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Office of REGISTER OF DEEDS, SPARTANBURG, S.C.
Ashley B. Williams, Register Of Deeds

STATE OF SOUTH CAROLINA } COVENANTS, CONDITIONS
 } AND RESTRICTIONS FOR
COUNTY OF SPARTANBURG } *Rutledge Estates*

WHEREAS, Declarant is the developer of a certain tract of land located near the Woodruff, known as *Rutledge Estates Subdivision*, containing 32.57 acres, more or less, shown on a plat for Mark III Properties, LLC, made by 3D Land Surveying, dated November 7th, 2023 and recorded in Plat Book 184 at Page 518 on NOV-27, 2023 in the Office of Register of Deeds for Spartanburg County, South Carolina (said plat along with any amendments or modifications thereto shall be referred to herein as the "Plat") and reference to which Plat is hereby craved for a complete metes and bounds description.

WHEREAS, the Declarant desires to impose certain restrictive covenants upon the Property in order to ensure its use for residential purposes, to prevent impairment of the attractiveness of the Property, and to maintain the desired quality of the Subdivision with no greater restriction on the free and undisturbed advantages to the other Lot owners;

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

ARTICLE I - DEFINITIONS

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

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

Section 3. **"Approved Builder"** shall mean and refer to those builders which have been selected by Declarant to construct homes for sale in the Subdivision.

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

Section 5. **"Association"** shall mean and refer to Rutledge Estates HOA, a South Carolina non-profit corporation, its successors and assigns.

Section 6. **"Board of Directors"** or **"Board"** shall mean and refer to the body

responsible for administering the Association, selected as provided in the Bylaws and serving the same role as the board of directors under South Carolina corporate law.

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

Section 8. **"Common Area"** shall mean and refer to those portions of the Property that are designated on the Plat as "Common Area" and/or "Open Space" including but not limited to, any real property or easements owned by the Association for the common use and enjoyment of the Owners together with any other portions of the Property or any Additional Property that shall be designated by Declarant or the Association (as the case may be) as "Common Area" in a recorded amendment to this Declaration or in some other recorded document.

Section 9. **"Declarant"** shall mean and refer to **Mark III Properties, LLC**, a Delaware limited liability company, and its successors and assigns to whom the rights of Declarant are specifically assigned as evidenced by an instrument signed by Declarant and recorded with the Office of the Register of Deeds for Spartanburg County, South Carolina. Declarant may, at its option, assign only a portion of its rights hereunder, or all of such rights in connection with the appropriate portions of the Property. In the event of such partial assignment, the assignee shall not be deemed to be the Declarant, but may exercise those rights assigned to it by the Declarant. Any such assignment may be made on a non-exclusive basis. At such time as Declarant no longer is the Owner of a Lot in the Subdivision, the rights of Declarant under this Declaration shall inure without further action to the Association.

Section 10. **"Declaration"** shall mean and refer to this Covenants, Conditions, Easements and Restrictions for Rutledge Estates Subdivision, as it may be amended or supplemented from time to time.

Section 11 **"Director"** shall mean and refer to the person or office designated as responsible for Stormwater Management Facilities by the municipal corporation or county in which the Subdivision is located.

Section 12. **"Initiation Fee"** shall have the meaning set forth in Article IV, Section 3 of the Declaration.

Section 13. **"Lot"** shall mean and refer to any number plot of land shown on the Plat, excluding the Common Area.

Section 14. **"Member"** shall mean and refer to every person or entity who holds membership with voting rights in the Association.

Section 15. **"Owner"** shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot, including Declarant if it owns a Lot and any Approved Builder that owns a Lot, but excluding those persons having such interest merely as

security for the performance of an obligation.

Section 16. **“Plat”** shall mean and refer to: (i) the plat of Rutledge Estates Subdivision, recorded in Plat Book _____, Page _____ in the Office of the Register of Deeds for Spartanburg County, and (ii) any revisions, supplements, or amendments thereof, and (iii) subsequent plats of Rutledge Estates Subdivision hereafter recorded by Declarant in the Office of the Register of Deeds for Spartanburg County, and any revisions, supplements, or amendments thereto.

Section 17. **“Property”** and **“Properties”** shall mean and refer to the real property shown on the Plat(s) including the Common Area and Lots, and such Additional Property as may hereafter be annexed into the Subdivision as hereinafter provided.

Section 18. **“Special Assessment”** shall have the meaning set forth in Article IV, Section 5 of the Declaration.

Section 19. **“Special Individual Assessment”** shall have the meaning set forth in Article IV, Section 5 of the Declaration.

Section 20. **“Storm Water Management Facility”** shall mean any structural storm water management measure used to treat storm water runoff including, but not limited to, basins, ponds, proprietary devices, low impact development features, water quality buffers, filtration and/or other treatment devices.

Section 21. **“Subdivision”** shall mean and refer to the Property commonly known as Rutledge Estates Subdivision as the same is shown on the Plat including the Common Area(s), if any.

ARTICLE II-PROPERTY RIGHTS

Section 1. Owners’ Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area that shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

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

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

€ The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency or authority;

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

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

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

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the Bylaws, his or her rights of enjoyment of the Common Area to the members of his or her immediate family and their guests, tenants, or contract purchasers who reside on the Lot of such Owner.

Section 3. Leases of Lots. Any lease agreement between an Owner and a lessee for the lease of such Owner's residence on its Lot shall provide that the terms of the lease shall be subject in all respects to the provisions of this Declaration, the Articles of Incorporation, and the Bylaws and that any failure by the lessee to comply with the terms of such documents shall be a default under the terms of the lease. Notwithstanding anything to the contrary herein, if an Approved Builder intends to purchase any or all of the Lots as build-to-rent Lots, it must obtain the prior written consent of Declarant.

The Owner shall provide the lessee with copies of this Declaration, the Articles of Incorporation, and the Bylaws at the time any lease agreement is executed, and must require the lessee to sign a binding acknowledgment to the effect that lessee has read, understands and agrees to abide by the Covenants, Conditions and Restrictions for Rutledge Estates. Such binding agreement shall be submitted by the owner to the Association and the Rutledge Estates property management company upon execution of a lease agreement which agreement will be held on file and enforced by the Association for the duration of the lease.

Section 4. Declarant's Covenant to Convey Title to Common Area. Declarant hereby covenants for itself, its successors and assigns, that it will convey fee simple title to its property designated herein as Common Area to the Association any time before such time as the Declarant conveys the last Lot to some person other than Declarant. Additionally, if Storm Water Management Facilities are located within the Common Area, the Declarant shall take the following actions at or prior to the time in which the Subdivision is fifty (50%) percent built: (1) convey fee simple title to the applicable Storm Water Management Facilities to the Association, and (2) file any

and all necessary documentation defining the responsible party for maintaining the Storm Water Management Facilities with the Director. The Common Area shall be free from any monetary liens but subject to easements of record, including any easements established by this Declaration. The Association shall accept the conveyance of all such Common Area and Storm Water Management Facilities pursuant to this Section. Similarly, Declarant will convey to the Association such additional Common Area as is annexed in the future, immediately following its annexation pursuant to the terms of this Declaration. The Association shall accept the conveyance of all such additional Common Area pursuant to this Section.

ARTICLE III- MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of a Lot.

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

Class A Members. "Class A Members" means all Owners, with the exception of the Declarant and Approved Builder(s), and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as the owners of the specific Lot determine, but in no event shall more than one vote be cast with respect to any Lot. Notwithstanding anything to the contrary herein, an Owner, other than the Declarant or Approved Builder, who owns (or through an affiliate of the Owner owns) more than five (5) Lots shall not be entitled to one (1) vote for each Lot, but rather shall be entitled to a total of five (5) votes for all of its Lots.

Class B Members. "Class B Members" means the Declarant and any Approved Builder(s) who own a Lot within the Subdivision, and shall be entitled to three (3) votes for each Lot owned by Declarant or Approved Builder(s), respectively.

The Class B Membership shall cease and be converted to Class A Membership when Declarant and any Approved Builder(s) elect by written notice to the Association to convert their Class B Membership to Class A Membership or when the last Lot in the Subdivision is transferred by deed to an entity or individual other than the Declarant or an Approved Builder.

ARTICLE IV - COVENANT FOR MAINTENANCE AND ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Each Owner of any Lot (except for Declarant and Approved Builder(s)) by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) a one-time Initiation Fee, (2) Annual Assessment or charges, (3) special assessments for capital improvements and (4) Special Individual Assessments, such assessments to be established and collected as herein provided. The "Initiation Fee" shall be a charge collected at the initial closing of a Lot to an entity other than the Declarant or an Approved Builder, and again each time the

subject Lot is transferred of record. The Annual Assessments, Special Assessments, and Special Individual Assessments (collectively "Assessments" and individually an "Assessment") together with interest, costs, and reasonable attorneys' fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made as of that date upon which such Assessment is made and continuing until paid. Each such fee and Assessment, together with interest, costs, and reasonable attorneys' fees, shall also be the personal obligation of the person who was the Owner of such lot at the time when the Assessment fell due. The personal obligation for delinquent Assessments shall not pass to such Owner's successors in title unless expressly assumed by them, but shall remain a lien upon the transferred Lot.

Section 2. Purpose of Assessments.

(a) The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Subdivision and in particular for the improvement and maintenance of services and facilities devoted to this purpose and related to the use and enjoyment of the Common Area, including, but not limited to,

- i. the costs of repairs, replacements and additions, labor, equipment, materials management and supervision of the Common Area;
- ii. the payment of taxes assessed against the Common Area;
- iii. the maintenance of water and sewer mains in and upon the Common Area;
- iv. the maintenance of open spaces and streets which have not been accepted for dedication by a public authority, roadway medians and islands (including medians and islands located in dedicated right-of-way), drives and parking areas within the Common Area,
- v. the procurement and maintenance of insurance in accordance with the Bylaws;
- vi. the maintenance of lakes, ponds, retention areas or other bodies of water located within the Common Area, if any, as well as the maintenance of dams and areas surrounding such water;
- vii. the maintenance of any "sign easement" areas located on any Lot, as shown on the Plat;
- viii. the maintenance of entranceways, landscaping and lighting of the Common Area, road medians, islands and entranceways, and the lighting of streets (whether public or private);
- ix. the payment of charges for garbage collection and municipal water and sewer services furnished to the Common Area;
- x. the costs associated with duties of the Architecture Review Committee;
- xi. the employment of attorneys and other agents to represent the Association when necessary;
- xii. the provision of adequate reserves for the replacement of capital improvements including, without limiting the generality of the foregoing, paving, and any other major expense for which the Association is responsible; and such other needs as may arise.

(b) The Association can but is under no obligation to establish and maintain an

adequate reserve fund for the periodic maintenance, repair and replacement of improvements to the Common Area and those other portions of the Subdivision which the Association may be obligated to maintain. Such reserve fund, if established, is to be established out of the Annual Assessments or Special Assessments for common expense.

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

(d) The Declarant and the Association shall be responsible for maintenance and repair of the Storm Water Management Facilities until title to the Storm Water Management Facilities is transferred to the Association pursuant to Article II, Section 4 above, at which time the Association shall be solely responsible for the maintenance and repair thereof. Maintenance and repair of the Storm Water Management Facilities is mandatory per local, state, and federal regulations and violations of said regulations may result in civil and/or criminal penalties. Failure to maintain and repair the Stormwater Management Facilities may lead to civil and/or criminal penalties per the regulations referenced in the foregoing sentence.

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

Section 3. Initiation Fee. The Initiation Fee shall be set by the Declarant and paid by the purchaser of a Lot to the Association contemporaneously with each transfer of ownership of any Lot to a party other than the Declarant or an Approved Builder. The Initiation Fee shall not be prorated. The Initiation Fee shall be used for common expenses and can be used for unforeseen expenditures or to acquire equipment or services deemed necessary or desirable by the Board for common Association purposes.

Section 4. Annual Assessment. The initial Annual Assessment shall be set by the Declarant. Once the initial Annual Assessment has been set, the Annual Assessment shall be paid on a calendar year basis unless changed by the Board of Directors.

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

Assessment may be increased above twenty (20%) percent of the maximum Annual Assessment for the previous year only by an affirmative vote of two-thirds (2/3) of all the votes entitled to be cast by the Members, who are voting in person or by proxy, at a meeting duly called for this purpose.

Section 5. Special Assessments and Special Individual Assessments.

(a) In addition to the Annual Assessments, the Association may levy, in any calendar year, a Special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair, or replacement of a capital improvement in the Subdivision, or for other special or extraordinary, but not recurring purposes, as identified and approved by the Board, provided that any such assessment shall be approved by an affirmative vote of 2/3 of all the votes entitled to be cast by the Members, who are voting in person or by proxy at a meeting duly called for this purpose at which a quorum is present. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Lot or otherwise.

(b) In addition to the Annual Assessments and the Special Assessments, the Board shall have the power to levy a Special Individual Assessment applicable to any particular Owner (1) for the purpose of paying the cost of any construction, reconstruction, repair or replacement of any damaged component of the Common Area, including the public roads (prior to their acceptance for public maintenance), whether occasioned by an act or omission of such Owner, members of such Owner's family, or such Owner's agents, guests, employees, or invitees and not as a result of ordinary wear and tear, or (2) for the payment of fines, penalties, or other charges imposed against any Owner relative to such Owner's failure to comply with the terms and provisions of this Declaration, the Bylaws, or any rules and regulations promulgated by the Association or Declarant pursuant to this Declaration or the Bylaws. The due date of any Special Individual Assessment levied pursuant to this Section shall be fixed in the Board's resolution authorizing such Special Individual Assessment. Upon the establishment of a Special Individual Assessment, the Board shall send written notice of the amount and due date of such Special Individual Assessment to the affected Owner(s) at least ten (10) days prior to the date upon which such Special Individual Assessment shall be due.

Section 6. Notice and Special Quorum for any Action Authorized under Sections 4 and 5. Written notice of any meeting called for the purpose of taking any action authorized under Section 4 or 5 shall be sent to all Owners not less than thirty (30) days and no more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast forty (40%) percent of all the votes of the membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 7. Uniform Rate of Assessment. Both Annual Assessments and Special Assessments must be fixed at a uniform rate for all Lots.

Section 8. Date of Commencement of Annual Assessments. The Annual Assessments provided for herein shall commence as to all Lots owned by Class A Members as of the filing of this Declaration. The first Annual Assessment shall be adjusted according to the number of months remaining in the calendar year. Subsequent Annual Assessments will be due not more than once in a twelve-month period as determined by the Board. The Board shall fix the amount of the Annual Assessment against each Lot at least thirty (30) days in advance of each Annual Assessment period. Written notice of the Annual Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of Assessments on a Lot is binding upon the Association as of the date of its issuance.

Notwithstanding the provisions of this Section 8, Lots owned by Declarant or Approved Builder(s) shall be exempt from the Initiation Fee, Annual Assessments, Special Assessments, and Special Individual Assessments during Declarant's or Approved Builder's ownership of the Lot(s). The Initiation Fee, Annual Assessments, Special Assessments, and Special Individual Assessments for such Lot(s) shall commence upon the date of sale of the Lot to a Class A Member.

Section 9. Effect of Nonpayment of Assessments: Remedies of the Association. Any Initiation Fee, Annual Assessment, Special Assessment, or Special Individual Assessment not paid within thirty (30) days after the due date shall be subject to a \$25 late fee and bear interest from the due date at the rate of fifteen (15%) percent per annum. The Association may bring an action at law or in equity against the Owner personally obligated to pay the same, or foreclose the lien created herein against the Lot subject to the Assessment in the same manner as prescribed by the laws of the State of South Carolina for the foreclosure of mortgages, and interest, costs, and reasonable attorney's fees for representation of the Association in such action or foreclosure shall be added to the amount of such Assessment. No Owner may waive or otherwise escape liability for payment of the Assessment provided for herein by nonuse of the Common Area or abandonment of his or her Lot nor shall damage to or destruction of any Improvements on any Lot by fire or other casualty result in any abatement or diminution of the Assessments provided for herein.

Section 10. Effect of Default in Payment of Ad Valorem Taxes or Assessments for Public Improvements by Association. Upon default by the Association in the payment to the appropriate governmental authority of any ad valorem taxes levied against the Common Area or assessments for public improvements to or for the benefit of the Common Area, which default shall continue for a period of six (6) months, each Owner of a Lot in the Subdivision shall become personally obligated to pay to the taxing or assessing governmental authority a portion of such unpaid taxes or assessments (including any late payment penalties) in an amount determined by dividing the total taxes, assessments, and penalties due the governmental authority by the total number of Lots in the Subdivision. If such sum is not paid by the Owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien on the Lot of the then Owner, his heirs, devisees, personal representatives and assigns, and the taxing or

assessing governmental authority may either bring an action at law or equity or may elect to foreclose the lien against the Lot of the Owner. This Section shall not become applicable until Class B Membership ceases to exist.

Section 11. Subordination of the Lien to Mortgages. The lien of the Assessments against a Lot provided for herein shall be subordinate to the lien of any first mortgage upon such Lot. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such foreclosure sale or transfer. No foreclosure sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

Section 12. Obligation of the Declarant with respect to Maintenance Assessments. So long as the Declarant owns at least one Lot in the subdivision, Declarant may opt to either pay all expenditures in excess of collections (deficit funding) or choose to have its Lots subject to the regular Assessments. After fifty (50%) percent of the Lots are conveyed to Owners other than the Approved Builder (s), any such deficit funding will be considered a loan to the Association and Declarant may require the Association to reimburse Declarant in full prior to the expiration of Class B Membership.

ARTICLE V—INTENTIONALLY OMITTED

ARTICLE VI— ARCHITECTURAL CONTROL

Section 1. Plan of Design Approval. All residences, outbuildings, and other structures initially constructed within the Subdivision by an Approved Builder (collectively, "Initial Improvements") shall be built in accordance with plans and specifications which have been previously approved by Declarant. Under no circumstances shall any additional architectural approval be required as to the Initial Improvements constructed by any Approved Builder. Other than the Initial Improvements constructed by an Approved Builder, no building, fence, wall, porch, deck, or any other structure or improvement (collectively, "Improvements"), including, without limitation, the alteration or painting of the exterior surface of any Improvement, shall be undertaken upon any Lot unless the plans and specifications and location of the proposed Improvement shall have been expressly approved in writing by the Architecture Review Committee. No subsequent alteration or modification of any Improvements or construction, erection or installation of additional Improvements may be undertaken or allowed to remain on any Lot without the review and express written approval of the Architecture Review Committee in accordance with the provisions of this Declaration.

Section 2. Architecture Review Committee. Until such time as the Class B Membership expires, Declarant shall annually appoint the members of the Architecture Review Committee, the exact number of members of the Architecture Review Committee being designated

by Declarant from time to time. Each member shall be generally familiar with residential and community development design matters and knowledgeable about the Declarant's concern for a high level of taste and design standards within the Subdivision. In the event of the death or resignation of any member of the Architecture Review Committee, Declarant, for so long as it has the authority to appoint the members of the Architecture Review Committee, and thereafter the Board, shall have full authority to designate and appoint a successor. Members of the Architecture Review Committee may be removed and replaced at any time with or without cause, and without prior notice, by Declarant, for so long as Declarant has the right to appoint the members thereof, and thereafter by the Board. Subsequent to the expiration of Class B Membership (and earlier if Declarant specifically assigns this right to the Board), the Board shall designate the number of and appoint the members of the Architecture Review Committee on an annual basis. At any time, Declarant may elect not to designate the number of and/or appoint the members of the Architecture Review Committee and may assign this right to the Board. If such appointment to the Board occurs, all references to the Architecture Review Committee shall mean and include the Board.

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

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

Section 5. Submittal of Plans to Architecture Review Committee. Prior to the commencement of any construction, other than the Initial Improvements made by the Approved Builder(s), each Owner shall submit to the Architecture Review Committee, in duplicate, plans and drawings, in a one-eighth (1/8) scale or larger, which shall contain, at a minimum:

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

or as may be published by the Architecture Review Committee.

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

The documents and other information required to be submitted shall be delivered or mailed to the Architecture Review Committee of Rutledge Estates or some other designee as may be appointed by Declarant or the Board. One complete set shall be retained by the Architecture Review Committee and the other complete set shall be returned to the applicant, with the Architecture Review Committee's approval or disapproval clearly noted thereon.

Section 6. Effect of Failure to Approve or Disapprove.

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

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

Section 8. Enforcement. In addition to the rights of the Declarant and the Association to enforce the provisions of this Declaration as set forth hereinafter, the Architecture Review Committee shall have the specific, nonexclusive right to enforce the provisions contained in this Article VI and/or to prevent any violation of the provisions contained in this Article VI by a proceeding at law or in equity against the Owner violating or attempting to violate any such provisions contained herein. The Architecture Review Committee shall also have the right to request that the Board levy upon an Owner a Special Individual Assessment for said violations. In the event that the Architecture Review Committee, the Declarant or the Association resorts to litigation to determine the propriety of any constructed Improvement, to remove any unapproved Improvement, or otherwise to remedy a violation of this Article VI, the Architecture Review Committee, the Declarant, or the Association, as applicable, shall be entitled to recover court costs, reasonable attorneys' fees and expenses incurred in connection therewith, which costs, fees and expenses may be levied as a Special Individual Assessment against the offending Owner's Lot.

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

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

Section 11. Maintenance of Lot. It shall be the responsibility of each Owner of a Lot to prevent the accumulation of litter, trash, packing crates, or any other accumulations which shall create an unkempt condition of the buildings or grounds on a lot and/or which shall otherwise tend to substantially decrease the beauty of the Subdivision as a whole or the specific area. No loose trash will be permitted to be strewn about the Subdivision at any time. Garbage containers must be kept out of sight from the street, except during garbage collection hours. All personal use items shall be stored inside when not in use. These items include, but are not limited to, yard tools, sprinklers, wheel barrows and children's toys which would create a nuisance for the community. Owners shall follow the requirements for maintenance set forth in any applicable landscaping guidelines provided to the Owners by the Declarant and/or the Association. All Improvements on the lot shall be kept within reasonable neighborhood standards as determined by the Architecture Review Committee. In the event the requirements of this section are not adhered to, the Association shall send written notice to the Owner via certified mail giving an additional period for compliance of ten (10) days, unless a hardship or special circumstance requires additional time. If the violation continues, the Association may at its sole discretion hire contractors or other personnel to correct said violation and bill the Owner for all costs incurred. In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association the right and easement to unobstructed vehicular and pedestrian access over and upon each Lot at all reasonable times to perform maintenance as provided for in this Article. In the event the Association performs such exterior maintenance, repair, or replacement, the cost of such maintenance, replacement, or repairs shall be assessed to the Owner as

a Special Individual Assessment and shall become a lien against the Lot of such Owner.

ARTICLE VII - USES PERMITTED AND PROHIBITED

Section 1. Residential Use of Property. All Lots in the Subdivision shall be used for single-family, residential purposes only and no business or business activity shall be carried on or upon any Lot at any time, except with the written approval of the Board; provided however, that nothing herein shall prevent Declarant or any Approved Builder from using any Lot owned by Declarant or such Approved Builder for the purpose of carrying on business related to the development, improvement and sale of Lots in the Subdivision.

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

Section 3. Trailers, Boats, Boat Trailers. Any boat or boat trailers, camping trailer, recreational vehicle, utility trailer and/or similar equipment used for the personal enjoyment of a resident of a Lot shall at all times be neatly stored and positioned so as to be inconspicuous or shall be within a covered and screened area and such placement is subject to Architecture Review Committee approval. The Architecture Review Committee may ask that such equipment be removed at any time it is deemed to be a nuisance by the Board or the Architecture Review Committee. A Special Individual Assessment will be imposed for all costs and expenses incurred by the Association and/or the Architecture Review Committee in connection with any violation of this Section. Note that this section is subject to the prohibition on watercraft longer than 12' being kept on a lot either temporarily or permanently as set forth in Article VII, Section 2 above.

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

Section 4. Offensive Activities. No obnoxious or offensive activity shall be permitted anywhere on a Lot or Common Area(s) nor shall anything be done which may become an annoyance, nuisance, or menace to the Subdivision. No Lot or any part thereof shall be used for any business, commercial, or public purpose, except as set forth in Article VII, Section 1 above. The Board of Directors shall have the power to make and to enforce reasonable rules and regulations in furtherance of this provision.

Section 5. Livestock. No animals shall be kept, maintained, or quartered on any Lot or

tract in the Subdivision except that cats, dogs, rabbits, hamsters, or caged birds may be kept in reasonable numbers as pets for the pleasure of Owners so long as said animals do not constitute a nuisance or menace to the neighborhood.

Section 6. Aesthetics, Natural Growth, Screening. Tall shrubbery or hedges shall be trimmed to reasonable limits where traffic hazards may be created. Further, all Owners shall be required to maintain their Lots and any Improvements thereon at all times in a neat, attractive and presentable manner so as not to detract from the overall appearance of the Subdivision or the surrounding property.

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

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

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

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

Section 9. Outdoor Fires. No outside burning of wood, leaves, trash, garbage or other refuse shall be permitted on any Lot, except that an outdoor fireplace or permanent outdoor firepit

may be approved by written approval from the Architecture Review Committee as further described herein.

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

Section 11. Fences and Walls. All fences, walls, and other screens or types of barriers must be approved prior to installation pursuant to Article VI, Section 1. Both material and locations of any fences, walls, and other screens or types of barriers must be expressly approved in writing by the Architecture Review Committee.

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

Section 13. Garages. No residence shall be constructed without having at least a one-car garage which will be maintained permanently as a functional garage, with the exception that sales models constructed by Approved Builder(s) are not required to have functional garages while they are being used as sales models; however, there must be space to be converted to functional garage space upon conveyance of the Lot to a Class A Member.

Section 14. Driveways and Entrances to Garages. All driveways and entrances to garages shall be concrete or some other substance approved in writing by the Board or the Architecture Review Committee and of a uniform quality.

Section 15. Signage. No signs shall be permitted on any Lots except that a single sign offering the Lot for sale may be placed on such Lot, provided such sign is approved by the Architecture Review Committee. Further, so long as Class B Membership exists, Declarant reserves the right to place additional signs as needed within the Subdivision. The Board, through the Architecture Review Committee, reserves the right to allow additional signs as deemed appropriate after Class B Membership ceases. Notwithstanding the forgoing, a single sign may be placed on a Lot giving notice that a home security system is in place.

Section 16. Mailboxes. All residences shall have a special mailbox which will be available from a source to be specified by the Declarant. Common box units as required by the USPS shall be located throughout the neighborhood. Initial placement of these units shall be determined by the Declarant and/or Approved Builder with maintenance being the responsibility of the Association.

Section 17. General Rules and Regulations. The Board shall have the power to formulate, publish, and enforce reasonable general rules and regulations concerning the use and enjoyment of the Lot and the Common Area(s). Such rules and regulations are attached hereto as **Exhibit A** and shall be posted on the Association's website (if applicable), together with being maintained in a place convenient to the Owners and available to them for inspection during normal business hours and with reasonable notice. These rules and regulations shall be further recorded in the Office of the Register of Deeds for Spartanburg County.

ARTICLE VIII – EASEMENTS

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

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

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

ARTICLE IX-SETBACK, LOCATION, AND SIZE OF IMPROVEMENTS

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

Section 2. Detached Buildings. Detached buildings, approved as provided in this Declaration shall be of the same exterior material as the house on the Lot and of a size no greater than 12' x 12' and shall be placed no nearer to any Lot line than the distance determined by applicable building codes. **THE LOCATION OF ALL DETACHED BUILDINGS SHALL BE APPROVED IN ADVANCE BY THE ARCHITECTURE REVIEW COMMITTEE.**

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

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

Section 5. Combination of Lot. One or more Lots or parts thereof may be combined with the adjacent Lots to form a single building Lot when (i) such combination is permitted by all applicable laws and regulations and (ii) such combination is approved, in writing, by the Board. In such event, the building line requirements provided herein shall apply to such Lots as combined and side line easements as shown on the Plat(s) shall be moved to follow the new side line so that the easement will run along the newly established side line.

ARTICLE X - GENERAL PROVISIONS

Section 1. Enforcement. The Declarant, any Approved Builder (so long as it owns a Lot), the Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of the Declaration, the Articles of Incorporation, or Bylaws. The Declarant or the Association shall have the right to impose Special Individual Assessments for infractions of such restrictions. In the event that the Declarant, any Approved Builder, any Owner, or the Association resorts to litigation to remedy a violation of this Declaration, such Owner, Declarant, Approved Builder, or the Association, as applicable, shall be entitled to recover court costs, reasonable attorneys' fees and expenses incurred in connection therewith, which costs, fees and expenses may be levied as a Special Individual Assessment against the offending Owner's Lot. Failure by the Declarant, the Association, an Approved Builder, or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. The Declarant, the Association, the Approved Builder, and any Owner shall have the right to request that law enforcement, public safety and animal control officers come on the Subdivision to facilitate the enforcement of the laws, codes and ordinances of any governmental authority.

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

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

necessarily results, however, the provisions of this Declaration shall prevail over any inconsistent provision contained in the Articles of Incorporation or Bylaws to the contrary, to the extent permitted by law.

Section 4. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods often (10) years. Declarant specifically reserves the right to amend this Declaration, or any portion hereof, on its own motion without the consent of any other Owners or Members so long as Declarant owns at least one (1) Lot in the Subdivision. After Class B Membership has ceased, this Declaration may be amended by a recordable instrument signed by Members representing not less than sixty-seven (67%) percent of the outstanding votes. Any amendment must be recorded with the Office of the Register of Deeds of Spartanburg County, South Carolina. As long as Declarant or any Approved Builder owns any Lot in the Subdivision, no amendment shall be effective without the written consent of Declarant or Approved Builder; provided however, that an amendment proposed by Declarant on its own motion shall not require the written consent of any Approved Builder.

Section 5. Annexation.

(a) Additional Property may be annexed into the Subdivision and made subject to this Declaration by the Declarant by filing a supplemental declaration of record. Subject to subparagraph (b) below, such annexation must be approved by two-thirds (2/3) of all votes entitled to be cast by the Members.

(b) Notwithstanding the above, Additional Property may be annexed by the Declarant without the consent of the Class A Members within ten (10) years of the date of this instrument; provided, however, that should Declarant elect to improve and develop all or part of the Additional Property, Declarant shall not have the right to impose covenants and restrictions which materially differ from those contained herein without the written approval of the Association.

Section 6. Notices. All notices, requests, demands, and other communications allowed, made, or required to be made pursuant to the terms of this Declaration shall be in writing and shall be deemed to be given or made when personally delivered (including personal delivery by Federal Express or other nationally recognized overnight private courier service) or the date that is three (3) days after the date of postmark of any notice when deposited with the United States Mail, addressed in any such event to the party to whom such communication is directed at such address as is set forth below or at such other address as may hereafter be designated in writing by the respective parties hereto:

If to Declarant:

Mark III Properties, LLC
P.O. Box 170248

Spartanburg, SC 29301

If to Association or Architecture Review Committee:

Rutledge Estates HOA

Attn: The current registered agent and it's address on file with the South Carolina Secretary of State's office.

If to Owner (other than Declarant or Approved Builder):

at the address of Owner's Lot

If to an Approved Builder:

at the address provided by the Approved Builder to the Declarant or Association

ARTICLE XI - MISCELLANEOUS

Section 1. Notice of Conveyance. The Owner of each Lot shall cause written notice to be delivered to the Association upon the conveyance of any Lot by the Owner, advising the Association of the conveyance.

Section 2. Declarant's Rights. Any or all of the special rights and obligations of the Declarant set forth in this Declaration or the Bylaws may be transferred to other Persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained in this Declaration or in the Bylaws, as applicable. Furthermore, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the public records of Spartanburg County, South Carolina. Nothing in this Declaration shall be construed to require the Declarant or any transferee to develop any of the property adjacent to or contiguous with the Property.

Notwithstanding any provisions contained in this Declaration to the contrary, so long as construction and initial sales of units shall continue, it shall be expressly permissible for the Declarant and Approved Builders to maintain and carry on upon portions of the Common Area and public streets such facilities and activities as, in the sole option of the Declarant, may be reasonably required, convenient, or incidental to the construction or sale of such units, including, but not limited to business offices, signs, model units, sales offices, and rental units. The Declarant and Approved Builders authorized by Declarant shall have easements for access to and use of such facilities as well as vehicular access for construction along public streets. The right to maintain and carry on such facilities and activities shall include specifically, without limitation, the right to units owned by the Declarant and any common area or other facilities which may be owned by the Association, as models, sales offices, or rental units.

In addition, notwithstanding any contrary provision of this Declaration, the Bylaws, or any Association rules, the Declarant shall have the right to replat or revise the recorded plats relating to any portion of the Property without the consent of any Owner other than the Owner(s) of the Lots in which the boundaries are altered.

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

So long as the Declarant continues to have rights under this Article, no person or entity shall record any declaration of covenants, conditions and restrictions, or similar instrument affecting any portion of the Properties without Declarant's review and written consent. Any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or similar instrument being void and of no force and effect unless subsequently approved by written consent signed by the Declarant and recorded in the public records.

[Signature Page Below]

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hands and seals this 27th day of November, 2023

MARK III PROPERTIES, LLC

WITNESSES:

[Signature]

melody tierpack

[Signature]

BY: _____
Print Name: John W Beeson Jr
Title: PRESIDENT

STATE OF SOUTH CAROLINA)

ACKNOWLEDGMENT

COUNTY OF Spartanburg)

I, Melody S. Tierpack, Notary Public for the State of South Carolina, do hereby certify that John W. Beeson Jr., in his/her capacity as President of Mark III Properties, LLC, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal this the 27th day of November, 2023

[Signature]

Notary Public for South Carolina

Printed Name of Notary: Melody S. Tierpack

My Commission Expires: 9-25-28

Melody Tierpack
Notary Public, State of South Carolina
My Commission Expires September 25, 2028

EXHIBIT A

**Rutledge Estates
Homeowners' Association,
Inc.**

Architectural Guidelines

Rutledge Estates

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INTRODUCTION

The Rutledge Estates Homeowners' Association, Inc. (the "Association") Architectural Guidelines (the "Guidelines") are a supplement to the Covenants, Conditions and Restrictions recorded in the official records of the Spartanburg County Register of Deeds (the "Covenants") and are not to be considered as the sole statement of regulations. Capitalized words used in these Guidelines shall have the meaning ascribed to them in the Covenants, unless expressly provided otherwise herein.

This document is not intended to be comprehensive; rather it is a guideline for Owners considering modification to their Lot or exterior of their dwelling unit. These Guidelines are subject to revision without notice. Unless otherwise defined herein, capitalized words and phrases used in these Guidelines shall have the meanings set forth in the Covenants.

The Covenants and the provisions requiring Owners and other persons to obtain the approval of the Board or Committee with respect to certain actions specified in the Covenants are independent of the obligation of Owners and other persons to comply with all applicable laws, ordinances and regulations, and compliance with provisions of the Association documents shall not relieve Owners or other persons from the obligation to also comply with all applicable laws, ordinances and regulations.

A. DESIGN REVIEW PROCESS

1. Any change, addition, or modification to a site or a building exterior of a dwelling unit requires the prior written approval of the Committee. Owners with proposed changes should contact the management company, with whom the Association has contracted for community management, to obtain the necessary architectural guidelines and submittal documentation.
2. Simply stated, no improvement, alteration, repair, addition, or other work, including changes in exterior color, is to occur on any Lot or exterior of any dwelling unit from its improved state existing on the date such property was first conveyed by Builder to a purchaser without prior approval of the Committee. The responsibility of the Committee is to ensure that the harmonious, high-quality image of Rutledge Estates HOA is implemented and maintained.
3. Any Owner requesting approval of any construction, installation, addition, alteration, repair, change or other work to their Lot or dwelling unit shall follow the application procedures listed in the Application Procedure Section below. Response to the submittals will be returned to the applicant within thirty (30) days of receipt of an application with all required documents. Please confirm that the management company has received your application. If approval is not received within thirty (30) days, the application is automatically **DENIED**.

B. APPLICATION PROCEDURES

1. An Owner shall submit (i) a written request for approval to the Committee via the community website using the approved application form, specifying in detail the nature and extent of the addition, alteration, repair, change or other work the Owner desires to perform, including, without limitation, the distance of such work from neighboring properties, if applicable, and (ii) any additional information, plans and specifications which the Committee may request.

2. The approval of an Application by the Committee shall be in addition to and not in lieu of any approvals or permits which may be required under any federal, state or local law, statute, ordinance, rule or regulation.
3. The approval of an Application by the Committee shall not be deemed a warranty or representation by the Committee as to the quality of such construction, installation, addition, alteration, repair, change or other work or that such construction, installation, addition, alteration, repair, change or other work conforms to any applicable building codes or other federal, state or local law, statute, ordinance, rule or regulation.
4. **It is the Owner's responsibility to ensure that any proposed construction is coordinated with, and where applicable, approved by all applicable governmental federal government agencies, including without limitation, any municipality, county, state or federal agency. The Committee, the management company and the Association assume no responsibility for obtaining these reviews and approvals. An approval by the Committee does not indicate or imply that the request complies with local zoning or building code requirements.**

C. DESIGN GUIDELINES

1. General Principles. The purpose of the Committee is to promote consistent application of the Guidelines. The Guidelines promote those qualities in Rutledge Estates that enhance the attractiveness and functional utility of the community. Those qualities include a harmonious relationship among structures, vegetation, topography and overall design of the community.
 2. Design Compatibility. The proposed construction must be compatible with the design characteristics of the property itself, adjoining properties and the neighboring setting. Compatibility is defined as harmony in style, scale, material, color and construction details.
 3. Workmanship. The quality of workmanship evidenced in construction must be equal to, or better than, that of the surrounding properties. In addition to being visually objectionable, poor construction practices can cause functional problems and create safety hazards. The Association and the Committee assume no responsibility for the safety or livability of the new construction by virtue of design and workmanship.
 4. Antennas and Satellite Dishes. While the Association does not prohibit the use of antennas, satellite television dishes or other structures designed for the receipt or transmission of television, radio or other communication signals on any Lot, the Association does regulate the size and location. All antennas, satellite television dishes or other structures are to be located in the rear of house and not be visible from the road. However, corner lots will be reviewed on an individual basis. All antennas, satellite television dishes or other structures are to be submitted to Committee with a diagram showing the location and size of the device to ensure that they do not negatively impact the general development scheme and appearance of Rutledge Estates.
 5. Decks, Arbors, Pergolas, Covered Patios and Gazebos. The Committee encourages creative designs and patterns for decks, arbors/ramadas, patios and gazebos particularly in replacement of existing builder-supplied components. However, plans for such improvements shall be submitted to the Committee for approval and must comply with all City, County and State ordinances.
- Pergolas, covered patios and gazebos may be erected in rear yards of single-family homes only subject to prior review and approval by Committee, subject to the following guidelines:

- a. The structure may not extend beyond the sides of the home
 - b. The structure may not exceed 10 feet in height
 - c. Color of the structure must match or blend with the colors of the exterior of the home.
6. Driveway Extensions. Driveway extensions will be reviewed for approval provided the following conditions are met:
- a. Only driveway extensions immediately adjacent to the existing driveway located in the side yard of the property will be considered.
 - b. Submittals must include a plot plan with the following noted thereon: the location and dimensions of the proposed extension and the existing driveway dimensions
 - c. Consideration must be given to the existing drainage and water run-off must not be compromised.
7. Fences. All proposed fence locations and details require prior written approval of the Committee and are subject to the following conditions (see **Exhibit B for specific guidelines on installations**):

Single Family

- a. No above-ground fencing shall be located in the front yard of any Lot.
- b. No chain link fencing shall be allowed. See Exhibit B for examples of acceptable fence styles.
- c. **A plot plan or copy of the surveyor's plat, shall be provided to indicate the exact location of the fence in relation to the dwelling unit and property lines. The following dimensions shall be included: length of each fence section and distance of each fence section to its adjacent property lines along with the location and size of gate(s). Applications that do not contain a plot plan will be rejected.**
- d. Natural or landscaped drainage must not be disturbed in connection with the installation of the fence.
- e. Consideration should be given to access and ease of maintenance when selecting location and treatment.
- f. Owners are cautioned that building a fence over easements or access right-of-ways ((e.g.), utility easements) may result in removal or destruction of the fence. Such building of the fence is done entirely at the risk and expense of the Owner.

Townhomes

- a. No above-ground fencing shall be located in the front yard of any Lot.
 - b. Fencing shall not be allowed in side yards.
 - c. No chain link fencing shall be allowed. See Exhibit B for examples of acceptable fence styles.
 - d. **A plot plan or copy of the surveyor's plat, shall be provided to indicate the exact location of the fence in relation to the dwelling unit and property lines. The following dimensions shall be included: length of each fence section and distance of each fence section to its adjacent property lines along with the location and size of gate(s). Applications that do not contain a plot plan will be rejected.**
 - e. Natural or landscaped drainage must not be disturbed in connection with the installation of the fence.
 - f. All townhome lots will require a gate of sufficient width to allow access by landscapers. No owner may assume responsibility for the maintenance of the back yard.
8. Play Structures. No play sets, swing sets or similar playground equipment that would be visible from neighboring property shall be erected or installed on any Lot without the prior written approval of the Committee.

9. Pools and Spas. Pools and spas require prior written approval of the Committee prior to the commencement of any construction. Except for whirlpool spas, above-ground pools are not permitted. All pool and spa submissions must include the plans and specifications, as prepared by the pool or spa contractor, and must include the location of equipment, size of pool and spa, size of deck, setbacks and any proposed safety fencing. Runoff from pool drainage must be considered in overall landscape plan. In addition to the Committee approval, pools and spas must be installed according to all City, County and State requirements.

10. Solar Panels. Except as may be initially installed by the Declarant or builder and if permitted by applicable state regulations or other laws, no solar energy collecting unit or panels shall be placed, installed, constructed or maintained upon any Lot without prior written approval of the Committee. All solar panels will be flush mounted if visible from neighboring property and may only be located on the rear of a home out of sight from streets and roadways. Solar panels are not permitted in townhomes.

11. Storage Sheds. Storage sheds require prior written approval of the Committee and are subject to the following guidelines:
 - a. Sheds may not exceed 8 feet in height or 10 feet x 14 feet in size, or 144 square feet maximum.
 - b. Quality materials and construction shall be required; no exposed concrete block foundations are allowed. No metal or resin sheds allowed.
 - c. Sheds must match the exterior of the dwelling unit including siding, color, and roofing materials.
 - d. Sheds must be placed at least 5 feet from the property line
 - e. Storage sheds are prohibited in townhomes.

D. LANDSCAPE GUIDELINES—SINGLE FAMILY

1. Landscaping. Landscaping improvements or variations from the builder-installed materials shall require prior written approval and must be installed in accordance with plans approved in writing by the Committee.

2. Trees. The removal of a live tree shall require prior written approval unless the tree is less than two (2) inches in diameter at a height above the ground of two (2) feet. Removal of dead trees does not require approval, regardless of size. It is the Owner's responsibility to provide documentation that the tree is dead, if required.

3. Hardscape. The Committee must approve any hardscape items proposed for front yard installation. Hardscape items which will be visible from neighboring property in the rear yard will also require approval. Materials included in hardscape are concrete, brick, tile, wood, and etc. Examples of hardscape items are patios, planters, walkways, retaining walls, decorative walls, outdoor living spaces, fountains, etc...

4. Lighting. Except as initially installed by the builder, no spotlights, floodlights or other high intensity lighting shall be placed or utilized upon any Lot or any structure erected thereon with in

any manner will allow light to be directed or reflected on any other property except as approved by the Committee.

5. Other. Mulch may be installed without approval; however, the color of the mulch must be neutral and natural in tone. Yard art and outdoor decorations are permitted with the following stipulations:
 - a. Yard art constructed from plastic or similar low-grade materials is not permitted (plastic flamingos, plastic flowers, etc.)
 - b. Flagpoles over 10 feet are not permitted.
 - c. Ornamental objects or statuary must be constructed from high-grade materials such as ceramic, metal or wood, may not exceed 24 inches in height, and a maximum of five objects are permitted in front yards.

EXHIBIT A

HOW TO MAKE A REQUEST TO THE ARCHITECTURAL REVIEW COMMITTEE

A Completed Architectural Review packet will need to be submitted to the appropriate person for any request to be reviewed. To access the Architectural Review Form your neighborhood, visit www.hinsonmanagement.com/walnut-ridge and click the button labeled "Architectural Review Form" on the left side of the page. This PDF form will need to be completely filled out and submitted, along with all supporting documents, to the manager listed at the top of the form.

Architectural Committee Request forms will only be accepted from the owner of the property and will only be reviewed once the completed packet is received.

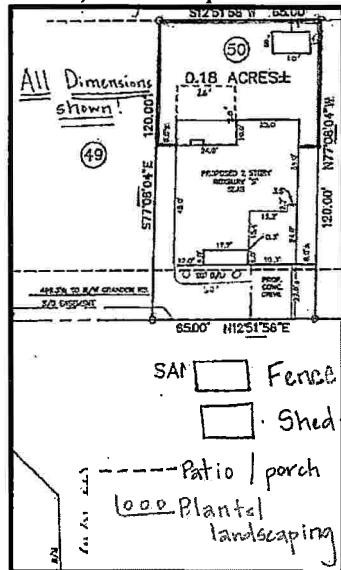
Architectural Committee Request Form Instructions

Examples of Site Plan with location and dimensions of improvements indicated.

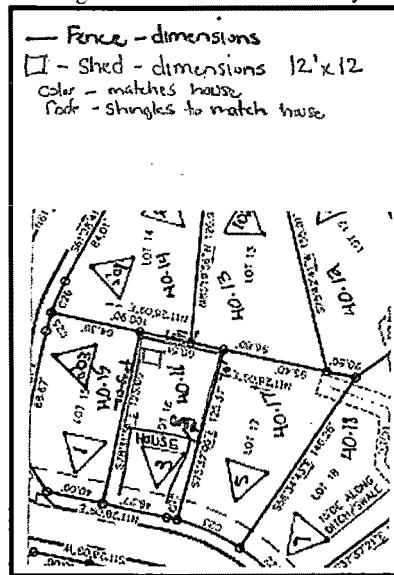
You must submit your site plan using a form like one of the two below. You must include the dimensions of all requested improvements as well their distance from your property lines

Preferred

Foundation survey (typically included in your closing documents) with all improvements drawn.



Plat of the community with your house and improvements drawn on your lot. This plat can be found on the Register of Deeds website for your county.



Architectural Committee Request Form Instructions

This guide will aid you in completing an Architectural Committee Request. Incomplete requests will not be accepted. If you have any questions, contact your representative via the information on the top of the form. Requests will not be accepted by any third party.

The Form

Where to return your form, email is preferred, and contact information for your representative.


Check any box that applies to the improvements you are requesting. You may request multiple projects in one packet if they will be completed at the same time.

Further information, and an example on the following page.

A visual representation of your requested improvement. This can be a drawing, picture from a brochure, or image from the internet.

You must sign and date your request before submitting. Electronic signatures are not accepted.

<NEIGHBORHOOD> ARCHITECTURAL COMMITTEE REQUEST



HINSON
Management, Inc.

Return Completed Packet to:
Hinson Management, Inc. ATTN: Name
e-mail: chin@hinsonmanagement.com
8499 Valley Falls Road (physical address)
PO Box #60207, Bolling Springs, SC 29116
Phone: (803) 599-0099 ext. #111

Manager Use Only

Received _____

Sent to contractor _____

Received decision _____

Property Address: _____

Homeowner Name: _____

Email Address: _____

Phone Number: _____

Category of Improvement (Check all that apply)

Out Building/Shed Driveway/Parking Fence Height _____

Landscaping Fences/Screened Porch Style _____

Awnings Other: _____ Color _____

If the fence, color, or style of endow is not all approved, fencing is assumed to be standard installation. If the fence, color, or style of endow is not all approved, the fence, color, or style of endow is assumed to be standard installation. It is also the property owner's responsibility to obtain all necessary permits from the appropriate authorities.

Checklist of Items ARC will need to proceed: Request will be sent to the committee for consideration without all supporting documentation included. If you have questions, please refer to the instructions included with this form.

site fits with location and dimensions of improvement indicated

Photos, back-site or sketch of improvement

All materials and descriptions of improvement are in writing and include material, color, and finish

Contractor: _____ Phone Number: _____

By signing below the applicant understands that by completing this form he/she agrees to all guidelines set forth in the Architectural Review Committee and all divisions applicable. It is understood that the applicant is responsible to comply with all Federal, State, County and Local codes. It is the applicant's responsibility to locate all easements, utilities, and property lines. Approval is void if improvement is not started within ninety (90) days from the approval date. All standards of the neighborhood's governing documents apply to completion guidelines. Items submitted to the contractor will not be returned.

Homeowner Signature: _____ Date: _____

FOR BOARD OR COMMITTEE USE ONLY

APPROVED: _____ Date: _____

DENIED: _____ Date: _____

Notes: _____

Your contact information, so we can contact you with information regarding your request.

If you are requesting a fence, indicate the height, style and color here.

Describe your requested improvement. Include what you are requesting, where it will be placed and a description of what it will look like.

Include the name and phone number for the contractor completing the project. If you will be doing the work yourself, simply write "self" on this line.

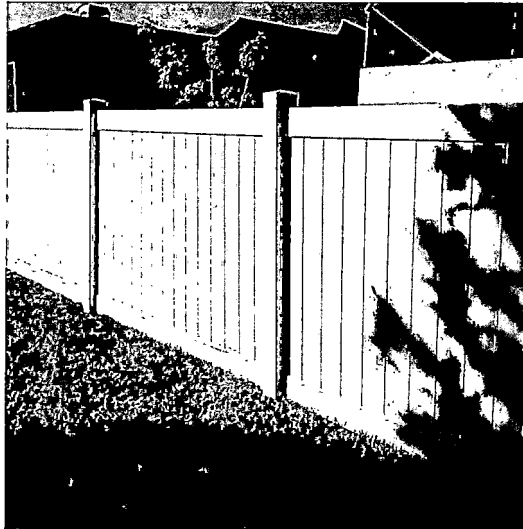
EXHIBIT B

FENCE GUIDELINES

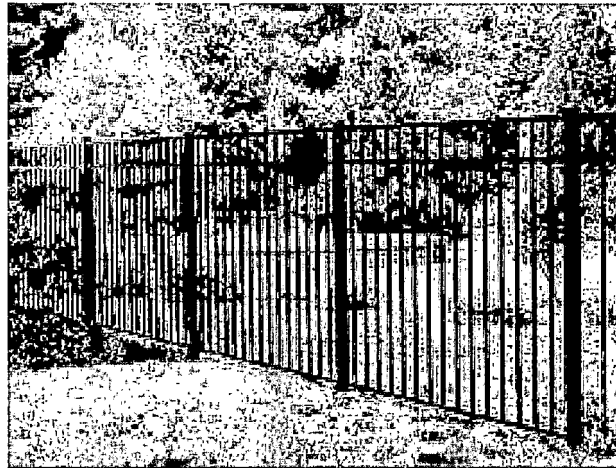
FENCES

- Chain link fences or chain link dog runs or kennels are not permitted.
- The following types of fences are the allowed styles within the community:
 1. White vinyl
 2. Black aluminum
 3. Wood, dog eared style will be allowed
- Proposed fencing cannot negatively impact or impede the community drainage plan. (example: Fence pickets cannot be buried in the ground, which would restrict the natural drainage flow of surface water across the properties.) Fencing must be installed to exactly 6 feet in height.
- Generally, fences should be installed on property lines and connected to any neighboring fences – where applicable and when permission is granted by neighboring owner(s). However, owners are permitted to install fences 3 feet or more from the property line provided that the owner understands they remain obligated to maintain any landscaped areas outside the fence. No two adjacent fences may be installed so that they abut each other; owners may either 1) tie into a single fence run with neighboring homeowners permission; 2) offset any fence by 3 feet from the neighboring property line; 3) end at the property line without attaching to neighboring fence. Exceptions to this rule can be made by the Architectural Review Committee based on certain features of individual lots that may make installation on the property line impractical, impossible, or interfere with drainage or other easements
- On corner lots, fencing must be placed a minimum of 10 feet from the property line as noted on the official survey/plot plan. This is **NOT** from the street or the sidewalk.
- Fences installed within an easement area are subject to removal for maintenance within the easement.
- Owners bear the risk of re-installing any fence within an easement at their own expense if that fence must be moved within an easement.
- The maximum span between posts shall be ten (10) feet. The minimum post size shall be 4 X 4 inches and must have two 2 rails per section.
- Generally, fences shall not be located closer to any street than halfway up the side of the home as measured from the rear corner to the front corner of the structure on each side of home.
- On corner lots, the fence shall not be closer to any side street than 10 feet from the property line.
- In townhomes, rear access by gate must be provided for landscaping access.
- All fence posts for all fences must be set in concrete.

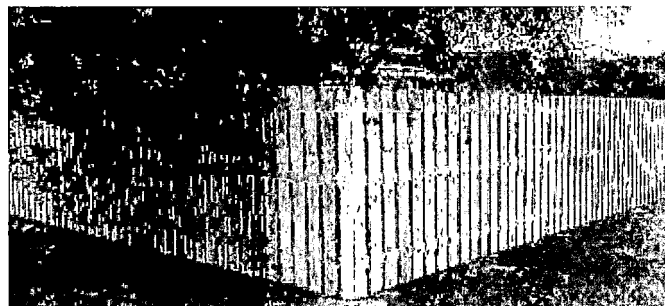
Approved Fence Examples:



6 foot white vinyl fence



4-6 foot black aluminum fence



6 foot dog eared wood fence

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Recording Fee: \$25.00
Office of REGISTER OF DEEDS, SPARTANBURG, S.C.
ASHLEY B. WILLIAMS REGISTER OF DEEDS
BK:DEE 144-L PG:405-406

STATE OF SOUTH CAROLINA)
)
COUNTY OF SPARTANBURG)

AMENDMENT TO COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR RUTLEDGE ESTATES SUBDIVISION

THIS AMENDMENT TO COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR RUTLEDGE ESTATES SUBDIVISION (the "Amendment") is made on the date on the signature page hereof by Mark III Properties, LLC, a Delaware limited liability company (herein referred to sometimes as "Mark III" and sometimes as "Declarant").

WHEREAS, on November 27, 2023, the Covenants, Conditions, and Restrictions for Rutledge Estates Subdivision were recorded in Deed Book 144-J at Page 400 in the Office of the Register of Deeds for Spartanburg County (hereinafter, the "Original Declaration", which together with all supplements and amendments thereto heretofore made, if any, are referred to as the "Declaration"); and

WHEREAS, all capitalized terms not defined in this Amendment shall have the same definition as used in the Declaration; and

WHEREAS, the Declarant wishes to amend Article II, Section 3("Leases of Lots") of the Declaration.

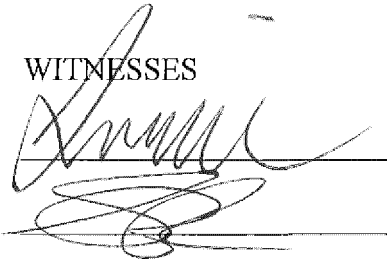
NOW THEREFORE, the Declaration is hereby amended as follows:

1. Article II, Section 3 of the Declaration is hereby amended by deleting the last sentence of the first paragraph of Section 3.

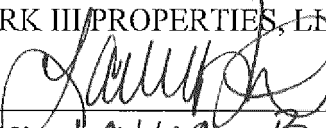
2. Except as amended or supplemented hereby or previously amended or supplemented, the aforementioned terms and conditions of the Declaration shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the undersigned, being the Declarant, has hereunto set its hand and seal effective this 4th day of December, 2023.

WITNESSES



MARK III PROPERTIES, LLC

By: 
Name: Laura B. Heathorn
Its: v. pres.

STATE OF SOUTH CAROLINA)
)
COUNTY OF SPARTANBURG)

ACKNOWLEDGEMENT

I, Melody S. Terpack, Notary Public for the State of South Carolina, do hereby certify that Laura B. Heathorn in his/her capacity as Vice President of Mark III Properties, LLC, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

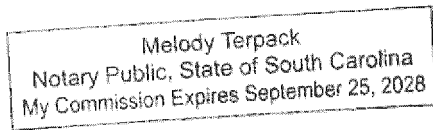
Witness my hand and official seal this the 4th day of December, 2023.



Notary Public for South Carolina

Printed Notary Name: Melody S. Terpack

My Commission Expires: 9-25-28



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BYLAWS OF RUTLEDGE ESTATES HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I
NAME AND LOCATION

Section 1.1 Name. The name of the corporation is Rutledge Estates Homeowners' Association, Inc. hereinafter referred to as the "Association."

Section 1.2 Location. The 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 Hinson Management, Inc. unless otherwise agreed upon by the Board of Directors. The registered office of the Association must be located in 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 further the interests of Owners of Lots in Rutledge Estates Subdivision located in Spartanburg County, South Carolina, and in connection therewith to provide services to such property Owners, manage and maintain the Common Areas, and administer and enforce all covenants and restrictions dealing with the Property and any other purposes allowed by law.

ARTICLE 2
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 that certain Covenants, Conditions and Restrictions for Rutledge Estates Subdivision which has or will be executed by Mark III Properties, LLC and duly recorded in the Land Records for Spartanburg County, South Carolina as the same may be supplemented and amended from time to time (the "Declaration").

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 the Declarant (as defined in the Declaration), any Approved Builder, and Owners of Lots in the Subdivision.

Section 3.2 Annual Meeting. The first annual meeting of the Members shall be held on such date as determined by the Board of Directors within one year from the date of incorporation of the Association or during the first calendar year that Assessments are charged to the Owners. Each subsequent annual meeting of the Members may be held on the same day of the same month of each year thereafter, at the hour of 7:00 o'clock, P.M. or on such other date and time as determined by the Board of Directors. If the day for the annual meeting of the Members is a

legal holiday, the meeting may be held at the same hour on the first day following which is not a legal holiday.

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 may 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 Classes of Lots and Voting Rights. The voting rights of the Membership shall be appurtenant to the ownership of Lots. There shall be two classes of Lots with respect to voting rights.

- (a) Class A Lots. Class A Lots shall be all Lots except Class B Lots as defined below. Each Class A Lot shall entitle the Owner(s) of said Lot to one (1) vote. When 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 Class A Lot.
- (b) Class B Lots. Class B Lots shall be all Lots owned by Declarant or an Approved Builder which have not been conveyed to purchasers who are not affiliated with an Approved Builder or Declarant. Declarant and an Approved Builder shall be entitled to three (3) votes for each Class B Lot which each party owns.

Section 3.8 Relinquishment of Control. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier:

- (i) the date on which the last Lot in the Subdivision is transferred by deed to an entity or individual other than the Declarant or an Approved Builder;
- (ii) when Declarant and any Approved Builder elect by notice to Association in writing to convert their Class B membership to Class A membership.

Section 3.9 Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, twenty-five percent (25%) of all the votes of each class of membership appurtenant to the Lots shall constitute a quorum for any action except as otherwise provided for special circumstances 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, and the required quorum at the subsequent meeting shall be one half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 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 votes present 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 which may 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 the South Carolina Code of Laws, 1976, as amended.

ARTICLE 4
BOARD OF DIRECTORS

Section 4.1 Number. The business and affairs of the Association shall initially be managed by a Board of three directors, who will be appointed by Declarant during and for so long as there is a Class B membership.

Section 4.2 Initial Directors. The initial directors shall be selected by the Declarant. Such initial directors shall serve for one year terms at the election of the Declarant or until such time as the Class B membership terminates and their successors are duly elected and qualified.

The names of the persons who shall serve on the initial Board of Directors are as follows:

Name

Laura Henthorn
Jay Beeson
Suzanne H. Dantin

Section 4.3 Nomination. Following the expiration of the Class B membership, nomination for election to the Board of Directors may be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. If applicable, the Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee may be appointed by the Board of Directors prior to 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 may be announced at each annual meeting. The Nominating Committee may 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 may be elected at the annual meeting of the Members by written ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

Section 4.5 Term of Office. The term of all successor directors elected by the Members shall expire at the next annual meeting of Members; provided, however, the directors shall continue to serve until their successors are elected and qualified or until their earlier resignation, removal from office, incapacity, or death.

Section 4.6 Removal. After the Class B Membership shall cease, any Director may be removed from the Board of Directors, with or without cause, by a two-thirds (2/3) vote of the Members of the Association. 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 Board of Directors. Until such time as the Class B Membership shall cease, Board members shall serve at the leisure of Declarant and can be removed with or without cause by Declarant.

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

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

ARTICLE 5 **MEETINGS OF DIRECTORS**

Section 5.1 Regular Meetings. Meetings of the Board of Directors may be held on a regular basis as often as the Board of Directors see fit, 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 Meeting. Special Meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days' notice to each director.

Section 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 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 by 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 call 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 Owners for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct or bad faith. The Owners 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 Owner(s).

ARTICLE 6 **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 the use of the Common Area and facilities, including but not limited to the recreational facilities and the personal conduct of the Members, their guests thereon, and to establish penalties for the infraction thereof;
- (b) suspend the voting rights and right to use of the recreational facilities of a Member, including the rights to use the recreational facilities, or other Common Area during any period in which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed 60 days for infraction of published rules and regulations;
- (c) exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation, or the Declaration;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;
- (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and prescribe their duties;

- (f) employ attorneys to represent the Association when deemed necessary;
- (g) 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 Subdivision;
- (h) 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;
- (i) 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;
- (j) to 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
- (k) to 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 as more particularly described in the Declaration;
 - (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 to bring an action at law against the Owner personally obligated to pay the same;

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

(e) Procure and maintain adequate liability 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.

ARTICLE 7 **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, a Secretary, and a Treasurer, 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 may 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 Treasurer, 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 or she replaces.

Section 7.6 Multiple Offices. The same individual may simultaneously hold more than one office.

Section 7.7 Compensation. No officer shall receive any compensation from the Association for acting as such.

Section 7.8 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 or her absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board 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 (provided that the Association chooses to have such a seal, pursuant to Article 11 of these Bylaws) 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 may 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.

ARTICLE 9 **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 (along with any amendments thereto or Supplemental Declaration(s) recorded on or after the date of these Bylaws), 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 Assessments to the Association, as defined in the Declaration. Any Assessments which are not paid when due shall be delinquent. Any Assessment not paid within thirty (30) days after the due date, as set forth in the Declaration, shall be subject to a \$25 late fee and shall bear interest from the due date at the rate of fifteen percent (15%) per annum and the Association may bring an action at law or in equity against the Member personally obligated to pay the same or foreclose the lien against the Lot subject to the Assessment in the same manner as prescribed by the laws of the State of South Carolina for the foreclosure of mortgages, and interest, costs, and reasonable attorneys' fees for representation of the Association in such an action or foreclosure shall be added to the amount of such Assessment. 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 Subdivision (including but not limited to the Common Area(s)) or abandonment of his or her Lot nor shall damage to or destruction of any Improvements on any Lot by fire or other casualty result in any abatement or diminution of the Assessments.

ARTICLE 11 **CORPORATE SEAL**

The Association may, but is not required by law, to have a seal in circular form.

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 (2/3) of all votes present at a duly held meeting of the Members at which a quorum is present in person or by proxy.

Notwithstanding anything in this Section 12.1 to the contrary, the Class B Members may at their option amend these Bylaws without obtaining the consent or approval of any other person or entity.

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 **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 and end on the 31st day of December of the year of incorporation.

ARTICLE 14 **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 or her 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 or she 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 or she 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 or her 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 or her and incurred by him or her in such capacity, or arising out of his or her 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 14 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.

I, Donald B. Wildman as Sole Incorporator of the Association do hereby adopt and approve the foregoing Bylaws, this the 20th day of November, 2023.

Rutledge Estates Homeowners' Association, Inc.

By: 
Donald B. Wildman, Sole Incorporator