

2018014313

RESTRICTION
RECORDING FEES

\$81.00

PRESENTED & RECORDED:

10-04-2018 11:24 AM

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LANCASTER COUNTY, SC

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BK:DEED 1175

PG:231-305

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

ANSLEY PARK

**THIS DOCUMENT REGULATES OR PROHIBITS
THE DISPLAY OF POLITICAL SIGNS**

Prepared by and return to:
Parker Poe Adams & Bernstein LLP
Attn: Paul VanWagenen
200 Meeting Street
Suite 301
Charleston, SC 29401

PPAB 4266508v11

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DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS

FOR

ANSLEY PARK

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS for Ansley Park ("**Declaration**") is made as of the date set forth on the signature page hereof by TF Ansley Park, L.P., a Delaware limited partnership (the "**Declarant**").

Declarant is the owner of the real property described on **Exhibit A**, which is attached hereto and incorporated herein by reference. This Declaration imposes upon the Properties mutually beneficial restrictions under a general plan of improvement for the benefit of the owners of each portion of the Properties and establishes a flexible and reasonable procedure for the overall development, administration, maintenance and preservation of the Properties. In furtherance of such plan, this Declaration provides for the creation of Ansley Park Homeowners Association, Inc. to own, operate and maintain Common Areas and to administer and enforce the provisions of this Declaration, and the By-Laws (capitalized terms are defined in **Article 1** below).

Declarant hereby declares that all of the property described on **Exhibit A** and any Additional Property subjected to this Declaration by Supplemental Declaration shall be held, sold, used and conveyed subject to the following easements, restrictions, covenants, and conditions which shall run with the title to the real property subjected to this Declaration. This Declaration shall be binding upon all parties having any right, title, or interest in any portion of the Properties, their heirs, successors, successors-in-title, and assigns, and shall inure to the benefit of each owner of any portion of the Properties.

ARTICLE 1. DEFINITIONS

The terms in this Declaration and in the exhibits to this Declaration shall generally be given their natural, commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth below.

1.1 "**Act**" means the South Carolina Homeowners Association Act, S.C. Code Ann. § 27-30-110 (1976) et seq., as it may be amended.

1.2 "**Additional Property**": All of that certain real property which is more particularly described on **Exhibit B**, which is attached and incorporated herein by this reference, and which real property is subject to annexation to the terms of this Declaration in accordance with **Article 7**.

1.3 "**Ansley Park**": That certain residential community commonly known and referred to as Ansley Park and subjected to this Declaration.

1.4 "**Area of Common Responsibility**": The Common Area, together with any additional areas for which the Association has or assumes responsibility pursuant to the terms of this Declaration, any Supplemental Declaration, any Cost Sharing Agreement, or other applicable covenant, contract, or agreement.

1.5 **"Articles of Incorporation" or "Articles"**: The Articles of Incorporation of Ansley Park Homeowners Association, Inc. as filed with the Secretary of State of the State of South Carolina, as they may be amended.

1.6 **"Association"**: Ansley Park Homeowners Association, Inc., a South Carolina nonprofit corporation, its successors and assigns.

1.7 **"Board of Directors" or "Board"**: The body responsible for administration of the Association, selected as provided in the By-Laws and serving as the board of directors under South Carolina corporate law.

1.8 **"Builder"**: Any Person who purchases one (1) or more Lots for the purpose of constructing improvements thereon for later sale to consumers or who purchases one (1) or more parcels of land within the Properties for further subdivision, development, and/or resale in the ordinary course of such Person's business or who enters into a construction contract with an Owner of a Lot for the construction of a residential dwelling. Any Person occupying or leasing a Lot for residential purposes shall cease to be considered a Builder with respect to such Lot immediately upon occupancy of the Lot for residential purposes, notwithstanding that such Person originally purchased the Lot for constructing improvements for later sale to consumers.

1.9 **"By-Laws"**: The By-Laws of the Association, as they may be amended, the initial form of which is attached as Exhibit C.

1.10 **"Cluster Mailbox Easement Area"** means, collectively, those portions of Common Area and Lots designated as "USPS Cluster Box Access Easement" (or similar designation) on a recorded plat of all or any portion of the Properties.

1.11 **"Cluster Mailboxes"** means, collectively, the collections of mailboxes assigned to the Lots within the Cluster Mailbox Easement Areas, and any associated structures for housing the mailboxes.

1.12 **"Common Area"**: All real and personal property, including easements and licenses, which the Association owns, leases or holds possessory or use rights in for the common use, benefit, and enjoyment of the Owners, including any improvements that Declarant may elect to construct on such real property for the common use and enjoyment of the Owners (such as, if any, recreational facilities, tot lot, pool, or cabana), and including the Limited Common Area. Any such improvements will be initially owned by the Declarant but ultimately conveyed to the Association for the use and enjoyment of the Owners.

1.13 **"Common Expenses"**: The actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Owners, including any reasonable reserve, as the Board may find necessary and appropriate pursuant to the Governing Documents.

1.14 **"Community-Wide Standard"**: The standard of conduct, maintenance, or other activity generally prevailing throughout the Properties. Such standard shall initially be established by the Declarant and may be more specifically determined by the Board of Directors.

1.15 **"Cost Sharing Agreement"**: Any agreement, contract or covenant between the Association and an owner or operator of property adjacent to, in the vicinity of, or within the Properties, for the allocation of expenses for amenities and/or services that benefit both the Association and the owner or operator of such property.

1.16 **"Day"**: Calendar days; provided however, if the time period by which any action required hereunder must be performed expires on a Saturday, Sunday or legal holiday, then such time period shall be automatically extended to the close of business on the next regular business day.

1.17 **"Declarant"**: TF Ansley Park, L.P. or any successor, successor-in-title, or assign who holds or takes title to any portion of the property described on Exhibit A or Exhibit B for the purpose of development and/or sale and who is designated as the Declarant in a recorded instrument executed by the immediately preceding Declarant provided however, there shall be only one (1) Person entitled to exercise the rights and powers of the "Declarant" hereunder at any time.

1.18 **"Development Period"**: The period of time during which the Declarant owns any property which is subject to this Declaration or any Additional Property, or has the right to subject Additional Property to this Declaration pursuant to **Section 7.1**. The Declarant may, but shall not be obligated to, relinquish its rights under this Declaration and terminate the Development Period by recording a written instrument in the Registry evidencing the termination of the Development Period.

1.19 **"General Assessment"**: Assessments levied on all Lots subject to assessment under **Article 8** to fund Common Expenses for the general benefit of all Lots, as more particularly described in **Sections 8.2** and **8.3**.

1.20 **"Governing Documents"**: The Declaration, By-Laws, Articles of Incorporation, all Supplemental Declarations, the rules of the Association, all Cost Sharing Agreements, and all additional covenants governing any portion of the Properties or any of the above, as each may be supplemented and amended from time to time.

1.21 **"Limited Common Area"** means a portion of the Common Area assigned, pursuant to **Section 4.11**, for the primary benefit of one or more, but less than all, Lots.

1.22 **"Lot"**: A portion of the Properties, whether improved or unimproved, which may be independently owned and conveyed and which is intended for development, use, and occupancy as a detached residence for a single family. The term shall refer to the land, if any, which is part of the Lot as well as any improvements thereon. The term shall include within its meaning, by way of illustration but not limitation, single-family detached houses on separately platted lots, as well as vacant land intended for development as such, but shall not include property owned by the Association, or property dedicated to the public. In the case of a parcel of vacant land or land on which improvements are under construction, the parcel shall be deemed to contain the number of Lots designated for residential use for that parcel on the Master Site Plan or Declarant's site plan, whichever is more recent, until such time as a subdivision plat is recorded subdividing all or a portion of the parcel. Thereafter, the portion encompassed by that plat shall contain the number of Lots as set forth on the plat and the number of Lots in any remaining portion shall continue to be calculated in accordance with this paragraph.

1.23 **"Majority"**: Those votes, Owners, Members, or other group, as the context may indicate, totaling more than fifty percent (50%) of the total eligible number.

1.24 **"Master Site Plan"** means the master site plan for the development of the Community approved by the applicable governmental authorities, as it may be supplemented or amended, which includes the Property and may include all or a portion of the Additional Property.

1.25 **"Member"**: A Person subject to membership in the Association pursuant to **Section 3.1**.

1.26 **"Mortgage"**: A mortgage, a deed of trust, a deed to secure debt, or any other form of security instrument affecting title to any Lot.

1.27 **"Mortgagee"**: A beneficiary or holder of a Mortgage.

1.28 **"Owner"**: One (1) or more Persons who hold the record title to any Lot, including the Declarant and any Builders, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Lot is owned by more than one (1) Person, all such Persons shall be jointly and severally obligated to perform the responsibilities of such Owner.

1.29 **"Person"**: A natural person, a corporation, a partnership, a limited liability company, a fiduciary acting on behalf of another person or any other legal entity.

1.30 **"Properties"**: The real property described on Exhibit A as such exhibit may be amended or supplemented from time to time to reflect any additions or removal of property in accordance with Article 7.

1.31 **"Registry"**: means the Lancaster County Register of Deeds Office.

1.32 **"Service Area"** means a group of Lots designated as a separate service area pursuant to this Declaration for purposes of sharing Limited Common Areas and/or receiving other benefits or services from the Association that are not provided to all Lots. A Service Area may be comprised of more than one housing type and may include noncontiguous parcels of property. A Lot may be assigned to more than one Service Area.

1.33 **"Service Area Assessments"** means assessments levied against the Lots in a particular Service Area to fund Service Area Expenses, as described in Sections 8.2 and 8.3.

1.34 **"Service Area Committee"** means any Service Area committee established in accordance with the By-Laws to represent the interests of Owners of Lots within a Service Area.

1.35 **"Service Area Expenses"** means the actual and estimated expenses the Association incurs or expects to incur for the benefit of Owners within a particular Service Area, which may include a reasonable reserve for capital repairs and replacements and a reasonable administrative charge, as may be authorized pursuant to this Declaration or in any Supplemental Declaration applicable to that Service Area.

1.36 **"Sidewalk Easement Area"** means, collectively, those portions of the Properties designated as "Sidewalk Easement" (or similar designation) on a recorded plat of all or any portion of the Properties.

1.37 **"Sight Easement Area"** means, collectively, those portions of the Properties designated as "Sight Easement," "Intersection Corner Easement," "Sight Maintenance Easement" (or other similar designation) on a recorded plat of all or any portion of the Properties.

1.38 **"Special Assessment"**: Assessments levied in accordance with Section 8.5.

1.39 **"Specific Assessment"**: Assessments levied in accordance with Section 8.6.

1.40 **"Supplemental Declaration":** An instrument filed in the Registry which subjects Additional Property to this Declaration, and which may designate Service Areas and/or impose, expressly or by reference, additional restrictions and obligations on the land described in such instrument.

ARTICLE 2. PROPERTY RIGHTS

2.1 Common Area. Every Owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to the Common Area, which is appurtenant to and shall pass with the title to each Lot, subject to:

- (a) This Declaration and all other Governing Documents;
- (b) Any restrictions or limitations contained in any deed conveying such property to the Association;
- (c) The right of the Board to adopt, amend and repeal rules regulating the use and enjoyment of the Common Area, including rules limiting the number of guests who may use the Common Area;
- (d) The right of the Association to rent, lease or reserve any portion of the Common Area to any Owner for the exclusive use of such Owner and his or her respective lessees, invitees, and guests upon such conditions as may be established by the Board;
- (e) The right of the Board to suspend the right of an Owner to use any recreational and social facilities within the Common Area pursuant to **Section 4.3**;
- (f) The right of the Board to impose reasonable requirements and charge reasonable admission or other use fees for the use of any facility situated upon the Common Area;
- (g) The right of the Board to permit use of any facilities situated on the Common Area by persons other than Owners, their families, lessees and guests upon payment of reasonable use fees, if any, established by the Board;
- (h) The right of the Association, acting through the Board, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred;
- (i) The right of the Association, acting through the Board, to dedicate or transfer all or any portion of the Common Area, subject to any approval requirements set forth in the Governing Documents;
- (j) The right of the Declarant to conduct activities and establish facilities within the Properties as provided in **Article 13**.

Any Owner may extend such Owner's right of use and enjoyment to the members of such Owner's family, lessees, and social invitees, as applicable, subject to reasonable regulation by the Board. An Owner who leases such Owner's Lot shall be deemed to have assigned all such rights to the lessee of such Lot; provided however, the Owner shall remain responsible for payment of all assessments and other charges and shall retain all voting rights.

2.2 No Partition. Except as permitted in this Declaration, there shall be no judicial partition of the Common Area. No Person shall seek any judicial partition unless the portion of the Common Area

which is the subject of such partition action has been removed from the provisions of this Declaration. This Section shall not prohibit the Board from acquiring and disposing of other real property which may or may not be subject to this Declaration.

2.3 Condemnation. The Association shall be the sole representative with respect to condemnation proceedings concerning Common Area and shall act as attorney-in-fact for all Owners in such matters. Whenever any part of the Common Area shall be taken by or conveyed under threat of condemnation to any authority having the power of condemnation or eminent domain, each Owner shall be entitled to written notice of such taking or conveyance. The Board may convey Common Area under threat of condemnation only if approved by Members holding at least sixty-seven percent (67%) of the total Class "A" votes in the Association and, during the Development Period, the written consent of the Declarant. The award made for such taking or proceeds of such conveyance shall be payable to the Association.

If the taking or conveyance involves a portion of the Common Area on which improvements have been constructed, the Association shall restore or replace such improvements on the remaining land included in the Common Area to the extent available, unless within sixty (60) Days after such taking, Members holding at least sixty-seven percent (67%) of the total Class "A" votes of the Association and, during the Development Period, the Declarant shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. The provisions of **Section 6.1(c)** regarding funds for the repair of damage or destruction shall apply.

If the taking or conveyance does not involve any improvements on the Common Area, or if a decision is made not to repair or restore, or if net funds remain after any such restoration or replacement is complete, then such award or net funds may be used by the Association for such purposes as the Board shall determine.

2.4 View Impairment. Neither the Declarant nor the Association guarantees or represents that any view from Lots over and across the Common Area will be preserved without impairment. The Association shall have no obligation to prune or thin trees or other landscaping, and shall have the right, in its sole discretion, to add trees and other landscaping or to install improvements or barriers (both natural and artificial) to the Common Area from time to time. Any such additions or changes may diminish or obstruct any view from the Lots and any express or implied easements for view purposes or for the passage of light and air are hereby expressly disclaimed. Each Owner, by acceptance of a deed, acknowledges that any view from the Lot as of the date of the purchase of the Lot may be impaired or obstructed by the natural growth of existing landscaping, the installation of additional trees, other landscaping or other types of improvements or barriers (both natural and artificial) on the Common Area.

2.5 Stormwater Facilities; Streams, Lakes and Ponds. Some Lots may be located adjacent to Common Area containing streams, lakes, ponds or stormwater detention or retention facilities that may from time to time contain water. Owners and occupants of those Lots have no right to erect fences, attach docks, build retaining walls, anchor or store boats or other watercraft, or landscape, clear or otherwise disturb vegetation within natural areas located within the Common Area between the boundary of the Lot and the water's edge, or within the nondisturbance buffer on any Lot. Portions of Common Area and some Lots may be subject to Surface Water Improvement and Management (SWIM) buffer areas and other related applicable laws. Owners and occupants of Lots shall comply with the SWIM ordinances and such other applicable laws.

ARTICLE 3. MEMBERSHIP AND VOTING RIGHTS

3.1 Membership. Every Owner shall be a Member of the Association. There shall be only one (1) membership per Lot. If a Lot is owned by more than one (1) Person, all co-Owners shall share the privileges of such membership, subject to reasonable Board regulation and the restrictions on voting set forth in **Section 3.2(d)** and in the By-Laws. In no event shall more than one (1) of the co-Owners of a Lot be an officer of the Association at the same time. The membership rights of an Owner which is not a natural person may be exercised by any officer, director, member, manager, partner or trustee of such Owner, or by any individual designated from time to time by the Owner in a written instrument provided to the secretary of the Association.

3.2 Voting. The Association shall have two (2) classes of membership, Class "A" and Class "B."

(a) **Class "A".** Class "A" Members shall all be Owners except the Class "B" Member, if any. Each Class "A" Member shall have one (1) equal vote for each Lot in which he or she holds the interest required for membership under **Section 3.1**; provided however, there shall be only one (1) vote per Lot and no vote shall be exercised for any property which is exempt from assessment under **Section 8.10**.

(b) **Class "B".** The sole Class "B" Member shall be the Declarant. The rights of the Class "B" Member, including the right to approve, or withhold approval of, actions proposed under this Declaration, the By-Laws and the Articles, are specified in the relevant sections of this Declaration, the By-Laws and the Articles. The Class "B" Member may appoint the members of the Board of Directors until the first to occur of the following:

(i) one year after one hundred percent (100%) of the total number of Lots permitted by the Master Site Plan for the Property and any Additional Property have certificates of occupancy issued thereon and have been conveyed to Persons other than Declarant or Builders;

(ii) December 31, 2036; or

(iii) when, the Class "B" Member so determines and voluntarily relinquishes such right.

At such time, the Class "B" membership shall terminate, and the Declarant shall be a Class "A" Member entitled to Class "A" votes for each Lot which it owns. After termination of the Class "B" membership, the Declarant shall have a right to disapprove actions of the Board and committees as provided in the Declaration.

(c) **Additional Classes of Membership.** The Declarant may, by Supplemental Declaration, create additional classes of membership for the owners of Lots within any Additional Property made subject to this Declaration pursuant to **Article 7**, with such rights, privileges and obligations as may be specified in such Supplemental Declaration, in recognition of the different character and intended use of the property subject to such Supplemental Declaration.

(d) **Exercise of Voting Rights.** If there is more than one (1) Owner of a Lot, the vote for such Lot shall be exercised as the co-Owners determine among themselves and advise the secretary of the Association in writing prior to the vote being taken. Absent such advice, the Lot's vote shall be suspended if more than one (1) Person seeks to exercise it. No vote shall be exercised on behalf of any Lot if any assessment for such Lot is delinquent.

ARTICLE 4. RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

4.1 Function of Association. The Association shall be the entity responsible for management, maintenance, operation and control of the Area of Common Responsibility and all improvements thereon provided that the Association may employ a manager or managerial firm to assist with and administer such duties. The Association shall be the primary entity responsible for enforcement of this Declaration and such reasonable rules regulating use of the Properties as the Board may adopt pursuant to **Article 10**. The Association shall perform its functions in accordance with the Governing Documents and the laws of the State of South Carolina.

4.2 Personal Property and Real Property for Common Use.

(a) The Association may acquire, hold, and dispose of tangible and intangible personal property and real property. The Declarant and its designees, with the Declarant's prior written consent, may convey to the Association improved or unimproved real estate, or interests in real estate, located within the property described in **Exhibit A** and **Exhibit B**, personal property and leasehold and other property interests. Such property shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of its Members, subject to any restrictions set forth in the deed or other instrument transferring such property to the Association. Declarant shall not be required to make any improvements or repairs whatsoever to property to be conveyed and accepted pursuant to this Section. Upon written request of Declarant, the Association shall reconvey to Declarant any portions of the Properties originally conveyed by Declarant to the Association for no consideration.

(b) Declarant shall convey the Common Area, including all improvements thereon, in a finished and well-maintained condition as depicted in the Master Site Plan. Declarant will transfer and assign to the Association, without recourse, all warranties which it receives from manufacturers and suppliers relating to any of the Common Area which exist and are assignable.

4.3 Enforcement. The Board or any committee established by the Board, with the Board's approval, may impose sanctions for violation of the Governing Documents after compliance with the notice and hearing procedures set forth in **Section 3.23** of the By-Laws. In imposing such sanctions, the Board or such committee may consider potential costs and savings, including avoidance of litigation. Such sanctions may include, without limitation:

- (a) imposing monetary fines which shall constitute a lien upon the Lot of the violator;
- (b) filing notices of violations in the Registry providing record notice of any violation of the Governing Documents;
- (c) suspending an Owner's right to vote;
- (d) suspending any Person's right to use any recreational facilities within the Common Area; provided however, nothing herein shall authorize the Board to limit ingress or egress to or from a Lot; and
- (e) suspending any services provided by the Association to an Owner or the Owner's Lot if the Owner is more than thirty (30) days delinquent in paying any assessment or other charge owed to the Association.

In the event that any occupant, guest or invitee of a Lot violates the Governing Documents, the Board or any committee established by the Board, with the Board's approval, may sanction such

occupant, guest or invitee and/or the Owner of the Lot that the violator is occupying or visiting. If a fine is imposed, the fine may first be assessed against the occupant; provided however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Board.

In addition, the Board, or the covenants committee if established, may elect to enforce any provision of the Governing Documents by exercising self-help (specifically including, but not limited to, the filing of liens in the Registry for non-payment of assessments and other charges, the towing of vehicles that are in violation of parking rules, the removal of pets that are in violation of pet rules, or the correction of any maintenance, construction or other violation of the Governing Documents) without the necessity of compliance with the procedures set forth in the By-Laws. The Association may levy Specific Assessments to cover all costs incurred in exercising self-help and in bringing a Lot into compliance with the terms of the Governing Documents.

The Association may also elect to enforce any provisions of the Governing Documents by suit at law to recover monetary damages or in equity to enjoin any violation or both without the necessity of compliance with the procedures set forth in the By-Laws.

All remedies set forth in this Declaration and the By-Laws shall be cumulative of any remedies available at law or in equity. In any action or remedy taken by the Association to enforce the provisions of the Governing Documents, if the Association prevails, it shall be entitled to recover all costs, including, without limitation, reasonable attorneys fees and court costs, incurred in such action, regardless of whether suit is filed and including any appeals.

The Association shall not be obligated to take action to enforce any covenant, restriction, or rule which the Board in the exercise of its business judgment determines is, or is likely to be construed as inconsistent with applicable law, or in any case in which the Board reasonably determines that the Association's position is not strong enough to justify taking enforcement action. Any such determination shall not be construed a waiver of the right of the Association to enforce such provision under any circumstances or prevent the Association from enforcing any other covenant, restriction or rule.

The Association, by contract or other agreement, may enforce county, city, state and federal laws and ordinances, if applicable, and permit local and other governments to enforce laws and ordinances on the Properties for the benefit of the Association and its Members.

4.4 Implied Rights; Board Authority. The Association may exercise any right or privilege given to it expressly by this Declaration or the By-Laws, or reasonably implied from or reasonably necessary to effectuate any such right or privilege. Except as otherwise specifically provided in this Declaration, the By-Laws, the Articles, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the membership.

4.5 Indemnification. The Association shall indemnify every officer, director and committee member against all damages, liabilities, and expenses, including reasonable attorneys fees, incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director or committee member, but only to the extent permitted by the South Carolina Nonprofit Corporation Act.

To the fullest extent permitted by the South Carolina Nonprofit Corporation Act, the officers, directors and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers,

directors and committee members shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on behalf of the Association (except to the extent that such officers, directors or committee members may also be Members of the Association). The Association shall indemnify and forever hold each such officer, director and committee member harmless from any and all liability to others on account of any such contract, commitment or action. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

4.6 Conveyance or Dedication of, and Easement through, Common Area.

(a) The Association may dedicate portions of the Common Area to Lancaster County, South Carolina, or to any other local, state or federal governmental or quasi-governmental entity, or may subject Common Area to a security interest, or may transfer or convey Common Area as follows: (a) if Common Area other than Limited Common Area, upon the (i) written direction of Members entitled to cast at least 67% of the total Class "A" votes in the Association; and (ii) consent of Declarant during the Development Period; or (b) if Limited Common Area, upon written agreement of all Owners of Lots to which the Limited Common Area is assigned. The proceeds from the sale or financing of Common Area (other than Limited Common Area) shall be an asset of the Association to be used as the Board determines. The proceeds from the sale or financing of Limited Common Area shall be disbursed as provided by the agreement authorizing such sale or security interest. No sale or encumbrance of Common Area may deprive any Lot of rights of access or support.

(b) The Board may, without the consent of the Owners, grant easements, leases, licenses and concessions through or over the Common Area.

4.7 Security. Each Owner and occupant of a Lot, and their respective guests and invitees, shall be responsible for their own personal safety and the security of their property in the Properties. The Association may, but shall not be obligated to, maintain or support certain activities within the Properties designed to make the Properties safer than they otherwise might be. Neither the Association, the original Declarant, nor any successor Declarant shall in any way be considered insurers or guarantors of security within the Properties, nor shall any of them be held liable for any loss or damage by reason of failure to provide adequate security or ineffectiveness of security measures undertaken. No representation or warranty is made that any security system or measure, cannot be compromised or circumvented, or that any such system or security measure undertaken will in all cases prevent loss or provide the detection or protection for which the system is designed or intended. No representation or warranty is made that the lighting facilities or systems (including the placement thereof) will adequately illuminate or attempt to adequately illuminate all of the Common Areas, or that such facilities or systems will be designed with safety measures in mind. Each Owner acknowledges, understands and covenants to inform its tenants and all occupants of its Lot that the Association, its Board of Directors and committees, Declarant, and any successor Declarant are not insurers or guarantors of safety and security within the Properties and that each Person using the Properties assumes all risks of personal injury and loss or damage to property, including Lots and the contents of Lots, resulting from acts of third parties.

4.8 Utility Lines. Each Owner, occupant, guest, and invitee acknowledges that neither the Association, the Board nor Declarant shall in any way be considered insurers or guarantors of health or safety within the Properties and neither the Association, the Board, nor Declarant shall be held liable for any personal injury, illness or any other loss or damage caused by the presence or malfunction of utility lines or utility sub-stations adjacent to, near, over, or on the Properties. Each Owner, occupant, guest, and invitee assumes all risk of personal injury, illness, or other loss or damage arising from the presence of

utility lines or utility sub-stations and further acknowledges that neither Declarant nor the Association have made any representations or warranties, nor has any Owner, occupant, guest, or invitee relied upon any representations or warranties, expressed or implied, relative to the condition or impact of utility lines or utility sub-stations.

4.9 Provision of Services. The Association may provide services and facilities for the Members of the Association and their guests, lessees and invitees. The Association shall be authorized to enter into contracts or other similar agreements with other entities, including Declarant, to provide such services and facilities. The costs of services and facilities provided by the Association may be funded by the Association as a Common Expense. In addition, the Board shall be authorized to charge use and consumption fees for services and facilities through Specific Assessments or by requiring payment at the time the service or facility is provided. As an alternative, the Association may arrange for the costs of the services and facilities to be billed directly to Owners by the provider(s) of such services and facilities. By way of example, some services and facilities which may be provided include landscape maintenance, lawn mowing, garbage collection, pest control service, termite bond, security, fire protection, utilities, and similar services and facilities. In its discretion, the Board may discontinue offering particular services and may modify or cancel existing contracts for services, subject to the contract terms and any provision that may exist elsewhere in the Governing Documents requiring the Association to provide those services. Nothing in this Section shall be construed as a representation by Declarant or the Association as to what, if any, services shall be provided. Non-use of services provided to all Owners or Lots as a Common Expense shall not exempt any Owner from the obligation to pay assessments for services.

4.10 Provision of Benefits and Services to Service Areas.

(a) Declarant may assign the Property (on any portion thereof), by this Declaration or any Supplemental Declaration to one or more Service Areas as it deems appropriate, which Service Areas may be then existing or newly created. Declarant may require the Association to provide benefits or services to such Lots in addition to those the Association generally provides to all Lots. So long as it has the right to subject any Additional Property to this Declaration, Declarant may amend unilaterally this Declaration or any Supplemental Declaration to re-designate Service Area boundaries; provided nothing in this Section shall authorize Declarant to assign property owned by a Builder to a Service Area without the consent of the Builder. All costs associated with the provision of services or benefits to a Service Area shall be assessed against the Lots within the Service Area as a Service Area Assessment.

(b) In addition to Service Areas which Declarant may designate, any group of Owners may petition the Board to designate their Lots as a Service Area for the purpose of receiving from the Association (a) special benefits or services that are not provided to all Lots, or (b) a higher level of service than the Association otherwise provides. Upon receipt of that petition signed by Owners of a majority of the Lots within the proposed Service Area, the Board shall investigate the terms upon which the requested benefits or services might be provided and notify the Owners in the proposed Service Area of those terms and the charge to be made therefor, which may include a reasonable administrative charge in an amount the Board deems appropriate (provided, any administrative charge shall apply at a uniform rate per Lot among all Service Areas receiving the same service). Upon written approval of the proposal by Owners of at least 67% of the Lots within the proposed Service Area, the Association shall provide the requested benefits or services on the terms set forth in the proposal. The cost and administrative charges associated with those benefits or services shall be assessed against the Lots within that Service Area as a Service Area Assessment, subject to the right of the Owners of Lots within the Service Area to reject the budget for their Service Area as provided in Section 8.3.

4.11 Limited Common Area.

(a) **Purpose.** Certain portions of the Common Area may be designated as Limited Common Area and reserved for the exclusive use or primary benefit of Owners and occupants of particular Lots. By way of illustration and not limitation, Limited Common Areas may include entry features, recreational facilities, landscaped areas and other portions of the Common Area primarily serving a limited number of Lots. All costs associated with ownership, maintenance, repair, replacement, management, operation and insurance of a Limited Common Area shall be a Service Area Expense allocated among the Owners in the Service Area to which the Limited Common Area is assigned.

(b) **Designation.** Initially, any Limited Common Area shall be designated as such in the deed conveying that area to the Association or on the subdivision plat relating to that Common Area; provided, however, no such assignment shall preclude Declarant from later assigning the use of the same Limited Common Area to additional Lots, so long as Declarant has a right to subject Additional Property to this Declaration pursuant to **Section 7.1**. Thereafter, a portion of the Common Area may be assigned as Limited Common Area upon approval of (i) the Board, (ii) persons entitled to cast a majority of the total Class A votes in the Association, and (iii) persons entitled to cast a majority of the Class A votes attributable to Lots to which the Limited Common Area is proposed to be assigned or reassigned. During the Development Period, any such assignment or reassignment also shall require Declarant's written consent.

(c) **Use by Others.** Upon approval of a majority of Owners of Lots to which any Limited Common Area is assigned, the Association may permit Owners of other Lots to use all or a portion of that Limited Common Area upon payment of reasonable user fees, which fees shall be used to offset the Service Area Expenses attributable to that Limited Common Area.

ARTICLE 5. MAINTENANCE

Note to Owners - Property owners are jointly and severally liable for compliance with Lancaster County standards and regulations regarding common area/open space maintenance including, but not limited to, alleys, detention ponds, and trees and landscaping.

5.1 Association's Responsibility.

(a) The Association shall maintain and keep in good condition, order and repair the Area of Common Responsibility, which may include, but need not be limited to:

(i) all Common Area;

(ii) landscaping and other flora, parks, structures, and improvements, including any entry features, signage, parking areas, sidewalks, sprinkler and irrigation systems (including expenses for water and electricity, if any, provided to any irrigation system used for landscaping), greenbelt and open spaces, storm water detention/retention ponds and storm water drainage facilities, situated upon the Common Area;

(iii) all furnishings, equipment and other personal property of the Association;

(iv) landscaping and other flora, parks, sidewalks, buffers, entry features, signage, structures and improvements within public rights-of-way within or abutting the Properties or upon such other public land adjacent to the Properties as deemed necessary in the discretion of the Board;

(v) such additional portions of any property included within the Area of Common Responsibility as may be dictated by this Declaration, any Supplemental Declaration, any Cost Sharing Agreement, or any contract or agreement for maintenance thereof entered into by the Association;

(vi) Cluster Mailboxes; and

(vii) any property and facilities owned by the Declarant and made available, on a temporary or permanent basis, for the primary use and enjoyment of the Association and its Members, such property and facilities to be identified by written notice from the Declarant to the Association and to remain a part of the Area of Common Responsibility and be maintained by the Association until such time as Declarant revokes such privilege of use and enjoyment by written notice to the Association.

The Association may, as a Common Expense, maintain other property and improvements which it does not own, including, without limitation, property dedicated to the public, or provide maintenance or services related to such property over and above the level being provided by the property owner, if the Board of Directors determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

(b) The Association shall maintain the facilities and equipment within the Area of Common Responsibility in continuous operation, except for any periods necessary, as determined in the sole discretion of the Board, to perform required maintenance or repairs, unless Members holding sixty-seven percent (67%) of the Class "A" votes in the Association and during the Development Period, the Declarant, agree in writing to discontinue such operation.

(c) The Association may be relieved of all or any portion of its maintenance responsibilities herein to the extent that (i) such maintenance responsibility is otherwise assumed by or assigned to an Owner or (ii) such property is dedicated to any local, state, or federal government or quasi-governmental entity; provided however, that in connection with such assumption, assignment or dedication, the Association may reserve or assume the right or obligation to continue to perform all or any portion of its maintenance responsibilities if the Board determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

Except as provided above, the Area of Common Responsibility shall not be reduced by amendment of this Declaration or any other means during the Development Period except with the written consent of the Declarant.

(d) Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Area of Common Responsibility shall be a Common Expense to be allocated among all Lots as part of the General Assessment, without prejudice to the right of the Association to seek reimbursement from the owner(s) of, or other Persons responsible for, certain portions of the Area of Common Responsibility pursuant to the Governing Documents, any recorded covenants, or any agreements with the owner(s) thereof.

(e) The costs the Association incurs or expects to incur for maintenance, repair and replacement of Limited Common Areas shall be a Service Area Expense assessed against the Lots within the Service Area to which the Limited Common Areas are assigned.

(f) In the event that the Association fails to properly perform its maintenance responsibilities hereunder and to comply with the Community-Wide Standard, the Declarant, upon not

less than ten (10) Days' notice and opportunity to cure such failure, cause such maintenance to be performed and in such event, shall be entitled to reimbursement from the Association for all costs incurred. In the event that both the Association and the Declarant, after a reasonable period of time fail to take reasonable actions to perform the maintenance responsibilities hereunder and to comply with the Community-Wide Standard, a Builder may, to the extent necessary to avoid liability to Lancaster County, upon not less than thirty (30) Days' notice and opportunity to cure such failure, cause such maintenance to be performed and in such event, shall be entitled to reimbursement from the Association for all costs incurred.

5.2 Owner's Responsibility. Except during the initial construction of a residence on a Lot by a Builder, each Owner shall maintain such Owner's Lot and all structures, parking areas, landscaping and other flora, and other improvements on the Lot in a manner consistent with the Community-Wide Standard and all Governing Documents, unless such maintenance responsibility is otherwise assumed by or assigned to the Association. Except during the initial construction of a residence on a Lot by a Builder, each Owner shall also maintain the driveway serving such Owner's Lot. Additionally, each Owner shall be responsible for keeping any storm drain(s) located upon such Owner's Lot clear of debris. In addition to any other enforcement rights, if an Owner fails properly to perform his or her maintenance responsibility, the Association may perform such maintenance responsibilities and assess all costs incurred by the Association against the Lot and the Owner in accordance with **Section 8.6(c)**. The Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry, except when entry is required due to an emergency situation. Entry under this Section shall not constitute a trespass.

5.3 Standard of Performance. Unless otherwise specifically provided herein or in other instruments creating and assigning such maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement, as necessary. All maintenance shall be performed in a manner consistent with the Community-Wide Standard and all Governing Documents. Neither the Association nor any Owner shall be liable for any damage or injury occurring on, or arising out of the condition of, property which such Person does not own except to the extent that it has been negligent in the performance of its maintenance responsibilities.

5.4 Cost Sharing Agreements. Adjacent to or in the vicinity of the Properties, there may be certain residential, nonresidential or recreational areas, including, without limitation, single family residential developments, retail, commercial, or business areas, which are not subject to this Declaration and which are neither Lots nor Common Area as defined in this Declaration (hereinafter "adjacent properties"). The owners of such adjacent properties shall not be Members of the Association, shall not be entitled to vote, and shall not be subject to assessment under **Article 8** of this Declaration.

The Association may enter into one (1) or more Cost Sharing Agreements with the owners or operators of portions of the adjacent properties:

(a) to obligate the owners or operators of such adjacent properties to perform and/or to share in certain costs associated with the maintenance, repair, replacement and insuring of portions of the Area of Common Responsibility, if any, which are used by or benefit jointly the owners or operators of such adjacent properties and the owners within the Properties;

(b) to permit use of any recreational and other facilities located on the Common Areas by the owners or operators of such adjacent properties;

(c) to permit use of any recreational and other facilities located on such adjacent properties by the Owners of all Lots;

(d) to obligate the Association to share in certain costs associated with the maintenance, repair, replacement and insuring of portions of such adjacent properties, if any, which are used by or benefit jointly the owners or operators of such adjacent properties and the owners within the Properties; and/or

(e) to establish rules and regulations regarding the use of areas that benefit jointly the owners or operators of such adjacent properties and the owners within the Properties.

The owners or operators of such adjacent properties shall be subject to assessment by the Association only in accordance with the provisions of such Cost Sharing Agreement(s). If the Association is obligated to share costs incurred by the owners of such adjacent properties, such payments by the Association shall be deemed to constitute Common Expenses of the Association unless the Cost Sharing Agreement provides otherwise. The owners or operators of the adjacent properties shall not be subject to the restrictions contained in this Declaration except as otherwise specifically provided herein.

ARTICLE 6. INSURANCE AND CASUALTY LOSSES

6.1 Association Insurance.

(a) Required Coverage. The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect the following types of insurance, if reasonably available, or if not reasonably available, the most nearly equivalent coverage as is reasonably available:

(i) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements on the Common Area, if any, and on other portions of the Area of Common Responsibility to the extent that it has assumed responsibility for maintenance, repair and/or replacement in the event of a casualty. If such coverage is not generally available at reasonable cost, then "broad form" coverage may be substituted. The Association shall have the authority to and interest in insuring any property for which it has maintenance or repair responsibility, regardless of ownership. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full replacement cost of the insured improvements;

(ii) Commercial general liability insurance on all public ways located within the Properties and on the Area of Common Responsibility, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, the commercial general liability coverage (including primary and any umbrella coverage) shall have a limit of at least one million dollars (\$1,000,000.00) per occurrence with respect to bodily injury, personal injury, and property damage, provided should additional coverage and higher limits be available at reasonable cost which a reasonably prudent person would obtain, the Association shall obtain such additional coverages or limits;

(iii) Workers compensation insurance and employers liability insurance, if and to the extent required by law;

(iv) Directors and officers liability coverage;

(v) Fidelity insurance covering all Persons responsible for handling Association funds in an amount determined in the Board's best business judgment but not less than an amount equal to one-sixth (1/6th) of the annual General Assessments on all Lots plus reserves on hand.

Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of Persons serving without compensation; and

(vi) Such additional insurance as the Board, in its best business judgment, determines advisable, which may include, without limitation, flood insurance.

In the event that any portion of the Common Area is or shall become located in an area identified by the Federal Emergency Management Agency ("FEMA") as an area having special flood hazards, a "blanket" policy of flood insurance on the Common Area must be maintained in the amount of one hundred percent (100%) of current "replacement cost" of all affected improvements and other insurable property or the maximum limit of coverage available, whichever is less.

The Association shall, if so specified in a Supplemental Declaration applicable to any Service Area, obtain and maintain property insurance on the insurable improvements within that Service Area, which insurance shall comply with the requirements of **Section 6.1(a)**. Premiums for all insurance on the Area of Common Responsibility shall be Common Expenses and shall be included in the General Assessment; except that (i) premiums for property insurance on Lots within a Service Area shall be a Service Area Expense; and (ii) premiums for insurance on Limited Common Areas shall be a Service Area Expense of the Service Area to which the Limited Common Areas are assigned, unless the Board reasonably determines that other treatment of the premiums is more appropriate. In the event of an insured loss, the deductible shall be treated as a Common Expense or a Service Area Expense and assessed in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with the By-Laws, that the loss resulted from the negligence or willful misconduct of one (1) or more Owners, their guests, invitees, or lessees, then the Board may specifically assess the full amount of such deductible against such Owner(s) and their Lots pursuant to **Section 8.6**.

(b) Policy Requirements. The Association shall arrange for periodic reviews of the sufficiency of insurance coverage by one (1) or more qualified Persons, at least one (1) of whom must be familiar with insurable replacement costs in the Lancaster County, South Carolina area.

All Association policies shall provide for a certificate of insurance to be furnished to the Association and to each Member upon written request. The policies may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the policy limits satisfy the requirements of **Section 6.1(a)**.

(i) All insurance coverage obtained by the Board shall: (1) be written with a company authorized to do business in South Carolina that satisfies the requirements of the Federal National Mortgage Association ("Fannie Mae"), or such other secondary mortgage market agencies or federal agencies as the Board deems appropriate; (2) be written in the name of the Association as trustee for the benefited parties, except that policies on the Common Area shall be for the benefit of the Association and its Members, and policies secured on behalf of a Service Area shall be for the benefit of the Owners within that Service Area and their Mortgagees, as their interests may appear; (3) be primary and not be brought into contribution with insurance purchased by Owners, occupants, or their Mortgagees individually; (4) contain an inflation guard endorsement; (5) include an agreed amount endorsement, if the policy contains a co-insurance clause; (6) provide that each Owner is an insured person under the policy with respect to liability arising out of that Owner's interest in the Common Area as a Member in the Association (provided, this provision shall not be construed as giving an Owner any interest in the Common Area other than that of a Member); (7) provide a waiver of subrogation under the policy against any Owner or occupant of any Lot; (8) include an endorsement precluding cancellation, invalidation, suspension or non-renewal by the insurer on account of any curable defect or violation without prior

written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure; and (9) include an endorsement precluding cancellation, invalidation or condition to recovery under the policy on account of any act or omission of any one or more individual Owners or members of their households, unless that Owner is acting within the scope of its authority on behalf of the Association.

(ii) In addition, the Board shall use reasonable efforts to secure insurance policies that list the Owners as additional insureds and provide: (1) a waiver of subrogation as to any claims against the Association's Board, officers, employees and its manager, the Owners and their tenants, servants, agents and guests; (2) a waiver of the insurer's rights to repair and reconstruct instead of paying cash; (3) an endorsement requiring at least 30 days' prior written notice to the Association of any cancellation, substantial modification or non-renewal; (4) a cross liability provision; and (5) a provision vesting the Board with the exclusive authority to adjust losses; provided however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related to the loss.

(c) Damage and Destruction. In the event of any insured loss covered by insurance held by the Association, only the Board or its duly authorized agent may file and adjust insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. Repair or reconstruction, as used in this subsection, means repairing or restoring the property to substantially the condition existing prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

The Association shall cause damaged improvements on the Common Area to be repaired or reconstructed unless a decision not to repair or reconstruct is approved within 60 days after the loss or damage (a) by Owners of at least 67% of the total Class "A" votes in the Association, including 100% of the Lots to which any Limited Common Area is assigned, if the damaged improvements are Limited Common Area, and (b) during the Development Period, by Declarant.

If either the insurance proceeds or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not available to the Association within such sixty (60) Day period, then the period shall be extended until such funds or information are available. However, such extension shall not exceed sixty (60) additional Days. No Mortgagee shall have the right to participate in the determination of whether the damage or destruction to the Common Area shall be repaired or reconstructed.

If determined in the manner described above that the damage or destruction to the Common Area shall not be repaired or reconstructed and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association in a neat and attractive, landscaped condition consistent with the Community-Wide Standard.

Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate, may be retained by the Association for application to Common Expenses of the Association.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board of Directors may, without a vote of the Members, levy Special Assessments to cover the shortfall against those Owners responsible for the premiums for the applicable insurance coverage under **Section 6.1(a)**.

6.2 Owners' Insurance. By virtue of taking title to a Lot, each Owner covenants and agrees with all other Owners and with the Association to carry property insurance for the full replacement cost of all insurable improvements on such Owner's Lot, less a reasonable deductible. Each Owner further covenants and agrees that in the event of damage to or destruction of structures or landscaping on or

comprising such Owner's lot, the Owner shall proceed promptly to repair or to reconstruct the damaged structure or landscaping consistent with the original construction or such other plans and specifications as are approved in accordance with **Article 9**. Alternatively, the Owner shall clear the Lot of all debris and ruins and maintain the Lot in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs that are not covered by insurance proceeds.

6.3 Limitation of Liability. Notwithstanding the duty of the Association to maintain and repair portions of the Common Area, neither the Association, its Board of Directors, its successors or assigns, nor any officer or director or committee member, employee, agent, contractor (including the management company, if any) of any of them shall be liable in such capacity to any Member or any member of a Member's immediate household for any injury or damage sustained in the Area of Common Responsibility, the Common Area or other area maintained by the Association, or for any injury or damage caused by the negligence or misconduct of any Members or their family members, guests, invitees, agents, servants, contractors or lessees, whether such loss occurs in the Common Area or in individual Lots. Each Owner, by virtue of the acceptance of title to such Owner's Lot, and each other Person having an interest in or right to use any portion of the Properties, by virtue of accepting such interest or right to use, shall be bound by this Section and shall be deemed to have automatically waived any and all rights, claims, demands, and causes of action against the Association arising from or connected with any matter for which the liability of the Association has been disclaimed under this Section.

ARTICLE 7. ANNEXATION AND WITHDRAWAL OF PROPERTY

7.1 Annexation by Declarant. Until twenty (20) years after the recording of this Declaration in the Registry, Declarant may from time to time subject to the provisions of this Declaration all or any portion of the Additional Property. The Declarant may transfer or assign this right to annex property, provided that the transferee or assignee is the developer of at least a portion of the real property described in **Exhibit A** or **Exhibit B** and that such transfer is memorialized in a written, recorded instrument executed by Declarant.

Such annexation shall be accomplished by filing a Supplemental Declaration in the Registry describing the property being annexed. Such Supplemental Declaration shall not require the consent of the Members, but shall require the consent of the owner of such property, if other than Declarant. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein. Inclusion of property on the Master Site Plan shall not obligate Declarant to submit that property to this Declaration, nor shall the omission of any Additional Property from the Master Site Plan bar its later submission to this Declaration as provided in this **Article 7**.

Nothing in this Declaration shall be construed to require the Declarant or any successor to annex or develop any of the Additional Property in any manner whatsoever.

7.2 Annexation by Membership. The Association may annex any real property to the provisions of this Declaration with the consent of the owner of such property, the affirmative vote of Members holding a Majority of the Class "A" votes of the Association represented at a meeting duly called for such purpose, and, during the Development Period, the written consent of the Declarant.

Such annexation shall be accomplished by filing a Supplemental Declaration describing the property being annexed in the Registry. Any such Supplemental Declaration shall be signed by the president and the secretary of the Association, and by the owner of the property being annexed, and by the Declarant, if the Declarant's consent is required. Any such annexation shall be effective upon filing unless otherwise provided therein.

7.3 Deleted.

7.4 Additional Covenants and Easements. The Declarant may subject any portion of the Properties to additional covenants and easements. Such additional covenants and easements shall be set forth in a Supplemental Declaration filed either concurrently with or after the annexation of the subject property, and shall require the written consent of the owner(s) of such property, if other than the Declarant. Any such Supplemental Declaration may supplement, create exceptions to, or otherwise modify the terms of this Declaration as it applies to the subject property for such purposes as deemed appropriate in the Declarant's discretion, including, but not limited to, modifications to reflect the different character and intended use of such property.

7.5 Amendment. This Article shall not be amended during the Development Period without the prior written consent of Declarant.

ARTICLE 8. ASSESSMENTS

8.1 Purposes. The Association is hereby authorized to levy assessments for expenses incurred or anticipated to be incurred by the Association in performing its responsibilities and exercising its rights and powers under this Declaration, any Supplemental Declaration, the Articles and the By-Laws, specifically including: (a) expenses of maintaining, repairing, replacing, improving, operating and insuring the Area of Common Responsibility, including amounts due to third parties who perform those tasks on behalf of the Association, and the costs of labor, equipment, materials, management, supervision and utilities; (b) taxes, if any, imposed on the Association or the Common Area; (c) the cost of insurance and fidelity bond coverage obtained pursuant to **Section 6.1(a)**; (d) the cost of water or other utilities provided to the Area of Common Responsibility and any charges for services provided to Lots pursuant to **Section 4.9**; (e) expenses of monitoring and enforcing compliance with the provisions of the Governing Documents; (f) expenses arising out of the Association's indemnification obligations; (g) expenses arising out of any measure undertaken to enhance the safety of the Owners and occupants of Lots and the Community; (h) expenses incurred in exercising design control under **Article 9**; (i) expenses of managing the Association, including compensation of management personnel, maintaining books and records, handling Association funds, providing financial reports and corresponding with Members; (j) administrative expenses such as postage, copying expense, office supplies and equipment; (k) legal, accounting and other professional fees; and (l) such other expenses as the Board deems necessary or desirable to keep the Property in a good, clean and attractive condition, and to maintain and enhance property values and marketability of Lots.

8.2 Creation of Assessments. There are hereby created assessments for Association expenses as the Board may specifically authorize from time to time. There shall be four (4) types of assessments: (a) General Assessments to fund Common Expenses for the general benefit of all Lots; (b) Service Area Assessments; (c) Special Assessments as described in **Section 8.5**; and (d) Specific Assessments as described in **Section 8.6**. Each Owner, by accepting a deed or entering into a recorded contract of sale for any portion of the Properties, is deemed to covenant and agree to pay these assessments.

All assessments and other charges, together with interest, late charges, costs of collection, and reasonable attorneys fees, shall be a charge and continuing lien upon each Lot against which the assessment or charge is made until paid, as more particularly provided in **Section 8.7**. Each such assessment or charge, together with interest, late charges, costs, and reasonable attorneys fees, also shall be the personal obligation of the Person who was the Owner of such Lot at the time the assessment arose.

Upon a transfer of title to a Lot, the grantee shall be jointly and severally liable for any assessments and other charges due at the time of conveyance. However, no first Mortgagee who obtains title to a Lot by exercising the remedies provided in its Mortgage shall be liable for unpaid assessments that accrued prior to such acquisition of title.

The Association shall, upon request, furnish to any Owner liable for any type of assessment a written statement signed by an Association officer or designee setting forth whether such assessment has been paid. Such statement shall be conclusive evidence of payment. The Association may require the advance payment of a reasonable processing fee for the issuance of such statement.

Assessments shall be paid in such manner and on such dates as the Board may establish, which may include discounts for early payment or similar time/price differentials. The Board may require advance payment of assessments at closing of the transfer of title to a Lot and impose special requirements for Owners with a history of delinquent payment. If the Board so elects, assessments may be paid in two (2) or more installments. Unless the Board otherwise provides, the General Assessment and Service Area Assessment shall be due and payable in advance on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on such Owner's Lot, the Board may require any unpaid installments of all outstanding assessments to be paid in full immediately. Any assessment or installment thereof shall be considered delinquent on the fifteenth (15th) day following the due date unless otherwise specified by Board resolution.

No Owner may exempt himself or herself from liability for assessments by non-use of Common Area, abandonment or leasing of such Owner's Lot, or any other means. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessments or set-off shall be claimed or allowed for any alleged failure of the Association or Board to take some action or perform some function required of it, or for inconvenience or discomfort arising from the making of repairs or improvements, or from any other action taken by the Association or Board.

The Association is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services, materials, or a combination of services and materials with the Declarant or other entities for payment of Common Expenses.

8.3 Computation of General Assessments. The Board shall prepare a budget covering the estimated Common Expenses during the coming year, which may include a contribution to establish a reserve fund in accordance with a budget separately prepared as provided in **Section 8.4**. In addition, the Board shall prepare a separate budget for each Service Area reflecting the estimated Service Area Expenses the Association expects to incur for the benefit of each Service Area in the coming year.

General Assessments shall be levied equally against all Lots subject to assessment. In determining the level of General Assessments and Service Area Assessments, the Board, in its discretion, may consider other sources of funds available to the Association, including any surplus from prior years, any assessment income expected to be generated from any additional Lots reasonably anticipated to become subject to assessment during the fiscal year, and any income expected to be generated from any Cost Sharing Agreement. Except as otherwise provided in this Declaration or any applicable Supplemental Declaration, the total amount of estimated Service Area Expenses for each Service Area shall be allocated equally among all Lots in the benefited Service Area that are subject to assessment and levied as a Service Area Assessment.

During the Development Period, the Declarant may, but shall not be obligated to, reduce the General Assessment and Service Area Assessment for any fiscal year by payment of a subsidy and/or

contributions of services and materials, which may be treated as either a contribution or an advance against future sums due from the Declarant, or a loan to the Association, in the Declarant's discretion. Any such anticipated payment, contribution or loan by the Declarant shall be disclosed as a line item in the Common Expense budget or Service Area budget, as applicable. Payments by the Declarant in any year shall under no circumstances obligate the Declarant to continue such payments in future years unless otherwise provided in a written agreement between the Association and the Declarant.

8.4 Reserve Budget. The Board may, in its sole discretion, annually prepare a reserve budget which takes into account the number and nature of replaceable assets within the Area of Common Responsibility, the expected life of each asset, and the expected repair or replacement cost.

8.5 Special Assessments. In addition to other authorized assessments, the Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Special Assessments shall be levied and allocated equally among all Lots or against the Lots within any Service Area if the Special Assessment is for Service Area Expenses. Any Special Assessment shall become effective unless disapproved at a meeting by Members holding at least sixty-seven percent (67%) of the total Class "A" votes for Lots subject to the Special Assessment and, during the Development Period, by the Declarant. There shall be no obligation to call a meeting for the purpose of considering any Special Assessment except on petition of the Members as provided for special meetings in **Section 2.4** of the By-Laws, which petition must be presented to the Board within twenty (20) Days after the date of the notice of such Special Assessment. Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved.

8.6 Specific Assessments. The Association shall have the power to levy Specific Assessments against a particular Lot or Lots as follows:

(a) to cover the costs, including overhead and administrative costs, of providing benefits, items, or services to the Lot(s) or occupants thereof upon request of the Owner pursuant to a menu of special services which the Board may from time to time authorize to be offered to Owners and occupants, which assessments may be levied in advance of the provision of the requested benefit, item or service as a deposit against charges to be incurred by the Owner; and

(b) to cover the costs, including overhead and administrative costs, of providing benefits, items, or services to the Lot(s) or occupants thereof which services benefit certain Lot(s) to a greater degree than other Lot(s) (which might include, without limitation, landscape maintenance and lawn mowing services), which assessments may be levied in the discretion of Declarant; and

(c) to cover all costs incurred in bringing the Lot(s) into compliance with the terms of the Governing Documents, or costs incurred as a consequence of the conduct of the Owner or occupants of the Lot, their agents, contractors, employees, licensees, invitees, or guests. In addition, fines levied by the Association pursuant to **Section 4.3** shall constitute Specific Assessments. Costs incurred by the Association for landscape maintenance and lawn mowing services shall be a Specific Assessment until one hundred percent (100%) of the Lots to receive such services have been transferred to Persons other than the Declarant or Builder, upon which time such costs may be a Common Expense, or a Service Area Expense, at the discretion of the Board.

8.7 Lien for Assessments. Subject to applicable law, as it may be amended, if any assessment or installment thereof remains unpaid 30 days or more after the due date, the Association shall, upon filing a claim of lien in the office of the clerk of Lancaster County, South Carolina, have a lien against each Lot in favor of the Association to secure payment of assessments, as well as interest, late

charges and costs of collection (including attorney fees and court costs, if and to the extent permitted under applicable law). Subject to applicable law, that lien shall be superior to all other liens, except (a) the liens of all taxes, bonds, assessments and other levies which by law would be superior; and (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value.

The Association may foreclose its lien through judicial or, to the extent allowed by applicable law, nonjudicial foreclosure proceedings in accordance with applicable law, as it may be amended, except that any lien securing only fines and/or service or collection fees may be foreclosed only by judicial foreclosure. The Declarant or the Association may bid for the Lot at the foreclosure sale and acquire, hold, lease, mortgage, and convey the Lot. While a Lot is owned by the Association following foreclosure: (a) no right to vote shall be exercised on its behalf (b) no assessment shall be levied on it; and (c) each other Lot may be charged, in addition to its usual assessment, its pro rata share of the assessment allocated to the Lot owned by the Association. The Association may sue for unpaid assessments and other charges authorized hereunder without foreclosing or waiving the lien securing the same.

The sale or transfer of any Lot shall not affect the assessment lien or relieve such Lot from the lien for any subsequent assessments. A Mortgagee or other purchaser of a Lot who obtains title pursuant to foreclosure of the Mortgage shall not be personally liable for assessments on such Lot due prior to such acquisition of title. Such unpaid assessments shall remain the personal obligation of the owner of the Lot prior to the foreclosure, and, unless and until collected from such prior owner, shall be deemed to be Common Expenses collectible from Owners of all Lots subject to assessment under **Section 8.8**, including such acquirer, its successors and assigns.

All other Persons acquiring liens or encumbrances on any Lot after this Declaration has been recorded shall be deemed to consent that such liens or encumbrances shall be inferior to future liens for assessments, as provided herein, whether or not prior consent is specifically set forth in the instruments creating such liens or encumbrances.

8.8 Commencement of Assessments. Except as otherwise provided herein, and provided the Board has determined a budget for Common Expenses and the Lot to be assessed has been made subject to this Declaration, the obligation to pay assessments shall commence as to each Lot upon the Declarant's conveyance of that Lot to an Owner (other than Declarant); except that, no assessments on a Lot owned by a Builder shall commence until the first to occur of the following: (i) the date that is one year after the date such Lot was conveyed by Declarant to a Builder (as evidenced by the recording of the deed from Declarant to such Builder for the Lot); and (ii) the date that the Lot is occupied for residential purposes. A Lot shall be deemed occupied for residential purposes when it has been improved with a dwelling and has been conveyed to an Owner, or, if the dwelling is occupied as a residence before such conveyance, then the Lot shall be deemed occupied for residential purposes as of the date of such occupancy. Any Lot which has been approved by Declarant for use as a model home that is fully furnished and staffed for marketing and sales purposes shall not be subject to assessments under this Declaration so long as such Lot is not occupied for residential purposes. The first General Assessment levied on each Lot shall be adjusted according to the number of days remaining in the fiscal year at the time assessments commence on the Lot.

8.9 Failure to Assess. Failure of the Board to establish assessment amounts or rates or to deliver or mail each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay General Assessments on the same basis as during the last year for which an assessment was made, if any, until a new assessment is levied, at which time the Association may retroactively assess any shortfalls in collections.

8.10 Exempt Property. The following property shall be exempt from payment of assessments:

(a) All Common Area and such portions of the property owned by the Declarant as are included in the Area of Common Responsibility pursuant to **Section 5.1**;

(b) Any property dedicated or otherwise conveyed to and accepted by any governmental authority or public utility; and

(c) Any property that is owned by a charitable nonprofit corporation or public agency whose primary purposes include the acquisition and preservation of open space for public benefit and held by such agency or organization for such recreational and open space purposes.

8.11 Contribution by Declarant. During the Development Period, Lots owned by Declarant shall not be subject to assessment. In accordance with **Section 8.3**, the Declarant may support the Association by funding operating deficits during the Development Period. At the sole election of Declarant, and only during the Development Period, the Declarant may recoup from the Association all such payments, which may be paid from the operating account of the Association if sufficient funds are available to do so or from the working capital contributions collected at the sale of Lots, but not from capital reserves. Regardless of whether the Declarant recoups any other deficit amounts, it is not the intention of the Declarant to forfeit refundable reserves or deposits paid by Declarant, nor to pay for deficits created by the nonpayment of assessments by other Owners. It is also not the intention of Declarant to pay for expenses which are otherwise covered in the annual budget of the Association, but which, due to the requirement of an advance payment, create temporary or seasonal deficits. Accordingly, Declarant shall be reimbursed for all amounts paid by Declarant in the funding of deficits caused by the nonpayment of assessments by Owners which, if not sooner paid, shall be paid to Declarant at the time the unpaid assessment is collected. In addition, if not sooner paid, Declarant shall be reimbursed for any refundable deposit upon the Association's receipt of the same.

All deficits shall be collectible by Declarant at any time from the working capital contributions or from excess funds not designated for capital reserves. The Declarant shall have the right to pursue the collection of any unpaid assessments on behalf of the Association, as well as the right to act on behalf of the Association (if necessary) in obtaining refunds of all deposits paid for by Declarant. The Board of Directors, specifically including members of the Board appointed by the Declarant, shall be authorized to execute a promissory note or notes on behalf of the Association to evidence the repayment obligation of the Association; provided however, the failure to execute such a note shall in no way diminish such obligation.

8.12 Initiation Fee. An initiation fee shall be collected from the purchaser of each Lot, other than the Declarant or a Builder, and paid to the Association in an amount not to exceed 50% of the full General Assessment for the year in which the acquisition occurs. This amount shall be in addition to, not in lieu of, the General Assessment and any applicable Service Area Assessment and shall not be considered an advance payment of any assessments, but rather shall be considered a Specific Assessment secured by the Association's lien for assessments under **Section 8.7**. This amount shall be used by the Association for payment of operating expenses and other expenses incurred by the Association pursuant to this Declaration and the By-Laws.

ARTICLE 9. ARCHITECTURAL STANDARDS

9.1 General. No exterior structure or improvement shall be placed, erected, installed or made upon any Lot or any other portion of the Properties except in compliance with this Article, and with

the prior written approval of the ARB under **Section 9.2**, if any, unless exempted from the application and approval requirements pursuant to **Section 9.3**.

All dwellings constructed on any portion of the Properties shall be designed by and built in accordance with the plans and specifications of a licensed architect or other qualified building designer, unless otherwise approved by the ARB in its sole discretion.

This Article shall not apply to the activities of the Declarant or to improvements to the Common Area by or on behalf of the Association. This Article may not be amended during the Development Period without the Declarant's written consent.

As to any Builder, Declarant or the ARB, in their respective discretion may provide in a contract with the Builder or otherwise, blanket exemption from the provisions of Article 9 or blanket approval of construction activities, site plans, general housing styles or finishes which may then be constructed or performed on any Lot without the need for additional written approvals of, or the submission of, specifications, exterior color and finish, landscape plan, site development or any other matter otherwise required for submission or payment of any fees to the ARB or the Association. Once granted, such blanket approval shall be irrevocable and binding on the ARB and Association as to any Lots owned by Builder or subject to any contract to purchase or option to purchase of Builder. Once blanket approval is granted, a Builder shall not be obligated to provide any further submittals nor obtain any other approvals from, or pay any fees to, the Association, Declarant, Board or ARB.

9.2 Architectural Review. Each Owner, by accepting a deed or other instrument conveying any interest in any portion of the Properties acknowledges that, as the developer of the Properties, Declarant has a substantial interest in ensuring that all structures and improvements within the Properties enhance Declarant's reputation as a community developer and do not impair Declarant's ability to market, sell or lease any portion of the Properties or the Additional Property. Therefore, the Declarant may, on its behalf, establish an Architectural Review Board (ARB) to be responsible for administration of the Design Guidelines and review of all applications for construction and modifications under this Article. The ARB shall consist of one (1) or more Persons who may, but are not required to, be Members of the Association or representatives of Members, and may, but need not, include architects, landscape architects, engineers or similar professionals, whose compensation, if any, shall be established from time to time by the ARB. The ARB may establish and charge reasonable fees for review of applications hereunder and may require such fees to be paid in full prior to review of any application. Such fees may include the reasonable costs incurred in having any application reviewed by architects, engineers or other professionals. Notwithstanding the foregoing, the ARB may discount or waive such fees in its sole discretion. In addition, the ARB may require deposits while construction is pending on any Lot to ensure completion without damage to the Properties.

(a) **Architectural Review Board.** If established and except as set forth in **Section 9.2(b)**, the ARB shall have jurisdiction over all construction on any portion of the Properties. Until one hundred percent (100%) of the Properties have been developed and conveyed to Owners other than Declarant and initial construction on each Lot has been completed in accordance with the Design Guidelines, the Declarant retains the right to appoint all members of the ARB who shall serve at the Declarant's discretion. There shall be no surrender of this right prior to that time except in a written instrument in recordable form executed by Declarant. Upon the expiration of such right, the Board shall have the right (i) to establish the ARB if not then in existence, and (ii) to appoint the members of the ARB, who shall thereafter serve and may be removed in the Board's discretion.

(b) **Architectural Changes Committee.** Declarant may, in its sole discretion, appoint an Architectural Changes Committee (ACC) that is separate and apart from the ARB to review plans and

specifications for any and all renovations, changes and additions to existing improvements located on a Lot. If an ACC is so appointed, then the ARB shall relinquish to the ACC its authority to review plans and specifications for any such changes to existing improvements, and the ACC shall be solely responsible for review and approval thereof. The composition of the ACC and the procedure for submission, review and approval of plans and specifications to and by the ACC shall be determined by Declarant in its sole discretion. Notwithstanding the foregoing, nothing in this **Section 9.2(b)** shall be deemed to require the appointment of an ACC, and until an ACC is appointed, the ARB shall be responsible for reviewing and approving or disapproving all plans and specifications for renovations, changes and additions to existing improvements. Until one hundred percent (100%) of the Properties have been developed and conveyed to Owners other than Declarant and initial construction on each Lot has been completed in accordance with the Design Guidelines, the Declarant retains the right to appoint all members of the ACC who shall serve at the Declarant's discretion. There shall be no surrender of this right prior to that time except in a written instrument in recordable form executed by Declarant. Upon the expiration or surrender of such right, the Board shall have the right (i) to establish the ACC if not then in existence, and (ii) to appoint the members of the ACC, who shall thereafter serve and may be removed in the Board's discretion.

(c) Delegation of Declarant's Rights. Declarant may from time to time, but shall not be obligated to, delegate all or a portion of its reserved rights under this **Article 9** to the Board. Any such delegation shall be in writing specifying the scope of responsibilities delegated and shall be subject to Declarant's right to revoke such delegation at any time and reassume jurisdiction over the matters previously delegated. The jurisdiction of the Board shall be limited to such matters as Declarant specifically delegates to the Board. The terms of this **Section 9.2(c)** shall not limit or impair Declarant's right to disapprove actions of the ARB or ACC under **Section 13.5**.

9.3 Guidelines and Procedures; Design Guidelines.

(a) Design Guidelines. The Declarant may prepare the initial Design Guidelines for the Properties. The Design Guidelines may contain general provisions applicable to all of the Properties, as well as specific provisions which vary according to land use and from one portion of the Properties to another depending upon the location, unique characteristics, and intended use. For example, by way of illustration but not limitation, the Design Guidelines may impose stricter requirements on those portions of the Properties adjacent to or visible from any golf course, lake, pond, stream or other body of water. The Design Guidelines are intended to provide guidance to Owners regarding matters of particular concern to the ARB in considering applications hereunder. The Design Guidelines are not the exclusive basis for decisions of the ARB and compliance with the Design Guidelines does not guarantee approval of any application.

The ARB shall adopt the Design Guidelines at its initial organizational meeting and thereafter shall have sole and full authority to amend them. Any amendments to the Design Guidelines shall be prospective only. There shall be no limitation on the scope of amendments to the Design Guidelines except that no amendment shall require the modification or removal of any structure previously approved once the approved construction or modification has commenced. The ARB is expressly authorized to amend the Design Guidelines to remove requirements previously imposed or otherwise to make the Design Guidelines less restrictive.

The ARB shall make the Design Guidelines available to Owners who seek to engage in development or construction within the Properties.

(b) Procedures. If the ARB is in existence, plans and specifications showing the nature, kind, shape, color, size, materials, and location of all proposed structures and improvements shall

be submitted to the ARB for review and approval (or disapproval). In addition, information concerning irrigation systems, drainage, lighting, grading, landscaping and other features of proposed construction shall be submitted as applicable and as required by the Design Guidelines. In reviewing each submission, the ARB may consider the quality of workmanship and design, harmony of external design with existing structures, and location in relation to surrounding structures, topography, and finish grade elevation, among other considerations.

Each application to the ARB shall be deemed to contain a representation and warranty by the Owner that use of the plans submitted does not violate any copyright associated with the plans. Neither the submission of the plans to the ARB, nor the distribution and review of the plans by the ARB shall be construed as publication in violation of the designer's copyright, if any. Each Owner submitting plans to the ARB shall hold the members of the ARB, the Association and the Declarant harmless and shall indemnify said parties against any and all damages, liabilities, and expenses incurred in connection with the review process of this Declaration.

In reviewing and acting upon any request for approval, the ARB shall be acting solely in Declarant's interest and shall owe no duty to any other Person. Decisions may be based solely on aesthetic considerations. Each Owner acknowledges that opinions on aesthetic matters are subjective and may vary over time. The ARB shall have the discretion to make final, conclusive, and binding determinations on matters of aesthetic judgment and whether proposed improvements are consistent with Design Guidelines.

In the event that the ARB fails to approve or to disapprove any application within forty - five (45) Days after submission of all information and materials reasonably requested, the application shall be deemed approved. However, no approval, whether expressly granted or deemed granted pursuant to the foregoing, shall be inconsistent with the Design Guidelines unless a variance has been granted in writing by the ARB pursuant to **Section 9.6**.

Notwithstanding the above, the ARB by resolution may exempt certain activities from the application and approval requirements of this Article, provided such activities are undertaken in strict compliance with the requirements of such resolution. Any Owner may remodel, paint or redecorate the interior of structures on such Owner's Lot without approval. However, modifications to the interior of screened porches, patios, windows, and similar portions of a Lot visible from outside the structures on the Lot shall be subject to approval, unless exempted from review by the ARB. No approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications.

(c) Delinquent Assessments and Other Charges. Notwithstanding the provisions of subsection (b) above, any application for the approval of plans and specifications as set forth in this Article shall be deemed to be disapproved unless and until any and all delinquent assessments and other charges permitted by this Declaration have been paid current by the Owner submitting such plans and specifications for approval.

Subsequent to the approval of plans and specifications pursuant to this Article, if the Owner shall become delinquent in the payment of assessments or other charges permitted by this Declaration at any time during the prosecution of the approved work, the Owner shall be deemed to be in violation of such approval and shall be subject to any means of enforcement set forth in **Section 9.8** and **Section 4.3**.

9.4 Construction Period. After commencement of construction, each Owner shall diligently continue construction to complete such construction in a timely manner. The initial construction of all structures must be completed within one (1) year after commencement of construction, unless extended

by the ARB in its sole discretion. All other construction shall be completed within the time limits established by the ARB at the time the project is approved by the ARB.

For the purposes of this Section, commencement of construction shall mean that (a) all plans for such construction have been approved by the ARB, if in existence; (b) a building permit has been issued for the Lot by the appropriate jurisdiction; and (c) construction of a structure has physically commenced beyond site preparation. Completion of a structure shall mean that a certificate of occupancy has been issued for a dwelling on the Lot by the appropriate jurisdiction.

9.5 No Waiver of Future Approvals. Approval of proposals, plans and specifications, or drawings for any work done or proposed, or in connection with any other matter requiring approval, shall not be deemed to constitute a waiver of the right to withhold approval as to any similar proposals, plans and specifications, drawings, or other matters subsequently or additionally submitted for approval. Notwithstanding the foregoing, a Builder shall not be required to resubmit floor plans and elevations that have been previously approved by the ARB and may reference the approved plan and elevation with its submission of a site plan for approval.

9.6 Variance. The ARB may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with rules and regulations adopted by the ARB. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (a) be effective unless in writing; (b) be contrary to this Declaration; or (c) prevent the ARB from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

9.7 Limitation of Liability. The standards and procedures established pursuant to this Article are intended to provide a mechanism for maintaining and enhancing the overall aesthetics of the Properties only, and shall not create any duty to any Person. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only, and neither the Declarant, the Association, the Board nor the ARB shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, the adequacy of soils or drainage, nor for ensuring compliance with building codes and other governmental requirements, nor for ensuring that all dwellings are of comparable quality, value or size, of similar design, or aesthetically pleasing or otherwise acceptable to neighboring property owners. Neither the Declarant, the Association, the Board, the ARB or any committee, or member of any of the foregoing shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction or modifications to any Lot. In all matters, the committees and their members shall be defended and indemnified by the Association as provided in Section 4.5.

9.8 Enforcement. The Declarant, any member of the ARB, or the Board, or the representatives of each shall have the right, during reasonable hours and after reasonable notice, to enter upon any Lot to inspect for the purpose of ascertaining whether any structure or improvement is in violation of this Article. Any structure, improvement or landscaping placed or made in violation of this Article shall be deemed to be nonconforming. Upon written notice from the ARB, Owners shall, at their own cost and expense, cure any violation or nonconformance or remove such structure or improvement and restore the property to substantially the same condition as existed prior to the nonconforming work. Should an Owner fail to cure or remove and restore the property as required, any authorized agent of Declarant, the ARB, or the Board shall have the right to enter the property, cure or remove the violation, and restore the property to substantially the same condition as previously existed. Entry for such purposes and in compliance with this Section shall not constitute a trespass. In addition, the Board may enforce the

decisions of the Declarant and the ARB by any means of enforcement described in **Section 4.3**. All costs, together with the interest at the maximum rate then allowed by law, may be assessed against the benefited Lot and collected as a Specific Assessment pursuant to **Section 8.6**.

Unless otherwise specified in writing by the ARB, all approvals granted hereunder shall be deemed conditioned upon completion of all elements of the approved work and all work previously approved with respect to the same Lot, unless approval to modify any application has been obtained. If, after commencement, any Person fails to diligently pursue to completion all approved work, the Association shall be authorized, after notice to the Owner of the Lot and an opportunity to be heard in accordance with the By-Laws, to enter upon the Lot and remove or complete any incomplete work and to assess all costs incurred against the Lot and the Owner thereof as a Specific Assessment pursuant to **Section 8.6**.

Neither the ARB, nor any member of the ARB, nor the Association, the Declarant, or their members, officers or directors shall be held liable to any Person for exercising the rights granted by this Article.

In addition to the foregoing, the Association shall have the authority and standing to pursue all legal and equitable remedies available to enforce the provisions of this Article and the decisions of the ARB.

ARTICLE 10. USE RESTRICTIONS

10.1 General. This Article, beginning at **Section 10.2**, sets out certain use restrictions that must be complied with by all Owners, occupants, guests, invitees and licensees of the Properties. These use restrictions may be amended only in the manner provided in **Article 14**, regarding amendment of this Declaration. In addition, the Board may, from time to time, without consent of the Owners, adopt, modify, or delete rules and regulations applicable to the Properties. These rules shall be distributed to all Owners prior to the date that they are to become effective, and after distribution, shall be binding upon all Owners, occupants, guests, invitees, and licensees in the Properties until and unless overruled, canceled, or modified in a regular or special meeting by a Majority of the total Class "A" votes in the Association and, during the Development Period, the consent of the Declarant. Such rules shall also be recorded with the Registry as required by the Act. Notwithstanding the above, during the Development Period no rules and regulations which affect the Declarant or Builder may be adopted, modified, or deleted without the written consent of the Declarant.

The provisions of this Article are intended to be consistent with, and are set forth in order to comply with the Fair Housing Act, 43 U.S.C. § 3601, et seq. and applicable State and local law, as amended from time to time, and such regulations adopted pursuant to such laws (collectively, the "Fair Housing Acts"), regarding discrimination based on familial status. During the Development Period, Declarant shall have the power to amend **Section 10.3** for the purpose of making said Section consistent with the Fair Housing Acts, the regulations adopted under the Fair Housing Acts, any judicial decisions arising under or relating to the Fair Housing Acts, and/or the Act, in order to maintain the intent and enforceability of **Section 10.3**.

10.2 Use of Properties.

(a) **Residential Use.** Except as otherwise set forth in **Section 13.2**, each Lot shall be used for residential purposes only, and no trade or business of any kind may be conducted in or from a Lot or any part of the Properties, including business uses ancillary to a primary residential use, except that the Owner or occupant may conduct such ancillary business activities within the residence so long as (a)

the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from the exterior of the residence; (b) the business activity does not involve persons coming onto the Properties who do not reside in the Properties or door-to-door solicitation of residents of the Properties (except that deliveries may be made by couriers, express mail carriers, parcel delivery services, and other such similar delivery services); (c) the business activity conforms to all zoning requirements for the Properties; (d) the business activity does not increase the insurance premium paid by the Association or otherwise negatively affect the ability of the Association to obtain insurance coverage; (e) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board of Directors; and (f) the business activity does not result in a materially greater use of the Common Area facilities or Association services.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work, or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) the activity is engaged in full or part-time; (ii) the activity is intended to or does generate a profit; or (iii) a license is required for the activity. Notwithstanding the above, the use of a Lot by an on-site management company operating on behalf of the Association shall not be considered a trade or business within the meaning of this Section.

(b) Restricted Access to the Properties. All Owners understand and acknowledge that access to the Properties may be restricted to Owners and occupants and their designated guests, invitees, and licensees. Rules and regulations relating to the type of identification needed to gain access to or use facilities in the Properties, how Owners and occupants can designate guests, invitees, and licensees who shall be granted access to the Properties, vehicular registration, and other issues relating to access may be adopted by the Board of Directors.

10.3 Leasing. Lots may be leased for residential purposes only. "Leasing" for the purposes of this Section, is defined as regular, exclusive occupancy of a Lot by any Person other than the Owner; provided, however, "leasing" shall not include exclusive occupancy by the child, parent, or grandparent of an Owner. Occupancy by a roommate of an Owner shall not constitute "leasing." Leasing which is authorized hereunder shall be governed by the following provisions:

(a) General. Lots may be leased only in their entirety; no fraction or portion may be leased without prior written Board approval. All leases shall be in writing. There shall be no subleasing of Lots or assignment of leases without prior written Board approval. All leases must be for an initial term of not less than one (1) year, except with written Board approval, which shall not be unreasonably withheld in cases of undue hardship. Within ten (10) days after executing a lease agreement for the lease of a Lot, the Owner shall provide the Board with a copy of the lease and the name of the lessee and all other occupants of the Lot. The Owner must provide the lessee copies of the Declaration, By-Laws, and the rules and regulations. Nothing herein shall be construed as giving the Association the right to approve or disapprove a proposed lessee; the Board's approval or disapproval shall be limited to the form of the proposed lease.

(b) Liability for Assessments, Use of Area of Common Responsibility, and Compliance with Declaration, By-Laws, and Rules and Regulations. Each Owner covenants and agrees that any lease of a Lot shall contain the following language and agrees that if such language is not expressly contained therein, then such language shall be incorporated into the lease by existence of this covenant, and the lessee, by occupancy of the Lot, agrees to the applicability of this covenant and incorporation of the following language into the lease:

(i) Compliance with Declaration, By-Laws, and Rules and Regulations. The lessee shall comply with all provisions of the Declaration, By-Laws, and rules and regulations adopted pursuant thereto and shall control the conduct of all other occupants and guests of the leased Lot in order to ensure such compliance. The Owner shall cause all occupants of his or her Lot to comply with the Declaration, By-Laws, and the rules and regulations adopted pursuant thereto, and shall be responsible for all violations by such occupants, notwithstanding the fact that such occupants of the Lot are fully liable and may be sanctioned for any such violation. If the lessee, or another Person occupying the Lot, violates the Declaration, By-Laws, or a rule or regulation for which a fine is imposed, notice of the violation shall be given to the Owner and the lessee, and such fine may be assessed against the lessee in accordance with the By-Laws. If the fine is not paid by the lessee within the time period set by the Board, the Owner shall pay the fine upon notice from the Association of the lessee's failure to pay the fine. Unpaid fines shall constitute a lien against the Lot.

Any violation of the Declaration, By-Laws, or rules and regulations adopted pursuant thereto by the lessee, any occupant, or any guest of lessee, is deemed to be a default under the terms of the lease and authorizes the Owner to terminate the lease without liability and to evict the lessee in accordance with South Carolina law. The Owner hereby delegates and assigns to the Association, acting through the Board, the power and authority of enforcement against the lessee for breaches resulting from the violation of the Declaration, By-Laws, and the rules and regulations adopted pursuant thereto, including the power and authority to evict the lessee as attorney-in-fact on behalf and for the benefit of the Owner, in accordance with the terms hereof. If the Association proceeds to evict the lessee, any costs, including reasonable attorney's fees actually incurred and court costs associated with the eviction shall be an assessment and lien against the Lot.

(ii) Use of Area of Common Responsibility. The Owner transfers and assigns to the lessee, for the term of the lease, any and all rights and privileges that the Owner has to use the Area of Common Responsibility, including, but not limited to, the use of any and all recreational facilities and other amenities.

(iii) Liability for Assessments. When an Owner who is leasing his or her Lot fails to pay any annual or special assessment or any other charge for a period of more than sixty (60) days after it is due and payable, then the delinquent Owner hereby consents to the assignment of any rent received from the lessee during the period of delinquency, and, upon request by the Board, lessee shall pay to the Association all unpaid annual and special Assessments and other charges payable during and prior to the term of the lease and any other period of occupancy by lessee. However, lessee need not make such payments to the Association in excess of, or prior to the due dates for, monthly rental payments unpaid at the time of the Board's request. All such payments made by lessee shall reduce, by the same amount, lessee's obligation to make monthly rental payments to lessor. If lessee fails to comply with the Board's request to pay Assessments or other charges, lessee shall pay to the Association all amounts authorized under the Declaration as if lessee were an Owner. The above provision shall not be construed to release the Owner from any obligation, including the obligation for Assessments, for which he or she would otherwise be responsible.

10.4 Occupants Bound. All provisions of the Declaration, By-Laws, and of any rules and regulations, use restrictions or design guidelines adopted pursuant to the Declaration which govern the conduct of Owners and which provide for sanctions against Owners shall also apply to all occupants of Lots and guests and invitees of occupants or Owners. The Owner shall be responsible for insuring that the occupant, and the guests, invitees and licensees of the Owner or the occupant strictly comply with all provisions of the Declaration, By-Laws, and any rules and regulations adopted by the Board of Directors. Fines may be levied against Owners or occupants. If a fine is first levied against an occupant and is not paid timely, the fine may then be levied against the Owner.

10.5 Vehicles. The term "vehicles" as used in this provision shall include, without limitation, motor homes, boats, trailers, motorcycles, mini-bikes, scooters, go-carts, trucks, campers, buses, vans, golf carts and automobiles. All vehicles shall be parked within garages, on driveways, or on other paved parking areas in the Properties designated by the Board as parking areas for vehicles. Parking of vehicles in yards is prohibited. The doors of garages shall be kept closed at all times, except during times of entry and exit from the garage, or when someone is working or playing in or around the garage.

Except as otherwise set forth in **Section 13.2**, no vehicle may be left upon any portion of the Properties, except in a garage or other area designated by the Board, for a period longer than five (5) days if it is unlicensed or if it is in a condition so that it cannot operate on public streets. After the five (5) day period, the unlicensed or inoperable vehicle shall be considered a nuisance and may be removed from the Properties. Except as otherwise set forth in **Section 13.2**, no boat, boat trailer, truck with mounted camper, other campers, or towed vehicle, commercial vehicle, or vehicle with commercial writing on its exterior, shall be kept or stored on any portion of the Properties including on a driveway, except in a garage or screened area approved by the Board. In no event shall any recreational vehicle, mobile home or motor home be parked or stored upon any portion of the Properties. Vehicles parked in violation of this provision shall be considered a nuisance and may be removed from the Properties. No eighteen-wheel trucks or the cabs of these trucks or commercial trucks with a load capacity in excess of one ton shall be parked, kept, or stored within the Properties, and if so parked, kept, or stored shall be considered a nuisance and may be removed from the Properties. However, moving vans or service or delivery vehicles may be parked temporarily in the Properties for such period of time as is reasonably necessary to provide each service, but no such vehicle shall remain parked on the Common Area overnight without prior written Board consent.

Motorized vehicles shall not be permitted on sidewalks, pathways or unpaved Common Area except for public safety vehicles and vehicles authorized by the Board.

The provision of this **Section 10.5** shall not limit the rights of Builders to use and park vehicles in Ansley Park in connection with the construction of residences by Builders.

10.6 Animals and Pets. No animals, livestock or poultry of any kind may be raised, bred, kept, or permitted on any portion of the Properties, with the exception of up to three (3) dogs, cats or other generally recognized common household pets. Potbellied pigs and American Pit Bull Terriers shall not be permitted in the Properties. Pets shall not be allowed to roam free within the Properties. Those pets which are permitted to roam free, or in the sole discretion of the Board endanger health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners or occupants or to the owner of any property located adjacent to the Properties, may be removed by the Board. No pets shall be kept, bred, or maintained for any commercial purpose. Except as provided above, dogs must be kept on a leash and be under the physical control of a responsible person at all times while outdoors. At no time shall any pet be tied or tethered to any object. Feces left upon the Common Area by dogs must be removed by the owner of the dog or the person responsible for the dog. All Owners and occupants keeping pets within the Properties shall comply with all applicable governmental ordinances and regulations. Without prejudice to the Board's right to remove any such household pets, the Board may prohibit a household pet that has caused damage or injury from being walked in the Properties. Animal control authorities shall be permitted to enter the Properties to patrol and remove pets. Pets shall be registered, licensed, and inoculated as required by law.

10.7 Signs. Except as may be provided for herein or as may be required by legal proceedings, and except for signs which may be erected by Declarant or Builders related to the development and sale of Lots, no signs, advertising posters, flyers, political signs, placards or billboards of any kind shall be erected or placed by an Owner, occupant or other Person, or permitted to remain on the Properties without

the prior written consent of the Board or its designee, except that one (1) professional security sign not to exceed twelve inches (12") by twelve inches (12") in size may be displayed from within a residence on a Lot, and one (1) professionally lettered "For Sale" sign not to exceed eighteen inches (18") by twenty-four inches (24") in size may be displayed in the front yard of a Lot; provided, further that if, at the time of any desired use of such "For Sale" sign, the Association is making "For Sale" signs available for the use of Owners, the signs made available by the Association must be used. No other signs are permitted including, but not limited to, "For Lease," "For Rent," and/or "Lease/Purchase" signs. The Board shall have the right to erect reasonable and appropriate signs on behalf of the Association. The Board shall also have the authority to adopt regulations permitting temporary signs on Lots announcing birthdays or other events for limited periods of time. No advertising, directional, or vendor signs shall be permitted within the Properties except for such signs of Declarant or a Builder or as authorized by the ARB.

10.8 Antennas and Satellite Dishes. Except as provided below and as provided for in the Design Guidelines, no satellite dish, antenna, or other device for the transmission or reception of television signals, radio signals, or any form of electromagnetic wave or radiation shall be erected, used, or maintained on any portion of the Properties; provided, however, that the Association shall have the right to erect, construct, and maintain such devices. The following shall apply to all Owners:

(i) No transmission antenna of any kind may be erected anywhere on the Properties without written approval of the Board of Directors or the ARB, as applicable, which such approval will not be unreasonably withheld, condition, or delayed.

(ii) No direct broadcast satellite (DBS) antenna or multi-channel multi-point distribution service (MMDS) antenna larger than one meter in diameter shall be placed, allowed, or maintained upon the Properties without written approval of the Board of Directors, which shall not be unreasonably withheld, conditioned, or delayed.

(iii) DBS and MMDS satellite dishes or antennas one meter or less in diameter and television broadcast service antennas may be installed only in accordance with Federal Communication Commission (FCC) rules and the rules and regulations of the Association, both as may be amended from time to time without written approval of the Board of Directors, which shall not be unreasonably withheld, conditioned, or delayed.

In the event of a transfer of a Lot that includes the satellite dish or antenna, the grantee shall assume all responsibility for the satellite dish or antenna and shall comply with this Declaration, the By-Laws, and the rules and regulations regarding satellite dishes and antennas, including, but not limited to, those requirements relating to maintenance and removal of a satellite dish or antenna.

10.9 Clotheslines, Garbage Cans, Woodpiles, Recreational and Other Equipment. All clotheslines, garbage cans, woodpiles, and related equipment and other similar items shall be located or screened so as to be concealed from view from any street or road, except for temporary storage used by a Builder. All construction debris, rubbish, trash, and garbage shall be regularly removed and shall not be allowed to accumulate. There shall be no basketball hoops, basketball goals or swimming pools or playground equipment installed on any portion of the Properties without the prior written approval of the Board, with the exception that the Board may, in its sole discretion, permit the installation of such recreational equipment on the Common Area.

10.10 Garage Sales. Garage sales, yard sales, flea markets, or similar activities are prohibited, unless the Owner obtains prior approval from the Board.

10.11 Air Conditioning Units. No window air conditioning units may be installed on any Lot.

10.12 Artificial Vegetation, Exterior Sculpture, and Similar Items. No artificial vegetation shall be permitted on any Lot within the Properties. Exterior sculptures, benches, fountains, flags, and similar items may not be placed in the front yard of a Lot or on the front exterior of a dwelling without the prior written approval of the ARB, as applicable.

10.13 Nuisance. It shall be the responsibility of each Owner and occupant to prevent the development of any unclean, unhealthy, unsightly, or unkempt condition on his or her property. Except as otherwise set forth in **Section 13.2**, no property within the Properties shall be used, in whole or in part, for the storage of any property or thing that will cause such Lot to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might, in the sole discretion of the Board, disturb the peace, quiet, safety, comfort, or serenity of the occupants of surrounding property.

No noxious or offensive activity shall be conducted within the Properties, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any Person using any property within the Properties. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Properties. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes or as approved by the Board, shall be located, installed or maintained upon the exterior of any Lot unless required by law. Any siren or device for security purposes shall contain a device or system which causes it to shut off automatically.

The reasonable and normal development, construction and sales activities conducted or permitted by the Declarant or a Builder shall not be considered a nuisance or a disturbance of the quiet enjoyment of any Owner or occupant.

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

10.15 Abandoned Personal Property. Personal property, except for personal property owned by the Association, is strictly prohibited from being stored, kept, or allowed to remain for a period of more than twenty-four (24) hours upon any portion of the Common Area, Area of Common Responsibility, or on the rights-of-way located within the Properties. If the Board or its designee, in its sole discretion, determines that property is kept, stored, or allowed to remain on the Common Area, Area of Common Responsibility, or on the rights-of-way located within the Properties in violation of this Section, then the Board may remove and either discard or store the personal property in a location which the Board may determine. If personal property is removed in accordance with this Section, neither the Association nor any officer or agent of the Association shall be liable to any Person for any claim of damage resulting from the removal activity. Notwithstanding anything to the contrary herein, the Board may elect to impose fines or use other available sanctions, rather than exercise its authority to remove abandoned or improperly stored personal property, as set forth herein.

10.16 Tree Removal. No trees, whether located on a Lot or on the Area of Common Responsibility, having a diameter of five (5) inches or more (measured from a point two (2) feet above ground level) and a height of more than eight (8) feet above the ground shall be removed by anyone other than Declarant without the prior written consent of the ARB, as applicable, except for (a) diseased or dead trees or (b) trees needing to be removed to promote the growth of other trees or for safety reasons.

Notwithstanding anything to the contrary stated herein, in the event a diseased or dead tree located on the Common Area that was originally planted by Declarant is removed by the Association, the Association shall replace such removed tree with one of the same species and similar size.

10.17 Drainage. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Owner or occupant may obstruct or rechannel the drainage flows after location and installation of drainage swales, storm sewers, or storm drains. Declarant hereby reserves a perpetual easement across all Properties for the purpose of altering drainage and water flow. Rights exercised pursuant to this reserved easement shall be exercised with a minimum of interference to the quiet enjoyment of affected property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

10.18 Sight Distance at Intersections. All property located at street intersections and at the intersections of streets and driveways shall be landscaped so as to permit safe sight across the corners. No fence, wall, hedge, or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem, including with any Sight Easement Area.

10.19 Energy Conservation Equipment. No solar energy collector panels or attendant hardware or other energy conservation equipment shall be constructed or installed unless they are approved in writing by the ARB, as applicable.

10.20 Subdivision of Lots. No Lot shall be subdivided or its boundary lines changed without the written consent of the Board; provided, however, Declarant expressly reserves the right to combine and/or replat any Lot owned by Declarant. Any such division, boundary line change, or replatting by the Declarant shall not be in violation of the applicable subdivision and/or zoning regulations.

10.21 Outbuildings. Except as otherwise set forth in **Section 13.2**, no structure of a temporary character, trailer, tent, shack, carport, storage structure, garage, barn, or other outbuilding shall be erected by any Owner or occupant on any portion of the Properties, other than by Declarant or a Builder with Declarant approval, so long as the Declarant has an option unilaterally to subject Additional Property to this Declaration as provided in **Article 7**, at any time, either temporarily or permanently, without the written approval of the Board.

10.22 Swimming Pools. No above-ground swimming pool shall be erected, constructed, or installed on any Lot. No in-ground swimming pool or spa shall be erected, constructed or installed on any Lot unless its design, location and placement are approved by the ARB.

10.23 Mailboxes. Unless a centralized mailboxes are utilized, all residences in the Properties shall have standard mailboxes and mailbox posts conforming to postal regulations and mailbox guidelines adopted by the ARB, as applicable. Any changes to mailboxes or mailbox posts must receive the prior written approval of the ARB. If Declarant is required by the United States Postal Service to install Cluster Mailboxes within Common Area or on Lots within Ansley Park, mail will not be delivered to any other location, and no Owner shall have the right to install any other mailbox or receptacle for the receipt of mail, newspapers, packages, or similarly delivered items on a Lot without the prior written approval of the ARB, which approval may be withheld in the ARB's sole discretion. No structure, planting or other materials shall be placed by any Owner which may damage or interfere with the installation, maintenance or use of the Cluster Mailboxes. The Owner of each Lot shall maintain that portion of the Lot lying within the Cluster Mailbox Easement Area, except that the Cluster Mailboxes shall be maintained by the Association. If, at any time in the future, the Cluster Mailboxes are removed or replaced with individual mailboxes in accordance with applicable law, the ARB shall have the right to approve the location, color, size, design, lettering, and all other design aspects of mailboxes and receptacles for the receipt of mail,

newspapers, packages, or similarly delivered items as well as Lot identification markers. The ARB shall have the right to require the use of uniform mailboxes in the Community. If a mailbox and/or post is damaged, the Owner must install the same color, style, and material of post and box that was first installed. If the Owner does not replace the damaged mailbox and/or post within thirty (30) days after its damage or destruction, the Association may replace the damaged item and assess the Owner for the cost thereof.

10.24 Window Treatments. All window treatments visible from the exterior of the front of such dwelling shall be white, off-white or another color approved in writing by the ARB. In no event should bed sheets, paper or foil be used as window treatments.

10.25 Garages. It is prohibited for an Owner or occupant of a dwelling that includes a garage to convert such garage to any other use, except for a temporary conversion by a Builder for the period of time the dwelling is owned by the Builder with Declarant approval. Garage doors shall remain closed at all times, except for necessary use, ingress, and egress, or when someone is working in or around the garage.

10.26 Lighting and Decorations. Except as may be permitted by the ARB, exterior lighting and decorations visible from the street shall not be permitted except for (a) approved lighting as originally installed on a Lot; (b) streetlights in conformity with an established street lighting program for the Properties; or (c) seasonal decorative lights between Thanksgiving Day and January 15th of the following year.

10.27 Use of Common Area Including Amenities. There shall be no obstruction of the Common Area, nor shall anything be kept on, parked on, stored on, or removed from any part of the Common Area without the prior written consent of the Board, except as specifically provided herein. This Section shall not apply to the Declarant during the Development Period. The Association shall have the right to host, stage or otherwise allow events on the Common Area. The Association shall also have the right but not the obligation to locate trees, benches and/or other outdoor furniture on the Common Area to commemorate or honor group(s) or individual(s) and to place a plaque on such furniture or trees so commemorating or honoring such group(s) or individual(s).

10.28 Erosion Control and Contamination. No activity which may create erosion or siltation problems in the Properties shall be undertaken on any Lot without the prior written approval of the ARB or its designee, as applicable, of plans and specifications for the prevention and control of such erosion or siltation; provided, however, the Declarant shall have the right, in its sole discretion, to exempt Builders from the foregoing requirement during the Development Period. Such plans and specifications shall be designed by a professional engineer licensed in the State of South Carolina and all costs and expenses related thereto shall be borne exclusively by the Owner of such Lot. The ARB or its designee may, as a condition of approval of such plans and specifications, require the use of certain means of preventing and controlling such erosion or siltation. Such means may include, by way of example and not of limitation, physical devices for controlling the run-off and drainage of water, special precautions in grading, clean-up activities and requiring landscaping as provided for herein. No activity which results in contamination of or any damage to any stream, water course or any other Lot shall be conducted on any Lot, and each Owner shall be liable for all resulting damages from such activity and for restoration of a property damaged from contamination resulting from or attributable to such activity. In addition, prior to commencing any improvements on a Lot, the Owner of such Lot and any builders, subcontractors, or other agents of such Owner, shall fulfill their obligations to comply with the requirements of the State of South Carolina Department of Natural Resources, Environmental Protection Division or any other governmental agency having jurisdiction thereof.

10.29 Flagpoles. Except as otherwise set forth in **Section 13.2**, no flagpoles may be constructed on any of the Properties except that one pole for the display of flags may be attached to a residential dwelling constructed on a Lot. Such flag pole may not be more than five feet in length and if attached to a dwelling so that it is visible from a public street or common area, placement of the flag pole on the dwelling must be approved by the ARB.

ARTICLE 11. EASEMENTS

The Declarant hereby reserves, creates, establishes, promulgates, and declares the non-exclusive, perpetual easements set forth herein for the enjoyment of the Declarant, the Association, the Members, the Owners, and their successors-in-title.

11.1 Easements of Encroachment. Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, reciprocal, appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between adjacent Lots, and between each Lot and any adjacent Common Area, due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than three (3) feet, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, the Person claiming the benefit of such easement.

11.2 Easements for Utilities, Etc.

(a) Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, reciprocal, appurtenant easements, for itself, for the Association and for the designees of each (which may include, without limitation, any governmental or quasi-governmental entity and any utility company) for (i) the purpose of installing, constructing, monitoring, replacing, repairing, maintaining, operating and removing cable, digital or similar television systems, master television antenna systems, and other devices for sending or receiving data and/or other electronic signals; security and similar systems; roads, walkways, pathways and trails; wetlands, irrigation, and drainage systems; street lights and signage; and all utilities, including, but not limited to, water, sewer, telephone, gas, and electricity systems, lines and meters; and an easement over, across, under and through (a) a ten foot wide strip of each Lot along the entire front and rear boundary lines of that Lot; (b) a five foot wide strip of each Lot along each side boundary line of each Lot; (c) any area designated as a utility easement area (or similar designation) on a recorded plat of all or any portion of the Properties; and (d) any other portion of the Properties (but not through a structure) to the extent reasonably necessary therefor; and (ii) the purpose of access of vehicular and pedestrian traffic over, across, and through the Properties, as necessary, to exercise the easements described above.

Declarant may assign to the local water supplier, sewer service provider, electric company, telephone company, natural gas supplier, internet service provider, cable television/satellite service provider or any utility sub-metering company, the easements set forth herein across the Properties for ingress, egress, installation, reading, replacing, repairing, and maintaining utility lines, meters and boxes, as applicable.

(b) Declarant reserves, creates, establishes, promulgates and declares for itself during the Development Period, and for its designees non-exclusive, perpetual, reciprocal, appurtenant easements, and the non-exclusive right and power to grant such specific easements as may be necessary, in the sole discretion of Declarant, in connection with the orderly development of any property described on **Exhibit A** or **Exhibit B**.

(c) Any damage to a Lot resulting from the exercise of the easements described in subsections (a) and (b) of this Section shall promptly be repaired by, and at the expense of, the Person exercising the easement. Nothing contained herein shall obligate the Declarant, the Association or the Board to pursue legal recourse against any Person damaging a Lot or any portion thereof as a result of the exercise of these easements. The exercise of these easements shall not extend to permitting entry into the structures on any Lot, nor shall it unreasonably interfere with the use of any Lot, and except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or occupant.

(d) Declarant reserves unto itself the right, in the exercise of its sole discretion, upon the request of any Person holding, or intending to hold, an interest in the Properties, or at any other time, (i) to release all or any portion of the Properties from the burden, effect, and encumbrance of any of the easements granted or reserved under this Section, or (ii) to define the limits of any such easements.

11.3 Easement for Slope Control, Drainage and Waterway Maintenance. Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, appurtenant easements, for itself and the Association, and their respective representatives, successors and assigns, contractors and agents, over, across, under, through and upon each Lot for the purposes of:

(a) controlling soil erosion, including grading and planting with vegetation any areas of any Lot which are or may be subject to soil erosion;

(b) drainage of natural or man-made water flow and water areas from any portion of the Properties;

(c) changing, modifying or altering the natural flow of water, water courses or waterways on or adjacent to any Lot or Common Area;

(d) dredging, enlarging, reducing or maintaining any water areas or waterways within the Properties; and

(e) installing such pipes, lines, conduits or other equipment as may be necessary for slope control, drainage and waterway maintenance of any portion of the Properties.

11.4 Easements to Serve Additional Property. The Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, appurtenant easements for itself and its duly authorized successors and assigns, including, without limitation, successors-in-title, agents, representatives, and employees, successors, assigns, licensees, and mortgagees, an easement over the Common Area for the purposes of enjoyment, use, access, and development of the Additional Property, whether or not such property is made subject to this Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construction of roads, for the posting of signs, and for connecting and installing utilities serving the Additional Property. Declarant agrees that it and its successors or assigns shall be responsible for any damage caused to the Common Area as a result of vehicular traffic connected with development of the Additional Property.

11.5 Easement for Entry. Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, appurtenant easements for the Association to enter upon any Lot for emergency, security, and safety reasons. Such right may be exercised by any member of the Board, the Association's officers, committee members, agents, employees and managers of the Association, and by all police officers, fire fighters, ambulance personnel, and similar emergency personnel in the performance of their duties. Except in emergencies, entry onto a Lot shall be only during reasonable hours and after notice to the Owner. This easement includes the right to enter any Lot to cure any condition which may increase

the possibility of fire, slope erosion, immediate risk of personal injury, or other hazard if an Owner fails or refuses to cure the condition within a reasonable time after request by the Board, but shall not authorize entry into any dwelling without permission of the Owner, except by emergency personnel acting in their official capacities. Entry under this Section shall not constitute a trespass.

11.6 Easements for Maintenance and Enforcement.

(a) Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, appurtenant rights and easements for the Association to enter all portions of the Properties, including each Lot, to (i) perform its maintenance responsibilities under **Article 5**, and (ii) make inspections to ensure compliance with the Governing Documents. Except in emergencies, entry onto a Lot shall be only after providing the Owner or occupant of the Lot not less than forty-eight (48) hours advance notice and shall occur during reasonable hours. This easement shall be exercised with a minimum of interference to the quiet enjoyment to Owners' property, and any damage shall be repaired by the Association at its expense. Entry under this Section shall not constitute a trespass.

(b) Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, appurtenant rights and easements for each Owner (i) to enter all portions of the Properties, including each Lot, to perform its maintenance responsibilities under **Article 5**, and (ii) to create a reasonable amount of noise commonly associated with the performance of its maintenance responsibilities under **Article 5** during reasonable hours. Except in emergencies, entry onto a Lot shall be only after providing the Owner or occupant of the Lot not less than forty-eight (48) hours advance notice and shall occur during reasonable hours. This easement shall be exercised with a minimum of interference to the quiet enjoyment to Owners' property, and any damage shall be repaired by the Owner or occupant responsible for the damage at his or her expense. Each Owner and/or occupant shall cooperate with every other Owner and/or occupant for purposes of this easement. Entry under this Section shall not constitute a trespass.

(c) The Association also may enter a Lot to abate or remove any structure, thing or condition which violates the Governing Documents using such measures as may be reasonably necessary. All costs incurred plus a ten percent (10%) administrative fee, including reasonable attorneys fees, may be assessed against the violator as a Specific Assessment.

11.7 Lateral Support. Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, reciprocal, appurtenant easements over every portion of the Common Area, every Lot, and any improvement which contributes to the lateral support of another portion of the Common Area or of another Lot for lateral support, and each shall also have the right to lateral support which shall be appurtenant to and pass with title to such property.

11.8 Easement for Special Events. Declarant reserves, creates, establishes, promulgates and declares for itself, its successors, assigns and designees a perpetual, non-exclusive appurtenant easement over the Common Area for the purpose of conducting or allowing its designees to conduct educational, cultural, entertainment, promotional or sporting events, and other activities of general community interest at such locations and times as Declarant, in its sole discretion, deems appropriate. Each Owner, by accepting a deed or other instrument conveying any interest in a Lot, acknowledges and agrees that the exercise of this easement may result in a temporary increase in traffic, noise, gathering of crowds, and related inconveniences, and each Owner agrees on behalf of itself and the occupants of its Lot to take no action, legal or otherwise, which would interfere with the exercise of such easement or to recover damages for or as the result of any such activities.

11.9 Rights to Stormwater Runoff, Effluent and Water Reclamation. Declarant hereby reserves for itself and its designees, all rights to ground water, surface water, storm water runoff, and effluent located or produced within the Properties, and each Owner agrees, by acceptance of a deed to a Lot, that Declarant shall retain all such rights. Such right shall include an easement over the Properties for access, and for installation and maintenance of facilities and equipment to capture and transport such water, runoff and effluent.

11.10 Easement for Common Use. Declarant reserves, creates, establishes, promulgates and declares non-exclusive, perpetual, appurtenant rights and easements for itself, the Association and each Owner the right to use a portion of any Lot which lies between a public right of way and any Private Road, such area being deemed to be Common Area for the benefit of the Owners and to be maintained by the Association. The Association may establish certain structures in such area including, but not limited to gazebos and benches.

11.11 Sidewalk Easements. Declarant reserves for itself, the Association, and their successors, assigns and designees, a perpetual easement over the Sidewalk Easement Area for the purpose of installing, maintaining, replacing and using sidewalks. Any sidewalk located within the Sidewalk Easement Area may be dedicated to the public by Declarant. In addition, Declarant reserves the right to grant easements for the passage of pedestrians over the sidewalks constructed by Declarant within the Sidewalk Easement Areas.

11.12 Sight Easement. Declarant reserves for the benefit of itself, the Association and the applicable governmental authorities, an easement over the Sight Easement Area for the purpose of removing any wall, fence, foliage, berm, parked vehicle, sign or other item that obstructs or partially obstructs sight lines at intersections (including, without limitation, any such item located in violation of applicable law). A Person entering onto a Lot pursuant to such easement for the purpose of removing such obstruction shall not be deemed a trespasser and shall not be liable for damages to the Association or the Owner of the Lot with respect to the obstruction removed.

11.13 Cluster Mailbox Easement. Declarant reserves for the benefit of itself, the Association, the Owners, and the United States Postal Service and its successors and assigns easements for access to, and the installation, use, maintenance, repair, and replacement of, Cluster Mailboxes over the Cluster Mailbox Easement Areas.

11.14 Liability for Use of Easements. No Owner shall have a claim or cause of action against the Declarant, the Association, their successors or assigns, arising out of the exercise or non-exercise of any easement reserved hereunder or shown on any subdivision plat for the Properties, except in cases of willful or wanton misconduct.

ARTICLE 12. MORTGAGEE PROVISIONS

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

12.1 Notices of Action. An institutional holder, insurer, or guarantor of a first Mortgage who provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its Mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;

(b) Any delinquency in the payment of assessments or charges owed by a Lot subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) Days, or any other violation of the Declaration or By-Laws relating to such Lot or the Owner or occupant which is not cured within sixty (60) Days;

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

(d) Any proposed action which would require the consent of a specified percentage of Eligible Holders pursuant to Federal Home Loan Mortgage Corporation requirements.

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

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

12.4 Failure of Mortgagee to Respond. Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) Days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

12.5 Construction of Article 12. Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, By-Laws, or South Carolina law for any of the acts set out in this Article.

ARTICLE 13. DECLARANT'S RIGHTS

13.1 Transfer or Assignment. Any or all of the special rights and obligations of the Declarant set forth in the Governing Documents may be transferred or assigned in whole or in part to the Association or to other Persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that which the Declarant has under this Declaration or the By-Laws. Upon any such transfer, the Declarant shall be automatically released from any and all liability arising with respect to such transferred rights and obligations. No such transfer or assignment shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the Registry.

13.2 Development and Sales. The Declarant and Builders authorized by Declarant may maintain and conduct on the Properties such activities as, in the sole opinion of the Declarant, may be reasonably required, convenient, or incidental to the development of the Properties and/or the construction or sale of Lots, such as sales activities, tournaments, charitable events, and promotional events, and restrict Members from using the Common Area during such activities. Such activities shall be conducted in a manner to minimize (to the extent reasonably possible) any substantial interference with the Members' use and enjoyment of the Common Area. In the event that any such activity necessitates exclusion of Owners from Common Areas, such activities shall not exceed seven (7)

consecutive Days. The Declarant and authorized Builders shall have easements over the Properties for access, ingress and conducting such activities.

In addition, the Declarant and Builders authorized by Declarant may establish within the Properties, including any clubhouse, such facilities as, in the sole opinion of the Declarant, may be reasonably required, convenient, or incidental to the development of the Properties and/or the construction or sale of Lots, including, but not limited to, business offices, signs, flags and flagpoles, model units, tents, sales offices, sales centers and related parking facilities, construction trailers and concrete washout areas. During the Development Period, Owners may be excluded from use of all or a portion of such facilities in the Declarant's sole discretion. The Declarant and authorized Builders shall have easements over the Properties for access, ingress, and egress and use of such facilities.

Declarant may permit the use of any facilities situated on the Common Area by Persons other than Owners without the payment of any use fees.

13.3 Common Areas. The Declarant and its employees, agents and designees shall also have a right and easement over and upon all of the Common Area for the purpose of making, constructing and installing such improvements to the Common Area as it deems appropriate in its sole discretion.

13.4 Additional Covenants. No Person shall record any declaration of covenants, conditions and restrictions, declaration of condominium, easements, or similar instrument affecting any portion of the Properties without Declarant's review and written consent. Any attempted recordation without such consent shall result in such instrument being void and of no force and effect unless subsequently approved by written consent signed by the Declarant and recorded in the Registry. No such instrument recorded by any Person, other than the Declarant pursuant to **Section 7.4**, may conflict with the Declaration, By-Laws or Articles.

13.5 Right of the Declarant to Disapprove Actions. Until two (2) years following the termination of the Class "B" membership, the Declarant shall have the right to disapprove any action, policy or program of the Association, the Board and any committee which, in the sole judgment of the Declarant, would tend to impair rights of the Declarant or Builders under the Governing Documents, or interfere with development of, construction on, or marketing of any portion of the Properties, or diminish the level of services being provided by the Association. This right to disapprove is in addition to, and not in lieu of, any right to approve or disapprove specific actions of the Association, the Board or any committee as may be granted to the Declarant in the Governing Documents:

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

(b) The Declarant shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein. The Declarant, its representatives or agents may make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee.

(c) No action, policy or program subject to the right of disapproval set forth herein shall become effective or be implemented until and unless the requirements of subsections (a) and (b) above have been met and the time period set forth in subsection (d) below has expired.

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

13.6 Amendments. Notwithstanding any contrary provision of this Declaration, no amendment to or modification of any use restrictions and rules shall be effective without prior notice to and the written consent of the Declarant during the Development Period. This Article may not be amended without the written consent of the Declarant. The rights contained in this Article shall terminate upon the earlier of (a) twenty (20) years from the date this Declaration is recorded, or (b) upon recording by Declarant of a written statement that all sales activity has ceased.

ARTICLE 14. GENERAL PROVISIONS

14.1 Duration.

(a) Unless terminated as provided in **Section 14.1(b)**, the provisions of this Declaration shall run with, bind the Properties and remain in effect perpetually to the extent permitted by law; provided, however, so long as and to the extent that South Carolina law limits the period during which covenants restricting lands to certain uses may run, any provisions of this Declaration affected thereby shall run with and bind the land for so long as permitted by South Carolina law. To the extent that South Carolina law limits the period during which covenants may run with the land, then to the extent consistent with such law, this Declaration shall automatically be extended at the expiration of such period for successive periods of twenty (20) years each. Notwithstanding the above, if any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

(b) Unless otherwise provided by South Carolina law, this Declaration may be terminated within the first twenty (20) years after the date of recording by an instrument signed by Owners of at least ninety percent (90%) of the total Lots within the Properties, which instrument is recorded in the Registry; provided however, regardless of the provisions of South Carolina law, this Declaration may not be terminated during the Development Period without the prior written consent of the Declarant. After twenty (20) years from the date of recording, this Declaration may be terminated only by an instrument signed by Owners owning at least fifty-one percent (51%) of the total Class A votes in the Association, and by the Declarant, if the Declarant owns any portion of the Properties. Nothing in this Section shall be construed to permit termination of any easement created in this Declaration without the consent of the holder of such easement.

14.2 Amendment.

(a) By Declarant. Until termination of the Class "B" membership, Declarant may amend this Declaration for any purpose without the consent of any other party. Thereafter, the Declarant may unilaterally amend this Declaration at any time and from time to time if such amendment is necessary (i) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; (ii) to enable any reputable title insurance company to issue title insurance coverage on the Lots; (iii) to enable any institutional or governmental lender, purchaser, insurer or guarantor of Mortgage loans, including, for example, the U.S. Department of Veterans Affairs, the U.S. Department of Housing and Urban Development, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to make, purchase, insure or guarantee Mortgage loans on the Lots; or (iv) to satisfy the requirements of any local, state or federal governmental agency. However, any such amendment shall not materially adversely affect the allocation of voting rights or assessment burdens among the Lots, or title to any Lot unless the Owner shall consent in writing. The failure of an amendment to apply uniformly to all Lots shall not constitute a material adverse effect upon the rights of any Owner.

(b) By Members. Except as otherwise specifically provided above and elsewhere in this Declaration, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Members holding sixty-seven percent (67%) of the total Class "A" votes in the Association, and, during the Development Period, the written consent of the Declarant.

Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Validity and Effective Date. Any amendment to the Declaration shall become effective upon recordation in the Registry, unless a later effective date is specified in the amendment. Any procedural challenge to an amendment must be made within one (1) year of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of this Declaration. No amendment may remove, revoke, or modify any right or privilege of the Declarant or the Class "B" Member without the written consent of the Declarant, the Class "B" Member, or the assignee of such right or privilege.

If an Owner consents to any amendment to this Declaration or the By-Laws, it will be conclusively presumed that such Owner has the authority to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

14.3 Severability. Invalidation of any provision of this Declaration, in whole or in part or any application of a provision of this Declaration by judgment or court order shall in no way affect other provisions or applications.

14.4 Fair Housing Amendments Act. The provisions of the Governing Documents shall be subordinate to the Fair Housing Amendments Act of 1988, 42 U.S.C. § 3601, et seq., (hereinafter referred to as "FHAA"), and shall be applied so as to comply with the FHAA. In the event that there is a conflict between or among the Governing Documents and the FHAA, the FHAA shall prevail. Notwithstanding anything to the contrary contained herein, in the event that any provision of this Declaration conflicts with the FHAA, Declarant shall have the unilateral right to amend this Declaration for the purpose of bringing this Declaration into compliance with the FHAA.

14.5 Dispute Resolution. It is the intent of the Association and the Declarant to encourage the amicable resolution of disputes involving the Properties and to avoid the emotional and financial costs of litigation if at all possible. Accordingly, the Association, the Declarant and each Owner covenants and agrees that it shall attempt to resolve all claims, grievances or disputes involving the Properties, including,

without limitation, claims, grievances or disputes arising out of or relating to the interpretation application or enforcement of the Governing Documents through alternative dispute resolution methods, such as mediation and arbitration. To foster the amicable resolution of disputes, the Board may adopt alternative dispute resolution procedures.

Participation in alternative dispute resolution procedures shall be voluntary and confidential. Should either party conclude that such discussions have become unproductive or unwarranted, then the parties may proceed with litigation.

14.6 Litigation. Except as provided below, no judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by Members holding sixty-seven percent (67%) of the total Class "A" votes in the Association. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of the Governing Documents (including, without limitation, the foreclosure of liens); (b) the imposition and collection of assessments as provided in **Article 8**; (c) proceedings involving challenges to ad valorem taxation; (d) counter-claims brought by the Association in proceedings instituted against it or (e) actions brought by the Association against any contractor, vendor, or supplier of goods or services arising out of a contract for services or supplies. This Section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

14.7 Non-Merger. Notwithstanding the fact that Declarant is the current owner of the Properties, it is the express intention of Declarant that the easements established in the Declaration for the benefit of the Properties and Owners shall not merge into the fee simple estate of individual lots conveyed by Declarant or its successor, but that the estates of the Declarant and individual lot owners shall remain as separate and distinct estates. Any conveyance of all or a portion of the Properties shall be subject to the terms and provisions of this Declaration, regardless of whether the instrument of conveyance refers to this Declaration.

14.8 Grants. The parties hereby declare that this Declaration, and the easements created herein shall be and constitute covenants running with the fee simple estate of the Properties. The grants and reservations of easements in this Declaration are independent of any covenants and contractual agreements undertaken by the parties in this Declaration and a breach by either party of any such covenants or contractual agreements shall not cause or result in a forfeiture or reversion of the easements granted or reserved in this Declaration.

14.9 Cumulative Effect; Conflict. The provisions of this Declaration shall be cumulative with any additional covenants, restrictions and declarations. The Association may, but shall not be required to, enforce any such additional covenants, conditions and provisions. In the event of a conflict between or among this Declaration and any additional covenants or restrictions, and/or the provisions of any articles of incorporation, By-Laws, rules and regulations, policies or practices adopted or carried out pursuant thereto, this Declaration, the By-Laws, Articles and rules and regulations of the Association shall prevail. Nothing in this Section shall preclude any Supplemental Declaration or other recorded declaration, covenants and restrictions applicable to any portion of the Properties from containing additional restrictions or provisions which are more restrictive than the provisions of this Declaration, and the Association shall have the standing and authority to enforce the same.

14.10 Use of "Ansley Park" Name and Logo. No Person shall use the words "Ansley Park" or the logo for "Ansley Park" or any derivative in any printed or promotional material without the Declarant's prior written consent. However, Owners may use the words "Ansley Park" in printed or promotional matter where such terms are used solely to specify that particular property is located within

Ansley Park, and the Association and any other community association located in Ansley Park, and the Declarant shall each be entitled to use the words "Ansley Park" in their names.

14.11 Compliance. Every Owner and occupant of any Lot shall comply with the Governing Documents. Failure to comply shall be grounds for an action by the Association, the Declarant, or by any aggrieved Owner(s) to recover sums due, for damages or injunctive relief, or for any other remedy available at law or in equity, in addition to those enforcement powers granted to the Association in **Section 4.3.**

14.12 Deleted.

14.13 Exhibits. **Exhibit A** and **Exhibit B** attached to this Declaration are incorporated by this reference and amendment of such exhibits shall be governed by the provisions of **Section 14.2.**

IN WITNESS WHEREOF, the undersigned Declarant has executed this Declaration this 21 day of August, 2018.

WITNESSES:

**TF Ansley Park, L.P.,
a Delaware limited partnership**

By: [Signature]
Name: Lori E. Joyce

By: [Signature] (L.S.)
Name: John Brian
Title: Authorized Signatory

By: [Signature]
Name: Jennifer LaFemina

STATE OF Florida
COUNTY OF Manatee

I, Lori E. Joyce, Notary Public for the State of Florida, do hereby certify that the above signed John Brian as Authorized Signatory for TF Ansley Park, L.P., personally appeared before me this day and acknowledged the due execution of the foregoing instrument

Witness my hand and seal this 21 day of August, 2018.



[Signature] (NOTARY SEAL)
Notary Public for State of South Carolina Florida
My commission expires: 9/19/19

EXHIBIT A

Land Initially Submitted

ALL THOSE CERTAIN LOTS, PIECES, PARCELS OR TRACTS OF LAND, CONTAINING 74.546 ACRES, MORE OR LESS, TOGETHER WITH ANY IMPROVEMENTS THEREON, COMMONLY KNOWN AS "ANSLEY PARK", SITUATE, LYING, AND BEING IN INDIAN LAND TOWNSHIP, LANCASTER COUNTY, SOUTH CAROLINA, AS SHOWN AND DESIGNATED ON A PLAT TO BE RECORDED ENTITLED "FINAL PLAT OF ANSLEY PARK PHASE 1", BY KENNETH M. GREEN, RLS # 14529 WITH R. JOE HARRIS & ASSOCIATES, INC. NO. C02262, DATED JUNE 19, 2018, ATTACHED AS EXHIBIT A-1 AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Commencing at NGS monument "State Az Mark" South Carolina grid coordinates N = 1,155,534.27 E=2,044,004.88 thence S19°24'04"E 9,676.75' to a #5 rebar found; said point being the Point of Beginning (POB); thence from the POB S72°38'55"E 49.58' to a point in the center of Henry Harris Road, a 66' Public Right of Way (to be dedicated); thence with said road with a southerly curve, having a radius of 3,317.76', an arc length of 710.39', and a chord bearing and distance of S37°14'21"E 709.03' to a point; thence leaving said road and following the line of phase 1 the following 29 calls 1)S46°37'37"W 32.17' to a #5 rebar set 2)S46°37'36"W 30.00' to a #5 rebar set 3)S45°02'08"W 61.19' to a #5 rebar set 4)S45°02'08"W 65.00' to a #5 rebar set 5)S52°13'32"W 50.40' to a #5 rebar set 6)S45°02'08"W 425.00' to a #5 rebar set 7)S60°20'10"W 77.90' to a #5 rebar set 8)S75°23'10"W 399.14' to a #5 rebar set 9)S78°49'43"W 72.09' to a #5 rebar set 10)S85°37'44"W 82.23' to a #5 rebar set 11)N88°58'53"W 40.00' to a #5 rebar set 12)N86°10'58"W 73.22' to a #5 rebar set 13)N86°04'58"W 624.05' to a #5 rebar set 14)S15°35'02"W 470.17' to a #5 rebar set 15)N74°24'58"W 47.15' to a #5 rebar set 16)S15°35'02"W 130.00' to a #5 rebar set 17)S74°24'58"E 75.20' to a #5 rebar set 18)S74°24'58"E 57.15' to a #5 rebar set 19)S86°04'58"E 607.90' to a #5 rebar set 20)S1°01'07"W 89.63' to a #5 rebar set 21)S8°05'03"E 50.00' to a #5 rebar set 22)S35°48'39"E 78.98' to a #5 rebar set 23)S63°32'16"E 50.00' to a #5 rebar set 24)S63°32'16"E 50.00' to a #5 rebar set 25)N89°43'27"E 72.66' to a #5 rebar set 26)S1°53'25"W 179.16' to a #5 rebar set 27)S33°39'29"W 85.00' to a #5 rebar set 28)N56°20'31"W 90.00' to a #5 rebar set 29)S38°58'52"W 195.40' to a point in the center of 6 Mile Creek; thence with the center of said creek the following 90 calls 1)N41°49'17"W 63.95' to a point 2)N68°50'43"W 66.22' to a point 3)S81°59'55"W 81.44' to a point 4)S63°03'22"W 63.57' to a point 5)S72°50'08"W 69.37' to a point 6)N89°45'07"W 57.11' to a point 7)N47°52'19"W 33.12' to a point 8)N30°12'30"E 95.61' to a point 9)N6°16'26"W 116.39' to a point 10)N39°55'55"W 83.15' to a point 11)N67°30'36"W 84.68' to a point 12)S77°49'46"W 75.28' to a point 13)S51°49'48"W 115.12' to a point 14)S65°17'52"W 56.34' to a point 15)S35°44'44"W 33.09' to a point 16)S18°29'20"E 65.27' to a point 17)S17°33'39"W 85.95' to a point 18)S59°22'29"W 124.78' to a point 19)S40°33'37"W 68.58' to a point 20)S14°58'19"W 54.03' to a point 21)S23°50'26"E 55.67' to a point 22)S38°56'20"E 119.27' to a point 23)S12°22'28"E 22.42' to a point 24)S37°48'15"W 169.81' to a point 25)S72°40'31"W 77.02' to a point 26)N87°34'27"W 111.83' to a point 27)N54°35'00"W 12.17' to a point 28)N38°57'58"W 121.80' to a point 29)N14°28'07"W 73.63' to a point 30)N16°40'51"E 25.37' to a point 31)N34°33'00"E 13.73' to a point 32)N25°30'52"E 36.90' to a point 33)N15°50'40"W 50.18' to a point 34)N9°26'04"W 35.05' to a point 35)N6°47'57"W 39.61' to a point 36)N23°02'04"E 41.49' to a point 37)N10°50'04"W 93.11' to a point 38)N23°49'29"W 55.22' to a point 39)N39°28'55"W 30.67' to a point 40)N23°48'39"W 37.02' to a point 41)N11°25'37"W 65.42' to a point 42)N10°33'11"W 58.18' to a point 43)N6°01'50"W 53.34' to a point 44)N19°50'57"E 34.53' to a point 45)N13°23'14"E 131.02' to a point 46)N12°43'50"W 33.87' to a point 47)N25°26'17"W 21.84' to a point 48)N15°25'30"W 71.96' to a point 49)N26°08'31"W 164.38' to a point 50)N4°44'10"E 189.29' to a point 51)N34°28'55"E 41.05' to a point 52)N1°12'13"E 47.41' to a

point 53)N23°11'32"E 132.58' to a point 54)N0°05'32"E 57.43' to a point 55)N19°34'27"E 95.67' to a point 56)N45°36'02"E 60.90' to a point 57)N15°34'51"E 56.29' to a point 58)N27°11'34"W 35.69' to a point 59)N5°46'10"E 75.35' to a point 60)N18°31'56"E 145.83' to a point 61)N2°47'21"E 59.64' to a point 62)N22°13'42"E 170.63' to a point 63)N21°52'51"W 40.47' to a point 64)N42°51'34"W 70.63' to a point 65)N7°25'17"E 39.24' to a point 66)N40°26'30"E 97.65' to a point 67)N66°23'48"E 43.59' to a point 68)S74°51'58"E 30.42' to a point 69)S39°00'14"E 53.96' to a point 70)S74°45'57"E 143.84' to a point 71)S85°34'50"E 95.01' to a point 72)N61°47'37"E 47.01' to a point 73)N42°33'48"E 58.98' to a point 74)N73°50'20"E 79.07' to a point 75)N63°58'34"E 97.57' to a point 76)S70°43'00"E 52.34' to a point 77)S55°22'43"E 74.74' to a point 78)S86°58'52"E 35.94' to a point 79)N50°14'46"E 41.57' to a point 80)N31°07'38"E 118.44' to a point 81)N17°46'57"E 60.66' to a point 82)N55°13'41"E 48.34' to a point 83)S68°41'45"E 89.66' to a point 84)N87°39'35"E 108.39' to a point 85)N77°42'04"E 87.55' to a point 86)N29°20'15"E 92.18' to a point 87)N56°35'46"E 67.34' to a point 88)N50°53'32"E 74.85' to a point 89)N15°19'02"W 56.46' to a point 90)N1°18'09"W 51.57' to a point; thence leaving said creek S72°38'53"E 19.47' to a 2" iron pipe; thence S72°38'53"E 443.92' to the POB, containing 74.546 acres, including the pump station lot.

BEING A PORTION OF THE PROPERTY CONVEYED UNTO TF ANSLEY PARK, L.P. BY QUIT CLAIM DEED OF FORESTAR (USA) REAL ESTATE GROUP INC. DATED FEBRUARY 8, 2018 AND RECORDED IN THE LANCASTER COUNTY REGISTER OF DEEDS OFFICE ON FEBRUARY 22, 2018 IN BOOK 1119 AT PAGE 164.

THIS DECLARATION IS SUBJECT TO ALL EASEMENTS, RESTRICTIONS AND ENCUMBRANCES OF RECORD OR SHOWN ON PLATS.

EXHIBIT B
Additional Property

ALL THAT PIECE, PARCEL OR TRACT OF LAND, CONTAINING 160.89 ACRES, MORE OR LESS, LYING, BEING AND SITUATE ON THE WATERS OF SIX MILE CREEK IN INDIAN LAND TOWNSHIP, LANCASTER COUNTY, SOUTH CAROLINA, AND BEING BOUNDED NORTH AND EAST BY OTHER LANDS OF THE GRANTOR HEREIN; SOUTH BY OTHER LANDS OF THE GRANTOR AND FRANK M. STEVENSON AND SIX MILE CREEK; AND WEST BY SIX MILE CREEK, THE SAME BEING MORE FULLY DESCRIBED IN A PLAT MADE BY J. M. BAILES, SURVEYOR, JANUARY 1938 AND IS COMPOSED OF TWO TRACTS; ONE OF WHAT IS KNOWN AS THE D.W. THERRELL TRACT OF 112.34 ACRES AND THE OTHER A PART OF THE D.C. WOLFE TRACT OF 48.55 ACRES, MAKING A TOTAL OF 169.89 ACRES AS SHOWN ON SAID PLAT MADE BY J.M. BAILES REG. L.S., DATED JANUARY 1938 AND RECORDED IN PLAT BOOK 1, AT PAGE 37.

LESS AND EXCEPT:

ALL THAT PIECE, PARCEL OR TRACT OF LAND LYING, BEING AND SITUATE IN INDIAN LAND TOWNSHIP, LANCASTER COUNTY, SOUTH CAROLINA, ON THE EASTERN SIDE OF A PAVED ROAD LEADING FROM MARVIN, NORTH CAROLINA TO THE PLEASANT VALLEY COMMUNITY, CONTAINING FIVE (5) ACRES, MORE OR LESS, AND BEING THE TRACT ON THE WESTERN SIDE OF TWO TRACT TOTALING 123.2 ACRES, MORE OR LESS, AS SHOWN ON PLAT OF THE PROPERTY OF ROBERT E. WHITE BY PAUL CLARK, SURVEYOR, DATED JANUARY 20, 1965; SEE DEED RECORDED JANUARY 14, 196, DEED BOOK O-5, AT PAGE 6, REGISTER OF DEEDS FOR LANCASTER COUNTY, SOUTH CAROLINA.

EXHIBIT C

By-Laws

BY-LAWS
OF
ANSLEY PARK HOMEOWNERS ASSOCIATION, INC.

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BY-LAWS
OF
ANSLEY PARK HOMEOWNERS HOMEOWNERS ASSOCIATION, INC.

Article I. Name, Principal Office, and Definitions

1.1. Name.

The name of the corporation is Ansley Park Homeowners Association, Inc. (the "Association").

1.2. Principal Office.

The Association's principal office shall be located in Lancaster County, South Carolina. The Association may have such other offices as the Board may determine or as the Association's affairs require.

1.3. Definitions.

The words used in these By-Laws shall be given their normal, commonly understood definitions. Capitalized terms shall have the same meaning as set forth in that certain recorded Declaration of Covenants, Conditions, and Restrictions for Ansley Park, as it may be amended and supplemented from time to time (the "Declaration"), unless the context indicates otherwise.

Article II. Membership: Meetings, Quorum, Voting, Proxies

2.1. Membership.

The Association shall initially have two classes of membership, Class "A" and Class "B," as more fully set forth in the Declaration. The provisions of the Declaration pertaining to membership are incorporated by this reference.

2.2. Place of Meetings.

The Association shall hold meetings at the Association's principal office or at such other suitable place the Board may designate.

2.3. Association Meetings.

The Association shall hold its first meeting, whether a regular or special meeting, within one year after the Association's incorporation. Thereafter, the Association shall hold regular annual meetings, and the Board shall set annual meetings so as to occur within 90 days before the close of the Association's fiscal year. Meetings shall be of the Owners unless South Carolina law requires otherwise or the Board specifies otherwise.

2.4. Special Meetings.

The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by Board resolution or upon a petition signed by Owners representing at least 20% of the total Class "A" votes of the Association.

2.5. Notice of Meetings.

The Association's Secretary shall cause written notice stating the place, day, and hour of any Association meeting to be given in any manner permitted by South Carolina law. Notice may be mailed, or sent by personal delivery, or, if permitted, notice may be posted in a conspicuous, prominent place within Ansley Park, sent by facsimile, electronic mail, or other electronic communication device, or provided in such other manner which is reasonably calculated, as determined in the Board's discretion, to provide personal notice to the Owners. Notice shall be given at least 10 but less than 60 days before the date of the meeting, by or at the direction of the President or the Secretary or the officers or Persons calling the meeting.

In the case of a special meeting or when a statute or these By-Laws require otherwise, the notice shall state the purpose or purposes for which the meeting is called. No business shall be transacted at a special meeting except as stated in the notice. If posted, notice shall be deemed delivered when posted. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the Owner at his or her address as it appears on the Association's records, with postage prepaid. If sent by facsimile, electronic mail, or such other electronic communication device, notice shall be deemed to be delivered when transmitted to the Owner at his or her address, or number as it appears on the Association's records. Failure to receive actual notice of an Association meeting shall not affect the validity of any action taken at such meeting.

2.6. Waiver of Notice.

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

2.7. Adjournment of Meetings.

If the Association cannot hold a meeting because a quorum is not present, a majority of the Owners who are present at such meeting may adjourn the meeting to a time not less than 5 or more than 30 days from the time the original meeting was called. At the reconvened meeting, the Association may transact any business which it might have transacted at the original meeting. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting, or if the date for the reconvened meeting is changed, notice of the time and place of the reconvened meeting shall be given to Owners in the manner described in Section 2.5. Owners present at a duly called or held meeting at which a quorum is present may continue to do

business until adjournment, notwithstanding the withdrawal of enough Owners to leave less than a quorum, provided that at least a majority of the votes required to constitute a quorum approve any action taken.

2.8. Voting.

Members shall have such voting rights as are set forth in the Declaration, which provisions are incorporated herein by this reference. Owners may vote at a meeting by voice vote or ballot or may vote by mail without the necessity of a meeting, as determined by the Board; provided, the Board shall hold meetings when required by the Declaration, these By-Laws, or South Carolina law.

Votes for the election of directors shall be cast by written ballot. All Member votes cast at meetings are subject to the quorum requirements of Section 2.11. The Board may permit votes to be cast electronically (i.e., via the Internet, intranet, or electronic mail) with sufficient verification of authenticity and if permitted by law.

2.9. Proxies.

On any matter as to which a Member is entitled to cast the vote for his Lot, such vote may be cast in person or by proxy, subject to the limitations of South Carolina law relating to use of general proxies and subject to any specific provision to the contrary in the Declaration or these By-Laws.

Every proxy shall be in writing specifying the Lot for which it is given, signed by the Member or his or her duly authorized attorney-in-fact, dated, and filed with the Association's Secretary prior to the meeting for which it is to be effective. Unless the proxy specifically provides otherwise, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled personally to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid.

Every proxy shall be revocable and shall automatically cease upon (a) conveyance of any Lot for which it was given, (b) receipt by the Secretary of written notice of revocation of the proxy or of the death or judicially declared incompetence of a Member, or (c) 11 months from the date of the proxy, unless a shorter period is specified in the proxy.

2.10. Majority.

As used in these By-Laws, the term "majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than 50% of the total eligible number.

2.11. Quorum.

Except as these By-Laws or the Declaration otherwise provide, the presence of Owners representing at least 25% of the Association's total Class "A" votes shall constitute a quorum at all Association meetings. If any meeting cannot be held because a quorum is not present, the

quorum requirement for any subsequent attempt to convene such meeting shall be 50% of that required to meet the previous quorum requirement.

2.12. Conduct of Meetings.

The President or any designee the Board approves shall preside over all Association meetings. The Secretary shall ensure that minutes of the meetings are kept and that all resolutions adopted and all other transactions occurring at such meetings are recorded with the Association's records.

2.13. Action Without a Meeting.

Any action required by law or the Governing Documents to be taken at a meeting of the Owners may be taken without a meeting, without prior notice, and without a vote if all Owners entitled to vote on such matter sign a written consent specifically authorizing such action. The Secretary shall file such consents with the minutes of the Association along with the Secretary's certification that the subscribers to the consent constitute all of the Owners entitled to vote. Such consent shall have the same force and effect as a vote of the Owners at a meeting.

2.14. Action by Written Ballot.

Any action that may be taken at a meeting of the Members may be taken without a meeting if the Association delivers to every Member entitled to vote on the matter a written ballot setting forth each proposed action, providing an opportunity to vote for or against each proposed action, and indicating the time by which the ballot must be received by the Association in order to be counted. An action shall be approved by written ballot when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the same total number of votes were cast.

Article III. Board of Directors: Selection, Meetings, Powers

A. Composition and Selection.

3.1. Governing Body; Composition.

The Board shall govern the Association's affairs. Each director shall have one equal vote. Except with respect to directors the Class "B" Member appoints, directors shall be Members or residents; provided, no Owner and resident representing the same Lot may serve on the Board at the same time. A "resident" shall be any natural person 18 years of age or older whose principal residence is a Lot within Ansley Park. If a Member is not an individual, any officer, director, partner, or trust officer of such Member shall be eligible to serve as a director unless a written notice to the Association signed by such Member specifies otherwise; provided, no Member may have more than one such representative on the Board at a time, except in the case of directors the Class "B" Member appoints.

3.2. Number of Directors.

The Board shall consist of three directors, selected as provided in Sections 3.3 and 3.5.

3.3. Directors During Class "B" Control Period.

During the period of time in which the Class "B" Member has the right to appoint members of the Board of Directors pursuant to the Declaration (the "Class 'B' Control Period"), the Directors shall be appointed by the Class "B" Member acting in its sole discretion and shall serve at the pleasure of the Class "B" Member.

3.4. Nomination and Election Procedures.

(a) Nomination of Directors. Except with respect to directors the Class "B" Member appoints, nominations for election to the Board shall be made in accordance with policies and procedures the Board establishes. Such policies and procedures may include, but are not limited to, permitting or requiring that nominations be made through a "Nominating Committee", permitting "write-in" candidates, and permitting nominations from the floor.

If appointed, the Nominating Committee shall consist of a Chairman, who shall be a Board member, and three or more Members or representatives of Members. The Nominating Committee shall make as many nominations for election to the Board as it deems appropriate in its discretion, but in no event less than the number of positions to be filled as provided in Section 3.5.

All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

(b) Election Procedures. Each Owner may cast the vote assigned to his or her Lot for each position to be filled from the slate of candidates on which such Owner is entitled to vote. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

3.5. Election and Term of Office.

Except as these By-Laws may otherwise specifically provide, election of directors shall take place at the Association's annual meeting. Notwithstanding any other provision of these By-Laws:

(a) Within 90 days after termination of the Class "B" Control Period, or whenever the Class "B" Member earlier determines, the President shall call for an election by which the Class "A" Members shall elect three directors (the "Initial Class 'A' Election"). Directors elected by the Class "A" Members pursuant to this paragraph shall not be subject to removal by the Class "B" Member and shall serve until the second annual meeting following their election. Upon expiration of such directors' terms, and thereafter upon the expiration of each successor's term, a successor shall be elected for a two-year term. Thereafter, upon expiration of the term of office of each Class "A" Director, the Class "A" Members shall elect a successor to serve a term of two

years; provided, if necessary to establish staggered terms for the directors, the Board may, for one time only, provide that one director elected shall serve one term of one year. Directors the Class "A" Members elect shall hold office until their respective successors have been elected. In the event that any director position remains unfilled due to a lack of interested candidates or for any other reason, the Board may continue to conduct business despite such vacancy; provided, the remaining directors shall use reasonable efforts to fill any such vacancies (e.g., attempting to fill vacancies by appointment, holding regular elections, etc.).

(b) The term of any Directors appointed or designated by the Class B Member shall commence upon appointment or designation and terminate upon the Initial Class 'A' Election.

3.6. Removal of Directors and Vacancies.

Any Class "A" Director may be removed, with or without cause, by the vote of Class "A" Members representing a majority of the votes entitled to be cast for the election of such director. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, the Class "A" Members shall elect a successor to fill the vacancy for the remainder of the term of such director.

A majority of the directors at a regular or special meeting at which a quorum is present may remove any Class "A" Director who (a) has three consecutive unexcused absences from Board meetings, (b) is more than 30 days delinquent (or resides in a Lot owned by a Member who is so delinquent) in the payment of any assessment or other charge due the Association, or (c) fails to cure a Governing Document violation pertaining to his or her Lot after being given notice from the Board or its designee and a reasonable opportunity to cure such violation. The Board may appoint a successor to fill the vacancy for the remainder of the term.

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

This Section shall not apply to directors the Class "B" Member appoints or to any director serving as Declarant's representative. The Class "B" Member or Declarant shall appoint a successor to fill any vacancy on the Board resulting from the death, disability, or resignation of a director appointed by or elected as a representative of the Class "B" Member or Declarant.

B. Meetings.

3.7. Organizational Meetings.

The Board shall hold an organizational meeting following each annual membership meeting at such time and place as the Board shall fix.

3.8. Regular Meetings.

The Board shall hold regular meetings at such time and place as a majority of the directors shall determine, but the Board, after the expiration of the Class "B" Control Period, shall hold at least four such meetings during each fiscal year with at least one per quarter.

3.9. Special Meetings.

The Board shall hold special meetings when called by written notice the President, Vice President, or any two directors sign.

3.10. Notice; Waiver of Notice.

(a) Notices of Board meetings shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. The Board shall give notice to each director by (i) personal delivery; (ii) first class mail, postage prepaid; (iii) telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (iv) facsimile, electronic mail, or other electronic communication device, with confirmation of transmission. All such notices shall be given at the director's telephone number, fax number, electronic mail address, or sent to the director's address as shown on the Association's records. The Board shall deposit notices sent by first class mail into a United States mailbox at least five business days before the time set for the meeting. The Board shall give notices at least four days before the time set for a regular meeting and at least 72 hours before the time set for a special meeting.

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

3.11. Telephonic Participation in Meetings.

Members of the Board or any committee the Board designates may participate in a Board or committee meeting by means of conference telephone or similar communications equipment, through which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this subsection shall constitute presence at such meeting.

3.12. Quorum of Board.

At all Board meetings, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the Board's decision, unless these By-Laws or the Declaration specifically provide otherwise. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if at least a majority of the required quorum for that meeting approves any action taken. If the Board cannot hold a meeting because a quorum is not present, a majority of the directors present at such meeting may adjourn the meeting to a time not less than 5 or more than 30 days from the date of the original meeting. At the reconvened meeting, if a quorum is present, the Board may transact without further notice any business which it might have transacted at the original meeting.

3.13. Conduct of Meetings.

The President shall preside over all Board meetings; provided, in the President's absence, the Vice President or another Board designee shall preside. The Secretary shall cause to be kept a minute book of Board meetings, recording all Board resolutions and all transactions and proceedings occurring at such meetings.

3.14. Open Meetings; Executive Session.

(a) Except in an emergency, the Board shall post notice of meetings at least 48 hours in advance of the meeting at a conspicuous place within Ansley Park which the Board establishes for the posting of Association notices. Notice of any meeting at which assessments are to be established shall state that fact and the nature of the assessment. Subject to Section 3.14(b), all Board meetings shall be open to all Owners.

(b) Notwithstanding the above, the President may adjourn any Board meeting and reconvene in executive session, and may exclude persons other than directors, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

3.15. Action without a Formal Meeting.

Any action to be taken or which may be taken at a Board meeting may be taken without a meeting if all of the directors sign a written consent, setting forth the action so taken. Such consent shall have the same force and effect as a unanimous vote. The Secretary shall file written consents with the minutes of the Board's proceedings. The Board shall post a notice of the Board's action in a prominent place within Ansley Park within three business days after obtaining all written consents to an action. Failure to give notice shall not render the action taken invalid.

C. Powers and Duties.

3.16. Powers.

The Board shall have all of the powers and duties necessary for administering the Association's affairs and for performing all Association responsibilities and exercising all Association rights set forth in the Governing Documents and as provided by law. The Board may do or cause to be done on the Association's behalf all acts and things except those which the Governing Documents or South Carolina law require to be done or exercised exclusively by the Owners or the membership generally.

3.17. Duties.

The Board's duties shall include, without limitation:

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

(b) levying and collecting such assessments from the Owners;

(c) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility consistent with the Community-Wide Standard;

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

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

(f) opening bank accounts on the Association's behalf and designating the signatories required;

(g) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the Governing Documents;

(h) enforcing by legal means the provisions of the Governing Documents and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association's obligation in this regard shall be conditioned in the manner provided in the Declaration;

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

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

(k) keeping books with detailed accounts of the Association's receipts and expenditures;

(l) making available to any prospective purchaser of a Lot, any Owner, and the holders, insurers, and guarantors of any Mortgage on any Lot, current copies of the Governing Documents and all other books, records, and financial statements of the Association as provided in Section 6.4;

(m) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of Ansley Park; and

(n) indemnifying an Association director, officer, or committee member or former Association director, officer, or committee member to the extent South Carolina law, the Articles of Incorporation, or the Declaration requires such indemnity.

3.18. Compensation.

Directors shall not receive any compensation from the Association for acting as such unless Owners representing a majority of the total Class "A" votes in the Association approve of

compensation at a regular or special Association meeting. The Association may reimburse any director for expenses he or she incurs on the Association's behalf upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies he or she furnishes to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director made his or her interest known to the Board prior to entering into such contract and a majority of the Board, excluding the interested director, approved such contract.

3.19. Management.

The Board may employ for the Association a professional management agent or agents at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties but shall not delegate policy-making authority or those duties set forth in Sections 3.17(a), 3.17(b), 3.17(c), 3.17(g), and 3.17(i). The Board may employ Declarant, any of Declarant's Affiliates or agents, or their affiliates, as managing agent or manager. The Board may delegate to one of its members the authority to act on the Board's behalf on all matters relating to the duties of the managing agent or manager, if any, which might arise between Board meetings. The Association shall not be bound, either directly or indirectly, by any management contract executed during the Class "B" Control Period unless such contract contains a right of termination the Association may exercise with or without cause and without penalty, at any time after termination of the Class "B" Control Period upon not more than 90 days' written notice.

3.20. Accounts and Reports.

The following management standards of performance shall be followed unless the Board by resolution specifically determines otherwise:

- (a) accounting and controls should conform to generally accepted accounting principles;
- (b) the Association's cash accounts shall not be commingled with any other accounts;
- (c) the managing agent shall accept no remuneration from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association;
- (d) the managing agent promptly shall disclose to the Board any financial or other interest which he or she may have in any firm providing goods or services to the Association;
- (e) commencing at the end of the quarter in which the first Lot is sold and closed, the Board shall prepare financial reports for the Association at least quarterly containing:
 - (i) an income statement reflecting all income and expense activity for the preceding period on a cash or accrual basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period; and

(v) a delinquency report listing all Owners who are delinquent in paying any assessments at this time of the report (any assessment or installment thereof shall be considered to be delinquent on the 15th day following the due date unless the Board specifies otherwise by resolution); and

(f) an annual report consisting of at least the following shall be available for Members' review within 180 days after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. An independent public accountant shall prepare such annual report on an audited, reviewed, or compiled basis, as the Board determines.

3.21. Borrowing.

The Association shall have the power to borrow money for any legal purpose; provided, the Board shall obtain Owner approval in the same manner provided in the Declaration for Special Assessments if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous 12-month period, exceeds or would exceed 5% of the Association's budgeted gross expenses for that fiscal year.

3.22. Right to Contract.

The Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or other owners or residents associations, within or outside of Ansley Park. Any common management agreement shall require the Board's consent.

3.23. Enforcement.

The Association shall have the power to enforce the Governing Documents and to impose sanctions for violations of the Governing Documents. To the extent the Declaration specifically requires, the Board shall comply with the following procedures prior to imposition of sanctions:

(a) Notice. The Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than 10 days within which the alleged violator may present a written request for a hearing to the Board; and (iv) a statement that the Board shall impose the proposed sanction as contained in the notice unless the alleged violator challenges the charges within the time required to request a hearing. If a timely request for a hearing is not made, the Board shall

impose the sanction stated in the notice; provided, the Board may, but shall not be obligated to, suspend any proposed sanction if the alleged violator cures the violation within the required period. Such suspension shall not constitute a waiver of the Board's right to sanction any Person's future violation of the same or other provisions and rules.

(b) Hearing. If the alleged violator requests a hearing within the required period, the Board shall hold the hearing in executive session. The Board shall afford the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, the Board shall cause proof of proper notice to be placed in the minutes of the meeting. Such proof shall be deemed adequate if the officer, director, or agent who delivered such notice enters into the minutes of the meeting a copy of the notice, together with a statement of the date and manner of delivery. The notice requirement shall be deemed satisfied if the alleged violator or its representative appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(c) Additional Enforcement Rights. Notwithstanding anything to the contrary in this Article, if the Declaration permits, the Board may elect to enforce any provision of the Governing Documents by self-help (specifically including, but not limited to, towing vehicles that violate parking rules and requiring persons violating rules relating to Common Area use to cease such violating use immediately) or, following compliance with the dispute resolution procedures set forth in the Declaration, if applicable, by suit at law or in equity to enjoin any violation or to recover monetary damages or both, without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorneys' fees actually incurred. Any entry onto a Lot for purposes of exercising this power of self-help shall not be deemed as trespass.

3.24. Board Standards.

In the performance of their duties, Association directors and officers shall be insulated from personal liability as provided by South Carolina law for directors and officers of nonprofit corporations, and as otherwise provided in the Governing Documents. Directors are required to exercise the ordinary and reasonable care of directors of a corporation, subject to the business judgment rule. As defined herein, a director shall be acting in accordance with the business judgment rule so long as the director

(a) acts within the express or implied terms of the Governing Documents and his or her actions are not *ultra vires* (i.e., outside the scope of the director's authority);

(b) affirmatively undertakes to make decisions which he or she reasonably believes are necessary for the Association's continued and successful operation and, when decisions are made, they are made on an informed basis;

(c) acts on a disinterested basis, promptly discloses any real or potential conflict of interests (pecuniary or other) and avoids participation in decisions and actions when a conflict exists; and

(d) acts in a non-fraudulent manner and without reckless indifference to the Association's affairs.

A director acting in accordance with the business judgment rule shall be protected from personal liability. Board determinations of the meaning, scope, and application of Governing Documents provisions shall be upheld and enforced so long as such determinations are reasonable. The Board shall exercise its power in a fair and nondiscriminatory manner and shall adhere to the procedures established in the Governing Documents.

3.25. Board Training Seminar.

The Board may require that each Class "A" Director complete a board training seminar within such director's first six months of directorship which is intended to educate the director with respect to his or her responsibilities and duties. The seminar may be presented live, on video or audio tape, or in other format, as the Board determines in its discretion.

Article IV. Officers

4.1. Officers.

The Association's officers shall be a President, Vice President, Secretary, and Treasurer. The President and Secretary shall be elected from among Board members; other officers may, but need not be, Board members. The Board may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. The same person may hold any two or more offices, except the offices of President and Secretary.

4.2. Election and Term of Office.

During the Class "B" Control Period, the Board shall elect officers at Board meetings, or by the written consent of the Board, from time to time. Thereafter, the Board shall elect the Association's officers at the first Board meeting following each annual meeting of the Owners, to serve until their successors are elected.

4.3. Removal and Vacancies.

The Board may remove any officer whenever in its judgment the Association's best interests will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term.

4.4. Powers and Duties.

The Association's officers shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as the Board may specifically confer or impose. The President shall be the Association's chief executive officer. The Treasurer shall have primary responsibility for preparing the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

4.5. Resignation.

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

4.6. Agreements, Contracts, Deeds, Leases, Checks, Etc.

During the Class "B" Control Period, either the President or Vice President, acting alone, or such other persons as the Board may designate by resolution, shall execute all Association agreements, contracts, deeds, leases, checks, and other instruments. Upon termination of the Class "B" Control Period, at least two officers, or such other person or persons as the Board may designate by resolution, shall execute all Association agreements, contracts, deeds, leases, checks, and other instruments.

4.7. Compensation.

Officers' compensation shall be subject to the same limitations as directors' compensation under Section 3.18.

Article V. Committees

5.1. General.

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

5.2. Service Area Committees.

In addition to any other committees appointed as provided above, each Service Area which has no formal organizational structure or association may elect a Service Area Committee to determine the nature and extent of services, if any, to be provided to the Service Area by the Association in addition to those dictated by any Supplemental Declaration and those provided to all Members of the Association in accordance with the Declaration. A Service Area Committee may advise the Board on any other issue but shall not have the authority to bind the Board. Any Service Area Committee shall consist of three Members; provided, if approved by the vote of at least 51% of the Owners of Units within the Service Area, the number may be increased to five.

The members of any Service Area Committee shall be elected for a term of one year or until their successors are elected. Any director elected to the Board from a Service Area shall be an *ex officio* member of the Service Area Committee. The members of the committee shall elect a chairperson from among themselves, who shall preside at its meetings and shall be responsible for transmitting any and all communications to the Board.

In the conduct of its duties and responsibilities, each Service Area Committee shall abide by the notice and quorum requirements applicable to the Board under Sections 3.10 and 3.12.

Meetings of a Service Area Committee shall be open to all Owners of Units in the Service Area and their representatives. Members of a Service Area Committee may act by unanimous written consent in lieu of a meeting.

Article VI. Miscellaneous

6.1. Fiscal Year.

The Association's fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution.

6.2. Parliamentary Rules.

During the Class "B" Control Period, the Board shall conduct Association proceedings in accordance with South Carolina law, but need not conduct such proceedings in accordance with *Robert's Rules of Order*. Upon termination of the Class "B" Control Period, except as may be modified by Board resolution, *Robert's Rules of Order* (the then current edition) shall govern the conduct of Association proceedings when not in conflict with South Carolina law or the Governing Documents.

6.3. Conflicts.

If there are conflicts among the provisions of South Carolina law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of South Carolina law, the Declaration, the Articles of Incorporation, and these By-Laws (in that order) shall prevail.

6.4. Books and Records.

(a) Inspection by Members and Mortgagees. The Board shall make available for inspection and copying by any holder, insurer, or guarantor of a first Mortgage on a Lot; any Member; or the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in a Lot the Governing Documents, the membership register, books of account, and the minutes of meetings of the Members, the Board, and committees. The Board shall provide for such inspection to take place at the Association's office or at such other place within Ansley Park as the Board shall designate.

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

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing documents requested.

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

6.5. Notices.

Except as the Declaration or these By-Laws otherwise provide, all notices, demands, bills, statements, or other communications under the Declaration or these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or by private carrier; if sent by United States mail; or, if the intended recipient has given its prior written authorization to use such method of delivery, by electronic mail. Notices shall be delivered or sent to the intended recipient as follows:

(a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member;

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

(c) if to any committee, at the principal address of the Association or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

Notice sent in accordance with this Section shall be deemed to have been duly given and effective:

(x) if sent by United States Mail, when deposited with the U.S. Postal Service, correctly addressed, with first class postage prepaid;

(y) if delivered personally or by private carrier, when actually delivered to the address of the intended recipient, as evidenced by the signature of the person at such address who accepts such delivery; or

(z) if sent by electronic mail, upon transmission, as evidenced by a printed confirmation.

6.6. Amendment.

(a) By Class "B" Member. During the Class "B" Control Period, the Class "B" Member unilaterally may amend these By-Laws for any purpose.

(b) By Members Generally. Except as provided above, these By-Laws may be amended only by the affirmative vote or written consent, or any combination thereof, of Owners representing 67% of the Association's total Class "A" votes, and the consent of the Class "B" Member, if such exists. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Validity and Effective Date of Amendments. Amendments to these By-Laws shall become effective upon recordation unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within one year of its recordation, or such

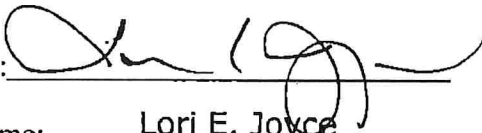
amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these By-Laws.

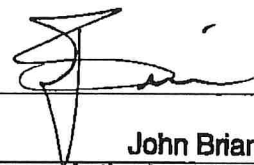
No amendment may remove, revoke, or modify any right or privilege of Declarant or the Class "B" Member without the written consent of Declarant, the Class "B" Member, or the assignee of such right or privilege.

IN WITNESS WHEREOF, the undersigned incorporator of the Association has hereunto set his hand and seal on this 21 day of August, 2018.

WITNESSES:

**TF Ansley Park, L.P.,
a Delaware limited partnership**

By: 
Name: Lori E. Joyce

By:  (L.S.)
Name: John Brian
Authorized Signatory
Title: _____

By: 
Name: Jennifer LaFemina