce all covenants, conditions and restrictions applicable to the Property known as Highland Springs Subdivision located in Spartanburg County, South Carolina, as identified with the Declaration of Covenants, Conditions and Restrictions for Highland Springs Subdivision, Phase I, and as adopted for any subsequent phases, all of which are incorporated herein by reference (the "Declarations") and to engage in other activities allowed by law which are necessary for the Association to carry out its rights, duties and responsibilities set forth in the Declaration.

ARTICLE2
DEFINITIONS

All capitalized terms when used in these Bylaws, or any amendment hereto (unless the context shall otherwise require or unless otherwise specified herein or therein) shall have the meanings set forth in the Declarations as duly recorded in the Office of the Register of Deeds for Spartanburg County, South Carolina, as the same may be supplemented and amended from time to time.

ARTICLE 3
MEETINGS OF MEMBERS

Section 3.1. Membership. The Members of the Association, hereinafter referred to as "Members", shall at all times be limited to: (1) Enchanted Construction, LLC (the "Declarant") as long as it holds

title to any Lot, (2) any builder to whom Declarant may convey a Lot for construction of a home for sale (an "Approved Builder") as long as such builder holds title to any Lot, and, (3) other Owners of Lots in Highland Springs Subdivision.

Section 3.2. Annual Meetings. The first annual meeting of the Members shall be held on such date as determined by the Board of Directors.

Section 3.3. 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-tenth (1/10) of all of the votes appurtenant to the Lots.

Section 3.4. Place of Meetings. All meetings of the Members shall be held at such place, within Spartanburg County, South Carolina, as shall be determined by the Board of Directors of the Association.

Section 3.5. Notice of Meetings. Written notice of each meeting of the Members shall be given by mailing a copy of such notice by first class mail, postage prepaid, not less than thirty (30) days nor more than sixty (60) days before the date of 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 3.6. Membership List. An alphabetical list of the names of all Members who are entitled to vote and their addresses shall be prepared by the Secretary and shall be available for inspection by any Member beginning on the next business day after notice of any meeting is given and continuing through the meeting, at the Association's principal office or at a place identified in the meeting notice in the city where the meeting will be held. This list shall also be available at the meeting for inspection by any Member.

Section 3.7. Voting Rights. The voting rights of the Membership shall be appurtenant to the ownership of Lots. Other than the voting rights of the Class B Member, each Lot shall entitle the Owners of said Lot to one (1) vote. Where more than one person owns an interest (other than a leasehold or security interest) in any Lot, all such persons shall be Members and the voting rights appurtenant to said Lot shall be exercised as they, among themselves determine but in no event shall more than one (1) vote be cast with respect to any Lot. No fractional votes shall be allowed.

Section 3.8. Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, ten percent (10%) of the votes appurtenant to the Lots shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, subsequent meetings may be called, subject to the same notice requirement, until the required

quorum is present. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 3.9. Voting Rights. The Association shall initially have two classes of voting membership, Class A and Class B, as outlined and defined in Article IV or V of the Declaration of Covenants, Conditions and Restrictions for Highland Springs Subdivision, Phase I, and as adopted for all subsequent phases, which Article is incorporated herein by reference.

Section 3.10. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing dated within eleven months prior to the Meeting and filed with the Secretary. Every proxy shall be revocable by: (i) appearing at the Meeting and voting in person; (ii) filing a valid substitute proxy or cancellation of proxy with the Secretary prior to the call to order of the Meeting; or (iii) conveyance by the Member of his Lot.

Section 3.11. Action by Members. Except as provided otherwise in the Articles of Incorporation, the Declaration or these Bylaws, any act or decision approved by a vote of no less than two-thirds (2/3) of all Lots represented at a duly held meeting of the Members at which a quorum is present shall be regarded as the act of the Members.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business at the meeting or any adjournment thereof notwithstanding the withdrawal of enough Members to leave less than a quorum.

Section 3.12. Waiver of Notice. Any Member may, at any time, waive notice of any meeting of the Members in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at any meeting of the Members shall constitute a waiver of notice by him of the time and place thereof except where a Member attends a meeting for the express purpose of objecting to the transaction of any business because the meeting was not lawfully called. If all the Members are present at any meeting of the Members, no notice shall be required and any business may be transacted at such meeting.

Section 3.13. Informal Action by Members. Any action whichmay be taken at a meeting of the Members may be taken without a meeting if: (i) a consent in writing, setting forth the action so taken, shall be signed by all of the persons who would be entitled to vote upon such action at a meeting and filed with the Secretary of the Association to be kept in the Association's minute book; or (ii) such action is approved by written ballot as authorized by Section 33-31-708 of the Code of Laws of South Carolina (1976), as amended.

ARTICLE4
BOARD OF DIRECTORS

Section 4.1. Number. The business and affairs of the Association shall initially be managed by a Board of three (3) directors, who will be appointed by Declarant. At the first annual meeting of the Members, a Board of not more than five directors shall be elected.

Section 4.2. Initial Directors. The initial directors shall be selected by the Declarant and may include an Approved Builder. Such initial directors shall serve for one year terms at the election of the Declarant from the date upon which the Declaration is recorded in Spartanburg County until such time as their successors are duly elected and qualified.

The names of the persons who shall serve on the initial Board of Directors from the date upon which the Declaration is recorded in Spartanburg County until such time as their successors are duly elected and qualified are as follows:

Aaron Aho
Conrad Kaiser
Ryan Kaiser

Section 4.3. Nomination. Following the expiration twelve (12) months after the Declaration is recorded in Spartanburg County, nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled.

Section 4.4. Election. Directors shall be elected at the annual meeting of the Members by written or oral ballot. At such election, the Members or their first 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 4.5. Term of Office. The number of Directors shall be not less than three (3) nor more than five (5). Each Director shall be a member of the Corporation (except in the case of the initial directors, where non-members are authorized) and shall hold office as set forth below or until a successor shall have been elected and qualified.

At the first meeting of the Corporation the Members shall elect one (1) Director for a term of three (3) years, one (1) Director for a term of two (2) years and one (1) Director for a term of one (1) year with any additioanl Directors also serving a one (1) year term or until their respective successors are properly chosen. Thereafter, these terms shall continue for a period of two (2) years to provide for staggered terms.

Section 4.6. Removal. Any director may be removed from the Board of Directors, with or without cause, by a majority vote of the Members of the Association. The Board of Directors shall have the power, acting alone, to declare the office of the director vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board of Directors and shall serve for the unexpired term of his predecessor. The Members may elect a director at any time to fill any vacancy not filled by the directors.

Section 4.7. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 4.8. Salaries of Employees and Agents. Except as provided elsewhere in these Bylaws, the Board of Directors shall set the salaries of all employees and agents of the Association.

ARTICLE5
MEETINGS OF DIRECTORS

Section 5.1. Regular Meetings. Meetings of the Board of Directors shall be held on a regular basis as often as the Board of Directors sees fit, but no less often than annually, on such days and at such place and hour as may be fixed from time to time by resolution of the Board of Directors. 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 5.2. Special Meetings. 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 5.3. Notice of Meetings. Notice of each special meeting of the Board of Directors, stating the time, manner and place of the meeting, shall be given by or at the direction of the Secretary of the Association by mailing or emailing the same to each director at his residence or business address not fewer than three days before such meeting, or by giving the same to him personally or telegraphing or telephoning the same to him at his residence or business address not later than the day before the day on which the meeting is to be held.

Any and all requirements for all and notice of meetings may be dispensed with if all directors are present at the meeting or if those not present at the meeting shall at any time waive or have waived notice thereof.

Section 5.4. 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 of Directors.

Section 5.5. Informal Action by Directors. Action taken by a majority of the directors without a meeting is nevertheless Board of Directors action if written consent to the action in question is signed by all of the directors and filed with the minutes of the proceedings of the Board of Directors, whether done before or after the action so taken.

Section 5.6. Chairman. A Chairman of the Board of Directors shall be elected by the directors and shall preside over all Board of Directors meetings until the President of the Association is elected. Thereafter, the President shall serve as Chairman. In the event there is a vacancy in the office of the Presidency, a Chairman shall be elected by the Board of Directors and serve until a new President is elected.

Section 5.7. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the Members or to the Association for any mistake of judgment, negligence, or otherwise except for: (i) a breach of the director's duty of loyalty to the Association or Members; (ii) their own individual willful misconduct or bad faith; or (iii) for any transaction from which a director derived an improper personal benefit. The Members shall indemnify and hold harmless each of the members of the Board of Directors against all contractual liability to others arising out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration or these Bylaws. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association, except to the extent that they are Member(s).

ARTICLE6
POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 6.1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing maintenance and the use of the Common Area;

(b) 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 Bylaws, the Articles of Incorporation, or the Declaration;

(c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(d) employ agents, independent contractors, or such other employees as they deem necessary, and prescribe their duties;

(e) employ attorneys and accountants to advise, serve and represent the Association when deemed necessary;

(f) grant easements for the installation and maintenance of sewer or water lines and other utilities or drainage facilities upon, over, under and across the Common Area without the assent of the membership when such easements are requisite for the convenient use and enjoyment of the Property;

(g) appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation and require of them such security or fidelity bond as it may deem expedient;

(h) do anything necessary or desirable, including, but not limited to, establishing any rules or regulations which the Association deems necessary to carry out the purposes of the Association as set forth herein or as permitted by law;

(i) enforce the provisions of the Declaration and any Additional or Supplementary Declaration and any rules or regulations made hereunder or thereunder and to enjoin and/or, at its discretion, seek damages or other relief for violation of such provisions or rules and/or by Special Individual Assessments against any Owner for violation of such provisions, rules or regulations pursuant to the provisions of the Declaration; and

(j) levy assessments as more particularly set forth in the Declaration.

Section 6.2. 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 Members entitled to at least one-third (1/3) of the votes appurtenant to the Lots;

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

(c) as more fully provided in the Declaration:

(1) fix the amount of the assessments;

(2) send written notice of each assessment to every Owner subject thereto before its due date; and

(3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or 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 insurance covering the Association and the directors and officers thereof and adequate hazard insurance on the property owned by the Association;

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

(g) cause the Common Areas to be maintained.

ARTICLE7
OFFICERS AND THEIR DUTIES

Section 7.1. Officers. The officers of the Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, and a Secretary, and a Treasurer, who may or may not be members of the Board of Directors and such other officers as the Board of Directors may from time to time by resolution create.

Section 7.2. 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 7.3. Term. Each officer of the Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year or until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualifies.

Section 7.4. Special Appointments. The Board of Directors 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 of Directors may, from time to time, determine.

Section 7.5. Resignation, Removal and Vacancies. Any officer may be removed from office with or without cause by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of 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. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7.6. 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 7.4.

Section 7.7. Duties. The duties of the officers are as follows:

President

(a) The President shall be the principal executive officer of the Association, and subject to the control of the Board of Directors, shall supervise and control the management of the Association. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board of Directors 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 absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

Secretary

(c) The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members, shall keep the corporate seal of the Association and affix it on all papers requiring said seal, shall serve notice of meetings of the Board of Directors and of the Members, shall 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 of Directors.

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, shall keep proper books of account, shall 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 8
COMMITTEES

Section 8.1. Executive Committee. The Board of Directors may, by resolution passed by a majority of the whole Board of Directors, designate an Executive Committee to consist of two or more of the Directors of the Association, which, to the extent provided in said resolution, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the Association and to do all things, including actions specified by these Bylaws to be performed by the Board of Directors, in the same manner and with the same authority and effect as if such acts had been performed by the Board of Directors; but the Board of Directors shall at all times have the power to reverse an action taken by the Executive Committee, provided that the exercise of such power by the Board of Directors shall not in any way abrogate the obligations or duties owing by the Association to third parties who have acted in reliance on the action taken by such committee.

All proceedings and action taken by such committee shall be reported to the Board of Directors at the regular meeting of the Board of Directors or special meeting called for such purpose next following such proceedings or action.

Section 8.2. Nominating Committee. The Association shall appoint a Nominating Committee, as provided in these Bylaws.

Section 8.3. Other Committees. The Board of Directors may create such other committees as the Board of Directors may from time to time appoint.

Section 8.4. Compensation. Members of committees, as such, shall not receive any salary or compensation for their services; provided, however, that a committee member may serve the Association in another capacity and receive compensation therefor.

ARTICLE9
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 Bylaws 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 10
ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association Annual Assessments and Special Assessments, as defined in the Declaration. Any assessments (including but not limited to Special Individual Assessments) which are not paid when due shall be delinquent. If an assessment is not paid by its due date, as set forth in the Declaration, the assessment shall bear interest from such due date at the rate of eighteen percent (18%) per annum

or the highest rate then permitted by law, whichever is lower, plus such late charge as may be established by the Board of Directors, and the Association may bring an action at law against the Member personally obligated to pay the same and/or foreclose the lien on the Lot as more fully provided in the Declaration. The late charges, costs of collection and reasonable attorneys' fees related to any such action shall be added to the amount of such assessment, all in accordance with the provisions of the Declaration. No Member may waive or otherwise escape liability for the assessments provided for herein by non-use of the Property.

ARTICLE 11
CORPORATE SEAL

The Association, at its option, shall have a seal in circular form having within its circumference the words Highland Springs Homeowners' Association, Inc.

ARTICLE 12
AMENDMENTS

Section 12.1. These Bylaws may be amended, at a regular or special meeting of the Members, by a vote of at least two-thirds(⅔) of the Total Association Vote.

Notwithstanding anything in this Section 12.1 to the contrary, the Declarant may at its option amend these Bylaws without obtaining the consent or approval of any other person or entity if such amendment is necessary to cause these Bylaws to comply with the requirements of the FHA, VA, Federal National Mortgage Association or similar agency.

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

Section 12.2. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

ARTICLE 13
ARBITRATION.

ALL MEMBERS OF THE ASSOCIATION AGREE THAT ANY DISPUTE ARISING BY AND BETWEEN THE MEMBERS, ANY DISPUTE ARISING BETWEEN THE MEMBERS AND THE ASSOCIATION, OR ANY DISPUTE ARISING BETWEEN THE ASSOCIATION OR ITS MEMBERS AND THE DEVELOPER, "FOUR BEES, INC. or POINSETT HOMES, LLC" SHALL BE RESOLVED THROUGH ARBITRATION PURSUANT TO THE RULES

PROMULGATED BY THE AMERICAN ARBITRATION ASSOCIATION. THE PARTIES AGREE THAT JURISDICTION AND VENUE FOR ANY DISPUTE RESOLUTION HEREUNDER SHALL BE SPARTANBURG COUNTY, SOUTH CAROLINA.

ARTICLE 14
MISCELLANEOUS

The fiscal year of the Association shall be the calendar year and 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.

ARTICLE 15
INDEMNIFICATION OF DIRECTORS AND OFFICERS

To the extent permitted by law, the Association shall indemnify any director or officer or former director or officer of the Association or any person who may have served at the request of the Association as a director or officer of another corporation, whether for profit or not for profit, against expenses (including attorneys' fees) or liabilities actually and reasonably incurred by him in connection with the defense of or as a consequence of any threatened, pending or completed action, suit or proceeding (whether civil or criminal) in which he is made a party or was (or is threatened to be made) a party by reason of being or having been such director or officer, except in relation to matters as to which he shall be adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct in the performance of a duty, or in relation to a proceeding by or for the right of the Association in which a director or officer was adjudged liable to the Association or in relation to a proceeding where a director or officer was adjudged liable on the basis that personal benefit was improperly received by that director or officer.

The indemnification provided herein shall not be deemed exclusive of any other rights to which those indemnified may be entitled under any statute, bylaw, agreement, vote of members or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

The Association may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Association, or is or was serving at the request of the Association as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in such capacity, or arising out of his status as such, whether or not the Association would have the power to indemnify him against such liability.

The Association's indemnity of any person who is or was a director or officer of the Association, or is or was serving at the request of the Association as a director or officer of the

Association, or is or was serving at the request of the Association as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, shall be reduced by any amounts such person may collect as indemnification: (i) under any policy of insurance purchased and maintained on his behalf by the Association; or (ii) from such other corporation, partnership, joint venture, trust or other enterprise.

Nothing contained in this Article 15, or elsewhere in these Bylaws, shall operate to indemnify any director or officer if such indemnification is for any reason contrary to any applicable state or federal law.

STATE OF SOUTH CAROLINA COUNTY OF SPARTANBURG	AMENDMENT TO THE DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR HIGHLAND SPRINGS (Original Covenants recorded in Deed Book 114-G at Page 36)

THIS AMENDMENT TO THE DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR HIGHLAND SPRINGS (the "***Amendment***") is made on the Execution Date (hereinafter defined) by the Declarant of Highland Springs Subdivision.

WHEREAS, THE DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR HIGHLAND SPRINGS, dated December 7, 2016, and recorded December 20, 2016, in the Office of the Register of Deeds for Spartanburg County in Deed Book 114-G at Page 36 (as further amended and supplemented the "***Covenants***"); and

WHEREAS, pursuant to Paragraph 15.4 of the Covenants, the Covenants may be amended by the Declarant;

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that having met the foregoing requirements, the Declarant hereby declare that the Covenants are amended as follows:

1. **Delete Paragraph 8.19 and replace with the following:**

Clothes Lines and Garbage Containers. No clothes lines, exposed garbage containers (except for local governmental required containers) equipment and other unsightly objects are to be erected or used on any Lot except when they are screened to conceal such items from the streets and adjoining properties and general view. All residential utility service lines to residences shall be underground. All fuel tanks must be screened from public view.

All capitalized terms not defined herein shall have the meaning set forth in the Covenants.

If any term or condition of this Amendment conflicts with the terms or conditions of the Covenants, the terms and conditions of this Amendment shall control. Otherwise, the terms and conditions of the Covenants shall remain in full force and effect.

Therefore, the above are annexed into the Covenants and become a part hereof.

[SIGNATURE PAGES TO FOLLOW]

DEE-2018-45218

DEE BK 121-H PG 952-953
Recorded 2 Pages on 10/02/2018 01:23:39 PM
Recording Fee: $10.00
Office of REGISTER OF DEEDS, SPARTANBURG, S.C.
Dorothy Earle, Register Of Deeds

IN WITNESS WHEREOF, the below-signed Developer pursuant to its unilateral right to amend under paragraph 15.4 of Covenants has caused this Amendment to be properly executed on the signature date below (the "Execution Date").

SIGNED SEALED AND DELIVERED
in the presence of:

(witness #1)

(witness #2)

Enchanted Construction LLC (SEAL)

By: _____

Its: Member

STATE OF SOUTH CAROLINA)
)
COUNTY OF Spartanburg)

ACKNOWLEDGMENT

I, Tanner C. Humphries, Notary Public for the State of South Carolina, do hereby certify that Ryan Kaiser a corporate officer serving in the capacity of member of the above-referenced Enchanted Construction LLC, personally appeared before me this day and acknowledged the authority to execute the foregoing instrument on behalf of that corporation and acknowledged the due execution of the foregoing instrument.

Sworn and subscribed before me this
1st day of October, 20 21.

Tanner C Humphries (SEAL)
Notary Public for South Carolina
My Commission Expires: 7/25/21

DEE-2020037880
Recorded 5 on 08/26/2020 03:12:48 PM
Recording Fee: $25.00
Office of REGISTER OF DEEDS, SPARTANBURG, S.C.
DOROTHY EARLE REGISTER OF DEEDS
BK:DEE 129-A PG:72-76

STATE OF SOUTH CAROLINA

COUNTY OF SPARTANBURG

SECOND AMENDMENT TO THE DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR HIGHLAND SPRINGS SUBDIVISION

(Cross Reference: DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS FOR HIGHLAND SPRINGS SUBDIVISION, recorded in Deed Book 114-G at Page 36)

THIS SECOND AMENDMENT TO THE DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR HIGHLAND SPRINGS SUBDIVISION (the **"Amendment"**) is made this 25th day of August, 2020, by Enchanted Construction, LLC., (the **"Declarant"**).

WHEREAS, the DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR HIGHLAND SPRINGS SUBDIVISION was recorded on December 20, 2016, in the Office of the Register of Deed for Spartanburg County in Deed Book 114-G at Page 36 (as amended and supplemented, the **"Declaration"**); and

WHEREAS, a FIRST AMENDMENT TO THE DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS FOR HIGHLAND SPRINGS SUDIVISION was recorded on October 2, 2018 in the Office of the Register of Deeds for Spartanburg County in Deed Book 121-H at Page 952; and

WHEREAS, Section 15.4 of the Declaration provides, in part, as follows:

> [S]o long as Declarant has the right unilaterally to subject additional property to this Declaration, Declarant may unilaterally amend this Declaration for any other purpose provided that any such amendment shall not materially adversely affect the substantive rights of any Lot Owners hereunder, nor shall it adversely affect title to any Lot without the consent of the Lot Owner; and

WHEREAS, Declarant retains the right, pursuant to Articles III and XI of the Declaration, to unilaterally subject additional property to the Declaration and desires to further amend the terms of the Declaration.

AFTER RECORDING, PLEASE RETURN TO:
MCCABE, TROTTER, & BEVERLY, P.C.
P.O. BOX 212069, COLUMBIA, SC 29221
FILE NO. 21332.7

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the amendment requirements of the Declaration having been met, it is hereby declared that the Declaration is amended as follows:

1. **The first sentence of Article IV, Section 4.1 is deleted in its entirety and replaced with the following:**

   4.1 **Nonprofit Corporation.** Highland Springs Homeowners Association, Inc., is a nonprofit corporation organized under the laws of the State of South Carolina. (the remainder of Article IV, Section 4.1 is unchanged).

2. **Article I of the Declaration is amended to add a definition of "Costs of Collection", by adding a new definition following "Total Association Vote," as follows:**

   "Costs of Collection" shall mean and refer to all costs and expenses incurred by the Association in collecting assessments or any other charges authorized herein, whether or not any action at law and/or in equity is instituted and whether incurred before or after any action at law and/or equity is instituted, including, without limitation, attorney's fees, management company/management agent charges, administrative fees and charges, court costs, costs and expenses incurred in protecting its lien(s) and/or the priority thereof or for covenant enforcement, and any other costs and expenses incurred by the Association.

3. **Article V, Section 5.2 of the Declaration is deleted in its entirety and is replaced with the following:**

   5.2 **Creation of Lien and Personal Obligation for Assessments.** Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed, is deemed to covenant and agree to pay to the Association: (1) annual Assessments or charges, (2) special Assessments for capital improvements and other purposes stated in this Declaration; such annual and special Assessments to be fixed, established and collected from time to time as provided below; and (3) default Assessments which may be assessed against an Owner's Lot for failure to perform an obligation under this Declaration or because the Association has incurred an expense on behalf of the Owner. The Declarant, Enchanted Construction, LLC., will not be responsible for the payment of assessments on Lots it owns until such time as the Association converts exclusively to Class A membership; however, the Declarant shall fund, such amount necessary to pay approved expenses in excess of the amount collected by the Association until the date Class B membership ceases. The annual, special, and default Assessments, together with interest, late charges, and Costs of Collection, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made until paid. Each such assessment, together with interest, late charges, and Costs of Collection, shall also be the personal obligation of the Owner of such Lot at the time when the Assessment fell due.

4. **Article V, Section 5.3 of the Declaration is deleted in its entirety and is replaced with the following:**

5.3 Late Charges. All Assessments shall accrue late charges as determined by the Board of Directors and interest (not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum on the principal amount due), and Costs of Collection.

5. **Article V, Section 5.11 of the Declaration is deleted in its entirety and is replaced with the following:**

5.11. Effect of Nonpayment of Assessment; Lien; Remedies of the Association. Any Assessment or Assessment installment, which is not paid within thirty (30) days of its due date shall be delinquent. In the event that an Assessment or Assessment installment becomes delinquent, the Association, in its sole discretion, may take any or all of the following actions:

5.11.1 Assess a late charge as determined by the Board of Directors;

5.11.2 Assess an interest charge from the date of delinquency as discussed in Article V, Section 5.3;

5.11.3 Suspend the voting rights of the Owners during any period of delinquency;

5.11.4 Accelerate all remaining Assessment installments for the fiscal year in question so that unpaid Assessments installments for the remainder of the fiscal year shall be due and payable at once;

5.11.5 Bring an action at law against any Owner personally obligated to pay the delinquent Assessment(s) or Assessment installment(s);

5.11.6 Record a notice of lien with the Office of the Register of Deeds for Spartanburg County, South Carolina or such other public record as may be authorized by law, and/or

5.11.7 Foreclose the lien created herein against the Lot(s) in the same manner as prescribed by the laws of the State of South Carolina for the foreclosure of mortgages. Such lien shall be in favor of the Association and shall be for the benefit of all other Owners.

All late charges, interest, and Costs of Collection shall be immediately due and payable. The Board may, in its discretion, waive any late charge(s) and/or interest. Any payments received by the Association may be applied to any outstanding balance/amounts owed in such manner and in such priority as the Board shall, in its discretion, determine. No Owner may waive or otherwise escape liability for the Assessments provided for herein by the nonuse of the Common Area or abandonment of his Lot. The remedies herein provided

shall not be exclusive, and the Association may enforce any other remedies to collect delinquent Assessments as may be provided by law.

6. **Article VII, Section 7.2(b) of the Declaration is deleted in its entirety and is replaced with the following:**

(b) Written design guidelines and procedures shall be promulgated for the exercise of this review.

7. **The first sentence of Article VII, Section 7.3(e) is deleted in its entirety and replaced with the following:**

(e) Neither Declarant, the Association, the Board of Directors, nor any member of the Architectural Review Committee shall be responsible or liable in any way for any defects in any plans or specifications approved by the Architectural Review Committee, nor any structural defects in any work done according to such plans and specifications or for the location of the house rough-staked on any Lot. (the remainder of Article VII, Section 7.3(e) is unchanged).

8. **Amend Article VIII, Section 8.18 by adding the following sentence after the last sentence:**

8.16 If a fine is levied against an Owner, it shall be collected in the same manner as collection of Assessments.

Capitalized terms used herein shall have the meaning set out in this Amendment. Any capitalized terms used but not defined herein shall have the meaning set out in the Declaration.

All other terms and conditions of the Declaration shall remain in full force and effect unchanged, except as amended, supplemented, and/or modified by this Amendment. Therefore, the above are annexed into the Declaration and become a part thereof.

This Amendment is intended to be and shall be deemed to be a sealed instrument, governed by a twenty (20) year statute of limitations per S.C. Code Ann. § 15-3-520.

The amendments to the Declaration set forth in this Amendment shall be effective on the date that this Amendment is recorded with the Office of the Register of Deeds for Spartanburg County.

(Signature page to follow.)

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed by its proper officer and its seal to be affixed thereto on this 25th day of August, 2020.

SIGNED, SEALED AND DELIVERED
in the presence of:

Witness

Witness

ENCHANTED CONSTRUCTION, LLC.

By: _____ (*L.S.*)

Name: Paul Abe

Title: Head of Development

STATE OF SOUTH CAROLINA)
)
COUNTY OF Spartanburg)

ACKNOWLEDGMENT

I, Tanner C. Humphries, Notary Public for the State of South Carolina, do hereby certify that the above-signed authorized signatory for Enchanted Construction, LLC., personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and official seal this
25 day of August, 2020.

_____ (*SEAL*)
Notary Public for South Carolina
My commission expires: 7/25/21

DEE-2020037880
Recorded 5 on 08/26/2020 03:12:48 PM
Recording Fee: $25.00
Office of REGISTER OF DEEDS, SPARTANBURG, S.C.
DOROTHY EARLE REGISTER OF DEEDS
BK:DEE 129-A PG:72-76

STATE OF SOUTH CAROLINA

COUNTY OF SPARTANBURG

SECOND AMENDMENT TO THE DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR HIGHLAND SPRINGS SUBDIVISION

(Cross Reference: DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS FOR HIGHLAND SPRINGS SUBDIVISION, recorded in Deed Book 114-G at Page 36)

THIS SECOND AMENDMENT TO THE DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR HIGHLAND SPRINGS SUBDIVISION (the **"Amendment"**) is made this 25th day of August, 2020, by Enchanted Construction, LLC., (the **"Declarant"**).

WHEREAS, the DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR HIGHLAND SPRINGS SUBDIVISION was recorded on December 20, 2016, in the Office of the Register of Deed for Spartanburg County in Deed Book 114-G at Page 36 (as amended and supplemented, the **"Declaration"**); and

WHEREAS, a FIRST AMENDMENT TO THE DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS FOR HIGHLAND SPRINGS SUDIVISION was recorded on October 2, 2018 in the Office of the Register of Deeds for Spartanburg County in Deed Book 121-H at Page 952; and

WHEREAS, Section 15.4 of the Declaration provides, in part, as follows:

> [S]o long as Declarant has the right unilaterally to subject additional property to this Declaration, Declarant may unilaterally amend this Declaration for any other purpose provided that any such amendment shall not materially adversely affect the substantive rights of any Lot Owners hereunder, nor shall it adversely affect title to any Lot without the consent of the Lot Owner; and

WHEREAS, Declarant retains the right, pursuant to Articles III and XI of the Declaration, to unilaterally subject additional property to the Declaration and desires to further amend the terms of the Declaration.

AFTER RECORDING, PLEASE RETURN TO:
MCCABE, TROTTER, & BEVERLY, P.C.
P.O. BOX 212069, COLUMBIA, SC 29221
FILE NO. 21332.7

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the amendment requirements of the Declaration having been met, it is hereby declared that the Declaration is amended as follows:

1. **The first sentence of Article IV, Section 4.1 is deleted in its entirety and replaced with the following:**

   4.1 **Nonprofit Corporation.** Highland Springs Homeowners Association, Inc., is a nonprofit corporation organized under the laws of the State of South Carolina. (the remainder of Article IV, Section 4.1 is unchanged).

2. **Article I of the Declaration is amended to add a definition of "Costs of Collection", by adding a new definition following "Total Association Vote," as follows:**

   "Costs of Collection" shall mean and refer to all costs and expenses incurred by the Association in collecting assessments or any other charges authorized herein, whether or not any action at law and/or in equity is instituted and whether incurred before or after any action at law and/or equity is instituted, including, without limitation, attorney's fees, management company/management agent charges, administrative fees and charges, court costs, costs and expenses incurred in protecting its lien(s) and/or the priority thereof or for covenant enforcement, and any other costs and expenses incurred by the Association.

3. **Article V, Section 5.2 of the Declaration is deleted in its entirety and is replaced with the following:**

   5.2 **Creation of Lien and Personal Obligation for Assessments.** Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed, is deemed to covenant and agree to pay to the Association: (1) annual Assessments or charges, (2) special Assessments for capital improvements and other purposes stated in this Declaration; such annual and special Assessments to be fixed, established and collected from time to time as provided below; and (3) default Assessments which may be assessed against an Owner's Lot for failure to perform an obligation under this Declaration or because the Association has incurred an expense on behalf of the Owner. The Declarant, Enchanted Construction, LLC., will not be responsible for the payment of assessments on Lots it owns until such time as the Association converts exclusively to Class A membership; however, the Declarant shall fund, such amount necessary to pay approved expenses in excess of the amount collected by the Association until the date Class B membership ceases. The annual, special, and default Assessments, together with interest, late charges, and Costs of Collection, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made until paid. Each such assessment, together with interest, late charges, and Costs of Collection, shall also be the personal obligation of the Owner of such Lot at the time when the Assessment fell due.

4. **Article V, Section 5.3 of the Declaration is deleted in its entirety and is replaced with the following:**

5.3 Late Charges. All Assessments shall accrue late charges as determined by the Board of Directors and interest (not to exceed the lesser of the maximum rate permitted by law or eighteen percent (18%) per annum on the principal amount due), and Costs of Collection.

5. **Article V, Section 5.11 of the Declaration is deleted in its entirety and is replaced with the following:**

5.11. Effect of Nonpayment of Assessment; Lien; Remedies of the Association. Any Assessment or Assessment installment, which is not paid within thirty (30) days of its due date shall be delinquent. In the event that an Assessment or Assessment installment becomes delinquent, the Association, in its sole discretion, may take any or all of the following actions:

5.11.1 Assess a late charge as determined by the Board of Directors;

5.11.2 Assess an interest charge from the date of delinquency as discussed in Article V, Section 5.3;

5.11.3 Suspend the voting rights of the Owners during any period of delinquency;

5.11.4 Accelerate all remaining Assessment installments for the fiscal year in question so that unpaid Assessments installments for the remainder of the fiscal year shall be due and payable at once;

5.11.5 Bring an action at law against any Owner personally obligated to pay the delinquent Assessment(s) or Assessment installment(s);

5.11.6 Record a notice of lien with the Office of the Register of Deeds for Spartanburg County, South Carolina or such other public record as may be authorized by law, and/or

5.11.7 Foreclose the lien created herein against the Lot(s) in the same manner as prescribed by the laws of the State of South Carolina for the foreclosure of mortgages. Such lien shall be in favor of the Association and shall be for the benefit of all other Owners.

All late charges, interest, and Costs of Collection shall be immediately due and payable. The Board may, in its discretion, waive any late charge(s) and/or interest. Any payments received by the Association may be applied to any outstanding balance/amounts owed in such manner and in such priority as the Board shall, in its discretion, determine. No Owner may waive or otherwise escape liability for the Assessments provided for herein by the nonuse of the Common Area or abandonment of his Lot. The remedies herein provided

shall not be exclusive, and the Association may enforce any other remedies to collect delinquent Assessments as may be provided by law.

6. **Article VII, Section 7.2(b) of the Declaration is deleted in its entirety and is replaced with the following:**

(b) Written design guidelines and procedures shall be promulgated for the exercise of this review.

7. **The first sentence of Article VII, Section 7.3(e) is deleted in its entirety and replaced with the following:**

(e) Neither Declarant, the Association, the Board of Directors, nor any member of the Architectural Review Committee shall be responsible or liable in any way for any defects in any plans or specifications approved by the Architectural Review Committee, nor any structural defects in any work done according to such plans and specifications or for the location of the house rough-staked on any Lot. (the remainder of Article VII, Section 7.3(e) is unchanged).

8. **Amend Article VIII, Section 8.18 by adding the following sentence after the last sentence:**

8.16 If a fine is levied against an Owner, it shall be collected in the same manner as collection of Assessments.

Capitalized terms used herein shall have the meaning set out in this Amendment. Any capitalized terms used but not defined herein shall have the meaning set out in the Declaration.

All other terms and conditions of the Declaration shall remain in full force and effect unchanged, except as amended, supplemented, and/or modified by this Amendment. Therefore, the above are annexed into the Declaration and become a part thereof.

This Amendment is intended to be and shall be deemed to be a sealed instrument, governed by a twenty (20) year statute of limitations per S.C. Code Ann. § 15-3-520.

The amendments to the Declaration set forth in this Amendment shall be effective on the date that this Amendment is recorded with the Office of the Register of Deeds for Spartanburg County.

(Signature page to follow.)

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed by its proper officer and its seal to be affixed thereto on this 25th day of August, 2020.

SIGNED, SEALED AND DELIVERED
in the presence of:

Witness

Witness

ENCHANTED CONSTRUCTION, LLC.

By: _____ (*L.S.*)

Name: Paul Abe

Title: Head of Development

STATE OF SOUTH CAROLINA)
)
COUNTY OF Spartanburg)

ACKNOWLEDGMENT

I, Tanner C. Humphries, Notary Public for the State of South Carolina, do hereby certify that the above-signed authorized signatory for Enchanted Construction, LLC., personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and official seal this
25 day of August, 2020.

_____ (*SEAL*)
Notary Public for South Carolina
My commission expires: 7/25/21

STATE OF SOUTH CAROLINA	)	SUPPLEMENTARY DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR HIGHLAND SPRINGS SUBDIVISION—PHASE I, SECTION II Plat Book 172, Page 968
	)	
COUNTY OF SPARTANBURG	)	

THIS SUPPLEMENTARY DECLARATION is made as of the 5th day of December, 2017 by Enchanted Construction, LLC, a South Carolina limited liability company (hereinafter referred to sometimes as "Declarant").

WITNESSETH:

WHEREAS, on December 20, 2016, the Declarant recorded that certain Declaration of Protective Covenants, Conditions and Restrictions for Highland Springs Subdivision and Bylaws (hereinafter collectively referred to as the "Declaration") in the Office of the Register of Deeds for Spartanburg County, South Carolina in Deed Book 114-G at Page 36; and

WHEREAS, on August 18, 2017, the subdivision plat for Highland Springs, Phase I, Section II was recorded in Plat Book 172, Page 968 in the Office of the Register of Deeds for Spartanburg County (the lots shown on said plat hereinafter referred to collectively as "Phase I, Section II"); and

WHEREAS, Article XI of the Declaration (captioned "Annexation of Additional Property") provides that the Declarant has the right to subject additional adjacent property to the Declaration, by filing a Supplementary Declaration, and the Declarant desires to subject Phase I, Section II to the terms of the Declaration.

NOW THEREFORE, pursuant to the powers retained by Declarant under the Declaration, Declarant hereby subjects Phase I, Section II of the Highland Springs Subdivision to the provisions of the Declaration. The provisions of the Declaration shall apply to such phases accordingly. Such property shall be sold, transferred, used, conveyed, occupied and mortgaged or otherwise encumbered pursuant to the provisions of the said Declaration. The provisions of the Declaration shall run with the title to such property and shall be binding upon all persons having any right, title, or interest in such property, their respective heirs, legal representatives, successors-in-title, and assigns.

DEE-2017-56648

DEE BK 117-X PG 154-155

Recorded 2 Pages on 12/06/201712:27:09 PM
Recording Fee: $10.00
Office of REGISTER OF DEEDS, SPARTANBURG, S.C.
Dorothy Earle, Register Of Deeds

IN WITNESS WHEREOF, the undersigned has executed this Supplemental Declaration by its duly authorized officers or members, to be effective as of the date first above written.

WITNESSES:

DECLARANT:

ENCHANTED CONSTRUCTION, LLC

By: _____

STATE OF SOUTH CAROLINA)
COUNTY OF SPARTANBURG)

ACKNOWLEDGMENT

I, the undersigned notary public, do hereby certify that Ryan Kaiser as Member of Enchanted Construction, LLC, being duly authorized, personally appeared before me this day and acknowledged the due execution of the foregoing instrument on behalf of the Company.

SWORN TO this 5 day of December, 2017.

_____
Notary Public for South Carolina
My Commission Expires: 12/10/25

JOSHUA M. HENDERSON NOTARY PUBLIC SOUTH CAROLINA