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STATE OF SOUTH CAROLINA

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS ARBOURS COMMONS SUBDIVISION

WITNESSETH:

WHEREAS, Arbours Commons, LLC, a South Carolina limited liability company (hereinafter, together with its successors and assigns acting as developer of the real property hereinafter described or any portion thereof, called the "Declarant") is the owner of certain real property (the "Property") described as follows:

All that certain piece, parcel or lot of land lying, situate and being on Zion Hill Road in the County of Spartanburg, State of South Carolina, containing 4.53 acres, more or less, (incorrectly shown as 5.35 acres) on a Plat made for The Arbours Commons dated October 8, 2004, by Blackwood Associates, Inc. and recorded in Plat Book 156 at Page 896, in the Register of Deeds Office for Spartanburg County, South Carolina. For a more particular description, reference is hereby made to the above-referred to plat and record thereof.

WHEREAS, Declarant plans to subdivide and develop the Property into a residential planned unit development known as and herein called, as it may exist from time to time, "Arbours Commons" consisting of residential lots (the "Lots"), and construct or have constructed thereon single family residences to sell to individual third party purchasers (herein called "Owners") for residential housing, and develop or have developed or dedicated public streets and roads ("streets and roads"), and other portions for the common use, benefit, and recreation of the Owners (such other portions together with improvements thereto (if any) being hereinafter referred to as "Common Areas"); and

WHEREAS, all of the Lots will be used for single family attached or detached residences, and shall be numbered and shown on one or more subsequently recorded Plats.

WHEREAS, Declarant deems it necessary and desirable to place these certain covenants, conditions and restrictions upon the Property and each and every one of the Lots and Common Areas to run with the Property and each and every one of the Lots and Common Areas to insure the orderly development of Arbours Commons as a whole and its use for the benefit of Declarant and the benefit of the Owners.

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Office of Register of Deeds, Spartanburg, S.C.
Stephen Ford, Register

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KNOW ALL PEOPLE BY THESE PRESENTS that the Declarant does hereby declare that the Property, including each and every Lot, and each and every Common Area is hereby restricted as follows, all of which restrictions and limitations are intended to be and shall be taken as conditions, restrictions, covenants and limitations to run with the land and shall be for the benefit of the Declarant and each and every Owner.

ARTICLE I Definitions

- 1.01 "Assessments" means the amounts charged to the Owners by the Association to provide the funds necessary for the Association to be able to carry out its functions, including, but not limited to, operation and maintenance of the Common Areas. Failure of an Owner to pay Assessments shall result in a lien upon his Lot as herein provided.
- 1.02 "Association" means The Arbours Commons Homeowners Association, Inc., a South Carolina nonprofit corporation, of which all the Owners are members and which is established to provide for the welfare and benefit of the Owners and the Declarant.
- 1.03 "Board" or "Board of Directors" means the Board of Directors of the Association.
- 1.04 "By-Laws" means the By-Laws of the Association as such exist from time to time.
- 1.05 "Common Areas" means all the real property (including improvements thereon, if any) owned by the Association for the common use and benefit of the Owners subject to the provisions of these Restrictive Covenants. The Common Areas to be owned by the Association at the time of conveyance of the first Lot (or later conveyed to the Association) shall be shown and described as "Common Area", on one or more subsequently recorded Plats.
- 1.06 "Declarant" means Arbours Commons, LLC, a South Carolina limited liability company, together with any successor and assign specifically designated as and acting as a successor developer of all or any portion of Arbours Commons. As a consequence, any third party builder or contractor constructing improvements upon one or more Lots or constructing other improvements upon Common Areas shall not, for the purposes of these Restrictive

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Covenants be considered as or have any rights as "Declarant" unless specifically so designated by the Declarant.

- 1.07 "Initiation Fee" means a one-time fee charged to a new owner when a Lot is transferred to that owner by another owner or the Declarant. It is charged by the Association and, along with the assessments, is used to provide funds necessary for the Association to be able to carry out its functions, including, but not limited to, operation and maintenance of the Common Areas. Failure of an owner to pay the Initiation Fee shall result in a lien upon the Owner's Lot as herein provided. This shall not be charged if an owner is conveying part or all of a Lot to the Owner's spouse.
- 1,08 "Lot" means an individual lot of land within the Property developed for single family residential purposes.
- 1.09 "Owner" means the owner of record of an interest in a Lot. The term "Owner" does not include the Declarant nor does it include a mortgagee whose sole interest in a Lot or other portion of the Property is a security interest in lands and/or improvements securing a debt owed to such a mortgagee, which mortgagee does not otherwise own or have fee title interest in a Lot.
- 1.10 "Plat" means that survey of The Arbours Commons prepared by Blackwood Associates, Inc., dated October 8, 2004, and recorded in the Office of Register of Deeds for Spartanburg County, South Carolina, in Plat Book 156 at Page 896.
 - 1.11 "Property" means the real property described above.
- 1.12 "Restrictive Covenants" means the Covenants, Conditions and Restrictions of Arbours Commons, together with any amendments or supplements hereto recorded in the public records of Spartanburg County, South Carolina.
 - 1.13 "Arbours Commons" means that planned unit development as herein defined.

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ARTICLE II Development Plan

- 2.01 As initially composed, the Declarant has created certain Common Areas and other improvements which shall be designated on the Plat or subsequently recorded plats as "Common Area" and conveyed to the Association. The Declarant shall also create certain areas to consist wholly of Lots within Arbours Commons, all of which shall be shown on the Plat or on one or more subsequently recorded Plats. The Declarant shall either by conveyance or dedication, establish other areas within Arbours Commons for use in conjunction with the Lots and the Common Areas (i.e., streets and roads, the rights-of-way which shall be shown upon the Plat, or subsequently recorded Plats, and easements for utilities).
- 2.02 In the event the Declarant elects to establish additional Common Areas by conveying the same to the Association, the Declarant does hereby covenant that such inclusion shall not materially increase the Assessments charged to the Owners as herein provided.
- 2.03 The Declarant reserves the right to modify and alter lot lines between two or more lots owned by it, or, if agreeable with an Owner, a lot line between a lot owned by the Owner and a lot owned by the Declarant so long as such modification or alteration does not adversely affect the nature of other Lots. This right exists only during construction of residences by the Declarant or approved contractors.

ARTICLE III Use Restrictions

3.01 Each and every one of the Lots shall be known, described and used only as a single family residential lot and no structure shall be constructed or erected on any Lot other than one detached single family dwelling and accessory buildings thereto upon each of the Lots, in each case such dwellings not to exceed two and one-half stories in height, and in each case accessory buildings not to exceed one story in height.

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- 3.02 No trailer, basement, tent, shack, garage, or other outbuilding erected on any Lot shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted.
- 3.03 No oil drilling, oil development operation, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot or Common Area, nor shall any oil wells, tanks, tunnels, mineral excavation or shafts be permitted upon or in any Lot or Common Area. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot or Common Area.
- No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot or Common Area except that Owners may keep dogs, cats, or other household pets provided the same are housed and kept only in reasonable numbers (no more than two (2) such household pets per lot). Pets shall not be allowed to create an unsightly condition or otherwise disturb the peace, tranquillity or appearance of Arbours Commons or otherwise constitute a nuisance. Each Owner shall be responsible and liable for all damage and destruction caused, created by or resulting from trespass by his or her pet, whether with other animals or not. Furthermore, pets shall not be kept or housed in outdoor pens or allowed to venture outside an Owner's Lot except on a leash. In connection therewith the Board shall have the right to set rules and regulations governing the keeping of any such pets and to require the removal thereof from Arbours Commons in the event any such pet or pets should be determined by the Board in its sole judgment to be a nuisance or otherwise violate this provision or its intended purpose.
- 3.05 No commercial activity whatsoever shall be carried out on any Lot without the express written permission of the Board except that the Declarant (and designees of the Declarant) may use one or more Lots for location of sales and administrative offices and for models during the period Declarant (or such designee) is marketing and selling Lots. Further, no noxious or offensive trade shall be carried on upon any Lot nor shall anything be done

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thereon which may become an annoyance or nuisance to the neighborhood or to any other Owner. Further, there shall be no yard sales or other sales of goods including household goods upon any Lot.

- No sign of any kind (including yard sale signs) shall be displayed to the public view upon any Lot or upon any Common Area except for the sign located at the entrance to Arbours Commons designating the planned unit development, and except for signs used by the Declarant or any third party granted permission by the Declarant to advertise for sale or lease a Lot or newly constructed home upon a Lot during the period when such Lot (whether improved or not) is initially offered for sale to members of the public. Also any Owner may advertise the sale of his or her Lot by using a "For Sale" sign so long as such sign is attractive in its appearance and does not exceed the dimensions of two feet by three feet.
- 3.07 No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage, derelict vehicles or fixtures and other waste, and such shall not be allowed to accumulate and shall not be kept except in sanitary containers out of view of the streets, maintained in a clean and sanitary condition. In connection therewith, if the Association should deem it appropriate, it shall have the exclusive right to enter into and contract on behalf of the Owners for sanitary disposal of garbage and trash with one company in the general business of providing such services and duly licensed to provide such services in Spartanburg County, South Carolina, with such services to be paid for by the Owner. The assumption of this right by the Association precludes any Owner from individually contracting with another company for such services. The Association shall have the right to set standards for the storage of such garbage and trash, including areas upon Lots within which trash may be stored or placed and the containers within which the same shall be placed or kept prior to pickup by the service providing trash or garbage pickup. An Owner may opt out of this service by personally and individually taking care of his or her own trash and garbage.

- 3.08 No boats, tractor trailers, trucks (other than camping type vehicles originally manufactured for such said purposes), buses, mobile homes or other similar vehicles may be parked overnight on any Common Areas, streets and roads, or Lots in Arbours Commons without express written permission of the Board (which permission may be withheld without cause); except trucks of the weight of one ton or less shall not be prohibited from overnight parking thereof on a Lot occupied by the Owner or lessee of such vehicle. Such vehicles may be so allowed if they fit inside the garage with the garage door in the down position.

 Furthermore no camping-type travel vehicle shall be allowed to remain parked upon any Common Areas, streets and roads, or Lots, to be used for commercial or overnight residential purposes. No "go-cart", "trail bike", "minibike", or unlicensed motor vehicle (other than tractors, mowers, etc. used for construction, maintenance or upkeep) shall be operated within Arbours Commons or any part thereof.
- 3.09 No basketball goals may be placed on any Lot, Common Area, street or road whether attached to a structure or existing independently of it. Outdoor swing sets and other outdoor recreational equipment must be approved in writing by the Board or Architectural Committee under the procedure set forth in Article IV Section 4.01.
- 3.10 No lawn, fence, hedge, tree or landscaping feature on any of the Lots shall be allowed to become obnoxious, overgrown, or unsightly. In the event any lawn, fence, hedge, tree or landscaped feature shall become obnoxious, overgrown or unsightly, or unreasonably high in the sole determination of the Board, the Association shall have the right, but not the obligation, to cut, trim or maintain said lawn, fence, hedge, tree or landscaping feature and to charge the Owner of that Lot a reasonable sum therefor, and the Association shall not thereby be deemed guilty of a trespass. The charge therefor by the Association to such Owner shall be considered as an Assessment and shall be due and collectable in like manner as all other Assessments. The Association shall first however make a reasonable effort to notify the Owner of that Lot of the complaint.

- 3.11 No individual well shall be permitted on a Lot within Arbours Commons. This restriction shall be enforceable as long as the utility water system is operated to the satisfaction of the South Carolina Department of Health and Environmental Control or the successor thereof.
- 3.12 No clothesline or similar device shall be allowed on any outdoors portion of the Property nor shall clothes be hung anywhere outdoors. Owners may not screen or enclose any exterior patio on a lot, nor may any Owner screen or enclose any exterior deck and/or balcony with any type of material without the prior written consent of the Board.
- 3.13 No antenna, satellite dish or similar device for the transmission or reception of any kind shall be erected or allowed to remain on any Lot without the express written permission of the Declarant. The Declarant reserves the right to formulate and require specific rules and regulations for such items and/or approve the same on a case-by-case basis. The Declarant will approve satellite dishes which are 18" or smaller in diameter but the location of each one requires the written approval of the Declarant. The Declarant's obligations, duties, and responsibilities under this section may be assigned by it to the Association or will automatically be assigned to the Association when Declarant becomes a Class B Owner under paragraph 6.02.
- 3.14 The Board shall have the right, authority and power to establish such rules and regulations as it shall deem necessary and appropriate governing use of the Common Areas and appearance and upkeep of Arbours Commons including Lots, so long as such are reasonable in nature and do not conflict with the provisions of these Restrictive Covenants. The Board shall enforce such rules and regulations. The Board shall be entitled to fine any Owner(s) for non-compliance (which fine shall not exceed an amount equal to one-half of the regular annual Assessment charged to such Owner's Lot or Lots); the fine shall be treated as, and lienable as an Assessment. The Board shall be entitled to prohibit or restrict use of the Common Areas or to obtain specific performance or injunctive relief from a court of competent

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jurisdiction, or obtain such combination of the foregoing remedies as the Board shall deem appropriate under the circumstances.

ARTICLE IV Architectural Restrictions

- 4.01 No building, fence, wall or other structure of any kind (including, but not limited to, individual mailboxes and yard lights) shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, heights, materials, and location of the same shall have been submitted to and approved in writing by the Board or by the Architectural Committee of the Board. Furthermore, as to buildings and other enclosed structures, in addition to the foregoing required submissions, floor plans or other drawings (acceptable to the Board or Architectural Committee), giving the dimensions and square footage (both heated and unheated), shall have been submitted to and approved in writing by the Board or by the Architectural Committee of the Board. When considering such submission, the Board or the Architectural Committee shall review its harmony of design and location in relation to surrounding structures and topography. The "Architectural Committee" shall be composed of three (3) or more representatives appointed by the Board.
- 4.02 Further, no tree with a diameter over four (4) inches may be cleared from the land without the approval of the Board, or its Architectural Committee (provided this restriction shall not apply to those trees that interfere with construction of a residential dwelling or an appurtenant driveway thereto). Mailboxes for the Lots shall be uniform; initially they shall be installed by Builder or Developer and thereafter shall be maintained by the Owner.
- 4.03 Fences. The Architectural Committee may approve one Lot Owner tying his fence onto the fence of a contiguous Lot Owner so long as it provides a terminating point close to the property line and does not result in parallel fences.

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The Architectural Committee may approve one Lot Owner tying his/her fence to the wall of a contiguous Lot Owner shome which is on or near a zero lot line so long as the Owner, upon whose home the fence is tied, has an easement on the other Owner's property as set forth in 5.01 and so long as the Owner upon whose home the fence is tied always has access to his property.

There shall be no parallel fences less than three (3') feet apart.

The Architectural Committee shall approve the design, construction and location of all fences, which shall not exceed eight (8') feet in height. Such fences shall be architecturally pleasing and in compliance with the general aesthetics of the neighborhood.

Any perimeter fence built by the Developer separating any Lot from property bordering the subdivision shall be maintained by the Homeowners Association at its expense.

There shall exist an easement in favor of the Declarant and/or the Association across an Owner's property to install, maintain or reconstruct perimeter fences, the necessity or design of which is solely in the discretion of the Declarant.

4.04 In the event said Board, or its Architectural Committee, fails to approve or disapprove such removal, design or location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this Article will be deemed to have been fully complied with.

ARTICLE V Single Family Lots

5.01 An Owner, who has a zero lot line adjoining another's Lot, shall have an easement and right of way of entry upon the Lot of such adjoining Owner at reasonable times and to the extent reasonably necessary to perform repairs, maintenance or reconstruction of that portion of any structure located on or near the zero lot line. Such repairs, maintenance or reconstruction shall be done expeditiously, and upon completion of the work, the Owner shall

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restore the adjoining Lot and improvements thereon to as near the same condition as that which prevailed prior to commencement of the work as is reasonably practicable.

ARTICLE VI The Arbours Commons Homeowners Association

- Association, Inc. (the "Association") as a South Carolina non-profit corporation. Each and every Owner (other than the Declarant) shall, upon acquisition of Ownership in a Lot become a Class A member (as hereinafter defined) of the Association, which membership shall terminate automatically when such Owner ceases to be an Owner (i.e., no longer having an ownership interest of record in a Lot). Membership shall be appurtenant to and may not be separated from ownership for each Lot. The Declarant shall be the Class B member (as hereafter defined) of the Association for the time period hereafter provided.
- 6.02 If any Lot be owned by more than one Owner, all Owners of that Lot shall be members. In addition, where a Lot is owned by either a husband or a wife, his or her non-owning spouse shall likewise be entitled (but not required) to be a Class A member of the Association.
- (a) Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.
 - (b) The Association shall have two classes of voting membership:

Class A. Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

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- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
 - (b) on December 31, 2020.
- 6.03 (a) The Board of Directors shall have sole authority to make all decisions concerning the Association, except that neither the Board of Directors nor the Association shall be authorized to adopt any measure which would affect the rights of any mortgagee holding a mortgage upon the Property or any Lot, or any Common Area or portion thereof without such mortgagee's written consent. No action may be taken by the Association or the Board of Directors affecting the rights of the Declarant granted or reserved pursuant to these Restrictive Covenants and not at the time of such action expired, without the Declarant's written consent.
- (b) The Association through its Board of Directors shall have the right to establish rules and regulations regarding use of any Common Areas and, to the extent herein granted, the Lots, and to impose penalties for violation thereof.
- within Arbours Commons; provided, however, nothing herein shall prevent the Association from contracting with or employing third parties to carry out such activities provided all costs of matters set forth in paragraph (a) below are borne solely by the Association and provided, further, the acceptance of carrying out these functions by any third person or entity, including any agency of the government, shall not relieve the Association of the ultimate responsibility for the same, such things being namely: (a) maintaining, regulating use of and improving all Common Areas including areas in which the Association holds fee title ownership, and easements along streets and roads, and rights-of-way and along boundaries of the Property, which areas exist for the general benefit of all the Owners. Such maintenance shall include, but shall not be limited to, maintaining and regulating the use of the perimeter fences (see 4.03) and other improvements, cutting of grass, plantings, and performance of all the tasks necessary and desirable to keep such Common Areas neat, attractive and in order; (b)

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establishing rules and regulations enforcing the same relating to appearance of individual Lots within Arbours Commons including, but not limited to, if the Board of Directors deems necessary, contracting for trash and garbage pickup, contracting for basic lawn maintenance for either Common Areas or Owner's property or both, maintaining of uniform street signs, property address numbers, yard lights, uniform mailboxes and receptacles; (c) enforcing performance of these Restrictive Covenants by the Owners.

ARTICLE VII Assessments and Fees

- The Declarant, (when performing as a Builder), and any Builders after six (6) 7.01 months from date of transfer of a Lot to it covenants and agrees to pay to the Association the same assessments as charged to an Owner (but not including the Initiation Fee) and as set forth below. Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual Assessments or charges, (2) an initiation fee on the transfer of title to an Owner (see 1.07) (3) special Assessments for capital improvements, and (4) Assessments for fines by the Board as provided in Article III, such Assessments to be established and collected as hereinafter provided. The annual and special Assessments, and fines, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment and fee, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment or fee fell due. The personal obligation for delinquent Assessments or fee shall not pass to his successors in title unless expressly assumed by them (but shall continue unless extinguished as herein provided, as a lien against the Lot).
- 7.02 Other than set forth above, the Declarant shall not be subject to any annual, special or other type assessment or fee on any Lots owned by it. The Assessments levied by

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the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and the residents in the Property and for the improvement and maintenance of the Common Areas and/or perimeter fences.

- 7.03 Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment shall be One Thousand Twenty Dollars (\$1,020) per Lot.
- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment shall be increased each year not more than 5% above the maximum Assessment for the previous year without a vote of the membership.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment may be increased above 5% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.
- (c) The Board of Directors may fix the annual Assessments at an amount not in excess of the maximum.
- 7.04 From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the Initiation Fee shall be One Hundred Fifty Dollars (\$150) with it being increased only by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.
- 7.05 In addition to the annual Assessments and Initiation Fee authorized above, the Association may levy, in any Assessment year, a special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the costs of any construction, reconstruction, repair or replacement of a capital improvement upon the perimeter fences, the Common Areas, including fixtures and personal property related thereto, provided that any such

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Assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

- 7.06 Written notice of any meeting called for the purpose of taking any action authorized under Sections 7.03, 7.04 or 7.05 shall be sent to all Owners and the Declarant not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.
- 7.07 Both annual and special Assessments must be fixed at uniform rate for all Lots and may be collected on a monthly basis.
- Owners on the day of acceptance of a deed thereof; as to all Lots of the Declarant (when performing as a Builder) or to any Builder the annual assessment shall commence six (6) months from the date of transfer of a Lot to it. The first annual Assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual Assessment against each Lot at least thirty (30) days in advance of each annual Assessment period. Written notice of the annual Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish within five (5) days of receiving written request a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of

the date of its issuance. Failure to provide such a certificate within the five (5) day period shall be deemed a waiver of any claim for Assessments previously owed.

- 7.09 Any Assessment or Initiation Fee not paid within thirty (30) days after the due date shall have a penalty of an amount equal to the unpaid Assessment or fee plus shall bear interest from the due date at the rate of eight (8%) percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against his Lot with the Owner being responsible for paying a reasonable attorney fee for the Association. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non—use of the Common Areas or abandonment of his Lot.
- 7.10 The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage. The lien for Assessments shall also be subordinate to any other recorded mortgage or other lien recorded prior to the time such Assessment (or installment thereof if payable in installments) became due and payable. Sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such Assessment or Fee as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments or Fees thereafter becoming due or from the lien thereof.
- 7.11 The Board of Directors shall have the right to assign any claim and/or lien rights of the Association for the recovery of delinquent Assessments or Fees for reasonable value.

Article VIII Easements and Other Matters Affecting the Land

8.01 Each person who acquires a Lot or any interest therein shall be deemed, thereby, to agree that: (a) if any portion of improvements upon an adjoining Lot shall encroach upon any portion of another Owner's Lot, there shall exist a valid easement for such encroachment and for the maintenance and repair of the same so long as it stands; and (b) as

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to any building or other improvement upon a Lot, access for the maintenance and repair of which (or a part of which) may only reasonably be made over and/or through an adjoining Owner's Lot, there shall exist a valid easement upon such adjoining lot for such maintenance and repair; and (c) in the event a building or other improvement on an adjoining Lot is under construction or is partially or totally destroyed and the construction or reconstruction thereof shall create an encroachment on portions of a Lot, there shall exist a valid easement for such encroachment for such construction or reconstruction and the maintenance thereof; provided, however, anyone making use of any easement or right thereto provided in this Paragraph 8.01 shall be solely liable for, and shall be responsible to repair, any and all damage caused or created as a result of such use.

- 8.02 The Property is subject to all conditions, limitations, restrictions, reservations and all other matters of record, the rights of the United States of America, the State of South Carolina and any governmental authority or agency, any taxes, applicable zoning ordinances which now exist or are hereafter adopted, and easements for utility services and drainage which now exist or are hereafter granted by the Board upon its determination such are necessary and will benefit one or more Owners. Such rights include, but are not limited to, the right to grant easements for access and ingress and egress across those portions of the Common Areas suitable for pedestrian and vehicular traffic and for utility services and drains. No easement shall be granted if as a result thereof any Owner's use of his Lot would be unduly impaired or any buildings, or other improvement would be materially weakened, or the security of any mortgagee of record would be adversely affected without its written consent.
- 8.03 By reason of the Declarant having determined that it may be in the best interests of the Arbours Commons and its owners as such may exist from time to time that the streets and roads, curbing, drainage and rights-of-way associated therewith and all Common Area necessary be dedicated to the county or city of Spartanburg or such other public body to provide for continuing maintenance, repair and service to said streets and roads, Declarant

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hereby resumes the right (but no obligation) in its sole and exclusive discretion and without the necessity of approval by any third party including any Owner or his mortgage or lienholder to dedicate to the county or city any streets or roadways, curbing, drainage or rights-of-ways associated therewith and all necessary Common Area for purposes of accommodating vehicular traffic.

- 8.04 It is expected that the City of Spartanburg will expand its borders. If such an event occurs and the Property becomes contiguous with the City of Spartanburg, or, for any other reason, is eligible to be a part of the City of Spartanburg, then the entire subdivision, including all lots (whether owned by the Declarant or other owners), streets, common areas, utilities, curbing, drainage, rights-of-ways and other property shall automatically become a part of the City.
- 8.05 Every Owner shall have a right and easement of enjoyment in and to the Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:
- (a) the right of the Association to suspend the voting rights and right to use of the Common Areas by an Owner for any period during which any Assessment or Fee against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;
- (b) the right of the Association (and of the Declarant as set forth in Paragraphs 8.03 and 8.04) to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members.

ARTICLE IX

<u>Duration of and Amendment to these Restrictive Covenants;</u>

<u>Annexation of Additional Property</u>

- Covenants may not be amended except upon the affirmative vote of ninety (90%) percent of all the votes of all then existing classes of membership of the Association. Thereafter and during any renewals or extensions hereof as provided in this Article, these Restrictive Covenants may be amended only upon the affirmative vote of not less than seventy-five (75%) percent of all then existing classes of membership of the Association. However, in no event shall any amendment or variance adversely affect the value of any Lot owned by an Owner, or the security of any mortgagee holding a mortgage upon any Lot, Common Area or other portion of the Property without such Owner's or Mortgagee's written consent. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two- thirds (2/3) of each class of members has been recorded. Any Owner may delegate, in accordance with the By-Laws, his rights of enjoyment to the Common Areas and facilities to the members of his family, his tenants, or contract purchasers who reside on his Lot.
- 9.02 These Restrictive Covenants are forum with the land and shall be binding upon the Declarant and all Owners (and to the extent appropriate, their mortgagees) and upon all parties and persons claiming under them and each of them until twenty (20) years from the date hereof, at which time these Restrictive Covenants shall automatically be extended for successive periods of ten (10) years each, unless by vote of seventy-five (75%) percent of the total vote appurtenant to all the Lots cast by the then Owners it is agreed to repeal these Restrictive Covenants in whole or in part.

ARTICLE X Remedies for Violation

10.01 The Association, or any Owner, or so long as there is a Class B member, the Declarant, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of these Restrictive Covenants. Failure by the Association, by any Owner or by the

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Declarant to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

ARTICLE XI Invalidation

any court, administrative agency or other governmental authority, shall in no wise affect any other provision hereof which shall remain in full force and effect to the fullest extent possible, each provision hereof being a separate and independent covenant running with the land. It is intended by these Restrictive Covenants that a uniform plan for the development, use and enjoyment of Arbours Commons be so created and as a consequence, these Restrictive Covenants are to be enforced and interpreted in keeping with such plan.

11.02 The invalidation of any of the restrictions herein contained shall not affect the rights of any mortgagee or other lien holder holding a lien upon any Lot or Lots, Common Areas or other portion of the Property.

Signed, Sealed and Delivered in the Presence of:

ARBOURS COMMONS, LLC

William Alex Hudson, II

Its: Managing Member

11 PH 369

State of South Carolina

PROBATE

County of Spartanburg

Personally appeared before me, the undersigned witness and made oath that (s)he saw the within Arbours Commons, LLC, by William Alex Hudson, II, Its Managing Member, sign, seal and as its act and deed deliver the within written Declaration of Covenants, Conditions and Restrictions that (s)he with the other witness subscribed above witnessed the execution thereof.

SWORN to before me

this 1th day of November

Notary Public for SC

My commission expires: /-31-20/

THE ARBOURS COMMONS HOMEOWNERS ASSOCIATION, INC.

BY-LAWS

ARTICLE I NAME AND LOCATION

The name of this Association shall be "The Arbours Commons Homeowners Association, Inc.". The principal office of the Association shall be located in the County of Spartanburg, State of South Carolina.

ARTICLE II PURPOSE

The purpose of the Association shall be to provide a collective government form of administration for the Developer (called "Declarant" in the Restrictive Covenants) and Owners of lots in a residential planned unit development known as "Arbours Commons" located in Spartanburg, South Carolina; to enforce and interpret the provisions of "Arbours Commons" Restrictive Covenants and rules and regulations enacted by the Association for recreational, social and aesthetic development and maintenance of "Arbours Commons" to provide for the acquisition. construction, management, maintenance and care of Association property, including common areas, and other improvements, for the benefit of Owners of residences of residential lots in "Arbours Commons"; to own, manage and control the common areas and the activities of the Owners relating thereto and of all persons using the common areas and all things pertinent to and/or related thereto; to operate as a residential real estate management association, within the meaning of § 528(c) (3) of the Internal Revenue Code of 1986; to assess and collect such membership dues, fees or assessments as shall be necessary for the purpose of acquiring, constructing, or providing management, maintenance and care of Association property, for the exclusive benefit of Association members; and to carry out all activities, promulgate all rules and to have all responsibilities and purposes that are given to the Association in the Restrictive Covenants and in these By-Laws.

<u>Section B</u>. The Association is organized exclusively as a "homeowners association" within the meaning of § 528(c) of the Internal Revenue Code of 1986.

<u>Section C</u>. The Association shall be solely responsible for the following matters and things within "Arbours Commons" provided, however, nothing herein shall prevent the Association from contracting with or employing third parties to carry out such activities, provided all costs of the matters set forth in subparagraph (1) below shall be borne solely by the Association, and further provided that the acceptance of carrying out these functions by any third person or entity, including any agency of government, shall not

relieve the Association of the ultimate responsibility for the same, such things being namely:

- (1) Maintaining, regulating use of and improving all Common Areas, including areas which the Association holds fee title ownership, and easements along streets and roads, and rights-of-way and along boundaries of the Property, which areas exist for the general benefit of all of the Owners. Such maintenance shall include, but shall not be limited to, cutting of grass, plantings and maintenance of perimeter fences and other improvements, and performance of all of the tasks necessary and desirable to keep such Common Areas neat, attractive and in order;
- (2) Establishing rules and regulations and enforcing the same relating to appearance of individual Lots within "Arbours Commons" including, but not limited to, if the Board of Directors of the Association deems necessary, the exclusive right in contracting for trash and garbage pick-up, contracting for basic lawn maintenance for either Common Areas or Owner's property or both, maintaining of uniform street signs, property address numbers, yard lights, and uniform mail boxes and receptacles;
- (3) Enforcing performance of the Restrictive Covenants governing "Arbours Commons" by the Owners. These Restrictive Covenants are entitled "Declaration of Covenants, Conditions and Restrictions Arbours Commons Subdivision" and were recorded in the Office of the Register of Deeds for Spartanburg County, South Carolina, in Deed Book 81-R at Page 349 on November 15, 2004.
- <u>Section D</u>. No substantial part of the activities of the Association shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in, any political campaign on behalf of any candidate for public office.

ARTICLE III MEMBERS

Section A. Each and every Owner (other than the Developer) of a residential lot or residence in "Arbours Commons" residential planned unit development shall, upon acquisition of ownership in a Lot, become a Class A member (as hereinafter defined) of this Association, which membership shall terminate automatically when such Owner ceases to be an Owner (i.e., no longer having an ownership interest of record in a Lot). Membership shall be appurtenant to and may not be separated from ownership of a Lot. Upon the sale, conveyance, devise or other transfer of any kind of or nature of any Lot, such subsequent transferee shall automatically become a member hereof and likewise the vote appurtenant to the Lot shall automatically pass to the transferee and membership of the transferor shall be immediately terminated, regardless of whether any membership certificate or voting certificate is transferred; provided, however, the Association shall for all purposes be entitled to rely upon the right to membership and voting rights of the person shown as the Owner (and, if appropriate, Voting Owner) of a Lot in its records, until notified of such transfer by delivery of written notice thereof to

the Secretary of the Association. The Developer shall be the Class B member (as preinafter defined) of the Association for the time period provided herein.

Section B. If any Lot shall be owned by more than one (1) Owner, all Owners of that Lot shall be members of the Association. In addition, where a Lot is owned by either a husband or wife, his or her non-owning spouse shall likewise be entitled (but shall not be required) to be a Class A member of the Association.

<u>Section C</u>. Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

Section D. The Association shall have two classes of voting membership:

<u>Class A.</u> Class A members shall be all Owners, with the exception of the Developer, and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members of the Association. The vote for such Lot shall be exercised as they determine, but in no event shall more than one (1) vote be cast with respect to any one Lot.

<u>Class B.</u> The Class B members shall be the Developer, who shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and shall be converted to Class A membership upon the happening of either of the following events, whichever first occurs:

- (a) When the total votes outstanding in the Class A membership shall equal the total votes outstanding in the Class B membership; or
 - (b) On December 31, 2020.

ARTICLE IV APPLICATION

Section A. All present and future owners, tenants, future tenants, agents, servants, employees, guests, invitees and any other person using the Common Areas or occupying any residential dwelling (a "Residence") upon a Lot located in "Arbours Commons" are hereby subject to all matters set forth in these By-Laws, and to all rules and regulations which may be promulgated by the Board of Directors on behalf of the Association, and all provisions of the Restrictive Covenants. A mere acquisition or rental of a residence or use of the Common Areas or any facilities of the Association shall signify that these By-Laws and all rules are accepted, ratified and shall be compiled with.

ARTICLE V MEETINGS OF MEMBERS

Voting. There is hereby assigned to each Lot one (1) vote which shall be Section A. voted by the Owner thereof, as provided in the Restrictive Covenants. The vote so assigned to each Lot may not be split in any fashion. If one person is the Owner of a Lot, he or she shall be entitled to vote such vote. If a Lot is owned by more than one person, the Owner shall designate one of them as the "Voting Owner", and shall notify the Association in writing of such designation. In the event a corporation owns a Lot, the corporation shall designate one agent thereof as entitled to vote and shall notify the Secretary in writing. In the case of multiple or corporate ownership of a Lot, the vote appurtenant thereto shall not be exercised in the event of a disagreement among such multiple owners, until written designation of the person entitled to vote has been delivered to the Secretary. The person entitled to cast the vote appurtenant to a Lot is herein referred to as the "Voting Owner". The designated Voting Owner for each Lot shall remain the Voting Owner, entitled to cast the vote for that Lot on all matters to come before the Association for vote, until the Secretary receives written notice of change.

<u>Section B.</u> <u>Majority</u>. As used in these By-Laws, the term "Majority of Owners" shall mean those Owners who are Voting Owners entitled to vote fifty-one (51%) percent of the total votes appurtenant to all of the Lots of "Arbours Commons" owned by Owners. Unless otherwise required herein or in the Restrictive Covenants, the affirmative vote of a majority of Owners shall be required to adopt any decision affecting the Association.

Section C. Quorum. Except as may be otherwise provided in these By-Laws or in the Restrictive Covenants, the presence in person or by proxy of a majority of Voting Owners shall constitute a quorum. If a quorum is not present at any meeting of the Owners, a majority of the Owners present may adjourn the meeting from time to time without further notice.

<u>Section D.</u> <u>Proxies.</u> At any meeting of Owners, an Owner entitled to vote may vote in person or by proxy executed in writing by the Owner or by his duly authorized attorney-in-fact. Each proxy shall be filed in a form as determined by the Board of Directors with the Secretary at least five (5) days before the appointed time for a regular meeting and at least one (1) day before the appointed time for a special meeting of the Association. No proxy shall be valid after three (3) months from the date of its execution, unless otherwise provided in the proxy.

<u>Section E.</u> <u>Informal Action by Members</u>. Any action required by law to be taken at a meeting of the Owners may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of the Voting Owners entitled to vote with respect to the subject matter thereof.

Section F. Transfer. Membership in the Association is not transferable or assignable (except as the same may be assigned by way of proper proxy). Transfer of an Owner's Lot or his interest therein in any fashion shall automatically terminate his membership in the Association and all of his voting rights therein.

ARTICLE VI BOARD OF DIRECTORS

General Powers. The affairs of the Association shall be managed by its Section A. Board of Directors. The Board of Directors shall exercise authority in establishing the governing policies of the Association, and shall exercise its power and discharge its duties in good faith with a view to the best interests of the Association. The Board of Directors shall have sole authority to make all decisions concerning the Association, except that neither the Board of Directors or the Association shall be authorized to adopt any measure which would affect the rights of any mortgagee holding a mortgage upon the property or any Lot, or any Common Area or portion thereof, without such mortgagee's written consent. No action may be taken by the Association or the Board of Directors affecting the rights of the Developer granted or reserved pursuant to the Restrictive Covenants if they have not expired at the time of such action, without the Developer's written consent. The Board of Directors shall have the right to establish rules and regulations regarding use of the Common Areas, and to the extent granted by the Restrictive Covenants, the Lots, and to impose penalties for violation thereof. The Board of Directors may establish such committees as may be deemed necessary to assist the Directors in carrying out the mission of the Association.

Number and Tenure. The Board of Directors shall consist of not less than five (5) nor more than seven (7) members, plus any advisory members deemed necessary by the Board. The initial Board of Directors shall be appointed by the Developer and shall consist of five (5) members (who need not be present or future Owners) and who shall serve until the Developer calls a meeting of the Owners, which must be called and held within one (1) year from the date these By-Laws are approved. At the first annual meeting and at each annual meeting thereafter, the Developer shall be entitled to nominate the persons (who need not be Owners) to serve on the Board of Directors, and the Owners shall have the right to select from among them the members of the Board in accordance with and as permitted by the Restrictive Covenants until the Developer no longer has, or has waived the right, to nominate members of the Board. At each regular annual meeting, the Voting Owners shall vote for the number of Directors necessary in sufficient number to fill any vacancies on the Board, and so long as the Developer has the right to and has nominated persons to serve on the Board, the number for which they are entitled to vote; provided, however, there shall be no cumulative voting allowed. The candidates receiving the most votes shall be declared elected as members of the Board to fill the Board positions vacant at that time. Board members shall serve until their successors are elected and qualified. Members of the Board shall serve for a term of one (1) year and may be re-elected for two (2) consecutive one-year terms.

- Section C. Any Director (other than Directors nominated by the Developer who are not Owners) who shall cease to be an Owner or who shall be delinquent in payment of any assessment shall automatically cease to be a member of the Board of Directors.
- <u>Section D</u>. Each Director (other than Directors nominated by the Developer) must be an Owner (or the Voting Owner or a corporate owner) in good standing and current in the payment of all assessments and dues.

Section E. Duties. The Board of Directors shall have the following duties and responsibilities:

- (1) Transact all Association business and prescribe the rules to the extent granted in the Restrictive Covenants for "Arbours Commons" and particularly for all Common Areas and facilities therein and property thereof, and appoint such officers, clerks, agents, servants or employees as it may deem necessary in its sole discretion in carrying out such activities, and to fix their duties and compensation.
- (2) Annually, after termination of the period described in the Restrictive Covenants during which the Developer shall be liable for shortfalls, set an annual budget and determine the assessments necessary for the operation of the Common Areas.
- (3) Fix, impose and collect penalties for violations of these By-Laws and any rules adopted for the Association and to employ third parties to manage the business of the Association and/or to manage the collection of dues and payment of expenses and obligations.
- (4) Carry out all other duties and obligations imposed and exercise all rights granted to it by the Restrictive Covenants and by these By-Laws.
- Section F. Regular Meetings. A regular annual meeting of the Board of Directors shall be held, without other notice other than as set forth in these By-Laws, immediately after, and at the same place as, the annual meeting of Owners. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the Board without other notice than such resolution.
- Section G. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place within Spartanburg County, South Carolina, as the place for holding any special meeting of the Board called by them.
- Section H. Notice. Notice of any special meeting of the Board of Directors shall be given at least ten (10) days prior thereto in writing, in person or by mail to each Director

at his address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in an envelope properly addressed with postage prepaid. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted nor the purpose of any regular or special meeting of the Board need be specified in the notice or the waiver of notice of such meeting, unless specifically required by law or by these By-Laws.

Section I. Ouorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section J. Manner of Acting. The act of a majority of the members of the entire Board of Directors shall be necessary to pass any resolution or authorize any act of the Association unless a different vote is required herein, in the Restrictive Covenants or by law.

Section K. Vacancies. Any vacancy occurring on the Board of Directors and any directorship to be filled by reason of an increase in the number of Directors may be filled by the majority vote of a quorum of the members at any regular or special meeting. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section L. Removal. A Director may be removed at any time by a vote of two-thirds (2/3) of all of the Board of Directors, excluding the member to be removed.

<u>Section M.</u> <u>Compensation</u>. Directors as such shall not receive any compensation for their services, but nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefor.

<u>Section N.</u> <u>Informal Action by Directors</u>. Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if consent in writing, settling forth the actions so taken, shall be signed by all of the Directors.

ARTICLE VII ASSESSMENTS & FEES

<u>Section A.</u> Each Owner of any Lot in "Arbours Commons" (hereinafter referred to as the "The Property"), by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:

- (1) Annual Assessments or charges;
- (2) An initiation fee which is a one-time fee charged to a new Owner when a Lot is transferred to that Owner by another Owner or the Declarant. Such a fee shall not be charged if an Owner is conveying any part or all of a Lot to a spouse.
 - (3) Special Assessments for Capital Improvements; and
- Assessments to be established and collected as hereinafter provided. The annual and special Assessments and fines, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such Lot at the time when the Assessment fell due. The personal obligation for delinquent Assessment shall not pass to an Owner's successors in title unless expressly assumed by them (but shall continue, unless extinguished as herein provided, as a lien against the Lot).
- Section B. The Assessment and fees levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the Owners and residents in the Property and for the improvement and maintenance of the Common Areas and/or perimeter fences.
- Section C. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment shall be \$1,020 per Lot. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment shall be increased each year not more than 5% of the maximum Assessment for the previous year, without a vote of the membership. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment may be increased by more than 5% of the maximum Assessment for the preceding year, by a vote of not less than two-thirds (2/3) of each class of members entitled to vote, at a meeting duly called for such purpose. The Board of Directors may fix the annual Assessments at an amount not in excess of the maximum permissible annual Assessment.
- <u>Section D</u>. From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the Initiation Fee shall be \$150, which may be increased by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting called for this purpose.
- Section E. In addition to the annual Assessments or fees hereinabove authorized, the Association may levy, in any Assessment year, a special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the costs of any construction, reconstruction, repair or replacement of a capital improvement upon the

perimeter fences or Common Areas, including fixtures and personal property related thereto, provided that any such Assessment shall be approved by a vote of not less than two-thirds (2/3) of each class of members entitled to vote at a meeting duly called for such purpose.

Section F. Written notice of any meeting called for the purpose of taking any action under Section C, D or E of this Article VII shall be sent to all Owners and the Developer not less than thirty (30) days nor more than sixty (60) days prior to such meeting. At the first such called meeting, the presence of at least 60% of all members of each class of membership entitled to vote, whether in person or by proxy, shall be required to constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (½) of the required quorum at the initial meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section G. Both annual and special Assessments shall be fixed at a uniform rate for all Lots and shall be collected on a monthly basis.

The annual Assessments provided for herein shall commence, as to all Section H. Lots, on the day the Owner of the Lot accepted a deed for the Lot; as to all lots of the Developer (when performing as a Builder) or to any Builder the annual assessment shall commence six (6) months from the date of transfer of a Lot to it. The first annual Assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual Assessment against each Lot at least thirty (30) days in advance of each annual Assessment period. Written notice of the annual Assessment shall be sent to every Owner subject thereto. The due date shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish within five (5) days of receiving written request a certificate signed by an Officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of Assessments on a Lot is binding upon the Association as of the date of its issuance. Failure to provide such a certificate within the five (5) day period shall be deemed a waiver of any claim for Assessments previously owed.

Section I. The Board of Directors shall annually, not less than fifteen (15) days prior to the meeting of the Owners, prepare a proposed budget for the ensuing 12-month period to include such sums as it deems necessary and adequate to provide for the expense of maintaining the Common Areas and such other expenses as are deemed necessary or appropriate expenses of the Association. The Board of Directors shall thereafter submit the proposed budget for the ensuing 12 months to the Owners for consideration at the annual meeting. At the annual meeting, a budget for the ensuing 12 months shall be approved by a majority of the Voting Owners entitled to vote at such meeting. The Board shall then send notice to all of the Owners of the monthly

Assessment payable for the ensuing year, such notice to be provided not less than thirty (30) days prior to the date the first such Assessment becomes due; provided, however, each of the Owners shall continue to be liable for and to pay Assessments at the then current rate until notice of the new amount of Assessment is given as provided in this Section.

Section J. Any Assessment or Initiation Fee not paid within thirty (30) days after the due date shall have a penalty of an amount equal to the unpaid Assessment or Fee plus shall bear interest from the due date at the rate of eight (8%) percent per annum. The Association shall have a lien, which will be established as provided in the Restrictive Covenants, upon each Lot for payment of all Assessments not paid within thirty (30) days of the due date, in the amount of such unpaid Assessment plus penalty, together with interest thereon from the due date at the rate of eight (8%) percent per annum, plus administrative charges, if any, and the costs of collection thereof, including reasonable attorney's fees. The Association may bring a legal action against the Owner personally obligated to pay the same, or foreclose the lien against his Lot. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Areas or by abandonment of his Lot.

Section K. The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage. The lien for Assessments also shall be subordinate to any other recorded mortgage or other lien recorded prior to the time such Assessments (or installment thereof, if payable in installments) became due and payable. Sale or transfer of any Lot shall not effect the Assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such Assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

<u>Section L</u>. The Board of Directors shall have the right to assign any claim and/or lien rights of the Association for the recovery of delinquent Assessments for reasonable value.

<u>Section M</u>. The Developer shall not be subject to any annual, special or other type assessment on any Lots owned by it, except when it is performing as a Builder. When the Developer is performing as a Builder and when any other Builder is so performing on a Lot, they are subject to the same Assessments as charged to any Owner beginning six (6) months from the date of transfer of the Lot to it.

ARTICLE VIII OFFICERS



Section A. Officers. The Officers of the Association shall be a President, Vice-President, Secretary and Treasurer, all of whom shall be elected by and from the Board of Directors. The Board of Directors may appoint Assistant Treasurers and Secretaries and such other Officers as it shall deem desirable, such Officers to have the authority to

perform the duties prescribed, from time to time, by the Board of Directors. Any two (2) or more offices may be held by the same person except the offices of President and Secretary.

<u>Section B.</u> <u>Election and Term of Office</u>. The Officers of the Association shall be elected annually by the Board of Directors, immediately following the annual meeting of the members, and shall serve for a term of one (1) year. New offices may be created and filled at any meeting of the Board of Directors. Each Officer shall hold office until his successor shall have been duly elected and shall have qualified. Officers shall be eligible for re-election to the same office once.

Section C. Removal. Any Officer elected by the Board of Directors may be removed by a vote of a majority of the entire Board of Directors, whenever in its judgment the best interests of the Association would be served thereby.

<u>Section D.</u> <u>Vacancies</u>. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section E. President. The President shall be the Principal Executive Officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Owners and of the Board of Directors. He may sign, with the Secretary or any other proper Officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws or by statute to some other Officer or Agent of the Association. He shall appoint committees as prescribed by these By-Laws or as may be prescribed by action of the Board of Directors, and shall be an ex-officio member of all committees. The President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

<u>Section F. Vice-President.</u> In the absence of the President or in the event of his inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have the powers of and be subject to all the restrictions upon the President. He shall assist the President and shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section G. Secretary. The Secretary shall attend all meetings of the Owners and of the Board of Directors and shall keep the minutes of such meetings in one (1) or more books provided for that purpose, and shall record all votes of such meetings. The Secretary shall keep a current, accurate record of the names and addresses of all Owners, members of the Board of Directors, and Officers, showing when each was elected and the term to be served. The Secretary shall give, or cause to be given,

notice of all meetings and special meetings of the Board of Directors, and shall perform such other duties as may be assigned by the President or the Board of Directors. He shall keep in safe custody the seal of the Association, and when authorized by the Board, affix the same to any instrument requiring it, and when so affixed, it shall be attested to by his signature or by the signature of the Treasurer. The Secretary, upon approval by the Board, may employ whatever professional secretarial and stenographic personnel or services as are necessary to properly carry out the duties of the office.

Treasurer. The Treasurer shall have the custody of the Association funds and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall disburse such funds of the Association as he may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require, an account of all his transactions as Treasurer and of the financial condition of the Association. He shall make a financial report at all regular meetings of the Board and at any other time as may be requested by the Board. He shall present an annual financial report to the Board after the close of the fiscal year listing all receipts and disbursements and make the books available for any audit which may be requested by the Board. If he is required by the Board of Directors, he shall give a bond in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of his office and for the restoration to the Association, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control belonging to the Association; and in general, perform all the duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him by the President or by the Board of Directors.

Section I. Assistant Treasurers and Assistant Secretaries. If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or the Board of Directors.

ARTICLE IX OBLIGATIONS OF OWNERS

Section A. Each Owner is obligated to pay all monthly and special Assessments and the Initiation Fee levied or imposed by the Association, for such purposes as are enumerated in the Restrictive Covenants and in these By-Laws; provided, however, during the period of Developer control, no monthly assessment of any Owner shall exceed the amount provided and allowed in the Restrictive Covenants, unless an increase is agreed to in writing by the Developer and seventy-five (75%) percent of the

Voting Owners. All assessments shall be paid within fifteen (15) days of the due date. Written notice of the change in any assessment and the date payment is due shall be sent to each Owner at the address given by such Owner to the Secretary of the Association. Assessments may include monthly payments to a general operating reserve in a reserve fund for replacements, and after the period of Developer control, all other things as required or determined by the Voting Owners to be included in the budget.

The amount of Assessment levied shall be paid on or before the due date. Section B. If not paid within thirty (30) days of the due date, the amount of such Assessment, plus any other charges thereon, including administrative charges (if the Board elects to implement the same), a penalty equal to the unpaid Assessment or Fee plus interest from the due date at the rate of eight (8%) percent per annum, and costs of collection, including reasonable attorney's fees, shall constitute and become a lien on the Owner's Lot. Such lien right shall accrue and be enforceable as provided for in accordance with the terms and provisions of the Restrictive Covenants. The notice of lien which is to be recorded shall state the amount of such delinquent Assessments and such other charges as shall be owed, and shall designate the Lot which has been assessed, and a copy shall be mailed to the Owner thereof. Upon payment of said delinquent Assessments and charges or satisfaction thereof, if notice of lien has been recorded in the public records, the Board shall, within a reasonable time, cause to be delivered to the Owner a notice in recordable form stating the satisfaction of said lien. The priority of the lien shall be as provided in the Restrictive Covenants.

Section C. The lien provided herein may be foreclosed by suit by the Board acting on behalf of the Association in like manner as a mortgage and in accordance with the provisions of the Restrictive Covenants, and in such event, the Association may be a bidder at the foreclosure sale. The Association, through its Board or any duly authorized agent or designee, may file notice of and foreclose such lien and also pursue any other remedy against any Owner owing money to the Association, which is available by law or in equity for the collection of debts.

Section D. Each Lot shall be utilized for residential purposes only, provided, however, such shall not prevent rent or lease by an Owner to a lessee or renter exclusively for residential purposes.

<u>Section E</u>. No Owner shall build any structure or make any structural modifications or alterations to a residence, fence or wall without first obtaining written approval of the Developer, during the period of Developer control, and thereafter the Association or its Architectural Committee, as provided in the Restrictive Covenants.

Section F. No occupant of a residence shall post any advertisements, posters, or signs of any kind in or on the Common Areas or on his Lot, except as shall be authorized by the Board; provided, however, this provision shall not be applicable to the Developer or third parties granted permission by the Developer during the period it is

selling residential units. Provided further, that any Owner may advertise his or her Lot for sale by using a "For Sale" sign so long as such sign is attractive in its appearance and does not exceed the dimensions of two feet by three feet.

Section G. Occupants of residences must use extreme care about making noises or using musical instruments, radios, televisions and/or amplifiers that may disturb occupants of other residences, and in the event an occupant is notified by the Board of Directors or its duly authorized agent, such occupant shall immediately cease and desist such activity.

Section H. Nothing contained herein shall in any way limit the power of the Association and/or the Board to issue or promulgate rules as they deem necessary or desirable for the use, occupancy and enjoyment of "Arbours Commons" and the use of the Common Areas by the Owners and/or the occupants of residences. All obligations imposed by the Restrictive Covenants are hereby incorporated by reference as further obligations of the Owners.

<u>Section I.</u> The Board of Directors shall have the right to enter into such agreements with independent third party providers as it deems desirable to provide common services to the Owners. Such right shall include, but shall not be limited to, the exclusive right to enter into trash and garbage pick-up service contracts and contracting for basic lawn maintenance for either Common Areas or Owner's property or both with third party providers.

<u>Section J.</u> No Owner may cut or clear a tree of a diameter of more than four (4") inches from his or her Lot without first obtaining written approval of the Developer, during the period of Developer control, and thereafter, the Association as provided in the Restrictive Covenants.

Section K. All mail boxes for the Lots shall be uniform and maintained by the Owner.

ARTICLE X MORTGAGES

Section A. The Board shall, at the request of any actual or prospective mortgagee or purchaser of a Lot, report within five (5) business days of receiving a request, the amount of any unpaid Assessments which may be due from the Owner of the Lot so mortgaged, to be mortgaged, or to be sold.

ARTICLE XI RULES AND REGULATIONS

Section A. The Board of Directors shall be and is hereby empowered to promulgate and adopt such rules from time to time and to amend and alter any rules previously promulgated and adopted as it may, in its sole discretion, determine to be necessary

and desirable for the continued maintenance and upkeep, use and enjoyment of any Common Areas, and as necessary for the overall appearance of "Arbours Commons" and for the health, safety and welfare of occupants of residences. Such rules shall be binding and enforceable upon all Owners, their families, guests, invitees, and/or lessees, and all occupants of residences.

ARTICLE XII CONTRACTS, CHECKS, DEPOSITS, AGREEMENTS AND FUNDS

Section A. The Board of Directors may authorize any Officer or Officers or Agent or Agents of the Association to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and/or the Owners (if permitted hereunder or in the Restrictive Covenants). Such authority may be general or confined to specific instances.

Section B. All checks, drafts or orders for the payment of notes or other evidences of indebtedness issued in the name of the Association shall be signed by such Officer or Officers, Agent or Agents of the Association in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer (or duly authorized Assistant Treasurer) and by the President (or Vice-President).

Section C. All funds of the Association received by it from or on behalf of the Owners shall be deposited from time to time to the credit of the Association at such banks, insurance companies, trust companies or other depositories as the Board may select or as the circumstances and purposes of such deposits may require; provided, however, all such accounts shall be maintained in an institutions which are insured by the Federal government or an agency thereof.

Section D. The Board may accept on behalf of the Association any contribution, gift, bequest or devise for general purposes or for any of the special purposes of the Association.

ARTICLE XIII CERTIFICATES OF MEMBERSHIP

Section A. The Board may provide for the issuance of certificates evidencing membership in the Association of each Owner, which certificate shall be in such form as may be determined by the Board. Such certificate shall be signed by the President and by the Secretary and shall be sealed with the seal of the Association. All certificates shall be consecutively numbered. The name and address of each Owner and the date of issuance of the certificates shall be entered on the records of the Association. If any certificate becomes lost, mutilated or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board may determine.

Section B. Upon purchase of a Lot, a certificate of membership may be issued in the name of the Owner thereof and delivered to him by the Secretary. Such certificate, if so issued, shall be non-transferable and shall be immediately surrendered to the Board upon termination of ownership for any reason. Should an Owner fail to surrender his certificate upon termination of ownership, such termination shall automatically terminate membership in the Association and such membership certificate shall become null and void.

Section C. Any Owner failing to pay Assessments or Fees when due may have his or her membership in the Association suspended by the Board. Any Owner so suspended shall be notified immediately in writing by the Secretary. Suspension of an Owner shall suspend all rights of such Owner to membership in the Association, including the right to notice of membership meetings, to vote at membership meetings, and to use the Common Areas and any facilities and improvements owned, maintained or operated by the Association.

ARTICLE XIV BOOKS AND RECORDS

Section A. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at its registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his agent or attorney, for any proper purpose at any reasonable time.

ARTICLE XV FISCAL YEAR

Section A. The fiscal year of the Association shall begin on the first day of January and end on the last day of December in each year.

ARTICLE XVI INDEMNIFICATION

Section A. The Association shall have the power, in accordance with South Carolina Code § 33-13-180 (1976), to indemnify any person or persons made a party to any suit, action or proceeding, whether civil, criminal, administrative or investigative, including an action by, or brought on behalf of the Association from and against any and all the expenses, liabilities or other matters referred to in or covered by said Section, including attorney's fees actually incurred, provided that the person acted in good faith in an official capacity and in a manner not believed to be in opposition to the best interests of the Association. Such power of indemnification shall continue as to a person who has ceased to be a director, officer, employee or agent, and shall inure to the benefit of the

heirs, executors and administrators of such person. Nothing herein shall be construed to allow for the indemnification of any person or persons serving as director, officer, employee or agent of the Association where the activities or lack thereof which precipitated the suit, action or proceeding have been judged by the Board of Directors to be negligent, willful, wanton, reckless or violative of criminal or civil law. In the event the Board of Directors elects to indemnify any director, officer, employee or agent of the Association, the Board of Directors shall have the absolute right to select the attorney or attorneys to be employed in the defense of such action.

ARTICLE XVII MISCELLANEOUS

Section A. Questions concerning the interpretation of these By-Laws or any rules and regulations adopted by the Board of Directors shall be determined by a vote of a majority of the entire Board of Directors.

<u>Section B.</u> Robert's Rules of Order shall apply in any meeting of the Board and of the Association unless in conflict with these By-Laws, the Restrictive Covenants or provisions of law, in which case these By-Laws, the Restrictive Covenants and/or applicable law shall control.

ARTICLE XVIII COMPLIANCE

Section A. These By-Laws are intended to comply with the requirements of the Restrictive Covenants. In the event any of these By-Laws conflict with the provisions of the Restrictive Covenants, the provisions of the Restrictive Covenants shall apply, unless variances are permitted, in which case the provisions of these By-Laws shall apply.

ARTICLE XIX AMENDMENTS TO BY-LAWS

Section A. These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by a vote of two-thirds (2/3) of the Board of Directors and two-thirds (2/3) of all of the Voting Owners entitled to vote, at any regular or special meeting at which a quorum is present, provided that at least ten (10) days written notice is given to the Owners and to the Board of Directors of the intention to alter, amend or repeal or to adopt new By-Laws at such meeting, and further provided that during the period of Developer control, the Developer consents to such alteration, amendment or repeal.

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ARTICLE XX DISSOLUTION

Section A. Upon the dissolution of the Association or the winding up of its affairs or other liquidation of its assets, the property and residual assets of the Association, after the payment of the debts of the Association, shall be conveyed to the Association's successor, or if there is no such successor to the Association, to the Owners (and, if appropriate, to the Developer), with the Owner of each Lot being allotted an equal share.

Approved and ratified as the By-Laws of The Arbours Commons Homeowners Association, Inc. this 29 day of Movember , 2004.

(SEAL)

Secretary

THE ARBOURS COMMONS HOMEOWNERS ASSOCIATION, INC.

WILLIAM ALEX HUDSON, II

SEAL)

President

ATTEST:

WASalo

PROPERTY IMPROVEMENT REQUEST

ARBOURS COMMONS HOMEOWNERS ASSOCIATION

REQUEST FOR BUILDING/LAND CHANGES

EMAIL:vincent@rentalsbyrmi.com

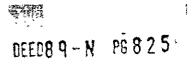
All improvements, additions or changes must be approved in writing before work begins. MUST BE SUBMITTED 30 DAYS AHEAD of scheduled work to Board of Directors : DATE: OWNER'S NAME: ADDRESS:________
PHONE:_______ Email:______ I would like to make the following change (s) to the community property of Arbours Commons: DETAILED SPECIFICATIONS OF PROPOSED CHANGE (S) - (Included dimensions, roof and roof pitch, siding, brick, wood, and materials to be used, etc. which means any change.) A Sketch, picture, diagram or blueprint must be attached, all work must conform to the conditions contained in the protective covenants specifically (paragraph 4.01 - 4.04). WORK TO BE PERFORMED BY:_____ 1. I accept full responsibility for the proper installation in accord with the description above, and agree not to pay the contractor until work is fully completed and inspected by the Board of Directors and/or the Managing Agent if so designated. 2. I accept full responsibility for maintenance of this addition to full satisfaction of the Board of Directors for the lifetime of the change. 3. In case my property is sold, I agree to notify the purchaser that maintenance of this change will be their responsibility and not that of the Association. 4. If the Bright Farms Association Board of Directors determines that this addition has not been constructed according to plans submitted, I agree, if instructed by the Board, to restore the property to its original state at my (owner) expense. I would be offered the opportunity to appear before the Board of Directors prior to such an order. 5. I agree that no work will begin prior to approval by the Board of Directors on this proposed change and that the Board be given a minimum of thirty (30) days to render its decision. 6. Building materials must be the proper color scheme and materials specified by the neighborhood Covenants, Conditions, and Restrictions. For landscaping describe any plant or tree types and location. 7.On a copy of your survey, indicate the location (setback and building lines) and dimensions. I AGREE TO ALL OF THE ABOVE. Owner's Signature **BOARD ACTION:** DATE:

APPROVAL:

DISAPPROVAL:

DEE-2007-49449
Recorded 16 Pages on 9/13/2007 1:43:23 PM
Recording Fee: \$22.00 Documentary Stamps: \$0.00
Recording Fee: \$22.00 Documentary, Sc.
Office of Register of Deeds, Spartanburg, S C.
Stephen Ford, Register

INTY OF SPARTANBURG



DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS: ARBOURS AT REBA-DALE

WITNESSETH:

WHEREAS, Reba-Dale Development, LLC, a South Carolina limited liability company (hereinafter, together with its successors and assigns acting as developer of the real property hereinafter described or any portion thereof, called the 'Declarant") is the owner of certain real property (the "Property") described as follows:

All that certain piece, parcel or tract of land with all improvements thereon, in Zion Hill School District, Spartanburg County, South Carolina, lying about one-half mile southeast of Sloan's Grove Church (now New Hope Church) on the north side of Fernwood-Glendale Road containing 6.7 acres, more or less, and being Tract "A" as shown on a Plat of Mrs. Alice Crocker Allen properties by Gooch and Taylor, Surveyors, dated July 8, 1950, and recorded in Plat Book 27 at Pages 510-511, in the Register of Deeds Office for Spartanburg County, South Carolina. See also plat of the Arbours at Reba-Dale by Gramling Bros. Surveying, Inc. dated August 28, 2007.

This being the same property conveyed to Reba-Dale Development, LLC by deed of Annie L. Roberts dated October 31, 2006, and recorded in Deed Book 87-B at Page 400, in the said ROD Office.

WHEREAS, Declarant plans to subdivide and develop the Property into a residential planned unit development known as and herein called, as it may exist from time to time, "Arbours at Reba-Dale" consisting of residential lots (the "Lots"), and construct or have constructed thereon single family residences to sell to individual third party purchasers (herein called "Owners") for residential housing, and develop or have developed or dedicated public streets and roads ("streets and roads"), and other portions for the common use, benefit, and recreation of the Owners (such other portions together with improvements thereto (if any) being hereinafter referred to as "Common Areas") and

WHEREAS, all of the Lots will be used for single family attached or detached residences, and shall be numbered and shown on one or more subsequently recorded Plats.

WHEREAS, Declarant deems it necessary and desirable to place these certain covenants, conditions and restrictions upon the Property and each and every one of the Lots and Common Areas to run with the Property and each and every one of the Lots and Common Areas to insure the orderly development of Arbours at Reba-Dale as a

whole and its use for the benefit of Declarant and the benefit of the Owners.

KNOW ALL PEOPLE BY THESE PRESENTS that the Declarant does hereby declare that the Property, including each and every Lot, and each and every Common Area is hereby restricted as follows, all of which restrictions and limitations are intended to be and shall be taken as conditions, restrictions, covenants and limitations to run with the land and shall be for the benefit of the Declarant and each and every Owner.

ARTICLE I

Definitions

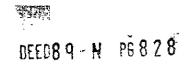
- 1.01 "Assessments" means the amounts charged to the Owners by the Association to provide the funds necessary for the Association to be able to carry out its functions, including, but not limited to, operation and maintenance of the Common Areas and maintenance of lawns of the Owners to include grass fertilizing, trimming and mowing and shrubbery fertilizing and trimming. Failure of an Owner to pay Assessments shall result in a lien upon his Lot as herein provided.
- 1.02 "Association" means The Arbours at Reba-Dale Homeowners
 Association, Inc., a South Carolina nonprofit corporation, of which all the Owners are
 members and which is established to provide for the welfare and benefit of the Owners
 and the Declarant.
- 1.03 "Board" or "Board of Directors" means the Board of Directors of the Association.
- 1.04 "By-Laws" means the By-Laws of the Association as such exist from time to time.
- 1.05 "Common Areas" means all the real property (including improvements thereon, if any) owned by the Association for the common use and benefit of the Owners subject to the provisions of these Restrictive Covenants. The Common Areas to be owned by the Association at the time of conveyance of the first Lot (or later conveyed to the Association) shall be shown and described as "Common Area", on one or more subsequently recorded Plats.
- 1.06 "Declarant" means Reba-Dale Development, LLC, a South Carolina limited liability company, together with any successor and assign specifically designated as and acting as a successor developer of all or any portion of Arbours at Reba-Dale. As a consequence, any third party builder or contractor constructing improvements upon one or more Lots or constructing other improvements upon Common Areas shall not, for the purposes of these Restrictive Covenants be considered as or have any rights as "Declarant" unless specifically so designated by the Declarant.
- 1.07 "Initiation Fee" means a one-time fee charged to a new owner when a Lot is transferred to that Owner by another Owner or the Declarant. It is charged by the

Association and, along with the assessments, is used to provide funds necessary for the Association to be able to carry out its functions, including, but not limited to, operation and maintenance of the Common Areas and Owner's property as set forth in Paragraph 1.01. Failure of an owner to pay the Initiation Fee shall result in a lien upon the Owner's Lot as herein provided. This shall not be charged if an Owner is conveying part or all of a Lot to the Owner's spouse.

- 1.08 "Lot" means an individual lot of land within the Property developed for single family residential purposes.
- 1.09 "Owner" means the owner of record of an interest in a Lot. The term "Owner" does not include the Declarant nor does it include a mortgagee whose sole interest in a Lot or other portion of the Property is a security interest in lands and/or improvements securing a debt owed to such a mortgagee, which mortgagee does not otherwise own or have fee title interest in a Lot.
- 1.10 "Plat" means that survey of The Arbours at Reba-Dale prepared by Gramling Bros. Surveying, Inc., dated August 28, 2007, and recorded in the Office of Register of Deeds for Spartanburg County, South Carolina, in Plat Book /// at Page //7.
 - 1.11 "Property" means the real property described above.
- 1.12 "Restrictive Covenants" means the Covenants, Conditions and Restrictions of Arbours at Reba-Dale, together with any amendments or supplements hereto recorded in the public records of Spartanburg County, South Carolina.
- 1.13 'Arbours at Reba-Dale" means that planned unit development as herein defined.

ARTICLE II Development Plan

- 2.01 As initially composed, the Declarant has created certain Common Areas and other improvements which shall be designated on the Plat or subsequently recorded plats as "Common Area" and conveyed to the Association. The Declarant shall also create certain areas to consist wholly of Lots within Arbours at Reba-Dale, all of which shall be shown on the Plat or on one or more subsequently recorded Plats. The Declarant shall either by conveyance or dedication, establish other areas within Arbours at Reba-Dale for use in conjunction with the Lots and the Common Areas (i.e., streets and roads, the rights-of-way which shall be shown upon the Plat, or subsequently recorded Plats, and easements for utilities).
- 2.02 In the event the Declarant elects to establish additional Common Areas by conveying the same to the Association, the Declarant does hereby covenant that such inclusion shall not materially increase the Assessments charged to the Owners as



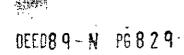
herein provided.

2.03 The Declarant reserves the right to modify and alter tot lines between two or more lots owned by it, or, if agreeable with an Owner, a lot line between a lot owned by the Owner and a lot owned by the Declarant so long as such modification or alteration does not adversely affect the nature of other Lots or the Restrictive Structural Easement. This right exists only during construction of residences by the Declarant or approved contractors.

ARTICLE III

Use Restrictions

- 3.01 Each and every one of the Lots shall be known, described and used only as a single family residential lot and no structure. shall be constructed or erected on any Lot other than one detached single family dwelling and accessory buildings thereto upon each of the Lots, in each case such dwellings not to exceed two and one-half stories in height, and in each case accessory buildings not to exceed one story in height.
- 3.02 No trailer, basement, tent, shack, garage, or other outbuilding erected on any Lot shall at any time be used as a residence, temporarily or permanently, nor shall any residence of a temporary character be permitted.
- 3.03 No oil drilling, oil development operation, oil refining, quarrying or mining operations of any kind shall be permitted upon or in any Lot or Common Area, nor shall any oil wells, tanks, tunnels, mineral excavation or shafts be permitted upon or in any Lot or Common Area. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any Lot or Common Area.
- 3.04 No animals, livestock or poultry of any kind shall be raised, bred or kept on any Lot or Common Area except that Owners may keep dogs, cats, or other household pets provided the same are housed and kept only in reasonable numbers (no more than two (2) such household pets per Lot). Pets shall not be allowed to create an unsightly condition or otherwise disturb the peace, tranquility or appearance of Arbours at Reba-Dale or otherwise constitute a nuisance. Each Owner shall be responsible and liable for all damage and destruction caused, created by or resulting from trespass by his or her pet, whether with other animals or not, Furthermore, pets shall not be kept or housed in outdoor pens or allowed to venture outside an Owner's Lot except on a leash, In connection therewith the Board shall have the right to set rules and regulations governing the keeping of any such pets and to require the removal thereof from Arbours at Reba-Dale in the event any such pet or pets should be determined by the Board in its sole judgment to be a nuisance or otherwise violate this provision or its intended purpose.
 - 3.05 No commercial activity whatsoever shall be carried out on any Lot



without the express written permission of the Board except that the Declarant (and designees of the Declarant) may use one or more Lots for location of sales and administrative offices and for models during the period Declarant (or such designee) is marketing and selling Lots. Further, no noxious or offensive trade shall be carried on upon any Lot nor shall anything be done thereon which may become an annoyance or nuisance to the neighborhood or to any other Owner. Further, there shall be no yard sales or other sales of goods including household goods upon any Lot.

- 3.06 No sign of any kind (including yard sale signs) shall be displayed to the public view upon any Lot or upon any Common Area except for the sign located at the entrance to Arbours at Reba-Dale designating the planned unit development, and except for signs used by the Declarant or any third party granted permission by the Declarant to advertise for sale or lease a Lot or newly constructed home upon a Lot during the period when such Lot (whether improved or not) is initially offered for sale to members of the public. Also any Owner may advertise the sale of his or her Lot by using a "For Sale" sign so long as such sign is attractive in its appearance and does not exceed the dimensions of two feet by three feet.
- 3.07 No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage, derelict vehicles or fixtures and other waste, and such shall not be allowed to accumulate and shall not be kept except in sanitary containers out of view of the streets, maintained in a clean and sanitary condition. The Association shall have the right to set standards for the storage of such garbage and trash, including areas upon Lots within which trash may be stored or placed and the containers within which the same shall be placed or kept prior to pickup by the service providing trash or garbage pickup.
- 3.08 No boats, tractor trailers, trucks (other than camping type vehicles originally manufactured for such said purposes), buses, mobile homes or other similar vehicles may be parked overnight on any Common Areas, streets and roads, or Lots in Arbours at Reba-Dale without express written permission of the Board (which permission may be withheld without cause); except trucks of the weight of one ton or less shall not be prohibited from overnight parking thereof on a Lot occupied by the Owner or lessee of such vehicle. Such vehicles may be so allowed if they fit inside the garage with the garage door in the down position. Furthermore no camping-type travel vehicle shall be allowed to remain parked upon any Common Areas, streets and roads, or Lots, to be used for commercial or overnight residential purposes. No "go-cart", "trail bike", "minibike", or unlicensed motor vehicle (other than tractors, mowers, etc. used for construction, maintenance or upkeep) shall be operated within Arbours at Reba-Dale or any part thereof.
- 3.09 No basketball goals may be placed on any Lot, Common Area, street or road whether attached to a structure or existing independently of it. Outdoor swing sets and other outdoor recreational equipment must be approved in writing by the Board or Architectural Committee under the procedure set forth in Article IV Section 4.01.

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- 3.10 No lawn, fence, hedge, tree or landscaping feature on any of the Lots shall be allowed to become obnoxious, overgrown, or unsightly. In the event any lawn, fence, hedge, tree or landscaped feature shall become obnoxious, overgrown or unsightly, or unreasonably high in the sole determination of the Board, the Association shall have the right, but not the obligation, to cut, trim or maintain said lawn, fence, hedge, tree or landscaping feature and to charge the Owner of that Lot a reasonable sum therefor, and the Association shall not thereby be deemed guilty of a trespass. The charge therefor by the Association to such Owner shall be considered as an Assessment and shall be due and collectable in like manner as all other Assessments. The Association shall first, however, make a reasonable effort to notify the Owner of that Lot of the complaint.
- 3.11 No individual well shall be permitted on a Lot within Arbours at Reba-Dale. This restriction shall be enforceable as long as the utility water system is operated to the satisfaction of the South Carolina Department of Health and Environmental Control or the successor thereof.
- 3.12 No clothesline or similar device shall be allowed on any outdoors portion of the Property nor shall clothes be hung anywhere outdoors. Owners may not screen or enclose any exterior patio on a lot, nor may any Owner screen or enclose any exterior deck and/or balcony with any type of material without the prior written consent of the Board.
- 3.13 No antenna, satellite dish or similar device for the transmission or reception of any kind shall be erected or allowed to remain on any Lot without the express written permission of the Declarant. The Declarant reserves the right to formulate and require specific rules and regulations for such items and/or approve the same on a case-by-case basis. The Declarant will approve satellite dishes which are 18" or smaller in diameter but the location of each one requires the written approval of the Declarant. The Declarant's obligations, duties, and responsibilities under this section may be assigned by it to the Association or will automatically be assigned to the Association when Declarant becomes a Class B Owner under paragraph 6.02.
- 3.14 The Board shall have the right, authority and power to establish such rules and regulations as it shall deem necessary and appropriate governing use of the Common Areas and appearance and upkeep of Arbours at Reba-Dale including Lots, so long as such are reasonable in nature and do not conflict with the provisions of these Restrictive Covenants. The Board shall enforce such rules and regulations. The Board shall be entitled to fine any Owner(s) for non-compliance (which fine shall not exceed an amount equal to one-half of the regular annual Assessment charged to such Owner's Lot or Lots); the fine shall be treated as, and lienable as, an Assessment. The Board shall be entitled to prohibit or restrict use of the Common Areas or to obtain specific performance or injunctive relief from a court of competent jurisdiction, or obtain such combination of the foregoing remedies as the Board shall deem appropriate under the circumstances.

ARTICLE IV

Architectural Restrictions

- 4.01 No building, fence, wall or other structure of any kind (including, but not limited to, individual mailboxes and yard lights) shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, heights, materials, and location of the same shall have been submitted to and approved in writing by the Board or by the Architectural Committee of the Board. Furthermore, as to buildings and other enclosed structures, in addition to the foregoing required submissions, floor plans or other drawings (acceptable to the Board or Architectural Committee), giving the dimensions and square footage (both heated and unheated), shall have been submitted to and approved in writing by the Board or by the Architectural Committee of the Board. When considering such submission, the Board or the Architectural Committee shall review its harmony of design and location in relation to surrounding structures and topography. The "Architectural Committee" shall be composed of three (3) or more representatives appointed by the Board.
- 4.02 Further, no tree with a diameter over four (4) inches may be cleared from the land without the approval of the Board, or its Architectural Committee (provided this restriction shall not apply to those trees that interfere with construction of a residential dwelling or an appurtenant driveway thereto). Mailboxes for the Lots shall be uniform; initially they shall be installed by Builder or Developer and thereafter shall be maintained by the Owner.
- 4.03 Fences. The Architectural Committee may approve one Lot Owner tying his/her fence onto the fence of a contiguous Lot Owner so long as it provides a terminating point close to the property line and does not result in parallel fences.

The Architectural Committee may approve one Lot Owner tying his/her fence to the wall of a contiguous Lot Owners home which is on or near a zero lot line so long as the Owner, upon whose home the fence is tied, has an easement on the other Owner's property as set forth in 5.01 and so long as the Owner upon whose home the fence is tied always has access to his/her property.

There shall be no parallel fences less than three (3') feet apart.

The Architectural Committee shall approve the design, construction and location of all fences, which shall not exceed eight (8') feet in height. Such fences shall be architecturally pleasing and in compliance with the general aesthetics of the neighborhood.

4.04 In the event said Board, or its Architectural Committee, fails to approve or disapprove such removal, design or location within thirty (30) days after said plans and specifications have been submitted to it, approval will not be required and this

Article will be deemed to have been fully complied with.

ARTICLE V

Single Family Lots

5.01 An Owner, who has a zero lot line adjoining another's Lot, shall have an easement and right of way of entry upon the Lot of such adjoining Owner at reasonable times and to the extent reasonably necessary to perform repairs, maintenance or reconstruction of that portion of any structure located on or near the zero lot line. Such repairs, maintenance or reconstruction shall be done expeditiously, and upon completion of the work, the Owner shall restore the adjoining Lot and improvements thereon to as near the same condition as that which prevailed prior to commencement of the work as is reasonably practicable.

ARTICLE VI

The Arbours at Reba-Dale Homeowners Association

- 6.01 The Declarant has established The Arbours at Reba-Dale Homeowners Association, Inc. (the "Association") as a South Carolina non-profit corporation. Each and every Owner (other than the Declarant) shall, upon acquisition of Ownership in a Lot become a Class A member (as hereinafter defined) of the Association, which membership shall terminate automatically when such Owner ceases to be an Owner (i.e., no longer having an ownership interest of record in a Lot). Membership shall be appurtenant to and may not be separated from ownership for each Lot. The Declarant shall be the Class B member (as hereafter defined) of the Association for the time period hereafter provided.
- 6.02 If any Lot be owned by more than one Owner, all Owners of that Lot shall be members. In addition, where a Lot is owned by either a husband or a wife, his or her non-owning spouse shall likewise be entitled (but not required) to be a Class A member of the Association.
- (a) Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.
 - (b) the Association shall have two classes of voting membership:

<u>Class A.</u> Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any Lot.



<u>Class B</u>. The Class B member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of either of the following events, whichever occurs earlier:

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
 - (b) on December 31, 2023.
- 6.03 (a) The Board of Directors shall have sole authority to make all decisions concerning the Association, except that neither the Board of Directors nor the Association shall be authorized to adopt any measure which would affect the rights of any mortgagee holding a mortgage upon the Property or any Lot, or any Common Area or portion thereof without such mortgagee's written consent. No action may be taken by the Association or the Board of Directors affecting the rights of the Declarant granted or reserved pursuant to these Restrictive Covenants and not at the time of such action expired, without the Declarant's written consent.
- (b) The Association through its Board of Directors shall have the right to establish rules and regulations regarding use of any Common Areas and, to the extent herein granted, the Lots and to impose penalties for violation thereof.
- 6.04 The Association shall be solely responsible for the following matters and things within Arbours at Reba-Dale; provided, however, nothing herein shall prevent the Association from contracting with or employing third parties to carry out such activities provided all costs of matters set forth in Paragraph (a) below are borne solely by the Association and provided, further, the acceptance of carrying out these functions by any third person or entity, including any agency of the government, shall not relieve the Association of the ultimate responsibility for the same, such things being namely: (a) maintaining, regulating use of and improving all Common Areas including areas in which the Association holds fee title ownership, and easements along streets and roads, and rights-of-way and along boundaries of the Property, which areas exist for the general benefit of all the Owners. Such maintenance shall include, but shall not be limited to, maintaining and regulating the use of improvements, cutting of grass, plantings, and performance of all the tasks necessary and desirable to keep such Common Areas neat, attractive and in order; (b) cutting of grass, fertilizing and trimming lawns and fertilizing trimming shrubbery of Owners; (c) establishing rules and regulations enforcing the same relating to appearance of individual Lots within Arbours at Reba-Dale including, but not limited to, if the Board of Directors deems necessary, contracting for basic lawn maintenance for either Common Areas or Owner's property or both, maintaining of uniform street signs, property address numbers, yard lights, uniform mailboxes and receptacles; and (d) enforcing performance of these Restrictive Covenants by the Owners.

ARTICLE VII

Assessments and Fees

- 7.01 The Declarant, (when performing as a Builder), and any Builders after six (6) months from date of transfer of a Lot to it, covenants and agrees to pay to the Association the same assessments as charged to an Owner (but not including the Initiation Fee) and as set forth below. Each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual Assessments or charges, (2) an initiation fee on the transfer of title to an Owner (see 1.07), (3) special Assessments for capital improvements, and (4) Assessments for fines by the Board as provided in Article Ill, such Assessments to be established and collected as hereinafter provided. The annual and special Assessments, and fines, together with interest, costs, and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment and fee, together with interest, costs, and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the Assessment or fee fell due. The personal obligation for delinquent Assessments or fee shall not pass to his successors in title unless expressly assumed by them (but shall continue unless extinguished as herein provided, as a lien against the Lot).
- 7.02 Other than set forth above, the Declarant shall not be subject to any annual, special or other type assessment or fee on any Lots owned by it. The Assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Owners and the residents in the Property and for the improvement and maintenance of the Common Areas.
- 7.03 Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment shall be One Thousand Eighty Dollars (\$1,080.00) per Lot.
- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment shall be increased each year not more than 5% above the maximum Assessment for the previous year without a vote of the membership.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual Assessment may be increased above 5% by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.
- (c) The Board of Directors may fix the annual Assessments at an amount not in excess of the maximum.
 - 7.04 From and after January 1 of the year immediately following the

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conveyance of the first Lot to an Owner, the Initiation Fee shall be Two Hundred Dollars (\$400) (\$200) with it being increased only by a vote of two-thirds (2/3) of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

- 7.05 In addition to the annual Assessments and initiation Fee authorized above, the Association may levy, in any Assessment year, a special Assessment applicable to that year only for the purpose of defraying, in whole or in part, the costs of any construction, reconstruction, repair or replacement of a capital improvement upon, the Common Areas, including fixtures and personal property related thereto, provided that any such Assessment shall have the assent of two-thirds (2/3) of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.
- 7.06 Written notice of any meeting called for the purpose of taking any action authorized under Sections 7.03, 7.04 or 7.05 shall be sent to all Owners and the Declarant not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.
- 7.07 Both annual and special Assessments must be fixed at uniform rate for all Lots and may be collected on a monthly basis.
- 7.08 The annual Assessments provided for herein shall commence as to all Lots of Owners on the day of acceptance of a deed thereof; as to all Lots of the Declarant (when performing as a Builder) or to any Builder the annual assessment shall commence six (6) months from the date of transfer of a Lot to it. The first annual Assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual Assessment against each Lot at least thirty (30) days in advance of each annual Assessment period. Written notice of the annual Assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall. upon demand, and for a reasonable charge, furnish within five (5) days of receiving written request a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance. Failure to provide such a certificate within the five (5) day period shall be deemed a waiver of any claim for Assessments previously owed.
- 7.09 Any Assessment or Initiation Fee not paid within thirty (30) days after the due date shall have a penalty of an amount equal to the unpaid Assessment or fee plus

shall bear interest from the due date at the rate of eight (8%) percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against his/her Lot with the Owner being responsible for paying a reasonable attorney fee for the Association. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Areas or abandonment of his/her Lot.

- 7.10 The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage. The lien for Assessments shall also be subordinate to any other recorded mortgage or other lien recorded prior to the time such Assessment (or installment thereof if payable in installments) became due and payable. Sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such Assessment or Fee as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments or Fees thereafter becoming due or from the lien thereof.
- 7.11 The Board of Directors shall have the right to assign any claim and/or lien rights of the Association for the recovery of delinquent Assessments or Fees for reasonable value.

Article VIII

Easements and Other Matters Affecting the Land

- 8.01 Each person who acquires a Lot or any interest therein shall be deemed, thereby, to agree that: (a) if any portion of improvements upon an adjoining Lot shall encroach upon any portion of another Owner's Lot, there shall exist a valid easement for such encroachment and for the maintenance and repair of the same so long as it stands; and (b) as to any building or other improvement upon a Lot, access for the maintenance and repair of which (or a part of which) may only reasonably be made over and/or through an adjoining Owner's Lot, there shall exist a valid easement upon such adjoining lot for such maintenance and repair; and (c) in the event a building or other improvement on an adjoining Lot is under construction or is partially or totally destroyed and the construction or reconstruction thereof shall create an encroachment on portions of a Lot, there shall exist a valid easement for such encroachment for such construction or reconstruction and the maintenance thereof; provided, however, anyone making use of any easement or right thereto provided in this Paragraph 8.01 shall be solely liable for, and shall be responsible to repair, any and all damage caused or created as a result of such use.
- 8.02 The Property is subject to all conditions, limitations, restrictions, reservations and all other mailers of record, the rights of the United States of America, the State of South Carolina and any governmental authority or agency, any taxes, applicable zoning ordinances which now exist or are hereafter adopted, and easements for utility services and drainage which now exist or are hereafter granted by the Board

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upon its determination such are necessary and will benefit one or more Owners. Such rights include, but are not limited to, the right to grant easements for access and ingress and egress across those portions of the Common Areas suitable for pedestrian and vehicular traffic and for utility services and drains. No easement shall be granted if as a result thereof any Owner's use of his Lot would be unduly impaired or any buildings, or other improvement would be materially weakened, or the security of any mortgagee of record would be adversely affected without its written consent.

- 8.03 By reason of the Declarant having determined that it may be in the best interests of the Arbours at Reba-Dale and its owners as such may exist from time to time that the streets and roads, curbing, drainage and rights-of-way associated therewith and all Common Area necessary be dedicated to the City of Spartanburg or such other public body to provide for continuing maintenance, repair and service to said streets and roads, Declarant hereby has the right (but no obligation) in its sole and exclusive discretion and without the necessity of approval by any third party including any Owner or his mortgage or lienholder to dedicate to the city any streets or roadways, curbing, drainage or rights-of-ways associated therewith and all necessary Common Area for purposes of accommodating vehicular traffic.
- 8.04 There is hereby established a Restrictive Structural Easement, eight feet in width, contiguous with the northern lot line of each Lot (excluding Lots 14 and 15) and running its full length east to west for purposes of fire protection and related activities. The Restrictive Structural Easement is more particularly shown on the Plat. The following restrictions are hereby placed upon the Restrictive Structural Easement:

No permanent or temporary structures shall be built or placed within the Easement; this prohibition includes, but is not limited to, storage buildings, permanent cooking structures, building overhangs, arbors or any other similar structure. Notwithstanding this prohibition, the following is allowed: Landscaping to include gardening, planting of shrubs, trees, flowers and similar vegetation; utility, storm and water drainage easements and use; and a fence as is permitted in the Restrictive Covenants.

This shall be an appurtenance easement, shall inhere in the land, shall encumber the lots in the subdivision as shown on the Plat, shall be perpetual, and shall only be modifiable or extinguished with the consent of the City of Spartanburg.

A document fully setting forth the terms of an agreement between the Declarant and the City of Spartanburg pertaining to this Restrictive Structural Easement was executed on the <u>fo</u> day of September, 2007, and shall be recorded in the Register of Deeds Office for Spartanburg County, South Carolina, contemporaneously with the recordation of these Restrictive Covenants.

8.05 Every Owner shall have a right and easement of enjoyment in and to the

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Common Areas which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) the right of the Association to suspend the voting rights and right to use of the Common Areas by an Owner for any period during which any Assessment or Fee against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;
- (b) the right of the Association (and of the Declarant as set forth in Paragraph 8.03) to dedicate or transfer all or any part of the Common Areas to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members.

ARTICLE IX <u>Duration of and Amendment to these Restrictive Covenants:</u> Annexation of Additional Property

- 9.01 During the initial period hereof set forth in Section 9.02 these Restrictive Covenants may not be amended except upon the affirmative vote of ninety (90%) percent of all the votes of all then existing classes of membership of the Association. Thereafter and during any renewals or extensions hereof as provided in this Article, these Restrictive Covenants may be amended only upon the affirmative vote of not less than seventy-five (75%) percent of all then existing classes of membership of the Association, However, in no event shall the Restrictive Structural Easement established in Paragraph 8.04 be modified or extinguished except as set forth in that Paragraph. Further, in no event shall any amendment or variance adversely affect the value of any Lot owned by an Owner, or the security of any mortgagee holding a mortgage upon any Lot, Common Area or other portion of the Property without such Owner's or Mortgagee's written consent. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two- thirds (2/3) of each class of members has been recorded. Any Owner may delegate, in accordance with the By-Laws, his rights of enjoyment to the Common Areas and facilities to the members of his family, his tenants, or contract purchasers who reside on his Lot.
- 9.02 These Restrictive Covenants are to run with the land and shall be binding upon the Declarant and all Owners (and to the extent appropriate, their mortgagees) and upon all parties and persons claiming under them and each of them until twenty (20) years from the date hereof, at which time these Restrictive Covenants shall automatically be extended for successive periods of ten (10) years each, unless by vote of seventy-five (75%) percent of the total vote appurtenant to all the Lots cast by the then Owners it is agreed to repeal these Restrictive Covenants in whole or in part, subject to the provisions as set forth in Paragraph 8.04. However, in no event shall the Restrictive Structural Easement established in Paragraph 8.04 be modified or extinguished except as set forth in that Paragraph.

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ARTICLE X

Remedies for Violation

10.01 The Association, or any Owner, or so long as there is a Class B member, the Declarant, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of these Restrictive Covenants. Failure by the Association, by any Owner or by the Declarant to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

ARTICLE XI

<u>Invalidation</u>

11.01 The determination that any provision hereof is void, invalid or unenforceable by any court, administrative agency or other governmental authority, shall in no wise affect any other provision hereof which shall remain in full force and effect to the fullest extent possible, each provision hereof being a separate and independent covenant running with the land. It is intended by these Restrictive Covenants that a uniform plan for the development, use and enjoyment of Arbours at Reba-Dale be so created and as a consequence, these Restrictive Covenants are to be enforced and interpreted in keeping with such plan.

11.02 The invalidation of any of the restrictions herein contained shall not affect the rights of any mortgagee or other lien holder holding a lien upon any Lot or Lots, Common Areas or other portion of the Property.

Signed, Sealed and Delivered in the Presence of:

By: William Alex Hudson, Its: Managing Member

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State of South Carolina)	
)	PROBATE
County of Spartanburg)	

Personally appeared before me, the undersigned witness and made oath that (s)he saw the within Reba-Dale Development, LLC, by William Alex Hudson, II, Its Managing Member, sign, seal and as its act and deed deliver the within written Declaration of Covenants, Conditions and Restrictions that (s)he with the other witness subscribed above witnessed the execution thereof.

SWORN to before me

this 10th day of Soptember 2007

(SEAL

My commission expires: 3-17-2011

STATE OF SOUTH CAROLINA)

AMENDMENT TO RESTRICTIONS

COUNTY OF SPARTANBURG)

AND AGREEMENT WITH WAIVER

ARBOURS AT REBA DALE

(Deed Book 89-N, page 821 and Deed Book 89-N, page 825)

WHEREAS, by instrument recorded in Deed Book 89-N at page 821, The City of Spartanburg entered into an Agreement for building restrictions with Reba-Dale Development, LLC for The Arbours at Reba Dale (the "Agreement"); and

WHEREAS, by instrument recorded in Deed Book 89-N at page 825, Reba-Dale Development, LLC subjected The Arbours at Reba Dale to certain restrictions, which include the terms of the Agreement (the "Restrictions"); and

WHEREAS, the Agreement and the Restrictions prohibit any encroachments, including encroachments by roof overhangs, into the eight (8') foot Restrictive Structural Easement, as defined in the Agreement and the Restrictions; and

WHEREAS, it was not the intent of the parties for the prohibition against encroachments by roof overhangs to include guttering attached to the roof overhang as a violation of the Agreement and the Restrictions,

WHEREAS, certain lots with minor encroachments by roof gutters have been sold to third parties, which are joining in the execution of this instrument for the purpose of acknowledging their consent to the amendment and waiver of any prior violations;

NOW THEREFORE, the undersigned parties hereto desire to amend the Agreement and Section 8.04 of the Restrictions by adding the following:

"Encroachments by roof gutters attached to roof overhangs shall not be considered a violation under the terms of the Agreement and the Restrictions."

Said parties also waive any rights to claim violation of the Agreement and Restrictions as the result of existing encroachments by roof gutters attached to roof overhangs on any lots.

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Office of Register of Deeds, Spartanburg, S.C.
Dorothy Earle, Register

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IN WITNESS WHEREOF, w	re have set our hands and seals this day of, 2011.
	THE CITY OF SPARTANBURG
1st witness signs here second witness signs here	By: Its:
1st witness signs here Aulush second witness signs here	By: Manager
Second witness signs here Opel Muhaud second witness signs here	REBA DALE PROPERTIES, LLC By: Makey That the Its: Marey to Maken
Ist winess signs here Let & Juliuh second witness signs here	HUDSON CONSTRUCTION SERVICES, LLC By: Mill Hull Its: Cunen
Gail Michaud firstwitness signs here Lelwshr second witness signs here	Patricia Ann Carson, as Trustee of the Patricia Ann Carson Revocable Trust U/A dated October 24, 2006, as amended Owner of Lot 8

DEE398 - TPG 172

IN WITNESS WHEREOF, we have set our hands and seals this ____ day of ______, 2011. THE CATY OF SPARTANBURG REBA-DALE DEVELOPMENT, LLC Ву:_____ 1st witness signs here second witness signs here REBA DALE PROPERTIES, LLC 1st witness signs here second witness signs here HUDSON CONSTRUCTION SERVICES, LLC Ist witness signs here second witness signs here first witness signs here Patricia Ann Carson, as Trustee of the Patricia Ann second witness signs here Carson Revocable Trust U/A dated October 24, 2006, as amended Owner of Lot 8

DE 398 - TPG 173

STATE OF SOUTH CAROLINA COUNTY OF SPARTANBURG))	ACKNOWLEDGMENT
The foregoing instrument was at the foregoing instrument was a	Manae Notar	d before me this 23 day of June 2011 by e (title) of The City of Spartanburg on behalf Public for S.C. ommission Expires: April 28, 2015
STATE OF SOUTH CAROLINA COUNTY OF SPARTANBURG))	ACKNOWLEDGMENT
This day of, 2011 personally came before me who, being by me duly sworn, says that he is the authorized member/manager of Reba-Dale Development, LLC and that the within instrument was signed and sealed by him in behalf of said limited liability company, by its authority duly given and (s)he acknowledged the said writing to be the act and deed of said limited liability company.		
		Notary Public for S.C. My Commission Expires:
STATE OF SOUTH CAROLINA COUNTY OF SPARTANBURG))	ACKNOWLEDGMENT
This day of, 2011 personally came before me who, being by me duly sworn, says that he is the authorized member/manager of Reba Dale Properties, LLC and that the within instrument was signed and sealed by him in behalf of said limited liability company, by its authority duly given and (s)he acknowledged the said writing to be the act and deed of said limited liability company.		
		Notary Public for S.C. My Commission Expires:

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Sues

STATE OF SOUTH CAROLINA	ACKNOWLEDGMENT
COUNTY OF SPARTANBURG)
The foregoing instrument was acknown (name)	owledged before me this day of, 2011 by, title of The City of Spartanburg on behalf
of said entity.	
	Notary Public for S.C. My Commission Expires:
STATE OF SOUTH CAROLINA) ACKNOWLEDGMENT .
COUNTY OF SPARTANBURG	2011 personally came before me William Alex Hussen, T
who, being by me duly sworn, says the Development, LLC and that the within inst	at he is the authorized member/manager of Reba-Dale rument was signed and sealed by him in behalf of said uly given and (s)he acknowledged the said writing to be
STATE OF SOUTH CAROLINA)) ACKNOWLEDGMENT
COUNTY OF SPARTANBURG	
who, being by me duly sworn says the Properties, LLC and that the within instru	at he is the authorized member/manager of Reba Dale ament was signed and sealed by him in behalf of said ally given and (s) he acknowledged the said writing to be ampany. Notary Public for S.C. My Commission Expires: 03/08/21.

STATE OF SOUTH CAROLINA) ACKNOWLEDGMENT
COUNTY OF SPARTANBURG) ACKNOWLEDGMENT)
who, being by me duly sworn, says that Construction Services, LLC and that the with	2011 personally came before me William Alex Hugen It the is the authorized member/manager of Hudson in instrument was signed and sealed by him in behalf hority duly given and (s)he acknowledged the said liability company. Notary Public for S.C. My Commission Expires: 03/08/2/
STATE OF SOUTH CAROLINA COUNTY OF SPARTANBURG) ACKNOWLEDGMENT)
Patricia Ann Carson as Trustée of The Patricia 2006 personally appeared before me this day instrument. Witness my hand and official seal this	ne undersigned Notary Public, do hereby certify that a Ann Carson Revocable Trust U/A Dated October 24, and acknowledged the due execution of the foregoing as the

STATE OF SOUTH CAROLINA) AGREEMENT AS TO THE ARBOURS
OUNTY OF SPARTANBURG)

AGREEMENT AS TO THE ARBOURS
AT REBA-DALE

WHEREAS, The City of Spartanburg, South Carolina, a governing entity formed under the constitution and laws of the State of South Carolina ("City of Spartanburg") has within its municipal boundaries real property consisting of approximately 6.7 acres owned by Reba-Dale Development, LLC ("Reba-Dale") on which Reba-Dale is intending to develop a subdivision known as The Arbours at Reba-Dale; and

WHEREAS, The Arbours at Reba-Dale will be developed to consist of roads, retaining ponds, 25 single-family residential lots and common areas; and

WHEREAS, Reba-Dale wishes to build a residential subdivision composed of single-family residences on the lots within the subdivision with zero lot lines and the City of Spartanburg exercises controls over subdivisions developed within its boundaries pursuant to its Land Regulation Codes. Among the code sections applicable to structures built in subdivisions is Code Section R302.1, 2003 International Residential Code, which is adopted by the City of Spartanburg as required by State Law. One of the purposes of Code Section R302.1 is to minimize the potential for house fires within the City of Spartanburg; one of its requirements relates to fire resistive walls and provides that no fire resistive wall is required on a newly constructed home if it is a minimum distance of at least three feet from the property line; and

WHEREAS, Reba-Dale wishes to build single-family residences without fire resistive walls but with zero lot lines; therefore structures will be built within the three foot prohibited area. In order to build with zero lot lines and to maintain the required fire protection, Reba-Dale has agreed to separate all structures built in the subdivision by a minimum distance of eight feet

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Office of Register of Deeds, Spartanburg, S.C.
Stephen Ford, Register



which would thereby exceed the minimum distance between structures of six feet required by Code Section R302.1; and

WHEREAS, Reba-Dale specifically wishes to construct single-family residences on the lots so that the closest foundation of a structure to the lot line will be approximately one foot from the property line and the roof overhangs will abut the property line; additionally, Reba-Dale shall require the minimum distance between structures to be eight feet; and

WHEREAS, The City of Spartanburg is willing to relax the strict interpretation of Code Section R302.1 if Reba-Dale assures that there will be a minimum of eight feet between all structures. The relaxation of the strict interpretation of the Code requirements will provide for favorable aesthetics in the subdivision and will ensure greater fire safety protection for the residents due to the easement requiring greater distance between structures; and

WHEREAS, Reba-Dale will prohibit any type of structure from being built and/or placed within the easement protected area; and

WHEREAS, in order to accomplish this arrangement, the parties agree that Reba-Dale will establish on each of the lots within The Arbours at Reba-Dale an eight foot "Easement" that will run the full length of the northern side of each of the 25 lots upon which single-family residences are anticipated to be built (except for Lots 14 and 15) for the purpose of access by the City of Spartanburg or any of its departments or agencies for the purpose of fire protection and related activities. The Easement will be designated as such on the plat of the subdivision to be recorded in the Register of Deeds Office for Spartanburg, South Carolina. Additionally, there will be notice of the existence and condition of this Easement and its restrictions within the Restrictive Covenants of The Arbours at Reba-Dale.

NOW THEREFORE, in order to accomplish the purpose of this agreement, Reba-Dale

DEED89-N P6823.

does hereby agree to the following and agrees to include the Agreement language on any and all plats and/or restrictions for The Arbours at Reba-Dale:

No permanent or temporary structures shall be built or placed within the Easement; this prohibition includes, but is not limited to, storage buildings, permanent cooking structures, building overhangs, arbors or any other similar structure. Notwithstanding this prohibition, the following is allowed: Landscaping to include gardening, planting of shrubs, trees, flowers and similar vegetation; utility, storm and water drainage easements and use; and a fence as is permitted in the Restrictive Covenants.

This shall be an appurtenance easement, shall inhere in the land, shall encumber the lots in the subdivision as shown on the plat, shall be perpetual, and shall only be modifiable or extinguished with the consent of the City of Spartanburg.

This document shall be recorded in the Register of Deeds Office for Spartanburg County,

South Carolina, to ensure notice of this condition on all prospective owners of lots within The

Arbours at Reba-Dale Subdivision and subsequent owners.

This Agreement shall bind the parties, their successors and assigns.

IN WITNESS WHEREOF we have set our hands and seals this odday of September, 2007.

IN THE PRESENCE OF:

CITY OF SPARTANBURG

(SEAL)

3y: M

Mark Scott
Its: City Manager

ATTEST:

Gonnie S. McInture

Its: City Clerk

DEED8 9 - N PG 8 2 4

Mais Whij	REBA-DALE DEVELOPMENT, LLC (SEAL) By: william alex Hudson, II. Its: Member	
STATE OF SOUTH CAROLINA COUNTY OF SPARTANBURG) PROBATE	
Personally appeared before me the undersigned witness and made oath that (s)he saw the within named CITY OF SPARTANBURG by Mark Scott, City Manager, as attested by Connie S. McIntyre, City Clerk, sign, seal and as its act and deed, deliver the within written instrument, and that (s)he with the other witness witnessed the execution thereof.		
Sworn to before me this 7th	Layuna B. Senderson (Witness)	
day of Sytenba, 2007. **Sellian & Criscine** (SEA Notary Public for South Carolina My commission expires 2/27/12	L)	
STATE OF SOUTH CAROLINA) COUNTY OF SPARTANBURG)	PROBATE	
within named Reba-Dale Development, LI	indersigned witness and made oath that (s)he saw the C by william are Hoden its Member, sign, seal ritten Agreement as to The Arbours at Reba-Dale and above witnessed the execution thereof.	
SWORN to before me this 104 day of Septent, 2007. (SEA Notary Public for South Carolina My commission expires: 3-5-301	L)	

PG925 OFFINI 02B

STATE OF SOUTH CAROLINA)

ARBOURS AT REBA-DALE, SECTION 1, LOT 16 APPROVAL OF PLANS AND SPECIFICATIONS WAIVER OF SET-BACK LINE ENCROACHMENT

COUNTY OF SPARTANBURG

WHEREAS, The Arbours at Reba-Dale, Section 1, is a residential subdivision (the "Subdivision") in Spartanburg County, South Carolina, consisting of twenty-five residential lots with a uniform, front twenty-foot (20') building setback line as shown on survey prepared by Gramling Brothers Surveying, Inc., dated August 28, 2007 and recorded in the ROD Office for Spartanburg County, South Carolina, in Plat Book 162, Page 117; and

WHEREAS, the Subdivision is subject to that Declaration of Covenants, Conditions And Restrictions: Arbours at Reba-Dale (the "Restrictions") as recorded in the ROD Office for Spartanburg County, South Carolina, in Deed Book 89-N, Page 825; and

WHEREAS, the home constructed on Lot 16 of the Subdivision, commonly known as 674 Reba Dale Court, encroaches slightly on the front set-back line as shown on survey prepared for Morris F. & Marsha K. Hagins ("Hagins") by Gooch & Associates, P. A., Surveyors, dated October 22, 2012, to be herewith recorded; and

WHEREAS, the undersigned find it expedient and prudent to waive the aforementioned encroachment as shown on said plat of Lot 16 for Hagins as it presently exists, for so long as it exists, and is maintained in its present state only; and

WHEREAS, the undersigned hereby specifically approve the plans and specifications of the structure presently existing on Lot 16 of the Subdivision as shown on the above referenced Hagins survey as contemplated in Article IV, Section 4.01, of the Restrictions;

THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the undersigned hereby waive the setback line as to Lot 16 as set forth hereinabove and hereby approve the plans and specifications of the structure presently existing on said lot in accordance with the Restrictions.

WITNESS OUR HANDS AND SEALS as of this 2) day of November, 2012.

witnesses as to The Arbours at Reba-Dale

THE ARBOURS AT REBA-DALE HOMEOWNERS ASSOCIATION.

WILLIAM ALEX HUDSON, II, President

(SEAL)

WILLIAM ALEX HUDSON, II, Managing Member

(SEAL)

ritnesses as to Reba-Dale Properties

By:

REBA DALE PROPERTIES LLC

ANDREW I FALATOK, Member

DEE-2012-51709 Recorded 2 Pages on 11/26/2012 11:47:30 AM Recording Fee: \$10.00 Documentary Stamps: \$0.00 Office of Register of Deeds, Spartanburg, S.C.

STATE OF SOUTH CAROLINA

ACKNOWLEDGMENT

COUNTY OF SPARTANBURG

I, the undersigned Notary Public for the State aforesaid, do hereby certify that The Arbours at Reba-Dale Homeowners Association, Inc. by and through WILLIAM ALEX HUDSON, II, its President, personally appeared before me and acknowledged the due execution of the foregoing instrument this $\frac{\partial -1}{\partial x}$ day of November, 2012.

My Commission Expires:

STATE OF SOUTH CAROLINA

ACKNOWLEDGMENT

COUNTY OF SPARTANBURG

I, the undersigned Notary Public for the State aforesaid, do hereby certify that Reba-Dale Development, LLC by and through WILLIAM ALEX HUDSON, II, its Managing Member, personally appeared before me and acknowledged the due execution of the foregoing instrument this 2-1 day of November, 2012.

> NOTARY PUBLIC FOR SOUTH CAROLINA My Commission Expires:

ACKNOWLEDGMENT

COUNTY OF SPARTANBURG

STATE OF SOUTH CAROLINA

I, the undersigned Notary Public for the State aforesaid, do hereby certify that Reba Dale Properties, LLC, by and through ANDREW J. FALATOK, its Member, personally appeared before me and acknowledged the due execution of the foregoing instrument this 19th day of November, 2012.

NOTARY PUBLIC FOR SOUTH CAROLINA

My Commission Expires:

9-28.21

(SEAL)