

GENERAL DECLARATION OF COVENANTS AND RESTRICTIONS
OF THE GATEWOOD PROPERTY OWNERS ASSOCIATION AND
TOWN AND COUNTRY REAL ESTATE

THIS DECLARATION, made this first day of October 1973, by the Gatewood Property Owners Association, hereinafter called "Association" and Town and Country Real Estate, hereinafter called "Company".

WITNESSETH:

WHEREAS, Company is the owner of the real property described in this declaration and desires to create thereon a planned unit development community known as Gatewood with certain facilities, amenities and services for the use and benefit of all property owners within such community; and

WHEREAS, Company desires to provide for the preservation of the values and amenities and for the maintenance of common facilities, services and properties; and to this end desires to subject the real property described in this declaration together with such additions as may hereafter be made, as provided in these declarations, to the covenants, restrictions, easements, affirmative obligations, charges and liens, hereinafter set forth, each and all of which is and hereby declared to be for the benefit of said property and each and every owner of any and all parts thereof; and

WHEREAS, Company deems it desirable, for the efficient preservation of the values and amenities in said community, to create an agency, the "Association", to which can be delegated and assigned the power and authority of maintaining and administering the common properties and services and administering and enforcing the covenants and restrictions governing the same and collecting and disbursing all assessments and charges necessary for such maintenance, administration, and enforcement, as hereinafter created;

NOW THEREFORE, the Company declares that the real property described in this declaration and any such additions thereto as may hereafter be made pursuant to this declaration, is and shall be held, transferred, sold, conveyed, given, donated, leased, occupied, and used subject to the covenants, restrictions, conditions, easements, charges, assessments, affirmative obligations, and liens (hereinafter sometimes referred to as "The Covenants") hereinafter set forth.

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENWOOD)

DEFINITIONS

The following words and terms when used in this declaration or any supplemental declaration, unless the context shall clearly indicate otherwise, shall have the following meanings:

- A. “Association” shall mean and refer to the Gatewood Property Owners Association.
- B. “Properties” or “Gatewood” shall mean and refer to the real property described in this declaration and additions thereto as are subjected to this declaration or any supplemental declaration.
- C. “Common Properties” shall mean and refer to those tracts of land and any improvements thereon which are deeded or leased to the Association and designated in said deed or lease as common properties. The term “Common Properties” shall also include any personal property acquired by the Association, if said property is designated as “Common Property”. All Common Properties are to be devoted to and intended for the common use and enjoyment of the Owners, their families, guests of the Owners, persons occupying dwelling places or accommodations of Owners on a guest or a tenant basis, and visiting members of the general public to the extent permitted by the Board of Directors of the Association subject to operating rules adopted by the Association; provided, however, that any lands which are leased by the Association for use as Common Properties shall lose their character as Common Properties upon the expiration of such lease.
- D. “Family Dwelling Unit” shall mean and refer to any improved property intended for use as a single-family dwelling or condominium unit located within the properties. A “Family Dwelling Unit” shall be deemed to exist only after certification of completion of the improvements by the Board of Directors of the Association.
- E. “Residential Lot” or “Lot” shall mean any unimproved parcel of land located within the properties, with the exception of the Common Properties and Condominium Tracts, which is intended for use as a site for a single family detached dwelling shown upon any final subdivision map of any part of the properties.
- F. “Condominium Tract” shall mean any unimproved parcel of land located within the properties, except for Common Properties, and Residential Lots intended for use as a site for condominium regimes.

- G. "Owner" shall mean and refer to the owner as shown by the Real Estate Records in the office of the Clerk Of Court of Greenwood County, Greenwood, South Carolina, whether it be one or more persons, firms, associations, corporations, or other legal entities of fee simple title to any residential lot, family dwelling unit, or condominium tract situated upon the properties but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee or holder of a security deed, its successors or assigns, unless and until such mortgagee or holder of a security deed has acquired title pursuant to foreclosure, or any other proceeding or deed in lieu of foreclosure and has held such title for a period of one (1) year; or shall the term "Owner" mean or refer to any lessee, or tenant of any owner. In the event that there is recorded in the office of the Clerk of Court of Greenwood County, Greenwood, South Carolina, a long-term contract of sale covering any lot or parcel of land within the properties, the owner of such lot or parcel of land shall be the purchaser under said contract and not the fee simple title holder. A long-term contract of sale shall be one where the purchaser is required to make payments for the property for a period extending beyond nine (9) months from the date of the contract and where the purchaser does not receive title to the property until such payments are made although the purchaser is given the use of said property.
- H. "Member" shall mean and refer to all those owners who are members of the Association as provided in this declaration.
- I. "Company" shall mean Town and Country Real Estate and its successors and assigns.
- J. "Intended for use" shall mean the use to which any particular parcel of land is restricted by covenants expressly set forth or incorporated by references in deeds by which the Company has conveyed the property.
- K. "Affiliate" shall mean any corporation more than fifty percent (50%) of the voting stock of which is owned or controlled by the Company and any partnership or joint venture in which the Company has more than a fifty percent (50%) proprietary interest.
- L. "Limited Common Properties" shall mean that a portion of any plat recorded by the Company in the office of the Clerk of Court of Greenwood County, Greenwood, South Carolina, which is designated as an open area or greenbelt and which is not generally accessible to all owners as being limited to the use of those owners of lots immediately contiguous thereof.

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENWOOD) PROTECTIVE COVENANTS
) RESTRICTIONS AND CONDITIONS

GERNERAL DECLARATIONS OF COVENANTS AND RESTICTIONS OF THE
PROPERTY OWNERS ASSOCIATIONS AND THE DEVELOPMENT COMPANY.

ARTICLE I – GENERAL LIMITATIONS

A. In order to enhance the aesthetic quality of a development, the natural beauty of the environment, and the overall structural character of the neighborhood, the Company has deemed as vital, the availability of professional architectural services for both the homeowner and the Company. To meet this need, the Company has made provisions for the establishment of an Architectural Control Committee, whose function shall be to advise the prospective homeowner as to the quality of his construction plans, their general keeping with the overall development theme of the neighborhood, and their relation to the proposed lot and site location. It shall be the Committee's function to professionally advise him as to any changes in his tentative plans, which will enhance the appeal of his residence and his neighborhood. As stated, the primary function of this committee shall be professional advice; however, it must have the legal authority to prevent any improvements on any grounds within the development, which it feels detracts from the overall aesthetic quality of the neighborhood.

No family dwelling unit, garage, carport, playhouse, fence, wall, swimming pool, or other structure, shall be commenced, erected, or maintained upon the properties, nor shall any exterior addition to any existing structure or change or alteration therein, nor shall any landscaping or site work be done until complete final plans and specifications thereof showing the nature, kind, shape, height, materials, basic exterior finishes and colors, location and floor plan thereof, and showing front, side and rear elevations thereof, respectively in the name of the builder and/or landscaper have been submitted to and approved by the Architectural Control Committee, its agents, successors or assigns, as to harmony of the exterior design and general quality in relation to the standards of the neighborhood area, and as to location in relation to the surrounding structures and topography. If the Architectural Control Committee fails to approve or disapprove such plans and specifications within thirty (30) days after receipt of written notice that such plans and specifications have been submitted to it and approval requested, the Architectural Control Committee shall be deemed to have approved said plans and specifications. Refusal of approval of plans, specifications, builder, landscaper, or location may be based upon any grounds, including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Architectural Control Committee, or its agent, shall be deemed sufficient.

Any builder, or any landscaper prior to performing any work on the properties must be approved by the Company as to financial stability, building or landscaping experience, and ability to build or landscape structures or grounds

of the class and type of those which are to be built on the properties.

All residences (excluding driveway, yard landscaping, fences, clearing, or any site improvement other than the residence itself) shall have a minimum construction and material cost of fifty thousand dollars (\$50,000.00). This minimum cost restriction shall be based upon construction prices as of the date of record of the first copy of these restrictions. This minimum cost restriction shall be upgraded annually by the Company and/or the Association in direct correlation with the National Consumer Price Index or other accepted indicator of the trend of inflation and the relative cost of living.

In the event any owner violates the terms of this Article I, the Association or its duly appointed agent shall give written notice to the owner to cure such violation. After thirty (30) days and upon failure of the owner to do so, the Association shall be entitled to enter upon the property of the owner and cure such defect, including removal of any structure built in violation thereof, all at the cost and expense of the owner. This right of the Company or its agents shall be in addition to all other general enforcement rights which the Company or the Association may have for a breach or a violation of the terms of these covenants and restrictions and shall not be deemed a trespass by the Company or its agents.

B. It is the responsibility of each owner to prevent any unclean, unsightly, or unkept conditions of buildings or grounds on the owner's property, which shall tend to substantially decrease the beauty of the neighborhood areas or the development as a whole.

C. No noxious or offensive activity shall be carried on upon any portion of the properties, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any owner or guest thereof in any neighborhood area or in the development as a whole.

D. Should any unclean, unsightly, or unkept conditions or any noxious or offensive activity be carried on upon any portion of the properties, the Association or its duly appointed agent shall be entitled to enter upon the property of the owner and to cure such defect as outlined in paragraph A, above.

E. Except as otherwise permitted herein, no plants, animals, or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of other property in the development by the owners or the guests thereof be maintained.

F. Hunting of all wild animals, fowl, and game is hereby prohibited with the properties, and the discharge of firearms within the properties for any purpose shall not be allowed. Provided, however, that target shooting of firearms may be permitted as part of a recreational activity supervised by the Association. This

restriction is not intended to prohibit legalized fishing within the lakes and waterways of the development.

G. Each homeowner shall be required to possess and maintain a garbage compactor.

H. All garbage receptacles must be contained within a fenced or enclosed area, and hidden from public view.

I. All tools, lawnmowers, or equipment of any kind must be contained within a fenced or an enclosed area and hidden from public view when not in use.

J. The Company reserves unto itself, its successors and assigns, a perpetual, alienable, and releasable easement and right on, over, and under the ground to erect, maintain and use electric and telephone poles, wires, cables, conduits, sewers, water mains, and other suitable equipment for the conveyance and use of electricity, cable television, security cable equipment, telephone equipment, gas, sewer, water, or other private or public convenience or utilities on, in, or over those areas as are shown on the applicable plats. Further, the Company may cut at its own expense drain ways for surface water wherever and whenever such action may appear to the Company to be necessary in order to maintain reasonable standards of health, safety, and appearance.

K. Unless approved by the Company, there shall be no combination and/or subdivision of any lot or lots which produce any lot or lots smaller in area than any of the original lots. In the event of the combination or the subdivision by the Company or any owner by permission of the Company of one or more lots, the easements created hereby and referenced on applicable plats prior to the transaction shall exist on the resulting lots. As in (I) above, these easements and rights expressly include the right to cut any trees, bushes, or shrubbery, take any grains of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety, and appearance.

L. In addition the Company reserves unto itself, its successors and assigns, a perpetual, alienable, and releasable easement and right on, over, and under the properties to dispense pesticides and take other action which in the opinion of the Company is necessary or desirable to control insects and vermin.

M. No septic tank or any other individual or collective sewage disposal system other than that owned and maintained by the Company and/or the Association, their successors or assigns, shall be used unless such system is designed, located, constructed, and maintained in accordance with the requirements, standards, and recommendations of the Company and/or the Association, their successors or assigns, and appropriate public health authority.

N. No structure of a temporary character shall be placed upon any portion

of the properties at any time; provided, however, that this prohibition shall not apply to shelters used by contractors during the construction of any family dwelling unit, or to shelters maintained by the Company or the Association. It is to be clearly understood that temporary shelters, tents, recreational vehicles, etc., may not at any time be used as temporary or permanent residences or be permitted to remain on any portion of the properties after completion of construction thereon.

O. It is to be clearly understood that any private float, dock, marina, platform, or any other structure built over, on, or under the surface of any lake or waterway, shall come under the most careful scrutiny and regulation of the Architectural Control Committee.

P. No boat, canoe, or other watercraft shall be operated upon any lake, stream, or other waterway within the properties if such boat, canoe, or other watercraft shall be propelled by internal combustion engine, or any other form of motorized operation which may discharge liquids or gasses into the water. It should be clarified that small, noiseless, electric motors will be tolerated.

Q. No fuel tanks or similar storage receptacles may be exposed to view, and such storage receptacles may be installed only within the main dwelling house, within an accessory building, or within a fenced area approved by the Architectural Control Committee.

R. No trees measuring ten (10) inches or more in diameter at a point one (1) foot above ground level or any flowering tree may be removed nor may any major clearing of small trees be performed without the approval of the Architectural Control Committee, unless located within ten (10) feet of a building, within ten (10) feet of the approved building site for such building, or within the right-of-way of driveways and walkways. Excepted herefrom shall be damaged trees, or trees which must be removed because of an emergency.

S. The Company and/or the Association shall have the right to protect from erosion the land designated as areas upon which residential building shall take place by planting trees, plants, and shrubs where and to the extent necessary, or by such mechanical means as providing drainage way and/or dams or other means deemed expedient or necessary by the Company and/or the Association to provide and insure against said erosion.

T. No trash, garbage, construction debris, or other unsightly or offensive material shall be placed upon any portion of the properties, except as is temporary and incidental to the bonafide improvements of said area of the properties.

U. The exterior of all houses and other structures, site work, and sufficient landscaping must be completed within one (1) year after the construction of same shall have commenced, except where such completion is impossible or would result in great hardship to the owner or builder due to strike, fires, national emergency, or natural calamity. Houses and other dwelling structures may not be temporarily or permanently occupied until the exterior thereof has

been completed; provided, however, that owner shall not be required to complete the finish work on the interior of his house within one (1) year after construction has commenced if such interior finish work is performed in whole or part by such owner.

V. No private vehicle of any sort shall be parked permanently on any street or roadway within the development. Owners shall be required to furnish adequate parking for their own vehicles within the confines of their property.

W. Minimum front, side, and rear setback lines for residences shall be determined by individual lot characteristics and shall be at the sole discretion of the Architectural Control Committee.

X. All utilities and services shall be placed underground from the property line or easement to the residence. In routing utilities and services from the easement to the property line, no pavement section may be cut or in any way damaged without prior approval of the Company and/or the Association.

Y. The established grade of lot is not to be raised by any individual so as to adversely affect an adjacent property owner or owners. All site work and grading shall be approved by the Architectural Control Committee.

Z. No livestock or poultry shall be kept on any of the lots in the development. Horses shall be stabled, corralled, or grazed only in areas so designated.

AA. Should the owner of any residential lot in the subdivision acquire the oil, gas, and minerals located in or under and to be produced from said lot, said owner, his heirs, successors and/or assigns shall never have the right to conduct any drilling, exploring, or other operations on the surface of said residential lot.

BB. It shall be the responsibility of each owner to keep his driveway in a reasonable state of repair. Driveways will be either hard surfaced, or loosely graveled with a permanent border subject to approval by the Architectural Control Committee.

CC. Every homeowner shall be required to possess, maintain, and operate a post lantern approved by the Architectural Control Committee, located between his residence and the street with an automatic on-off switch to operate during all dark hours.

DD. Only vehicles bearing current license plates shall be parked or stored within public view from the street or from adjoining property. No trucks over one-half ton, no trailers, no tractors, no commercial vehicles and no automobiles bearing advertisements, signs, or placards are to be stored or parked on residential property unless screened from public view from the street or from adjoining property except when making deliveries. No boats, boat trailers, or recreational vehicles shall be exposed to public view from the street or from adjoining property.

EE. Each homeowner shall be required to erect and maintain a standard mailbox approved for use by the Architectural Control Committee.

FF. Except as otherwise permitted by the Company, the Company, its successors or assigns shall be the exclusive agent on all resales or rental of lots or the improvements thereon. An owner's intent for the Company to resell or rent shall be in the form of an Exclusive Right to Sell or Lease Contract with the Company. Upon execution of said contract the Company shall have until midnight of the ninetieth (90) day therefrom to produce to the owner a legitimate offer to purchase or lease at the amount and terms agreed. Should said Company fail to produce an offer to purchase or lease said property within the time span so indicated, the Company's Exclusive Right to Sell or Lease shall expire.

GG. No commercial signs including, "for rent", "for sale", and other similar signs shall be erected or maintained on any residential lot by anyone, including, but not limited to, the owner, a realtor, a contractor, or subcontractor, except with the written permission of the Company or the Association or except as may be required by legal proceedings. It being understood that the Company or the Association will not grant permission for said signs unless their erection is reasonably necessary to avert serious hardship to the owner. If such permission is granted, the Company or the Association reserves the right to restrict size, color, and content of such signs.

HH. Any General Limitations contained in this Article I, and any subsequent amendments hereto may be waived on any particular lot by the assent of all of the adjoining property owners, that is to say the owners of those lots with common boundaries to the lot in question and the owners of those lots situate directly across a street or road from the lot in question; upon recommendation by the Architectural Control Committee; and upon majority approval of the Directors of the Association.

II. Only one single-family residence may be erected on any residential lot other than in those areas specifically designated by the Company on recorded plats as Common Properties or Condominium Tracts. Said property shall not be used, rented, sold, leased, or otherwise disposed of for mercantile, manufacturing, or any reason other than residential purposes.

ARTICLE II – MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

A. Every owner shall be a member of the Association. The Company shall be a member of the Association.

B. The Association shall have three (3) types of voting memberships:

"Type A" – "Type A" members shall be all those owners of the residential lots and family dwelling units. A "Type A" member shall be entitled to two (2) votes for each family dwelling unit he owns. An owner of a residential lot upon which

a family dwelling unit has not been constructed shall be entitled to one vote for each residential lot, which he owns. It is the intent of this provision that so long as property qualifies as a residential lot by virtue of the fact that improvements have not been constructed thereon, the owner thereof shall have only one (1) vote, but once improvements are constructed on said lot, it loses its character as a residential lot and becomes a family dwelling unit. The owner thereof shall have a total of two (2) votes for the ownership of such property.

“Type B” – “Type B” members shall be all those owners of undeveloped condominium tracts. A “Type B” member shall be entitled to one (1) vote for each condominium tract, which such “Type B” member owns.

“Type C” – The “Type C” member shall be the Company. The “Type C” member shall be entitled to the same number of votes as is cumulatively held by all “Type A and B” members plus one (1), provided that “Type C” membership shall be abolished on January 1, 1979, or at such time that the Company, its successors or assigns, has sold two hundred (200) assessable residential lots, family dwelling units, or condominium tracts, whichever of these two events occurs first. Any provisions herein to the contrary notwithstanding at such time as “Type C” membership ceases to exist, the Company shall become a “Type A and/or B” member depending upon the type of property owned by the Company at such time. The abolition of “Type C” membership shall be evidenced by written notice to the Association and recording of a certified copy of said notice in the Real Estate Records of Greenwood County, Greenwood, South Carolina.

In computing the Company’s votes as a “Type A and/or Type B” member, only those unsold residential lots or condominium tracts, which are shown on a final plat recorded in the Real Estate Records of Greenwood County will be considered. The Board of Directors of the Association shall be classified as improved property for the purposes of voting rights.

When any property entitling the owner to membership as a “Type A, B, or C” member of the Association is owned of record in the name of two or more persons or entities, whether fiduciaries, tenants in common, tenants in partnership, or in any other manner of common ownership, or if two (2) or more persons or entities have the same fiduciary relationship respecting the same property, then unless the instrument or order appointing them or creating the tenancy otherwise directs and it or a copy thereof is filed with the secretary of the Association, their acts with respect to voting shall have the following effect:

1. If only one (1) vote in person or by proxy, his act binds all.
2. If more than one (1) vote in person or by proxy, the act of the majority so voting binds all.
3. If more than one (1) vote in person or by proxy, but the vote is evenly split on any particular matter, each fraction shall be entitled to its proportionate share of the vote or votes.

4. If the instrument or order so filed shows that any such tenancy is held in unequal interest, a majority or even split for purposes of this paragraph shall be a majority or even split in interest.
5. The principles of this paragraph shall apply but not be limited insofar as possible, to execution of proxies, waivers, consents, or to objections for the purpose of ascertaining the presence of a quorum.

The voting rights of any owner may be assigned by said owner to his lessee who has entered into a lease with a term of two (2) years or more; provided, however, that the owner may not assign to such lessee any vote or votes not attributable to the property actually leased by such lessee. The "Type A, B, and/or C" members are sometimes hereinafter collectively referred to as "The Members".

ARTICLE III – COVENANTS FOR ASSESSMENTS

A. The Company covenants and each owner shall in the acceptance of a deed, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of this declaration, and to pay the Association general assessments or charges and club dues or charges hereinafter collectively referred to as Assessments. For the purposes set forth in this article, such assessments are to be fixed, established, and collected from time to time as hereinafter provided. The assessments and dues together with such interest thereon and cost of collection thereof as hereinafter provided shall be a charge and continuing lien on the real property and improvements thereon against which such assessment is made. Each such assessment together with such interest thereon and cost of collection thereof as hereinafter provided shall also be the personal obligation of the person who was the owner of such real property at the time when the assessment first became due and payable.

B. Co-ownership of any residential lot, family dwelling unit, or condominium tract shall not entitle each of the co-owners to a club membership. Only one (1) club membership shall be granted per each of the above-described parcels. In the case of co-ownership of any residential lot, family dwelling unit, or condominium tract all of such co-owners shall be jointly and severally liable for the entire amount of the assessment.

Should the Association be required to employ an attorney to collect any assessment, it shall be entitled to collect in addition thereto all costs of collection including reasonable attorney's fees.

C. The assessments levied by the Association shall be used exclusively for the acquisition, improvement, maintenance, and operation of the common properties and for the payment of services, which the Association is authorized to provide, including, but not limited to, the payment of taxes and insurance thereon, construction of improvements, repair, replacement, and additions to common properties, payment of the cost of labor, equipment, materials, management, and supervision, necessary to carry out its authorized functions,

and for the payment of principal, interest and any other charges connected with loans made to or assumed by the Association for the purpose of enabling the Association to perform its authorized functions.

D. Except as otherwise provided herein, the initial monthly assessments shall not be more than the sums calculated in accordance with the following schedule:

<u>CLASS</u>	<u>MONTHLY ASSESSMENT</u>	<u>COMMENCING</u>
<u>I. General Assessments</u>		
A. Unimproved residential lots	\$15.00	July 1, 1974
B. Any family dwelling unit	\$15.00	July 1, 1974
C. Condominium tract	\$15.00	July 1, 1974
<u>II. Club Dues</u>		
(Per owner of each unimproved residential lot, condominium tract, or family dwelling unit)	\$25.00	July 1, 1974

It is understood that the Company shall have unlimited assessments levied against it by the Association to cover any or all expenses incurred by the Association until the abolition of the "Type C" membership. Subsequent to this date, the Company shall not be assessed for any units, residential lots, or condominium tracts, which said Company owns.

E. All assessments charged by the Association shall be rounded off to the nearest one-dollar (\$1.00).

From and after July 1, 1974, the maximum monthly assessment as applied to all classes of members considered together may be increased each year by the Board of Directors of the Association by an amount not in excess of the larger of (A) six percent (6%) per year over the preceding year, or (B) the percentage increase between the first month and the last month of an annual assessment period in the Consumer Price Index, U.S. City Average, all items (1967=100) issued by the U.S. Bureau of Labor Statistics in its monthly report entitled, "The Consumer Price Index, U.S. City Average and Selected Areas". Upon the abolition of the "Type C" membership, and only upon said abolition, three-fourths (3/4) of the vote cast at a duly called meeting of the Association shall be necessary to vote against such increase, or vote to increase said maximum monthly assessment by a greater amount or to decrease the maximum monthly assessment.

Any increase or decrease in the monthly maximum assessment shall be made in such a manner that the proportionate increase or decrease in such maximum monthly assessment is the same for all classes as described in (D)

above, and likewise any time the actual assessment levied by the Board of Directors of the Association is less than the maximum monthly assessment, any such decrease shall be apportioned among the respective classes. Increases in proportionate payments of the maximum monthly assessments born by any particular class may be altered only by the favorable vote of ninety percent (90%) of the vote cast at a duly called meeting of the class whose proportionate share is being altered.

The Board of Directors of the Association may, after consideration of the current costs and future needs of the Association, fix the monthly assessment for any year at an amount less than the applicable maximum monthly assessment, but such action shall not constitute a waiver by the Association of its right to revert to the full cumulative assessment in subsequent year; however, if the Board of Directors fixes such monthly assessment at an amount less than the maximum and it is subsequently determined by the Board that the amount assessed will not be sufficient, the Board shall have the power to make a supplemental monthly assessment, but in no event shall the sum of the initial and supplemental monthly assessments in any one (1) month exceed the applicable cumulative maximum.

F. In addition to the monthly assessments authorized above, the Association may levy special assessments for the purpose of defraying in part or in whole the cost of any construction or reconstruction, unexpected maintenance or repair, and replacement of the common properties and capital improvements thereon, if any, including the necessary fixtures and personal property related thereto, or addition to the common properties, or to provide for the necessary facilities and equipment to offer the services authorized herein, and to repay any loan made to the Association to enable it to perform the duties and functions authorized herein, provided that any such assessment shall have the consent of three-fourths (3/4) of the votes cast at a duly called meeting of the Association, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting. The proportion of each special assessment to be paid by the owners of the various classifications of assessable property shall be equal to the sum of the total applicable maximum assessments for all property in that class for the month during which such special assessment is approved, expressed as a percentage of the sum of the total applicable maximum assessment for all property within the properties for the month during which such assessment is approved. Such special assessments in any one (1) month may not exceed a sum equal to the amount of the maximum monthly assessment for such month except for emergency and other repairs required as a result of storm, fire, natural disaster, or other casualty loss. This provision shall be interpreted to mean that the Association may make in any one month a monthly assessment up to the maximum set forth in this article. Any additional special assessment when considered alone, may not exceed the amount set forth in the maximum monthly assessment. The fact that the Association has made a monthly assessment for any amount up to the permitted maximum and/or has adjusted proportionate payments between the classes as permitted herein, shall not affect its right to make special assessment during the month.

G. The limitations in assessment hereof shall apply to any merger or consolidation in which the Association is authorized to participate under the bylaws of the Association.

H. The quorum required for any action authorized to be taken by the Association members under this article shall be as follows:

The first time any meeting of the members of the Association is called to take action under this article the presence at the meeting of members or proxies entitled to cast sixty percent (60%) of the total vote of the membership shall constitute a quorum. If the required quorum is not forthcoming at any such meeting a second meeting may be called, subject to the giving of proper notice, and the required quorum at such subsequent meeting shall be the presence of members or proxies entitled to cast fifty percent (50%) of the total vote of the membership of the Association.

I. The general assessment and the club dues shall both be fixed on a calendar year basis and shall be due and payable monthly in advance commencing July 1, 1974. All owners who acquire residential lots, family dwelling units, or condominium tracts subsequent to July 1, 1974, shall commence prorated payment of the assessment from the first day following the date of closing. Payment of the assessment shall be past due thirty (30) days after the date of billing.

The due date of any special assessment described in (F) above shall be fixed in the resolution authorizing such assessment. All assessments shall be based on the status and classification of property at the end of each month without adjustments for improvements completed during the month.

J. The Board of Directors of the Association shall fix the amount of the assessment against each residential lot, family dwelling unit, or condominium tract for each assessment period and shall at that time prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection to any owner.

The Association shall within three (3) days after written request therefore, furnish to any owner liable for said assessment a certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence against all but the owner, of payment of any assessment therein stated to have been paid.

The Board of Directors shall establish a schedule of fees to be charged for admission to and use of the common properties and/or the facilities thereon should the Association so desire.

K. If the assessment is not paid on or before the past due date specified in (I) above, then such assessment shall become delinquent and shall, together with interest thereon at the rate of one and a half percent (1-1/2%) per month from the past due date and cost of collection thereof, be a charge and continuing lien on the real property and all improvements thereon, against

which each such assessment is made, in the hands of the then owner, his heirs, and devisees, personal representatives and assigns. The personal obligation of the owner at the time when the assessment first became due and payable to pay such assessment, however, shall remain his personal obligation and shall not pass as a personal obligation to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the past due date, the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property; and there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action; and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee together with the cost of the action.

L. The lien of the assessment provided for herein shall be subordinate to the lien of any mortgage, security deed, or deed of trust hereafter placed upon the properties subject to assessment if, but only if, all assessments and charges with respect to such lot authorized herein and having a due date prior to the date such mortgage is filed for record have been paid. The liens and charges hereby subordinated shall apply only to the assessments which have become due and payable subsequent to the date such mortgage is filed for record and prior to the satisfaction, cancellation, or the sale, or transfer of such property pursuant to a decree of foreclosure, sale under power, or any other proceeding or deed in lieu of foreclosure. Any such sale or transfer as part of a foreclosure proceeding shall not relieve such property from liability for any assessments accruing after conveyance by the mortgagee to a subsequent owner; provided, however, that the mortgagee who purchases the property at such foreclosing proceeding shall not be liable for assessments until it has held title to the property for one (1) year.

M. The following property, individuals, partnerships, or corporations subject to this declaration shall be exempted from the assessment charge and lien created herein:

1. The grantee in conveyances made for the purpose of granting utility easements;
2. All common properties as defined in these declarations;
3. Property owned and operated by the Company or affiliate of the Company which is used for any of the following purposes:
 - a. Road right-of-ways and parking lots.
 - b. Utilities, community halls, and meeting rooms, maintenance and equipment storage areas and offices of the Company.

ARTICLE IV – THE ASSOCIATION

A. The Association shall be required to accept conveyances of and to reasonably maintain the common properties and equipment, furnishings, and improvements thereto.

B. The Association shall be authorized, but not required, to provide any services, which the voting membership of the Association deems to be in its best interest.

C. The functions and services, which are carried out or offered by the Association at any particular time, subsequent to the abolition of the “Type C” membership shall be determined by the Board of Directors of the Association taking into consideration the funds available to the Association and needs of the members of the Association. Subsequent to the abolition of the “Type C” membership, the functions and services which the Association is authorized, but not required, to carry out or offer may be added to or reduced at any time upon the affirmative vote of three-fourths (3/4) of the votes cast at a duly called meeting of the Association; provided, however, that the functions and services authorized and/or rendered by the Association may be reduced by the Board of Directors of the Association and may also be changed by merger or consolidation of the Association. Prior to the abolition of the “Type C” membership the Company, its successors or assigns, may add to or reduce the functions and/or services of said Association at its own discretion.

D. The Board of Directors of the Association shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association; said loans shall be used by the Association in performing its authorized functions.

ARTICLE V – COMMON PROPERTIES

A. Subject to the provisions of these covenants, the rules and regulations of the Association, and any fees or charges established by the Association, every “Type A, B, and C” member shall have an easement of enjoyment in and to the common properties and such easement shall be appurtenant to and shall pass with the title of every residential lot, family dwelling unit, and condominium tract.

B. The Company shall have the right to convey to the Association by deed or long term lease any lands, watercourses, lakes, greenbelts, paths, roads, right-of-ways, easements, utilities, etc., and any improvements thereon including any or all recreational facilities which the Company designates to become common properties.

C. The Company and its successors or assigns may convey any or all of the aforesaid properties to the Association at such time that the Association, in the sole opinion of the Company, is able to maintain such properties; or if the Association is to be responsible for construction of improvements thereon, at

such time as the Company feels, notwithstanding any of the aforesaid, that Association is capable of constructing and financing such improvements.

D. The easement of use and enjoyment created hereby shall be subject to the following:

1. The right of the Company and of the Association, in accordance with its By-laws, to borrow money from the Company or any other lender for the purpose of improving and/or maintaining the common properties and providing the services authorized herein, and in aid thereof to mortgage said properties.
2. The right of the Association to assume and pay any liens or encumbrances against the property at the time of conveyance.
3. The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures.
4. The rules and regulations of the Association and the right of the Association, as provided in its By-laws, to suspend the rights and easement of enjoyment to any member or any tenant of any member for a period during which any assessment remains unpaid, and for any period not to exceed sixty (60) days for any infraction of its published rules and regulations; it being understood that any suspension for either nonpayment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the member's obligation to pay the assessment; and provided that the Association shall not suspend the right to use the roads belonging to the Association subject to the rules and regulations, if any, established by the Association for such use. Should the Association be required to employ an attorney to collect any assessment, it shall be entitled to collect in addition thereto, all costs of collection including reasonable attorneys' fees.
5. The Board of Directors of the Association shall have the power to place any reasonable restrictions upon the use of the roadways now or hereafter to be conveyed by the Company to the Association, including, but not limited to, the types and sizes of vehicles using said roads, the maximum and the minimum speeds of vehicles using said roads, all other necessary traffic and parking regulations, and the maximum noise levels of vehicles using said roads. The fact that such restrictions on the use of the roads shall be more restrictive than the laws of any state or local government having jurisdiction over the property shall not make such restrictions unreasonable.
6. The right of the Company or the Association by its Board of Directors to dedicate or transfer to any public or private utility, utility easements on any part of the common properties.

7. The right of the Association to give or sell all or any part of the common properties including leasehold interests to any public agency, authority, utility, or private concern for such purposes and subject to such conditions as may be agreed to by the members, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedication, transfers and determinations as to purposes and conditions shall be authorized by the affirmative vote of three-fourths (3/4) of the votes cast at a duly called meeting of the Association and unless written notice of the meeting and of the proposed agreement and action thereunder is sent to every member of the Association at least thirty (30) days prior to such meeting. A true copy of such resolution together with a certificate of the results of the vote taken thereon shall be made and acknowledged by the President or Vice-President and Secretary or Assistant Secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the common properties prior to the recording thereof. Such certificates shall be conclusive evidence of authorization by the membership.
8. The rights of reversion of the lessor of any common properties leased by the Association upon expiration of the lease.

ARTICLE VI – MISCELLANEOUS PROVISIONS

A. The covenants and restrictions of this Declaration shall run with the land and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Company, or the owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors, and assigns, for a period of twenty-five (25) years from the date this Declaration is recorded. Upon the expiration of said twenty-five (25) year period, this Declaration shall be automatically renewed and extended. Upon the expiration of each ten (10) year renewal period, thereafter, this Declaration shall be automatically renewed for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration if during the last year of the initial twenty-five (25) year period, or during the last year of any subsequent ten (10) year renewal period, three-fourths (3/4) of the votes cast at a duly held meeting of the Association vote in favor of terminating this Declaration at the end of its then current term.

It shall be required that written notice of any meeting at which such a proposal to terminate this Declaration is to be considered, setting forth the fact that such a proposal will be considered, shall be given each member at least thirty (30) days in advance of said meeting. In the event that the Association votes to terminate this Declaration, the President and Secretary of the Association shall execute a certificate which shall set forth the resolution of termination adopted by the Association, the date of the meeting of the Association at which such resolution was adopted, the date that notice of such meeting was given, the total number of votes of members of the Association, the total number of votes required to constitute a quorum at a meeting of the Association, the number of

votes necessary to adopt a resolution terminating this Declaration, the total number of votes cast in favor of such resolution, and the total number of votes cast against such resolution. Said certificate shall be recorded in Official Real Estate Records for Greenwood County, Greenwood, South Carolina, and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

B. This Declaration can be amended at any time provided that three-fourths (3/4) of the votes cast during a duly called meeting of the Association vote in favor of the proposed amendment. Notice shall be given each member at least fifteen (15) days prior to the date of the meeting at which proposed amendment is to be considered. If any proposed amendment to this Declaration is approved by the members as set forth above, the President and Secretary of the Association shall execute an amendment to this Declaration which shall set forth the amendment, the effective date of the amendment, which in no event shall be less than thirty (30) days after the date of recording the amendment, the date of the meeting of the Association at which such amendment was adopted, the date that notice of such meeting was given, the total number of votes of members of the Association, the total number of votes required to constitute a quorum at a meeting of the Association, the number of votes necessary to adopt the amendment, and the total number of votes cast for and against the amendment. Such amendment shall be recorded in the Official Real Estate Records for Greenwood County, Greenwood, South Carolina.

In addition to the other rights of the Company as set forth herein, the Company may unilaterally amend this Declaration for the following purposes:

1. To lessen the number of votes which the "Type C" member shall have in proportion to the number of votes of all other members of the Association.
2. To provide that the "Type C" member shall not vote for certain seats on the Board of Directors and that these seats shall be filled exclusively by the vote of "Type A", and "B" members.
3. To increase the amount of the annual assessment due by the Company to the Association.
4. To incorporate in this Declaration a specific list of amenities to be conveyed by the Company to the Association, said list may include the specific dates before which said items shall be transferred to the Association and any conditions upon which they will be transferred.
5. For any other purpose which requires a greater contribution by the Company to the Association or which lessens the role of the Company in the operation of the Association and increases the role of the other members.
6. From time to time to supplement these General Covenants and Restrictions with supplemental covenants and restrictions; provided,

however, that such supplemental covenants and restrictions shall not bind, without the consent of the then owner thereto, any portion of the properties sold by the Company and deed evidencing such sale having been recorded in the Official Real Estate Records of Greenwood County, Greenwood, South Carolina.

7. For a period of eighteen (18) months from the date hereof, to amend these General Covenants and Restrictions by supplemental declarations thereto and which supplemental declarations shall bind all of the properties; provided, however, that such supplemental declarations to these General Covenants and Restrictions shall not bind without the consent of the owner thereto, any portion of the properties which have been previously sold by the Company and a deed evidencing such sale having been recorded in the Official Real Estate Records for Greenwood County, Greenwood, South Carolina.

C. Any notice required to be sent to any member or owner under the provisions of the Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed to the last known address of the person or entity who appears as owner in the public records of Greenwood County, Greenwood, South Carolina, on the first day of the calendar month in which said notice is mailed. Notice to one (1) of two (2) or more co-owners of a residential lot, family dwelling unit, or condominium tract shall constitute notice to all co-owners. It shall be the obligation of every member to immediately notify the Secretary of the Association in writing of any change of address. Any person who becomes an owner and member following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice was given to his predecessor in title.

D. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any covenant or restriction, either to restrain or enjoin violations, or to recover damage, or by any appropriate proceeding at law or equity against the land to enforce any lien created by these covenants. Every owner hereby waives any trial by jury in any action or proceeding brought by Company or the Association to enforce any of the covenants or restrictions contained herein. Further, no owner will interpose any counterclaim, except compulsory counterclaims, in any proceeding brought by the Company or the Association to enforce any of these covenants or restrictions. The remedies given to Company and/or the Association herein are distinct, cumulative remedies and the exercise of any of them shall not be deemed to exclude the Company or the Association's rights to exercise any or all of the others or those which may be permitted by law or equity. The failure to enforce any rights, reservation, restrictions, or condition contained in this Declaration, however long continued, shall not be deemed a waiver of this right to do so hereafter as to the same breach, or as to a breach occurring prior to or subsequent thereto and shall not bar or affect its enforcement. Any person entitled to file a legal action for the violation of these covenants shall be entitled to recover reasonable attorneys' fees as part of such action.

E. Should any covenant or restriction herein contained or any article, subsection, sentence, clause, phrase, or term of this Declaration be declared to be void, invalid, illegal, or unenforceable for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way effect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

F. The Board of Directors of the Association shall have the right to determine all questions arising in connection with this Declaration of Covenants and Restrictions and to construe and interpret its provisions, and its good faith determination, construction, or interpretation. Said determination shall be final and binding. In all cases, the provisions of this General Declaration of Covenants and Restrictions shall be given that interpretation or construction that will best tend toward the consummation of the general plan of improvements.

G. All actions which the Association is allowed to take under this instrument shall be authorized actions of the Association if approved by the Board of Directors of the Association in the manner provided for in the By-laws of the Association, unless the terms of this instrument provide otherwise.

H. In the event that this Declaration be declared to be void, invalid, illegal, or unenforceable in its entirety, or in such a significant manner that the Association is not able to function substantially as contemplated by the terms hereof, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, and such adjudication occurs within ten (10) years of the date of recording this Declaration, all common properties belonging to the Association at the time of such adjudication shall revert to the Company, and the Company shall own and operate said common properties as Trustee for the use and benefit of owners within the properties as set forth below. If said adjudication shall occur on a date more than ten (10) years after the date of recording of this Declaration, or if the members of the Association should vote not to renew and extend this Declaration as provided for, all common properties owned by the Association at such time shall be transferred to a Trustee appointed by the Clerk of Court, Greenwood County, Greenwood, South Carolina, which Trustee shall own and operate such common properties for the use and benefit of owners within the properties as set forth below:

1. Each lot or parcel of land located within the properties shall be subject to an annual assessment which shall be paid by the owner of each such lot or parcel to the Company or Trustee, whichever becomes the successor in title to the Association. The amount of such annual assessment and its due date shall be determined solely by the Company or the Trustee, as the case may be, but the amount of such annual assessment on any particular lot or parcel shall not exceed the amount actually assessed against the lot or parcel in the last year that assessments were levied by the Association, subject to the adjustments set forth in paragraph (2) immediately below.

2. The amount of the maximum annual assessment which may be charged by the Company or Trustee hereunder on any particular lot or parcel shall be automatically increased each year by either six percent (6%) or the percentage increase between the first month and the last month of the annual assessment period in the Consumer Price Index, U.S. City Average, All Items (1967=100) issued by the U. S. Bureau of Labor Statistics in its monthly report entitled "The Consumer Price Index, U. S. City Average and Selected Areas," whichever of these two percentage figures is larger. The actual amount of such increase in the maximum annual assessment on a lot or parcel shall equal the maximum annual assessment on such lot or parcel for the previous year multiplied by the larger of the two percentage factors set forth above. If the Consumer Price Index is discontinued, then there shall be used the most similar index published in the United States Government that may be procured indicating changes in the cost of living.
3. Any assessments together with interest thereon at the rate of one and a half percent (1-1/2%) per month from the past due date and all costs of collection including reasonable attorney's fees shall be a personal obligation of the owner at the time the annual assessment became past due, and it shall also constitute and become a charge and continuing lien on the lot or parcel of land and all improvements thereon, against which the assessment has been made, in the hands of the then owner, his heirs, devisees, personal representatives and assigns.
4. The Company or the Trustee, as the case may be, shall be required to use the funds collected as annual assessments for the operation, maintenance, repair, and up keep of the common properties. The Company or Trustee may charge as part of the cost of such functions the reasonable value of its services in carrying out the duties herein provided for. Neither the Company nor the Trustee shall have the obligation to provide for operation, maintenance, repair and upkeep of the common properties once the funds provided by the annual assessment have been exhausted.
5. The Company shall have the right to convey title to the common properties and to assign its rights and duties hereunder, provided that the transferee accepts such common properties subject to the limitations and uses imposed hereby and affirmatively acknowledges its acceptance of the duties imposed hereby.
6. The Trustee shall have the power to dispose of the common properties free and clear of the limitations imposed hereby; provided, however, that such disposition shall first be approved in writing by fifty percent (50%) of the owners, or in the alternative shall be found to be in the best interest of the owners by the Clerk of Court, Greenwood County, Greenwood, South Carolina. The proceeds of such a sale shall first be used for the payment of any debts or obligations constituting a lien

on the common properties, then for the payment of any obligations incurred by the trustee in the operation, maintenance, repair, and upkeep of the common properties, and the excess, if any, shall be distributed among the owners, exclusive of the Trustee, and a proportion equal to the portion that the maximum annual assessment on property owned by a particular owner bears to the total maximum annual assessments for all property located within the properties.

I. The Company does hereby covenant and agree to provide those owners of residential lots, family dwelling units, and condominium tracts who, from the date of closing of purchase, continuously own, maintain, and pay assessments due on said property for a period of five (5) years, and who choose to sell or transfer said property at any time thereafter, a Special Club Membership. It is to be understood that no such owner shall be required to accept said membership and that upon accepting a Special Club Membership, the member may, upon written notice to an officer of the Association, revoke his membership at any time.

This Special Club Membership shall be a non-transferrable, non-assignable, dues paying membership and shall entitle the member to use of those facilities and amenities normally associated with any regular club membership. It is to be further understood that this Special Club Membership shall not entitle the member to membership in the Gatewood Property Owner's Association, nor to any rights normally associated therewith.

J. The Board of Directors shall establish a set of rules for determining when construction has been substantially completed so that property shall be classified as improved property for purposes of assessment and voting rights.

ARTICLE VII – THE PROPERTIES

A. The real property which is, and shall be, held, transferred, sold, conveyed, given, donated, leased and occupied subject to these covenants is described as follows:

All that tract or parcel of land situate, lying, and being in Greenwood County, Greenwood, South Carolina, containing approximately seventy-five (75) acres, more or less, which is more particularly described in Exhibit "A" attached hereto and by specific reference made a part hereof.

B. The Company intends to develop the properties in accordance with a master plan on display in its sales office and other areas. The Company reserves the right to review and modify the master plan at its sole option from time to time. The master plan shall not bind the Company, its successors and assigns, to adhere to said plan in the development of the land shown thereon. The Company shall not be required to follow any predetermined sequence or order of improvements and developments; and it may bring within these covenants additional lands and develop the same before completing the development of the properties. The Company shall have the full power to add to, subtract from, and make changes in the master plan regardless of the fact

that such actions may alter the relative voting strength of the various types of membership of the Association.

C. Additional lands including property not owned by the Company at the time of recording of these declarations may become subject to, but not limited to, this declaration in the following manner:

1. The Company, its successors and assigns, shall have the right without further consent of the Association to bring within the plan and operation of this Declaration additional properties. The additions authorized under this and the preceding subsection, shall be made by filing a Supplementary Declaration of Covenants and Restrictions with respect to the additional property, which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complimentary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient in the judgment of the Company to reflect the different character, if any, of the added properties; but such modifications shall have no effect on the immediate property described above in this article.

2. Upon approval in writing of the Association pursuant to three-fourths (3/4) of the vote of those present at a duly called meeting, the owner of any property who desires to add it to the plan of these covenants and to subject it to the jurisdiction of the Association, may file or record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.
3. Upon a merger or consolidation of the Association with another association, if provided for in the By-laws of the Association, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association; or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving entity pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the properties, together with the covenants and restrictions established upon any other properties as one plan. Except as hereinafter provided, no such merger or consolidation shall affect any revocation, change of, or addition to the covenants established by this Declaration within the existing property.

For Supplemental Declaration see Deed Book 255,
page 296, 11:30 am 9-7-76 TR. Rison coop

No Stamp

Filed this 7th day of Dec 1976
and recorded in Vol. 241 page 790
Ham R. Rison

GENERAL DECLARATION OF COVENANTS AND RESTRICTIONS
OF THE GATEWOOD PROPERTY OWNERS ASSOCIATION AND
TOWN AND COUNTRY REAL ESTATE

THIS DECLARATION, made this first day of October, 1973,
by the Gatewood Property Owners Association, hereinafter called
"Association" and Town and Country Real Estate, hereinafter called
"Company."

WITNESSETH:

WHEREAS, Company is the owner of the real property de-
scribed in this declaration and desires to create thereon a planned
unit development community known as Gatewood with certain facilities,
amenities and services for the use and benefit of all property
owners within such community; and

WHEREAS, Company desires to provide for the preservation
of the values and amenities and for the maintenance of common
facilities, services and properties; and to this end desires to
subject the real property described in this declaration together
with such additions as may hereafter be made, as provided in these
declarations, to the covenants, restrictions, easements, affirmative
obligations, charges and liens, hereinafter set forth, each and all
of which is and hereby declared to be for the benefit of said
property and each and every owner of any and all parts thereof; and

WHEREAS, Company deems it desirable, for the efficient
preservation of the values and amenities in said community, to
create an agency, the "Association", to which can be delegated and
assigned the power and authority of maintaining and administering
the common properties and services and administering and enforcing
the covenants and restrictions governing the same and collecting
and disbursing all assessments and charges necessary for such main-
tenance, administration, and enforcement, as hereinafter created;

NOW THEREFORE, the Company declares that the real property
described in this declaration and any such additions thereto as may
hereafter be made pursuant to this declaration, is and shall be
held, transferred, sold, conveyed, given, donated, leased, occupied,
and used subject to the covenants, restrictions, conditions, ease-
ments, charges, assessments, affirmative obligations, and liens
(hereinafter sometimes referred to as "The Covenants") hereinafter
set forth.

(1)

STATE OF SOUTH CAROLINA
COUNTY OF GREENWOOD

DEFINITIONS

The following words and terms when used in this declaration or any supplemental declaration, unless the context shall clearly indicate otherwise, shall have the following meanings:

A. "Association" shall mean and refer to the Gatewood Property Owners Association.

B. "Properties" or "Gatewood" shall mean and refer to the real property described in this declaration and additions thereto as are subjected to this declaration or any supplemental declaration.

C. "Common Properties" shall mean and refer to those tracts of land and any improvements thereon which are deeded or leased to the Association and designated in said deed or lease as common properties. The term "Common Properties" shall also include any personal property acquired by the Association, if said property is designated as "Common Property." All Common Properties are to be devoted to and intended for the common use and enjoyment of the Owners, their families, guests of the Owners, persons occupying dwelling places or accommodations of Owners on a guest or a tenant basis, and visiting members of the general public to the extent permitted by the Board of Directors of the Association subject to operating rules adopted by the Association; provided, however, that any lands which are leased by the Association for use as Common Properties shall lose their character as Common Properties upon the expiration of such lease.

D. "Family Dwelling Unit" shall mean and refer to any improved property intended for use as a single family dwelling or condominium unit located within the properties. A "Family Dwelling Unit" shall be deemed to exist only after certification of completion of the improvements by the Board of Directors of the Association.

E. "Residential Lot" or "Lot" shall mean any unimproved parcel of land located within the properties, with the exception of the Common Properties and Condominium Tracts, which is intended for

use as a site for a single family detached dwelling shown upon any final subdivision map of any part of the properties.

F. "Condominium Tract" shall mean any unimproved parcel of land located within the properties, except for Common Properties, and Residential Lots intended for use as a site for condominium regimes.

G. "Owner" shall mean and refer to the owner as shown by the Real Estate Records in the office of the Clerk of Court of Greenwood County, Greenwood, South Carolina, whether it be one or more persons, firms, associations, corporations, or other legal entities of fee simple title to any residential lot, family dwelling unit, or condominium tract situated upon the properties but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee or holder of a security deed, its successors or assigns, unless and until such mortgagee or holder of a security deed has acquired title pursuant to foreclosure, or any other proceeding or deed in lieu of foreclosure and has held such title for a period of one (1) year; or shall the term "Owner" mean or refer to any lessee, or tenant of any owner. In the event that there is recorded in the office of the Clerk of Court of Greenwood County, Greenwood, South Carolina, a long term contract of sale covering any lot or parcel of land within the properties, the owner of such lot or parcel of land shall be the purchaser under said contract and not the fee simple title holder. A long-term contract of sale shall be one where the purchaser is required to make payments for the property for a period extending beyond nine (9) months from the date of the contract and where the purchaser does not receive title to the property until such payments are made although the purchaser is given the use of said property.

H. "Member" shall mean and refer to all those owners who are members of the Association as provided in this declaration.

I. "Company" shall mean Town and Country Real Estate and its successors and assigns.

J. "Intended for use" shall mean the use to which any particular parcel of land is restricted by covenants expressly set forth or incorporated by reference in deeds by which the Company

has conveyed the property.

K. "Affiliate" shall mean any corporation more than fifty percent (50%) of the voting stock of which is owned or controlled by the Company and any partnership or joint venture in which the Company has more than a fifty percent (50%) proprietary interest.

L. "Limited Common Properties" shall mean that a portion of any plat recorded by the Company in the office of the Clerk of Court of Greenwood County, Greenwood, South Carolina, which is designated as an open area or greenbelt and which is not generally accessible to all owners as being limited to the use of those owners of lots immediately contiguous thereof.

STATE OF SOUTH CAROLINA)
COUNTY OF GREENWOOD)
PROTECTIVE COVENANTS
RESTRICTIONS AND CONDITIONS

GENERAL DECLARATIONS OF COVENANTS AND RESTRICTIONS OF THE
PROPERTY OWNERS-ASSOCIATION AND THE DEVELOPMENT COMPANY.

ARTICLE I - GENERAL LIMITATIONS

A. In order to enhance the aesthetic quality of a development, the natural beauty of the environment, and the overall structural character of the neighborhood, the Company has deemed as vital, the availability of professional architectural services for both the homeowner and the Company. To meet this need, the Company has made provisions for the establishment of an Architectural Control Committee, whose function shall be to advise the prospective homeowner as to the quality of his construction plans, their general keeping with the overall development theme of the neighborhood, and their relation to the proposed lot and site location. It shall be the Committee's function to professionally advise him as to any changes in his tentative plans which will enhance the appeal of his residence and his neighborhood. As stated, the primary function of this committee shall be professional advice; however, it must have the legal authority to prevent any improvements on any grounds within the development which it feels detracts from the overall aesthetic quality of the neighborhood.

No family dwelling unit, garage, carport, playhouse, fence, wall, swimming pool, or other structure, shall be commenced, erected, or maintained upon the properties, nor shall any exterior addition to any existing structure or change or alteration therein, nor shall any landscaping or site work be done until complete final plans and specifications thereof showing the nature, kind, shape, height, materials, basic exterior finishes and colors, location and floor plan thereof, and showing front, side and rear elevations thereof, respectively in the name of the builder and/or landscaper have been submitted to and approved by the Architectural Control Committee, its agents, successors or assigns, as to harmony of the exterior design and general quality in relation to the standards of the neighborhood area and as to location in relation to the

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surrounding structures and topography. If the Architectural Control Committee fails to approve or disapprove such plans and specifications within thirty (30) days after receipt of written notice that such plans and specifications have been submitted to it and approval requested, the Architectural Control Committee shall be deemed to have approved said plans and specifications. Refusal of approval of plans, specifications, builder, landscaper, or location may be based upon any grounds, including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Architectural Control Committee, or its agent, shall be deemed sufficient.

Any builder, or any landscaper prior to performing any work on the properties must be approved by the Company as to financial stability, building or landscaping experience, and ability to build or landscape structures or grounds of the class and type of those which are to be built on the properties.

All residences (excluding driveways, yard landscaping, fences, clearing, or any site improvement other than the residence itself) shall have a minimum construction and material cost of fifty thousand dollars (\$50,000.00). This minimum cost restriction shall be based upon construction prices as of the date of record of the first copy of these restrictions. This minimum cost restriction shall be upgraded annually by the Company and/or the Association in direct correlation with the National Consumer Price Index or other accepted indicator of the trend of inflation and the relative cost of living.

In the event any owner violates the terms of this Article I, the Association or its duly appointed agent shall give written notice to the owner to cure such violation. After thirty (30) days and upon failure of the owner to do so, the Association shall be entitled to enter upon the property of the owner and cure such defect, including removal of any structure built in violation thereof, all at the cost and expense of the owner. This right of the Company or its agents shall be in addition to all other general enforcement rights which the Company or the Association

may have for a breach or a violation of the terms of these covenants and restrictions and shall not be deemed a trespass by the Company or its agents.

B. It is the responsibility of each owner to prevent any unclean, unsightly, or unkept conditions of buildings or grounds on the owner's property which shall tend to substantially decrease the beauty of the neighborhood areas or the development as a whole.

C. No noxious or offensive activity shall be carried on upon any portion of the properties, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any owner or guest thereof in any neighborhood area or in the development as a whole.

D. Should any unclean, unsightly, or unkept conditions or any noxious or offensive activity be carried on upon any portion of the properties, the Association or its duly appointed agent shall be entitled to enter upon the property of the owner and to cure such defect as outlined in paragraph A, above.

E. Except as otherwise permitted herein, no plants, animals, or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of other property in the development by the owners or the guests thereof be maintained.

F. Hunting of all wild animals, fowl, and game is hereby prohibited within the properties, and the discharge of firearms within the properties for any purpose shall not be allowed. Provided; however, that target shooting of firearms may be permitted as part of a recreational activity supervised by the Association. This restriction is not intended to prohibit legalized fishing within the lakes and waterways of the development.

G. Each homeowner shall be required to possess and maintain a garbage compactor.

H. All garbage receptacles must be contained within a fenced or enclosed area, and hidden from public view.

I. All tools, lawnmowers, or equipment of any kind must be

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contained within a fenced or an enclosed area and hidden from public view when not in use.

J. The Company reserves unto itself, its successors and assigns, a perpetual, alienable, and releasable easement and right on, over, and under the ground to erect, maintain and use electric and telephone poles, wires, cables, conduits, sewers, water mains, and other suitable equipment for the conveyance and use of electricity, cable television, security cable equipment, telephone equipment, gas, sewer, water, or other private or public convenience or utilities on, in, or over those areas as are shown on the applicable plats. Further, the Company may cut at its own expense drainways for surface water wherever and whenever such action may appear to the Company to be necessary in order to maintain reasonable standards of health, safety, and appearance.

K. Unless approved by the Company, there shall be no combination and/or subdivision of any lot or lots which produce any lot or lots smaller in area than any of the original lots. In the event of the combination or the subdivision by the Company or any owner by permission of the Company of one or more lots, the easements created hereby and referenced on applicable plats prior to the transaction shall exist on the resulting lots. As in (J) above, these easements and rights expressly include the right to cut any trees, bushes, or shrubbery, take any grains of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety, and appearance.

L. In addition the Company reserves unto itself, its successors and assigns, a perpetual, alienable, and releasable easement and right on, over, and under the properties to disperse pesticides and take other action which in the opinion of the Company is necessary or desirable to control insects and vermin.

M. No septic tank or any other individual or collective sewage disposal system other than that owned and maintained by the Company and/or the Association, their successors or assigns,

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shall be used unless such system is designed, located, constructed, and maintained in accordance with the requirements, standards, and recommendations of the Company and/or the Association, their successors or assigns, and appropriate public health authority.

N. No structure of a temporary character shall be placed upon any portion of the properties at any time; provided, however, that this prohibition shall not apply to shelters used by contractors during the construction of any family dwelling unit, or to shelters maintained by the Company or the Association. It is to be clearly understood that temporary shelters, tents, recreational vehicles, etc., may not at any time be used as temporary or permanent residences or be permitted to remain on any portion of the properties after completion of construction thereon.

O. It is to be clearly understood that any private float, dock, marina, platform, or any other structure built over, on, or under the surface of any lake or waterway, shall come under the most careful scrutiny and regulation of the Architectural Control Committee.

P. No boat, canoe, or other watercraft shall be operated upon any lake, stream, or other waterway within the properties if such boat, canoe, or other watercraft shall be propelled by internal combustion engine, or any other form of motorized operation which may discharge liquids or gasses into the water. It should be clarified that small, noiseless, electric motors will be tolerated.

Q. No fuel tanks or similar storage receptacles may be exposed to view, and such storage receptacles may be installed only within the main dwelling house, within an accessory building, or within a fenced area approved by the Architectural Control Committee.

R. No trees measuring ten (10) inches or more in diameter at a point one (1) foot above ground level or any flowering tree may be removed nor may any major clearing of small trees be performed without the approval of the Architectural Control Committee, unless located within ten (10) feet of a building, within ten (10) feet of the approved building site for such building, or within the right-of-way of driveways and walkways. Excepted herefrom, shall be damaged trees, or trees which must be removed because of an emergency.

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S. The Company and/or the Association shall have the right to protect from erosion the land designated as areas upon which residential building shall take place by planting trees, plants, and shrubs where and to the extent necessary, or by such mechanical means as providing drainage ways and/or dams or other means deemed expedient or necessary by the Company and/or the Association to provide and insure against said erosion.

T. No trash, garbage, construction debris, or other unsightly or offensive material shall be placed upon any portion of the properties, except as is temporary and incidental to the bonafide improvement of said area of the properties.

U. The exterior of all houses and other structures, sitework, and sufficient landscaping must be completed within one (1) year after the construction of same shall have commenced, except where such completion is impossible or would result in great hardship to the owner or builder due to strike, fires, national emergency, or natural calamity. Houses and other dwelling structures may not be temporarily or permanently occupied until the exterior thereof has been completed; provided, however, that owner shall not be required to complete the finish work on the interior of his house within one (1) year after construction has commenced if such interior finish work is performed in whole or part by such owner.

V. No private vehicle of any sort shall be parked permanently on any street or roadway within the development. Owners shall be required to furnish adequate parking for their own vehicles within the confines of their property.

W. Minimum front, side, and rear setback lines for residences shall be determined by individual lot characteristics and shall be at the sole discretion of the Architectural Control Committee.

X. All utilities and services shall be placed underground from the property line or easement to the residence. In routing utilities and services from the easement to the property line, no pavement section may be cut or in any way damaged without prior approval of the Company and/or the Association.

Y. The established grade of lot is not to be raised by any individual so as to adversely affect an adjacent property owner or owners. All sitework and grading shall be approved by the

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I. No livestock or poultry shall be kept on any of the lots in the development. Horses shall be stabled, corraled, or grazed only in areas so designated.

AA. Should the owner of any residential lot in the subdivision acquire the oil, gas, and minerals located in or under and to be produced from said lot, said owner, his heirs, successors and/or assigns shall never have the right to conduct any drilling, exploring, or other operations on the surface of said residential lot.

BB. It shall be the responsibility of each owner to keep his driveway in a reasonable state of repair. Driveways will be either hardsurfaced, or loosely graveled with a permanent border subject to approval by the Architectural Control Committee.

CC. Every homeowner shall be required to possess, maintain, and operate a post lantern approved by the Architectural Control Committee, located between his residence and the street with an automatic on-off switch to operate during all dark hours.

DD. Only vehicles bearing current license plates shall be parked or stored within public view from the street or from adjoining property. No trucks over one-half ton, no trailers, no tractors, no commercial vehicles and no automobiles bearing advertisements, signs, or placards are to be stored or parked on residential property unless screened from public view from the street or from adjoining property except when making deliveries. No boats, boat trailers, or recreational vehicles shall be exposed to public view from the street or from adjoining property.

EE. Each homeowner shall be required to erect and maintain a standard mailbox approved for use by the Architectural Control Committee.

FF. Except as otherwise permitted by the Company, the Company, its successors or assigns shall be the exclusive agent on all resales or rental of lots or the improvements thereon. An owner's intent for the Company to resell or rent shall be

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in the form of an Exclusive Right to Sell or Lease Contract with the Company. Upon execution of said contract the Company shall have until midnight of the ninetieth (90) day thereafter to produce to the owner a legitimate offer to purchase or lease at the amount and terms agreed. Should said Company fail to produce an offer to purchase or lease said property within the time span so indicated, the Company's Exclusive Right to Sell or Lease shall expire.

GG. No commercial signs including, "for rent", "for sale", and other similar signs shall be erected or maintained on any residential lot by anyone, including, but not limited to, the owner, a realtor, a contractor, or subcontractor, except with the written permission of the Company or the Association or except as may be required by legal proceedings. It being understood that the Company or the Association will not grant permission for said signs unless their erection is reasonably necessary to avert serious hardship to the owner. If such permission is granted, the Company or the Association reserves the right to restrict size, color, and content of such signs.

HH. Any General Limitations contained in this Article I, and any subsequent amendments hereto may be waived on any particular lot by the assent of all of the adjoining property owners; that is to say the owners of those lots with common boundaries to the lot in question and the owners of those lots situate directly across a street or road from the lot in question; upon recommendation by the Architectural Control Committee; and upon majority approval of the Directors of the Association.

II. Only one single family residence may be erected on any residential lot other than in those areas specifically designated by the Company on recorded plats as Common Properties or Condominium Tracts. Said property shall not be used, rented, sold, leased, or otherwise disposed of for mercantile, manufacturing, or for any reason other than residential purposes.

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ARTICLE II - Membership and voting rights in the Association

A. Every owner shall be a member of the Association.
The Company shall be a member of the Association.

B. The Association shall have three (3) types of
voting memberships:

"Type A" - "Type A" members shall be all those
owners of the residential lots and family dwelling units. A
"Type A" member shall be entitled to two (2) votes for each
family dwelling unit he owns. An owner of a residential lot
upon which a family dwelling unit has not been constructed shall
be entitled to one vote for each residential lot which he owns.
It is the intent of this provision that so long as property quali-
fies as a residential lot by virtue of the fact that improvements
have not been constructed thereon, the owner thereof shall have
only one (1) vote, but once improvements are constructed on said
lot, it loses its character as a residential lot and becomes a
family dwelling unit. The owner thereof shall have a total of
two (2) votes for the ownership of such property.

"Type B" - "Type B" members shall be all those
owners of undeveloped condominium tracts. A "Type B" member shall
be entitled to one (1) vote for each condominium tract which such
"Type B" member owns.

"Type C" - The "Type C" member shall be the Company.
The "Type C" member shall be entitled to the same number of votes
as is cumulatively held by all "Type A and B" members plus one (1),
provided that "Type C" membership shall be abolished on January 1,
1979, or at such time that the Company, its successors or assigns,
has sold two hundred (200) assessable residential lots, family
dwelling units, or condominium tracts, whichever of these two
events occurs first. Any provisions herein to the contrary not-
withstanding at such time as "Type C" membership ceases to exist,
the Company shall become a "Type A and/or B" member depending
upon the type of property owned by the Company at such time. The
abolition of "Type C" membership shall be evidenced by written

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notice to the Association and recording of a certified copy of said notice in the Real Estate Records of Greenwood County, Greenwood, South Carolina.

In computing the Company's votes as a "Type A and/or B" member, only those unsold residential lots or condominium tracts which are shown on a final plat recorded in the Real Estate Records of Greenwood County will be considered. The Board of Directors of the Association shall determine whether said property owned by the Company shall be classified as improved property for the purposes of voting rights.

When any property entitling the owner to membership as a "Type A, B, or C" member of the Association is owned of record in the name of two or more persons or entities, whether fiduciaries, tenants in common, tenants in partnership, or in any other manner of common ownership, or if two (2) or more persons or entities have the same fiduciary relationship respecting the same property, then unless the instrument or order appointing them or creating the tenancy otherwise directs and it or a copy thereof is filed with the secretary of the Association, their acts with respect to voting shall have the following effect:

1. If only one (1) votes in person or by proxy, his act binds all.
2. If more than one (1) vote in person or by proxy, the act of the majority so voting binds all.
3. If more than one (1) vote in person or by proxy, but the vote is evenly split on any particular matter, each fraction shall be entitled to its proportionate share of the vote or votes.
4. If the instrument or order so filed shows that any such tenancy is held in unequal interest, a majority or even split for purposes of this paragraph shall be a majority or even split in interest.
5. The principles of this paragraph shall apply but not be limited insofar as possible, to execution of proxies, waivers, consents, or to objections for the purpose of ascertaining the presence of a quorum.

The voting rights of any owner may be assigned by said owner to his lessee who has entered into a lease with a term of two (2) years or more; provided, however, that the owner may not assign

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to such lessee any vote or votes not attributable to the property actually leased by such lessee. The "Type A, B, and/or C" members are sometimes hereinafter collectively referred to as "The Members."

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ARTICLE III - Covenants for assessments.

A. The Company covenants and each owner shall in the acceptance of a deed, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of this declaration, and to pay the Association general assessments or charges and club dues or charges hereinafter collectively referred to as Assessments. For the purposes set forth in this article, such assessments are to be fixed, established, and collected from time to time as hereinafter provided. The assessments and dues together with such interest thereon and cost of collection thereof as hereinafter provided shall be a charge and continuing lien on the real property and improvements thereon against which such assessment is made. Each such assessment together with such interest thereon and cost of collection thereof as hereinafter provided shall also be the personal obligation of the person who was the owner of such real property at the time when the assessment first became due and payable.

B. Co-ownership of any residential lot, family dwelling unit, or condominium tract shall not entitle each of the co-owners to a club membership. Only one (1) club membership shall be granted per each of the above described parcels. In the case of co-ownership of any residential lot, family dwelling unit, or condominium tract all of such co-owners shall be jointly and severally liable for the entire amount of the assessment.

Should the association be required to employ an attorney to collect any assessment, it shall be entitled to collect in addition thereto all costs of collection including reasonable attorney's fees.

C. The assessments levied by the Association shall be used exclusively for the acquisition, improvement, maintenance, and operation of the common properties and for the payment of services which the Association is authorized to provide, including,

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but not limited to, the payment of taxes and insurance thereon, construction of improvements, repair, replacement, and additions to common properties, payment of the cost of labor, equipment, materials, management, and supervision, necessary to carry out its authorized functions, and for the payment of principle, interest and any other charges connected with loans made to or assumed by the Association for the purpose of enabling the Association to perform its authorized functions.

D. Except as otherwise provided herein, the initial monthly assessments shall not be more than the sums calculated in accordance with the following schedule:

<u>CLASS</u>	<u>MONTHLY ASSESSMENT</u>	<u>COMMENCING</u>
<u>I. General Assessments</u>		
A. Unimproved Residential lots	\$15.00	July 1, 1974
B. Any family dwelling unit	\$15.00	July 1, 1974
C. Condominium tract	\$15.00	July 1, 1974
<u>II. Club Dues</u>		
(Per owner of each unimproved residential lot, condominium tract, or family dwelling unit.)	\$25.00	July 1, 1974

It is understood that the Company shall have unlimited assessments levied against it by the Association to cover any or all expenses incurred by the Association until the abolition of the "Type C" membership. Subsequent to this date, the Company shall not be assessed for any units, residential lots, or condominium tracts which said Company owns.

E. All assessments charged by the Association shall be rounded off to the nearest one dollar (\$1.00).

From and after July 1, 1974, the maximum monthly assessment as applied to all classes of members considered together may be increased each year by the Board of Directors of the Association by an amount not in excess of the larger of (A) six percent (6%) per year over the preceeding year, or (B) the percentage increase between the first month and the last month of an annual assessment period in the Consumer Price Index, U. S. City Average, all items (1967=100) issued by the U. S. Bureau of Labor Statistics in its monthly report entitled "The Consumer Price Index, U. S. City Average

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and Selected Areas." Upon the abolition of the "Type C" membership, and only upon said abolition, three-fourths (3/4) of the vote cast at a duly called meeting of the Association shall be necessary to vote against such increase, or vote to increase said maximum monthly assessment by a greater amount or to decrease the maximum monthly assessment.

Any increase or decrease in the monthly maximum assessment shall be made in such a manner that the proportionate increase or decrease in such maximum monthly assessment is the same for all classes as described in (D) above, and likewise any time the actual assessment levied by the Board of Directors of the Association is less than the maximum monthly assessment, any such decrease shall be apportioned among the respective classes. Increases in proportionate payments of the maximum monthly assessments born by any particular class may be altered only by the favorable vote of ninety percent (90%) of the vote cast at a duly called meeting of the class whose proportionate share is being altered.

The Board of Directors of the Association may, after consideration of current costs and future needs of the Association, fix the monthly assessment for any year at an amount less than the applicable maximum monthly assessment, but such action shall not constitute a waiver by the Association of its right to revert to the full cumulative assessment in subsequent years; however, if the Board of Directors fixes such monthly assessment at an amount less than the maximum and it is subsequently determined by the Board that the amount assessed will not be sufficient, the Board shall have the power to make a supplemental monthly assessment, but in no event shall the sum of the initial and supplemental monthly assessments in any one (1) month exceed the applicable cumulative maximum.

F. In addition to the monthly assessments authorized above, the Association may levy special assessments for the purpose of defraying in part or in whole the cost of any construction or reconstruction, unexpected maintenance or repair, and replacement of the common properties and capital improvements thereon, if any, including the necessary fixtures and personal property related thereto, or addition to the common properties, or to provide for

the necessary facilities and equipment to offer the services authorized herein, and to repay any loan made to the Association to enable it to perform the duties and functions authorized herein, provided that any such assessment shall have the consent of three-fourths (3/4) of the votes cast at a duly called meeting of the association, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting. The proportion of each special assessment to be paid by the owners of the various classifications of assessable property shall be equal to the sum of the total applicable maximum assessments for all property in that class for the month during which such special assessment is approved, expressed as a percentage of the sum of the total applicable maximum assessment for all property within the properties for the month during which such assessment is approved. Such special assessments in any one (1) month may not exceed a sum equal to the amount of the maximum monthly assessment for such month except for emergency and other repairs required as a result of storm, fire, natural disaster, or other casualty loss. This provision shall be interpreted to mean that the Association may make in any one month a monthly assessment up to the maximum set forth in this article. Any additional special assessment when considered alone, may not exceed the amount set forth in the maximum monthly assessment. The fact that the Association has made a monthly assessment for any amount up to the permitted maximum and/or has adjusted proportionate payments between the classes as permitted herein, shall not affect its right to make special assessment during the month.

G. The limitations in assessment hereof shall apply to any merger or consolidation in which the Association is authorized to participate under the bylaws of the Association.

H. The quorum required for any action authorized to be taken by the Association members under this article shall be as follows:

The first time any meeting of the members of the Association is called to take action under this article the presence at the meeting of members or proxies entitled to cast sixty percent (60%) of the total vote of the membership shall constitute a quorum.

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If the required quorum is not forthcoming at any such meeting a second meeting may be called, subject to the giving of proper notice, and the required quorum at such subsequent meeting shall be the presence of members of proxies entitled to cast fifty percent (50%) of the total vote of the membership of the Association.

I. The general assessment and the club dues shall both be fixed on a calendar year basis and shall be due and payable monthly in advance commencing July 1, 1974. All owners who acquire residential lots, family dwelling units, or condominium tracts subsequent to July 1, 1974, shall commence pro-rated payment of the assessment from the first day following the date of closing. Payment of the assessment shall be past due thirty (30) days after the date of billing.

The due date of any special assessment described in (F) above shall be fixed in the resolution authorizing such assessment. All assessments shall be based on the status and classification of property at the end of each month without adjustments for improvements completed during the month.

J. The Board of Directors of the Association shall fix the amount of the assessment against each residential lot, family dwelling unit, or condominium tract for each assessment period and shall at that time prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection to any owner.

The Association shall within three (3) days after written request therefor, furnish to any owner liable for said assessment a certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence against all but the owner, of payment of any assessment therein stated to have been paid.

The Board of Directors shall establish a schedule of fees to be charged for admission to and use of the common properties and/or the facilities thereon should the Association so desire.

K. If the assessment is not paid on or before the past due date specified in (I) above, then such assessment shall become delinquent and shall, together with interest thereon at the rate of one and a half percent (1 1/2%) per month from the past due date

and cost of collection thereof, be a charge and continuing lien on the real property and all improvements thereon, against which each such assessment is made, in the hands of the then owner, his heirs, and devisees, personal representatives and assigns. The personal obligation of the owner at the time when the assessment first became due and payable to pay such assessment, however, shall remain his personal obligation and shall not pass as a personal obligation to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the past due date, the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property; and there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action; and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee together with the cost of the action.

L. The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage, security deed, or deed of trust hereafter placed upon the properties subject to assessment if, but only if, all assessments and charges with respect to such lot authorized herein and having a due date prior to the date such mortgage is filed for record have been paid. The liens and charges hereby subordinated shall apply only to the assessments which have become due and payable subsequent to the date such mortgage is filed for record and prior to the satisfaction, cancellation, or the sale, or transfer of such property pursuant to a decree of foreclosure, sale under power, or any other proceeding or deed in lieu of foreclosure. Any such sale or transfer as part of a foreclosure proceeding shall not relieve such property from liability for any assessments accruing after conveyance by the mortgagee to a subsequent owner; provided, however, that the mortgagee who purchases the property at such foreclosing proceeding shall not be liable for assessments until it has held title to the property for one (1) year.

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M. The following property, individuals, partnerships, or corporations subject to this declaration shall be exempted from the assessment charge and lien created herein:

1. The grantees in conveyances made for the purpose of granting utility easements;
2. All common properties as defined in these declarations;
3. Property owned and operated by the Company or affiliate of the Company which is used for any of the following purposes:
 - a. Road right-of-ways and parking lots.
 - b. Utilities, community halls, and meeting rooms, maintenance and equipment storage areas and offices of the Company.

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ARTICLE IV - The Association

A. The Association shall be required to accept conveyances of and to reasonably maintain the common properties and equipment, furnishings, and improvements thereto.

B. The Association shall be authorized, but not required, to provide any services which the voting membership of the Association deems to be in its best interest.

C. The functions and services which are carried out or offered by the Association at any particular time, subsequent to the abolition of the "Type C" membership shall be determined by the Board of Directors of the Association taking into consideration the funds available to the Association and needs of the members of the Association. Subsequent to the abolition of the "Type C" membership, the functions and services which the Association is authorized, but not required, to carry out or offer may be added to or reduced at any time upon the affirmative vote of three-fourths (3/4) of the votes cast at a duly called meeting of the Association; provided, however, that the functions and services authorized and/or rendered by the Association may be reduced by the Board of Directors of the Association and may also be changed by merger or consolidation of the Association. Prior to the abolition of the "Type C" membership the Company, its successors or assigns, may add to or to reduce the functions and/or services of said Association at its own discretion.

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D. The Board of Directors of the Association shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association; said loans shall be used by the Association in performing its authorized functions.

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ARTICLE V - Common Properties

A. Subject to the provisions of these covenants, the rules and regulations of the Association, and any fees or charges established by the Association, every "Type A, B, and C" member shall have an easement of enjoyment in and to the common properties and such easement shall be appurtenant to and shall pass with the title of every residential lot, family dwelling unit, and condominium tract.

B. The Company shall have the right to convey to the Association by deed or long term lease any lands, watercourses, lakes, greenbelts, paths, roads, right-of-ways, easements, utilities, etc., and any improvements thereon including any or all recreational facilities which the Company designates to become common properties.

C. The Company and its successors or assigns may convey any or all of the aforesaid properties to the Association at such time that the Association, in the sole opinion of the Company, is able to maintain such properties; or if the Association is to be responsible for construction of improvements thereon, at such time as the Company feels, notwithstanding any of the aforesaid, the Association is capable of constructing and financing such improvements.

D. The easement of use and enjoyment created hereby shall be subject to the following:

1. The right of the Company and of the Association, in accordance with its By-laws, to borrow money from the Company or any other lender for the purpose of improving and/or maintaining the common properties and providing the services authorized herein, and in aid thereof to mortgage said properties.

2. The right of the Association to assume and pay any liens or encumbrances against the property at the time of conveyance.

3. The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures.

4.. The rules and regulations of the Association and the right of the Association, as provided in its By-laws, to suspend the rights and easement of enjoyment to any member or any tenant of any member for a period during which any assessment remains unpaid, and for any period not to exceed sixty (60) days for any infraction of its published rules and regulations; it being understood that any suspension for either nonpayment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge of the member's obligation to pay the assessment; and provided that the Association shall not suspend the right to use the roads belonging to the Association subject to the rules and regulations, if any, established by the Association for such use. Should the Association be required to employ an attorney to collect any assessment, it shall be entitled to collect in addition thereto, all costs of collection including reasonable attorneys' fees.

5. The Board of Directors of the Association shall have the power to place any reasonable restrictions upon the use of the roadways now or hereafter to be conveyed by the Company to the Association, including, but not limited to, the types and sizes of vehicles using said roads, the maximum and minimum speeds of vehicles using said roads, all other necessary traffic and parking regulations, and the maximum noise levels of vehicles using said roads. The fact that such restrictions on the use of the roads shall be more restrictive than the laws of any state or local government having jurisdictions over the property shall not make such restrictions unreasonable.

6. The right of the Company or the Association by its Board of Directors to dedicate or transfer to any public or private utility, utility easements on any part of the common properties.

7. The right of the Association to give or sell all or any part of the common properties including leasehold interests

to any public agency, authority, utility, or private concern for such purposes and subject to such conditions as may be agreed to by the members, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedication, transfers and determinations as to purposes and conditions shall be authorized by the affirmative vote of three-fourths (3/4) of the votes cast at a duly called meeting of the Association and unless written notice of the meeting and of the proposed agreement and action thereunder is sent to every member of the Association at least thirty (30) days prior to such meeting. A true copy of such resolution together with a certificate of the results of the vote taken thereon shall be made and acknowledged by the President or Vice-President and Secretary or Assistant Secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the common properties prior to the recording thereof. Such certificates shall be conclusive evidence of authorization by the membership.

8. The rights of reversion of the lessor of any common properties leased by the Association upon expiration of the lease.

STATE OF SOUTH CAROLINA)
COUNTY OF GREENWOOD)

ARTICLE VI - Miscellaneous Provisions

A. The covenants and restrictions of this Declaration shall run with the land and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Company, or the owner of any land subject to this Declaration, and their respective legal representatives, heirs, successors, and assigns, for a period of twenty-five (25) years from the date this Declaration is recorded. Upon the expiration of said twenty-five (25) year period, this Declaration shall be automatically renewed and extended. Upon the expiration of each ten (10) year renewal period, thereafter, this Declaration shall be automatically renewed for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration if during the last year of the initial twenty-five (25) year period, or during the last

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year of any subsequent ten (10) year renewal period, three-fourths (3/4) of the votes cast at a duly held meeting of the Association vote in favor of terminating this Declaration at the end of its then current term. It shall be required that written notice of any meeting at which such a proposal to terminate this Declaration is to be considered, setting forth the fact that such a proposal will be considered, shall be given each member at least thirty (30) days in advance of said meeting. In the event that the Association votes to terminate this Declaration, the President and Secretary of the Association shall execute a certificate which shall set forth the resolution of termination adopted by the Association, the date of the meeting of the Association at which such resolution was adopted, the date that notice of such meeting was given, the total number of votes of members of the Association, the total number of votes required to constitute a quorum at a meeting of the Association, the number of votes necessary to adopt a resolution terminating this Declaration, the total number of votes cast in favor of such resolution, and the total number of votes cast against such resolution. Said certificate shall be recorded in Official Real Estate Records for Greenwood County, Greenwood, South Carolina, and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

B. This Declaration can be amended at any time provided that three-fourths (3/4) of the votes cast at a duly called meeting of the Association vote in favor of the proposed amendment. Notice shall be given each member at least fifteen (15) days prior to the date of the meeting at which such proposed amendment is to be considered. If any proposed amendment to this Declaration is approved by the members as set forth above, the President and Secretary of the Association shall execute an amendment to this Declaration which shall set forth the amendment, the effective date of the amendment, which in no event shall be less than thirty (30) days after the date of recording the amendment, the date of the meeting of the Association at which such amendment was adopted, the date that notice of such meeting was given, the total number of votes of members of the Association, the total number of votes required to constitute a

(25)

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quorum at a meeting of the Association, the number of votes necessary to adopt the amendment, and the total number of votes cast for and against the amendment. Such amendment shall be recorded in the Official Real Estate Records for Greenwood County, Greenwood, South Carolina.

In addition to the other rights of the Company as set forth herein, the Company may unilaterally amend this Declaration for the following purposes:

1. To lessen the number of votes which the Type "C" member shall have in proportion to the number of votes of all other members of the Association.
2. To provide that the Type "C" member shall not vote for certain seats on the Board of Directors and that these seats shall be filled exclusively by the vote of Type "A", and "B" members.
3. To increase the amount of the annual assessment due by the Company to the Association.
4. To incorporate in this Declaration a specific list of amenities to be conveyed by the Company to the Association, said list may include the specific dates before which said items shall be transferred to the Association and any conditions upon which they will be transferred.
5. For any other purpose which requires a greater contribution by the Company to the Association or which lessens the role of the Company in the operation of the Association and increases the role of the other members.
6. From time to time to supplement these General Covenants and Restrictions with supplemental covenants and restrictions; provided, however, that such supplemental covenants and restrictions shall not bind, without the consent of the then owner thereto, any portion of the properties sold by the Company and a deed evidencing such sale having been recorded in the Official Real Estate Records of Greenwood County, Greenwood, South Carolina.
7. For a period of eighteen (18) months from the date hereof, to amend these General Covenants and Restrictions by supplemental declarations thereto and which supplemental declarations shall bind all of the properties; provided, however, that such

supplemental declarations to these General Covenants and Restrictions shall not bind without the consent of the owner thereto, any portion of the properties which have been previously sold by the Company and a deed evidencing such sale having been recorded in the Official Real Estate Records for Greenwood County, Greenwood, South Carolina.

C. Any notice required to be sent to any member or owner under the provisions of the Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed to the last known address of the person or entity who appears as owner in the public records of Greenwood County, Greenwood, South Carolina, on the first day of the calendar month in which said notice is mailed. Notice to one (1) of two (2) or more co-owners of a residential lot, family dwelling unit, or condominium tract shall constitute notice to all co-owners. It shall be the obligation of every member to immediately notify the Secretary of the Association in writing of any change of address. Any person who becomes an owner and member following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice was given to his predecessor in title.

D. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any covenant or restriction, either to restrain or enjoin violations, or to recover damage, or by any appropriate proceeding at law or equity against the land to enforce any lien created by these covenants. Every owner hereby waives any trial by jury in any action or proceeding brought by Company or the Association to enforce any of the covenants or restrictions contained herein. Further, no owner will interpose any counterclaim, except compulsory counterclaims, in any proceeding brought by the Company or the Association to enforce any of these covenants or restrictions. The remedies given to Company and/or the Association herein are distinct, cumulative remedies and the exercise of any of them shall not be deemed to exclude the Company or the Association's right to exercise any or all of the others or those which may be permitted by law or equity. The failure to enforce

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any rights, reservation, restrictions, or condition contained in this Declaration, however long continued, shall not be deemed a waiver of this right to do so hereafter as to the same breach, or as to a breach occurring prior to or subsequent thereto and shall not bar or affect its enforcement. Any person entitled to file a legal action for the violation of these covenants shall be entitled to recover reasonable attorney's fees as a part of such action.

E. Should any covenant or restriction herein contained or any article, subsection, sentence, clause, phrase, or term of this Declaration be declared to be void, invalid, illegal, or unenforceable for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way effect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

F. The Board of Directors of the Association shall have the right to determine all questions arising in connection with this Declaration of Covenants and Restrictions and to construe and interpret its provisions, and its good faith determination, construction, or interpretation. Said determination shall be final and binding. In all cases, the provisions of this General Declaration of Covenants and Restrictions shall be given that interpretation or construction that will best tend toward the consummation of the general plan of improvements.

G. All actions which the Association is allowed to take under this instrument shall be authorized actions of the Association if approved by the Board of Directors of the Association in the manner provided for in the By-laws of the Association, unless the terms of this instrument provide otherwise.

H. In the event that this Declaration be declared to be void, invalid, illegal, or unenforceable in its entirety, or in such a significant manner that the Association is not able to function substantially as contemplated by the terms hereof, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, and such adjudication occurs within ten (10) years of the

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date of recording this Declaration, all common properties belonging to the Association at the time of such adjudication shall revert to the Company, and the Company shall own and operate said common properties as Trustee for the use and benefit of owners within the properties as set forth below. If said adjudication shall occur on a date more than ten (10) years after the date of recording of this Declaration, or if the members of the Association should vote not to renew and extend this Declaration as provided for, all common properties owned by the Association at such time shall be transferred to a Trustee appointed by the Clerk of Court, Greenwood County, Greenwood, S. C., which Trustee shall own and operate said common properties for the use and benefit of owners within the properties as set forth below:

1. Each lot or parcel of land located within the properties shall be subject to an annual assessment which shall be paid by the owner of each such lot or parcel to the Company or Trustee, whichever becomes the successor in title to the Association. The amount of such annual assessment and its due date shall be determined solely by the Company or the Trustee, as the case may be, but the amount of such annual assessment on any particular lot or parcel shall not exceed the amount actually assessed against the lot or parcel in the last year that assessments were levied by the Association, subject to the adjustments set forth in paragraph (2) immediately below.

2. The amount of the Maximum annual Assessment which may be charged by the Company or Trustee hereunder on any particular lot or parcel shall be automatically increased each year by either six percent (6%) or the percentage increase between the first month and the last month of the annual assessment period in the Consumer Price Index, U. S. City Average, All Items (1967=100) issued by the U. S. Bureau of Labor Statistics in its monthly report entitled "The Consumer Price Index, U. S. City Average and Selected Areas", whichever of these two percentage figures is larger. The actual amount of such increase in the maximum annual assessment on a lot or parcel shall equal the maximum annual assessment on such lot or parcel for the previous year multiplied by the larger of the two percentage

factors set forth above. If the Consumer Price Index is discontinued, then there shall be used the most similar index published in the United States Government that may be procured indicating changes in the cost of living.

3. Any assessments together with interest thereon at the rate of one and a half percent (1½%) per month from the past due date and all costs of collection including reasonable attorney's fees shall be a personal obligation of the Owner at the time the annual assessment became past due, and it shall also constitute and become a charge and continuing lien on the lot or parcel of land and all improvements thereon, against which the assessment has been made, in the hands of the then owner, his heirs, devisees, personal representatives and assigns.

4. The Company or the Trustee, as the case may be, shall be required to use the funds collected as annual assessments for the operation, maintenance, repair and upkeep of the common properties. The Company or Trustee may charge as part of the cost of such functions the reasonable value of its services in carrying out the duties herein provided for. Neither the Company nor the Trustee shall have the obligation to provide for operation, maintenance, repair and upkeep of the common properties once the funds provided by the annual assessment have been exhausted.

5. The Company shall have the right to convey title to the common properties and to assign its rights and duties hereunder, provided that the transferee accepts such common properties subject to the limitations and uses imposed hereby and affirmatively acknowledges its acceptance of the duties imposed hereby.

6. The Trustee shall have the power to dispose of the common properties free and clear of the limitations imposed hereby; provided, however, that such disposition shall first be approved in writing by fifty percent (50%) of the owners, or in the alternative shall be found to be in the best interest of the owners by the Clerk of Court, Greenwood County, Greenwood, South Carolina. The proceeds of such a sale shall first be used for the payment of any debts or obligations constituting a lien on the common properties, then for the payment of any obligations incurred by the Trustee in

in the operation, maintenance, repair, and upkeep of the common properties, and the excess, if any, shall be distributed among the owners, exclusive of the Trustee, and a proportion equal to the portion that the maximum annual assessment on property owned by a particular owner bears to the total maximum annual assessments for all property located within the properties.

I. The Company does hereby covenant and agree to provide those owners of residential lots, family dwelling units, and condominium tracts who, from the date of closing of purchase, continuously own, maintain, and pay assessments due on said property for a period of five (5) years, and who choose to sell or transfer said property at any time thereafter, a Special Club Membership. It is to be understood that no such owner shall be required to accept said membership and that upon accepting a Special Club Membership, the member may, upon written notice to an officer of the Association, revoke his membership at any time.

This Special Club Membership shall be a non-transferrable, non-assignable, dues paying membership and shall entitle the member to use of those facilities and amenities normally associated with any regular club membership. It is to be further understood that this Special Club Membership shall not entitle the member to membership in the Gatewood Property Owners' Association, nor to any rights normally associated therewith.

J. The Board of Directors shall establish a set of rules for determining when construction has been substantially completed so that property shall be classified as improved property for purposes of assessment and voting rights.

STATE OF SOUTH CAROLINA)
COUNTY OF GREENWOOD)

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ARTICLE VII - The Properties

A. The real property which is, and shall be, held, transferred, sold, conveyed, given, donated, leased and occupied subject to these covenants is described as follows:

All that tract or parcel of land situate, lying, and being in Greenwood County, Greenwood, South Carolina, containing approximately seventy-five (75) acres, more or less, which is more particularly described in Exhibit "A" attached hereto and by specific reference made a part hereof.

B. The Company intends to develop the properties in accordance with a master plan on display in its sales office and other areas. The Company reserves the right to review and modify the master plan at its sole option from time to time. The master plan shall not bind the Company, its successors and assigns, to adhere to said plan in the development of the land shown thereon. The Company shall not be required to follow any predetermined sequence or order of improvements and developments, and it may bring within these covenants additional lands and develop the same before completing the development of the properties. The Company shall have the full power to add to, subtract from, and make changes in the master plan regardless of the fact that such actions may alter the relative voting strength of the various types of membership of the Association.

C. Additional lands including property not owned by the Company at the time of recording of these declarations may become subject to, but not limited to, this declaration in the following manner:

1. The Company, its successors and assigns, shall have the right without further consent of the Association to bring within the plan and operation of this Declaration additional properties. The additions authorized under this and the preceding subsection, shall be made by filing a Supplementary Declaration of Covenants and Restrictions with respect to the additional

property which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complementary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient in the judgment of the Company to reflect the different character, if any, of the added properties; but such modifications shall have no effect on the immediate property described above in this article.

2. Upon approval in writing of the Association pursuant to three-fourths (3/4) of the vote of those present at a duly called meeting, the owner of any property who desires to add it to the plan of these covenants and to subject it to the jurisdiction of the Association, may file or record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

3. Upon a merger or consolidation of the Association with another association, if provided for in the By-laws of the Association, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association; or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving entity pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the properties, together with the covenants and restrictions established upon any other properties as one plan. Except as hereinafter provided, no such merger or consolidation shall effect any revocation, change of, or addition to the covenants established by this Declaration within the existing property.

WHEREAS, Town & Country Real Estate, is the owner of the following described property:

All those certain pieces, parcels or lot of land, situate, lying and being West of the City of Greenwood, in the County of Greenwood, State of South Carolina, at the intersection of Tranquil Road and Chinquapin Road, known and designated as Lots ONE (1) to SEVENTY-SEVEN (77) inclusive of GATEWOOD, as shown on a plat of said Subdivision, made by Hearst Coleman & Associates, Engineers dated December 7, 1973, and recorded in the office of the Clerk of Court for Greenwood County in Plat Book 22, at Page 98.

IN WITNESS WHEREOF, Town & Country Real Estate, has caused its name to be signed and its corporate seal affixed this 7th day of December 1973.

In the presence of:

TOWN & COUNTRY REAL ESTATE

Mary N. Martin
William M. Creswell, Jr.

By: Calhoun Mays, Jr.
Its President
Attest: Dorothy H. Bowie
Its Secretary

STATE OF SOUTH CAROLINA)
COUNTY OF GREENWOOD)

PROBATE

PERSONALLY appeared before me Mary N. Martin and made oath that she saw the within named Town & Country Real Estate, by Calhoun Mays, Jr., its President and Dorothy H. Bowie, its Secretary, sign, seal and as their act and deed deliver the within Declaration and Statement and that she with William M. Creswell, Jr. witnessed the execution thereof.

SWORN to before me this 7th day, of December 1973.

William M. Creswell, Jr. (L.S.)
Notary Public for South Carolina
My Commission Expires May 20, 1978

Mary N. Martin

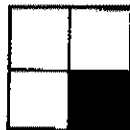


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Company	<u>Town & Country Property Mgt.</u>
Attention	<u>Wilson Bruce</u>
FAX #	<u>864-388-4003</u>
Date	<u>8/19/2016</u>
Time	_____
From	<u>Elaine Sherrill Rohr Archivist</u> <u>SCA/H</u>

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outgoing mail
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The State of South Carolina

EXECUTIVE DEPARTMENT

CERTIFICATE OF INCORPORATION BY THE SECRETARY OF STATE

11,944

WHEREAS, Calhoun A. Mays, Jr., 132 West Cambridge St., Greenwood, S. C.
Dr. Phillip L. Bates, 500 Henrietta Heights, Greenwood, S. C.
Michael A. Davis, 132 West Cambridge St., Greenwood, S. C.

two or more of the officers or agents appointed to supervise or manage the affairs of

GATEWOOD PROPERTY OWNERS ASSOCIATION

which has been duly and regularly organized, did on the 12th day of

September, A. D. 1975, file with Secretary of State a written declaration setting forth:

That, at a meeting of the aforesaid organization held pursuant to the by-laws or regulations of the said organization, they were authorized and directed to apply for incorporation.

That, the said organization holds, or desires to hold property in common for Religious, Educational, Social, Fraternal, Charitable or other eleemosynary purpose, or any two or more of said purposes, and is not organized for the purpose of profit of gain to the members, otherwise than is above stated, nor for the insurance of life, health, accident or property; and that three days' notice in the The Index-Journal, a newspaper published in the County of Greenwood, has been given that the aforesaid Declaration would be filed.

AND WHEREAS, Said Declarants and Petitioners further declared and affirmed:

FIRST: Their names and residences are as above given.

SECOND: The name of the proposed Corporation is GATEWOOD PROPERTY OWNERS ASSOCIATION

THIRD: The place at which it proposes to have its headquarters or be located is 132 West Cambridge St. Greenwood, S. C.

FOURTH: The purpose of the said proposed Corporation is to perform such community services for the property owners of Gatewood Subdivision of Greenwood County, S. C. and any extensions or additions thereto and including adjoining communities or subdivisions as may be proper to fulfill the sanitary, esthetic, recreational or community needs and to collect such charges from such property owners as may be necessary to perform such services.

FIFTH: The names and residences of all Managers, Trustees, Directors or other officers are as follows:

Calhoun A. Mays, Jr.	132 W. Cambridge St., Greenwood, S. C.	President
Dr. Phillip L. Bates	500 Henrietta Heights, Greenwood, S. C.	Vice President
Michael A. Davis	132 W. Cambridge St., Greenwood, S. C.	Secretary

SIXTH: That they desire to be incorporated: in perpetuity.

Now, THEREFORE, I, O. FRANK THORNTON, Secretary of State, by virtue of the authority in me vested, by Chapter 13, Title 12, Code of 1962, and Acts amendatory thereto, do hereby declare the said organization to be a body politic and corporate, with all the rights, powers, privileges and immunities, and subject to all the limitations and liabilities, conferred by said Chapter 13, Title 12, Code of 1962, and Acts amendatory thereto.

GIVEN under my hand and the seal of the State, at Columbia,
this 12th day of September
in the year of our Lord one thousand nine hundred and
75 and in the one hundred and two
hundredth year of the Independence of the
United States of America.

O. FRANK THORNTON,
Secretary of State.

SC Department of Archives and History

8301 Parklane Road, Columbia SC 29223-4905 (803) 896-6104 or (803) 896-6105 www.state.sc.us/scdah

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Wilson Bruce Town & Country Property Mgt., 132 West Cambridge Ave.			Reference Archivist
Greenwood	SC	29646-	

Our staff has located the following documents in response to your inquiry. Copies may be obtained by signing this form and returning it with a check for the total amount. Copies are \$.40 per page. There is a \$2.00 handling fee for copying each volume or file. This minimum charge for any order is \$5.00. In addition, there will be a \$15.00 research fee for all out of state requests and a \$5.00 research fee for all in state requests. The purchaser assumes responsibility for complying with copyright restrictions governing the use of requested items. (US Code Title 17)

Description	Reference	Roll	Prints	Price
Certificate of Incorporation [Articles of Incorporation] of Gatewood Property Owners Association; September 12, 1975 [Two copies: one certified and one faxed]	SC Secretary of State, Corporations Division, Eleemosynary File No. 11944; 184E09	xerox	2	\$0.80
Total for Prints:				2 \$0.80
Sales Tax (8%):				\$0.06
Handling:				\$5.00
Research Fee:				\$5.00
Total:				\$10.86

pd. 8/19/2016
(ESR)

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Card Number _____

Expiration Date _____

Signature _____

BY-LAWS
OF
GATEWOOD PROPERTY OWNERS ASSOCIATION

ARTICLE I.

Definitions

The following terms as used in these By-Laws are defined as follows:

- A. "Association" means the Gatewood Property Owners Association, a South Carolina non-profit corporation.
- B. "Board" means the Board of Directors of the Association.
- C. "By-Laws" means the By-Laws of the Association.
- D. "Declaration" means the Declaration of Protective Covenants for Gatewood dated the 1st day of _____, 1973 as the same may be supplemented or amended from time to time.
- E. "Developer" means Gatewood and its successors.
- F. "Development" means Gatewood Subdivision as the same may be shown on the maps thereof record.
- G. "Lot" means any Lot in the Development included from time to time in the definition of Lot set forth in the Declaration.
- H. "Owner" means:
 - (1) Any Person, including Gatewood who holds fee simple title to any Lot.
 - (2) Any person or legal entity who has contracted to purchase fee simple title to a Lot pursuant to a written agreement, in which cash seller under said agreement shall cease to be the owner while said agreement is in effect.

ARTICLE II.

Membership and Voting Rights

- Section 1. Every owner shall be a member of the Association. The Company shall be a member of the Association.
- Section 2. The Association shall have three (3) types of voting memberships.
 - "Type A" – "Type A" members shall be all those owners of the residential lots and family swelling units. A "Type A" member shall be entitled to two (2) votes for each family swelling unit he owns. An owner of a residential lot upon which a family dwelling unit has not been constructed shall be entitled to one vote for each residential lot, which he owns. It is the intent of this provision that so long as property qualifies as a residential lot by virtue of the fact that improvements have not been constructed thereon, the owner thereof shall have only one (1) vote, but once improvements are constructed on said lot, it loses its character as a residential lot and becomes a family dwelling unit. The owner thereof shall have a total of two (2) votes for the ownership of such property.
 - "Type B" – "Type B" members shall be all those owners of undeveloped condominium units. A "Type B" member shall be entitled to one (1) vote for each condominium unit, which such "Type B" member owns.

“Type C” – The “Type C” member shall be the Company. The “Type C” member shall be entitled to the same number of votes as is cumulatively held by all “Type A and B” members plus one (1), provided that “Type C” membership shall be abolished on January 1, 1979, or at such time that the Company, its successors or assigns, has sold two hundred (200) assessable residential lots, family dwelling units, or condominium units, whichever of these two events occurs first. Any provision herein to the contrary notwithstanding at such time as “Type C” membership ceases to exist, the Company shall become a “Type A and/or B” member depending upon the type of property owned by the Company at such time. The abolition of “Type C” membership shall be evidenced by written notice to the Association and recording of a certified copy of said notice in the Real Estate Records of Greenwood County, Greenwood, South Carolina.

In computing the Company’s votes as a “Type A and/or B” member, only those unsold residential lots or condominium units, which are shown on a final plat, will be considered. The Board of Directors of the Association shall determine whether said property owned by the Company shall be classified as improved property for the purposes of voting rights.

When any property entitling the owner to membership as a “Type A, B or C” member of the Association is owned of record in the name of two or more persons or entities, whether fiduciaries, tenants in common, tenants in partnership, or in any other manner of common ownership, or if two (2) or more persons or entities have the same fiduciary relationship respecting the same property, then unless the instrument or order appointing them or creating the tenancy otherwise directs and it or a copy thereof is filed with the secretary of the Association, their acts with respect to voting shall have the following effect:

1. If only one (1) votes in person or by proxy, his act binds all.
2. If more than one (1) vote in person or by proxy, the act of the majority so voting binds all.
3. If more than one (1) vote in person or by proxy, but the vote is evenly split on any particular matter, each fraction shall be entitled to its proportionate share of the vote or votes.
4. If the instrument or order so filed shows that any such tenancy is held in unequal interest, a majority or even split for purposes of this paragraph shall be a majority or even split in interest.
5. The principles of this paragraph shall apply but not be limited insofar as possible, to execution of proxies, waivers, consents, or to objections for the purpose of ascertaining the presence of a quorum.

The voting rights of any owner may be assigned by said owner to his lessee who has entered into a lease with a term of two (2) years or more; provided, however, that the owner may not as to such lessee any vote or votes not attributable to the property actually leased by such lessee. The “Type A, B and/or C” members are sometimes hereinafter collectively referred to as “The Members”

Section 3. Suspension of Privileges of Membership

The Board may suspend the voting privileges of any member for:

- (a) Any period during which any Association charge on such member’s Lot remains unpaid.
- (b) The period of any continuing violation by such member or associate member of the provisions of the Declaration after the existence thereof shall have been declared by the Board.

- (c) A period to be determined by the Board, for repeated violations of the By-Laws or the rules and regulations of the Association.

ARTICLE III.

Evidence of Membership and Transfer

Section 1. Membership Certificates

Certificates of membership in the Association may be issued to members and associate members. Such Certificates shall be in such form as the Board shall from time to time designate and shall be issued over the signature of the president or other officer of the Association. Such certificate shall indicate whether or not the holder is a member of an associate member and shall also indicate the Lot the ownership of which gives rise to membership. Such certificate shall also clearly state on its face that the Association is a non-profit corporation. Adequate records shall be maintained by the Association showing the names of the members and associate members of the Association, the type of membership and the date of membership.

Section 2. Transfer

When a member ceases to be an Owner, such person's membership, and those associate memberships existing through relationships to such person, shall cease, but such person shall remain liable for all Association charges incurred prior to the giving of written notice to the Association that such person is no longer an Owner.

ARTICLE IV.

Meetings of Members

Section 1. Place of Meetings

Any meeting of the members of the Association shall be held in the State of South Carolina at such place therein as may be stated in the notice of such meeting.

Section 2. The Annual Meeting

The annual meeting of the Association shall be held on the second Sunday of December of each year commencing with the year 1975.

Section 3. Special Meetings of the Association

Special Meetings of the Association may be called by the Board at any time in the manner herein provided. A special meeting may also be called upon the written petition of twenty percent (20%) of the members of the Association who would have the right to vote at such meeting. Such petition shall set forth the purpose of the special meeting.

Section 4. Notice of Meetings of the Association

Written notice of the place, date and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than twenty (20) days not more than forty (40) days before the date of the meeting, either personally or by mail, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to have been delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Association, with postage prepaid; or such notice may be published in any newspaper or publication printed under the auspices of the Association and distributed generally among

members of the Association. At a special meeting, no business shall be conducted except that stated in the notice of said meeting.

Section 5. Quorum

A quorum at either a special meeting or the annual meeting shall be ten percent (10%) of the members entitled to vote at such meeting in person or by proxy. The vote of a majority of the votes entitled to be cast at any meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by law.

ARTICLE V.

The Directors

Section 1. Powers

The Board shall:

- (a) Manage and control the affairs of the Association.
- (b) Adopt a corporate seal as the seal of the Association.
- (c) Designate a banking institution or institutions as depository for the Association's funds; and the officer or officers authorized to make withdrawals therefrom and to execute obligations on behalf of the Association.
- (d) Perform other acts the authority for which has been granted herein or by law.
- (e) Establish and levy reasonable fees for the issuance of permits for erecting or placing improvement on any Lot.
- (f) Cause the Association to employ sufficient personnel to adequately perform the responsibilities of the Association.
- (g) Adopt reasonable rules of order for the conduct of the meetings of the Association, and with reference thereto, on procedural questions upon which no rules have been adopted, the ruling of the Chairman of the meeting shall be final.
- (h) Select the officers of the Association. It may establish committees of the Association and appoint the members thereof. It may assign to such committees such responsibilities and duties not inconsistent with the provisions of these By-Laws or with law as it may deem appropriate.
- (i) The Board shall, prior to the annual meeting of the Association in each year, adopt an operating budget to be presented for approval by the members at such annual meeting. Upon approval, the Board shall, taking into consideration other sources of income that the Association may have, levy an annual assessment for each Lot for the following year. Upon the adoption and approval of the budget, the Board shall be bound by the same and shall not vary therefrom by more than fifteen percent (15%) of the total amount thereof without having called a special meeting of the Association to approve such variations. The budget shall be adopted only after the members of the Association shall have had a reasonable opportunity to review the same and to comment thereon, either at hearings held thereon or through such other means as the Board may direct. The Board may, by resolution, fix the time for payment of the annual assessments, which may be on a monthly, quarterly, semi-annual, or annual basis.

Section 2. Number of Directors

The number of Directors shall be seven (7). However, the Board of Directors may by resolution increase the number of Directors to nine (9). Directors need not be members.

Section 3. Term

The initial Board shall serve for a term of three (3) years. Thereafter, Directors shall serve or a term of two (2) years.

Section 4. Qualifications of Directors

A Director shall be at least twenty-one (21) years of age. Directors elected or appointed after the year 1976 shall be members of the Association.

Section 5. Election of Directors

- (a) Election of Directors following the appointment of the initial Board, shall be by written ballot as is hereinafter provided. The seven (7) persons receiving the largest number of votes shall be elected, unless prior to the notice of election, the Board of Directors by resolution shall have increased the number of Directors to nine (9) as is provided in Article V, Section 2., and in such case, the nine (9) persons receiving the largest number of votes shall be elected.
- (b) Between the first and fifteenth day of August of each year, commencing with the year 1976, any member in good standing may file with the Secretary of the Association a statement of his or her candidacy for election as a Director of the Association for the term beginning immediately following the first Annual Meeting of the Association held after the filing of such statement, together with endorsements of his or her candidacy signed by ten (10) voting members in good standing. The Secretary of the Association shall cause notice of each candidacy and a brief biographical statement of each candidate to be included in the notice of such Annual Meeting.
- (c) All elections to the Board following the appointment of the initial Board shall be made on written ballot which shall:
 - 1. Describe the vacancy to be filled; and,
 - 2. Set forth the names of those persons who have become candidates for the office of Director in the order in which they filed their statement and endorsements of candidacy with the Secretary of the Association.Such ballots shall be prepared and mailed by the Secretary to each person entitled to vote simultaneously with the mailing of the notice of the Annual Meeting of the Association.
- (d) Each member entitled to vote shall receive one (1) ballot for each Lot for which he is the voting member.
- (e) The completed ballots shall be returned as follows: Each ballot shall be placed in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one (1) ballot, and each voting member shall be advised that because of the verification procedures hereinafter set forth, the inclusion of more than one (1) ballot in any one "Ballot" envelope shall disqualify the return. Such "Ballot" envelope shall be placed in another sealed envelope which shall bear on its face the name and signature of the member, his Lot number, and such other information as the Board may determine will serve to establish his right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the Secretary of the Association at such address as the Board may from time to time determine, no later than ten (10) days prior to the Annual Meeting.
- (f) Upon receipt of each return, the Secretary shall immediately place it in a safe or other locked place until the day fixed by the Board for the counting of such ballots. On that day, the external envelopes containing the "ballot" envelopes shall be turned over, unopened, to an Election Committee consisting of the Secretary, the then

existing Board, and a representative of each candidate for the office of Director.

The Election Committee shall then adopt a procedure which shall establish:

1. That the signature of the member on the outside envelope is genuine; and,
2. That such member is a member in good standing. Such procedure shall be taken in such manner that the vote of any member shall not be disclosed to anyone, including the Election Committee.

The outside envelopes shall thereupon be placed in a safe or other locked place, and the Election Committee shall proceed to the opening of the "Ballot" envelopes and the counting of the votes. If any "Ballot" envelope is found to contain more than one (1) ballot, all ballots contained in such envelope shall be disqualified. The Election Committee shall certify the results of the count at the Annual Meeting, and the terms of office of the Directors so elected shall commence immediately at such Annual Meeting.

- (g) All outside envelopes, ballots and statements of candidacy shall be retained by the Secretary for a period of one (1) year.

Section 6. Proxies

Except in connection with the election of Directors, every member entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such member or his duly authorized agent and filed with the Secretary of the Association; provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless that person executing it specified therein the length of time for which such proxy is to continue in force, which in no event shall exceed three (3) years from the date of its execution.

Section 7. Meetings of the Board of Directors

The Board shall meet at least quarterly. Special meetings of the Board may be called by a majority of the Board and shall be held at such place as the call or notice of the meeting shall designate. Notice of such special meeting may be given in writing or orally at least twenty-four (24) hours prior to the date of said special meeting, or notice thereof may be waived by the Directors in writing. After adoption of a resolution setting forth the times of regular meeting, no notice of such meetings shall be required, or waived, but notice of special meetings of the Board shall be given.

Section 8. Action Without Meeting

Unless prohibited by law, any action which may be taken at a meeting of the Board may be taken without a meeting if authorized in writing, signed by all of the Directors who would be entitled to vote upon said action at a meeting, and filed with the Secretary of the Association.

Section 9. Quorum

A majority of the Directors shall constitute a quorum to transact business of the Board, and the act of the majority of the Directors present at any meeting shall be deemed to be the act of the Board.

Section 10. Vacancies

If any Vacancy exists on the Board, such vacancy shall be filled by the remaining Directors even though those remaining Directors might be less than a quorum. Any person so elected a Director shall serve out the un-expired term of the Director whom he has replaced.

ARTICLE VI.

The Officers

Section 1. Officers

The officers of the Association shall be the President, one or more Vice-Presidents, the Secretary, the Treasurer and such other officers and assistant officers as the Board may from time to time elect.

Officers shall serve at the will of the Board. Any two (2) or more offices may be held by same person, except the offices of President and Secretary. Officers need not be members of the Association.

Section 2. President

The president shall be the general managerial officer of the Association, except as otherwise determined by the Board, and he shall be vested with the powers and duties generally incident to the office of President of a non-profit corporation, except as otherwise determined by the Board, or as may be otherwise set forth in these By-Laws. He need not be a Director.

Section 3. Vice-President

In the absence of the President, or in the event of his inability or refusal to act, the Vice-President is empowered to act and shall thereupon be vested with the powers and duties of the President. In the event that there are more than one Vice-Presidents, the Board shall establish the order in which they serve.

Section 4. Secretary

The Secretary of the Association shall keep the minutes of the business and other matters transacted at the meetings of the members and of the Board. He shall mail, or cause to be mailed, all notices required under the By-Laws. He shall have the custody of the corporate seal and records, and maintain a list of the members and their addresses and perform all other duties incident to the office of Secretary.

Section 5. Treasurer

The Treasurer shall have custody of the funds of the Association, collect monies due, pay he obligations of the Association out of its funds, and perform such other duties as are incident to the office of Treasurer. The Board may require that the Treasurer be bonded for such amount and under such conditions as the Board may require.

Section 6. Removal of Officers

Any officers may be removed when, in the judgment of the Board, the best interest of the Association will be served by such removal.

ARTICLE VII.

Committees

Section 1. Committees of Directors

The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation; but the designation of such committees and the delegation thereto of authority shall not operate to

relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law.

Section 2. Other Committees

Other Committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the Association, and the President of the Association shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association shall be served by such removal.

Section 3. Term of Office

Each member of a committee shall continue as such until the next annual meeting of the members of the Association and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 4. Chairman

One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 5. Vacancies

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 6. Quorum

Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules

Each committee may adopt rules for its own government not inconsistent with these By-Laws or with rules adopted by the Board of Directors.

ARTICLE VIII.

Duties of Members

Section 1. Payment of Assessments

The charges or assessments levied by the Association shall be paid to it on or before the date or dates fixed by resolution of the board. If not so paid, the amount of such assessment, plus any other charges thereon, including interest at the maximum limit provided by law per annum from date of delinquency and costs of collection, including attorneys' fees, if any, shall constitute and become a lien on the Lot so assessed when the Board causes to be recorded in the office of the appropriate County Recorder of Deeds, a notice of assessment which shall state the amount of such assessment and such other charges and a description of the Lot which has been assessed. Such notice shall be signed by the Secretary of the Association on behalf of the Association. Upon payment of said

assessment and charges, or other satisfaction thereof, the Board shall, within a reasonable time, cause to be recorded a further notice stating the satisfaction and the release of said lien.

Section 2. Priority of Lien

Conveyance of any Lot shall not affect any lien for assessments provided herein. Such lien shall be prior to all other liens recorded subsequent to said notice of assessment.

Section 3. Enforcement

The lien provided for herein may be foreclosed by suit by the Association in like manner as a mortgage and, in such event, the Association may be a bidder at the foreclosure sale. The association may also pursue any other remedy against any owner owing money to it which is available to it by law or equity for the collection of debt.

Section 4. Proof of Payment

Upon request, the Association shall furnish a statement certifying that all assessments then due have been paid or indicated the amount then due.

Section 5. Suspension

The Association shall not be required to transfer membership on its books or allow the exercise of any rights or privileges of membership on account thereof to any owner or to any persons claiming under them unless or until all assessments and charges to which they are subject have been paid.

ARTICLE IX.

Contracts, Checks, Deposits and Funds

Section 1. Contracts

The Board of Directors may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc.

All checks, drafts, or orders for the payment of money, 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 and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice-President of the Association.

Section 3. Deposits

All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4. Gifts

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

ARTICLE X.

Amendments

These By-Laws may be amended by a majority vote of the Board.

ARTICLE XI.

Fiscal Year

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.

WHEREAS, on September 12, 1975, the Secretary of State for the state of South Carolina did issue a charter to Gatewood Property Owners Association, and

WHEREAS, subsequent to the issuance of such charter and the adoption of the By-Laws for said Association, the South Carolina Alcoholic Beverage Control Commission has required that additional provisions be made to said By-Laws before a license for the sale and consumption of alcoholic liquors could be made,

NOW, THEREFORE, BE IT RESOLVED:

1. That the By-Laws of Gatewood Property Owners Association, be amended by adding a new paragraph to Article II, Section 2, which shall read as follows:

“The combined total of the “Type A”, “Type B”, and “Type C” memberships shall not exceed seven hundred fifty (750).”

2. That the By-Laws of Gatewood Property Owners Association be amended by adding a new Article XII which shall be entitled “Dissolution” and shall read as follows:

“Upon dissolution of the Corporation, the assets remaining after all debts have been paid shall be distributed in such amount or amounts as the Board of Directors may determine or as may be determined by a Court of competent jurisdiction at the request of the Board of Directors, exclusively to an organization or organizations described in Section 501 (c) (3) and exempt from taxation under Section 501 (a) The Internal Revenue Code of 1954 or the corresponding provisions of any prior or future Internal Revenue Code or to the federal, state, local governments Or school districts for exclusively public purposes.”

DONE AND RESOLVED at Greenwood, South Carolina by a majority vote of the officers and directors of Gatewood Property Owners Association this 27th day of January, 1976.

GATEWOOD PROPERTY OWNERS ASSOCIATION

BY: Calhoun A. Mays, Jr.
Calhoun A. Mays, Jr., Its President

BY: Michael A. Davis
Michael A. Davis, Its Secretary

EXHIBIT A

On Tuesday, November 19, 1996 the Board of Directors of the Gatewood Property Owners Association passed this resolution:

RESOLVED:

That the By-Laws of the Gatewood Property Owners Association be amended as follows:

- 1) That Article I, Section E, be amended to read, "Developer" means Town and Country Real Estate, Inc. and its successors.
- 2) That Article II, Section 3, be amended by adding the phrase "and the right to use the facilities and amenities: and shall read, The Board may suspend the voting privileges and the right to use the facilities and amenities of any member for: a) b) & c, and Article VIII, Section 1.
- 3) That Article IV, Section 2, be amended by replacing the "section" with the paragraph, "The annual meeting of the Association shall be held on the fourth (4th) Monday of January of each year at 7:00 PM at the Gatewood Clubhouse, subject, however to the Board's right to change same by notice by regular mail.
- 4) That Article V, Section 1, be amended by deleting the paragraph () in it's entirety, and replace this paragraph as follows: "The Board shall prior to the annual meeting each year prepare an operating budget for the next year, for Board approval at such meeting, and the same shall, first, be presented to the members at such annual meeting prior to the Board vote on same. The Board shall fix the time and amount for the payment of the annual assessment which may be on a monthly, quarterly, semi-annual, or annual basis". Further, Section 1, be amended by adding (j) "Provide rules and regulations for the conduct of it's affairs, and (k) "Provide penalties for the violation of any provisions of the By-Laws, General Declaration Of Covenants And Restrictions, Rules and Regulations of the Gatewood Club".
- 5) That Article V, Section 2, be amended by replacing this section with "The number of Directors shall be twelve (12). Directors shall be Association voting members, in good financial standing, with the Gatewood Property Owners Association. The Chairperson, Vice-Chairperson, and Secretary shall be appointed by the Board of Directors. The duties are:
 - Chairperson: It shall be the duty of the chairperson to preside at all meetings of the board and the association. The chairperson shall vote only in the event of a tie. The chairperson shall, with the secretary, sign all obligations, contracts, deeds, mortgages, promissory notes, and other instruments, unless otherwise provided by the board. The chairperson, with approval of the board, shall designate from the members of the board, chairperson for the various committees authorized by the Board.
 - Vice-Chairperson: In the absence of the chairperson, or if the chairperson is unable to perform, the vice-chairperson shall perform the chairperson's duties. In case of a vacancy in the position of chairperson, the vice-chairperson shall perform the duties until a successor has been designated by the board.
 - Secretary: The Secretary shall be custodian of the board records and books and shall keep full and correct minutes of all meetings of the Board of Directors. He/She shall attend to all correspondence of the Board. The secretary shall sign all obligations, contracts, deeds, mortgages, promissory notes, and other instruments, unless otherwise provided by the Board.
- 6) That Article V, Section 3, be amended by replacing this section with "The Board Directors shall serve for a term of three (3) years, with one-third of the twelve (12) Directors elected each year:
- 7) That Article V, Section 5, be amended by replacing this section with:
 - a) "The chairperson of the Board shall appoint a Nominating Committee, consisting of at least three (3) Board members. The Nominating Committee shall nominate from the voting members, in good standing, candidates to fill the vacancies of the Board of Directors."
 - b) "Upon Board approval of the candidates to fill the vacancies on the Board of Directors, the Secretary shall mail to all voting members the slate of nominees. Members, in good standing, may petition to have additional candidates placed in nomination, by submitting a petition listing the nominee, together with endorsement signatures of fifteen (15) Association voting members."

- c) "If no petition is filed within the prescribed time period, the nominees, approved by the Board are declared elected. However, if a petition is received, the nominee will be added to the ballot and mailed to the voting membership, at which time, the Association members shall vote for four (4) persons to serve on the Board of Directors."
- 8) That Article V, Section 10, be amended by replacing this section with "If any vacancy exists on the Board, the Directors shall, by vote, a) allow the vacancy to remain open until the next election; or b) appoint an Association member to serve the un-expired term."
- 9) That Article VI, Section 1, be amended by adding, "The Board of Directors shall appoint the Officers of the Association annually".
- 10) That Article VIII, Section 1, be amended by deleting the remainder of the section beginning with the phrase, in the second sentence, "when the Board causes to be recorded in the office of the appropriate County Recorder of Deeds, a notice of assessment which shall state the amount of such assessment" and replace the phrase with "thirty (30) days after payment is due." Further by adding the sentence "To become a subsequent purchaser, in good faith, all successors to title herein, whether by grant or operation by law, shall have the duty to inquire of the Gatewood Property Owners Association with regard to all delinquent accounts and charges, then delinquent, shall be the liability of the successor in title".
- 11) That the By-Laws be amended by adding a new Article XIII, which shall be entitled "indemnification of Directors and Officers" and read as follows:

"The Gatewood Property Owners Association shall indemnify each person who is or was a officer or director against any and all liability and reasonable expense that may be incurred by him/her in connection with or resulting from or arising out of any claim, action, suit or proceeding in which he/she may become involved as a party or otherwise by reason of having been an officer or director, whether or not he/she continues to be such at the time any liability or expense is incurred, provided that such person has acted in good faith and, in addition, in any criminal action or proceedings, provided that he/she had no reasonable cause to believe that his/her conduct was unlawful. As used in this section, the terms "liability" and "expense" shall include but shall not be limited to attorneys' fees and disbursements and amounts of judgment, fines, or penalties against and amounts paid by the officer or director. The association may purchase and maintain insurance, at its' expense, on behalf of any person who is or was an officer or director."

STATE OF SOUTH CAROLINA)

COUNTY OF GREENWOOD)

RESOLUTION TO AMEND BY-LAWS

RE: GATEWOOD PROPERTY OWNERS ASSOCIATION, INC.

WHEREAS; duly appointed members of the Board of Directors of the Gatewood Property Owners Association met on November 19, 1996 for the purpose of amending then existing By-Laws of the Gatewood Property Owners Association; and

WHEREAS; a quorum sufficient to amend By-Laws was present; and

WHEREAS; after Motion to Amend By-Laws was seconded and after general discussion with regard to the same it was resolved as follows:

NOW, THEREFORE, BE IT RESOLVED:

1. That the By-Laws of the Gatewood Property Owners Association be amended by adding new paragraphs and material and data merged herein and attached hereto and identified as Exhibit "A".

DONE AND RESOLVED AT GREENWOOD, SOUTH CAROLINA BY A MAJORITY VOTE OF THE OFFICERS AND DIRECTORS OF THE GATEWOOD PROPERTY OWNERS ASSOCIATION THIS 19TH OF NOVEMBER, 1996.

In the Presence of:

Jean O. Wood

David E. Hyde

Thomas A. Wood
THOMAS A. WOOD
CHAIRMAN OF THE BOARD

Lynn W. Vaughn
LYNN VAUGHN
SECRETARY TO THE BOARD

STATE OF SOUTH CAROLINA)

COUNTY OF GREENWOOD)

PROBATE

Personally appeared the undersigned witness and made oath that (s)he saw the within named signatories, above sign, seal and as the signatories act and deed deliver the within written instrument and that (s)he, with the other witness subscribed above witnessed the execution thereof.

SWORN to before me this 16 day of January, 1997

GENERAL DECLARATION OF COVENANTS AND RESTRICTIONS
OF THE GATEWOOD PROPERTY OWNERS ASSOCIATION AND
TOWN AND COUNTRY REAL ESTATE

THIS DECLARATION, made this first day of October 1973, by the Gatewood Property Owners Association, hereinafter called "Association" and Town and Country Real Estate, hereinafter called "Company".

WITNESSETH:

WHEREAS, Company is the owner of the real property described in this declaration and desires to create thereon a planned unit development community known as Gatewood with certain facilities, amenities and services for the use and benefit of all property owners within such community; and

WHEREAS, Company desires to provide for the preservation of the values and amenities and for the maintenance of common facilities, services and properties; and to this end desires to subject the real property described in this declaration together with such additions as may hereafter be made, as provided in these declarations, to the covenants, restrictions, easements, affirmative obligations, charges and liens, hereinafter set forth, each and all of which is and hereby declared to be for the benefit of said property and each and every owner of any and all parts thereof; and

WHEREAS, Company deems it desirable, for the efficient preservation of the values and amenities in said community, to create an agency, the "Association", to which can be delegated and assigned the power and authority of maintaining and administering the common properties and services and administering and enforcing the covenants and restrictions governing the same and collecting and disbursing all assessments and charges necessary for such maintenance, administration, and enforcement, as hereinafter created;

NOW THEREFORE, the Company declares that the real property described in this declaration and any such additions thereto as may hereafter be made pursuant to this declaration, is and shall be held, transferred, sold, conveyed, given, donated, leased, occupied, and used subject to the covenants, restrictions, conditions, easements, charges, assessments, affirmative obligations, and liens (hereinafter sometimes referred to as "The Covenants") hereinafter set forth.

STATE OF SOUTH CAROLINA)

COUNTY OF GREENWOOD

)
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DEFINITIONS

The following words and terms when used in this declaration or any supplemental declaration, unless the context shall clearly indicate otherwise, shall have the following meanings:

- A. "Association" shall mean and refer to the Gatewood Property Owners Association.
- B. "Properties" or "Gatewood" shall mean and refer to the real property described in this declaration and additions thereto as are subjected to this declaration or any supplemental declaration.
- C. "Common Properties" shall mean and refer to those tracts of land and any improvements thereon which are deeded or leased to the Association and designated in said deed or lease as common properties. The term "Common Properties" shall also include any personal property acquired by the Association, if said property is designated as "Common Property". All Common Properties are to be devoted to and intended for the common use and enjoyment of the Owners, their families, guests of the Owners, persons occupying dwelling places or accommodations of Owners on a guest or a tenant basis, and visiting members of the general public to the extent permitted by the Board of Directors of the Association subject to operating rules adopted by the Association; provided, however, that any lands which are leased by the Association for use as Common Properties shall lose their character as Common Properties upon the expiration of such lease.
- D. "Family Dwelling Unit" shall mean and refer to any improved property intended for use as a single-family dwelling or condominium unit located within the properties. A "Family Dwelling Unit" shall be deemed to exist only after certification of completion of the improvements by the Board of Directors of the Association.
- E. "Residential Lot" or "Lot" shall mean any unimproved parcel of land located within the properties, with the exception of the Common Properties and Condominium Tracts, which is intended for use as a site for a single family detached dwelling shown upon any final subdivision map of any part of the properties.
- F. "Condominium Tract" shall mean any unimproved parcel of land located within the properties, except for Common Properties, and Residential Lots intended for use as a site for condominium regimes.
- G. "Owner" shall mean and refer to the owner as shown by the Real Estate Records in the office of the Clerk Of Court of Greenwood County,

Greenwood, South Carolina, whether it be one or more persons, firms, associations, corporations, or other legal entities of fee simple title to any residential lot, family dwelling unit, or condominium tract situated upon the properties but, notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee or holder of a security deed, its successors or assigns, unless and until such mortgagee or holder of a security deed has acquired title pursuant to foreclosure, or any other proceeding or deed in lieu of foreclosure and has held such title for a period of one (1) year; or shall the term "Owner" mean or refer to any lessee, or tenant of any owner. In the event that there is recorded in the office of the Clerk of Court of Greenwood County, Greenwood, South Carolina, a long-term contract of sale covering any lot or parcel of land within the properties, the owner of such lot or parcel of land shall be the purchaser under said contract and not the fee simple title holder. A long-term contract of sale shall be one where the purchaser is required to make payments for the property for a period extending beyond nine (9) months from the date of the contract and where the purchaser does not receive title to the property until such payments are made although the purchaser is given the use of said property.

- H. "Member" shall mean and refer to all those owners who are members of the Association as provided in this declaration.
- I. "Company" shall mean Town and Country Real Estate and its successors and assigns.
- J. "Intended for use" shall mean the use to which any particular parcel of land is restricted by covenants expressly set forth or incorporated by references in deeds by which the Company has conveyed the property.
- K. "Affiliate" shall mean any corporation more than fifty percent (50%) of the voting stock of which is owned or controlled by the Company and any partnership or joint venture in which the Company has more than a fifty percent (50%) proprietary interest.
- L. "Limited Common Properties" shall mean that a portion of any plat recorded by the Company in the office of the Clerk of Court of Greenwood County, Greenwood, South Carolina, which is designated as an open area or greenbelt and which is not generally accessible to all owners as being limited to the use of those owners of lots immediately contiguous thereof.

STATE OF SOUTH CAROLINA)
)
 COUNTY OF GREENWOOD)

PROTECTIVE COVENANTS
 RESTRICTIONS AND CONDITIONS

GERNERAL DECLARATIONS OF COVENANTS AND RESTICTIONS OF THE
PROPERTY OWNERS ASSOCIATIONS AND THE DEVELOPMENT COMPANY.

ARTICLE I – GENERAL LIMITATIONS

A. In order to enhance the aesthetic quality of a development, the natural beauty of the environment, and the overall structural character of the neighborhood, the Company has deemed as vital, the availability of professional architectural services for both the homeowner and the Company. To meet this need, the Company has made provisions for the establishment of an Architectural Control Committee, whose function shall be to advise the prospective homeowner as to the quality of his construction plans, their general keeping with the overall development theme of the neighborhood, and their relation to the proposed lot and site location. It shall be the Committee's function to professionally advise him as to any changes in his tentative plans, which will enhance the appeal of his residence and his neighborhood. As stated, the primary function of this committee shall be professional advice; however, it must have the legal authority to prevent any improvements on any grounds within the development, which it feels detracts from the overall aesthetic quality of the neighborhood.

No family dwelling unit, garage, carport, playhouse, fence, wall, swimming pool, or other structure, shall be commenced, erected, or maintained upon the properties, nor shall any exterior addition to any existing structure or change or alteration therein, nor shall any landscaping or site work be done until complete final plans and specifications thereof showing the nature, kind, shape, height, materials, basic exterior finishes and colors, location and floor plan thereof, and showing front, side and rear elevations thereof, respectively in the name of the builder and/or landscaper have been submitted to and approved by the Architectural Control Committee, its agents, successors or assigns, as to harmony of the exterior design and general quality in relation to the standards of the neighborhood area, and as to location in relation to the surrounding structures and topography. If the Architectural Control Committee fails to approve or disapprove such plans and specifications within thirty (30) days after receipt of written notice that such plans and specifications have been submitted to it and approval requested, the Architectural Control Committee shall be deemed to have approved said plans and specifications. Refusal of approval of plans, specifications, builder, landscaper, or location may be based upon any grounds, including purely aesthetic considerations, which in the sole and uncontrolled discretion of the Architectural Control Committee, or its agent, shall be deemed sufficient.

Any builder, or any landscaper prior to performing any work on the properties must be approved by the Company as to financial stability, building or landscaping experience, and ability to build or landscape structures or grounds of the class and type of those which are to be built on the properties.

All residences (excluding driveway, yard landscaping, fences, clearing, or any site improvement other than the residence itself) shall have a minimum construction

and material cost of fifty thousand dollars (\$50,000.00). This minimum cost restriction shall be based upon construction prices as of the date of record of the first copy of these restrictions. This minimum cost restriction shall be upgraded annually by the Company and/or the Association in direct correlation with the National Consumer Price Index or other accepted indicator of the trend of inflation and the relative cost of living.

In the event any owner violates the terms of this Article I, the Association or its duly appointed agent shall give written notice to the owner to cure such violation. After thirty (30) days and upon failure of the owner to do so, the Association shall be entitled to enter upon the property of the owner and cure such defect, including removal of any structure built in violation thereof, all at the cost and expense of the owner. This right of the Company or its agents shall be in addition to all other general enforcement rights which the Company or the Association may have for a breach or a violation of the terms of these covenants and restrictions and shall not be deemed a trespass by the Company or its agents.

B. It is the responsibility of each owner to prevent any unclean, unsightly, or unkept conditions of buildings or grounds on the owner's property, which shall tend to substantially decrease the beauty of the neighborhood areas or the development as a whole.

C. No noxious or offensive activity shall be carried on upon any portion of the properties, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any owner or guest thereof in any neighborhood area or in the development as a whole.

D. Should any unclean, unsightly, or unkept conditions or any noxious or offensive activity be carried on upon any portion of the properties, the Association or its duly appointed agent shall be entitled to enter upon the property of the owner and to cure such defect as outlined in paragraph A, above.

E. Except as otherwise permitted herein, no plants, animals, or device or thing of any sort whose normal activities or existence is in any way noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of other property in the development by the owners or the guests thereof be maintained.

F. Hunting of all wild animals, fowl, and game is hereby prohibited with the properties, and the discharge of firearms within the properties for any purpose shall not be allowed. Provided, however, that target shooting of firearms may be permitted as part of a recreational activity supervised by the Association. This restriction is not intended to prohibit legalized fishing within the lakes and waterways of the development.

G. Each homeowner shall be required to possess and maintain a garbage compactor.

H. All garbage receptacles must be contained within a fenced or enclosed area, and hidden from public view.

I. All tools, lawnmowers, or equipment of any kind must be contained within a fenced or an enclosed area and hidden from public view when not in use.

J. The Company reserves unto itself, its successors and assigns, a perpetual, alienable, and releasable easement and right on, over, and under the ground to erect, maintain and use electric and telephone poles, wires, cables, conduits, sewers, water mains, and other suitable equipment for the conveyance and use of electricity, cable television, security cable equipment, telephone equipment, gas, sewer, water, or other private or public convenience or utilities on, in, or over those areas as are shown on the applicable plats. Further, the Company may cut at its own expense drain ways for surface water wherever and whenever such action may appear to the Company to be necessary in order to maintain reasonable standards of health, safety, and appearance.

K. Unless approved by the Company, there shall be no combination and/or subdivision of any lot or lots which produce any lot or lots smaller in area than any of the original lots. In the event of the combination or the subdivision by the Company or any owner by permission of the Company of one or more lots, the easements created hereby and referenced on applicable plats prior to the transaction shall exist on the resulting lots. As in (I) above, these easements and rights expressly include the right to cut any trees, bushes, or shrubbery, take any grains of the soil, or to take any other similar action reasonably necessary to provide economical and safe utility installation and to maintain reasonable standards of health, safety, and appearance.

L. In addition the Company reserves unto itself, its successors and assigns, a perpetual, alienable, and releasable easement and right on, over, and under the properties to dispense pesticides and take other action which in the opinion of the Company is necessary or desirable to control insects and vermin.

M. No septic tank or any other individual or collective sewage disposal system other than that owned and maintained by the Company and/or the Association, their successors or assigns, shall be used unless such system is designed, located, constructed, and maintained in accordance with the requirements, standards, and recommendations of the Company and/or the Association, their successors or assigns, and appropriate public health authority.

N. No structure of a temporary character shall be placed upon any portion of the properties at any time; provided, however, that this prohibition shall not apply to shelters used by contractors during the construction of any family dwelling unit, or to shelters maintained by the Company or the Association. It is to be clearly understood that temporary shelters, tents, recreational vehicles, etc., may not at any time be used as temporary or permanent residences or be permitted to remain on any portion of the properties after completion of construction thereon.

O. It is to be clearly understood that any private float, dock, marina, platform, or any other structure built over, on, or under the surface of any lake or

waterway, shall come under the most careful scrutiny and regulation of the Architectural Control Committee.

P. No boat, canoe, or other watercraft shall be operated upon any lake, stream, or other waterway within the properties if such boat, canoe, or other watercraft shall be propelled by internal combustion engine, or any other form of motorized operation which may discharge liquids or gasses into the water. It should be clarified that small, noiseless, electric motors will be tolerated.

Q. No fuel tanks or similar storage receptacles may be exposed to view, and such storage receptacles may be installed only within the main dwelling house, within an accessory building, or within a fenced area approved by the Architectural Control Committee.

R. No trees measuring ten (10) inches or more in diameter at a point one (1) foot above ground level or any flowering tree may be removed nor may any major clearing of small trees be performed without the approval of the Architectural Control Committee, unless located within ten (10) feet of a building, within ten (10) feet of the approved building site for such building, or within the right-of-way of driveways and walkways. Excepted herefrom shall be damaged trees, or trees which must be removed because of an emergency.

S. The Company and/or the Association shall have the right to protect from erosion the land designated as areas upon which residential building shall take place by planting trees, plants, and shrubs where and to the extent necessary, or by such mechanical means as providing drainage way and/or dams or other means deemed expedient or necessary by the Company and/or the Association to provide and insure against said erosion.

T. No trash, garbage, construction debris, or other unsightly or offensive material shall be placed upon any portion of the properties, except as is temporary and incidental to the bonafide improvements of said area of the properties.

U. The exterior of all houses and other structures, site work, and sufficient landscaping must be completed within one (1) year after the construction of same shall have commenced, except where such completion is impossible or would result in great hardship to the owner or builder due to strike, fires, national emergency, or natural calamity. Houses and other dwelling structures may not be temporarily or permanently occupied until the exterior thereof has been completed; provided, however, that owner shall not be required to complete the finish work on the interior of his house within one (1) year after construction has commenced if such interior finish work is performed in whole or part by such owner.

V. No private vehicle of any sort shall be parked permanently on any street or roadway within the development. Owners shall be required to furnish adequate parking for their own vehicles within the confines of their property.

W. Minimum front, side, and rear setback lines for residences shall be determined by individual lot characteristics and shall be at the sole discretion of the Architectural Control Committee.

X. All utilities and services shall be placed underground from the property line or easement to the residence. In routing utilities and services from the easement to the property line, no pavement section may be cut or in any way damaged without prior approval of the Company and/or the Association.

Y. The established grade of lot is not to be raised by any individual so as to adversely affect an adjacent property owner or owners. All site work and grading shall be approved by the Architectural Control Committee.

Z. No livestock or poultry shall be kept on any of the lots in the development. Horses shall be stabled, corralled, or grazed only in areas so designated.

AA. Should the owner of any residential lot in the subdivision acquire the oil, gas, and minerals located in or under and to be produced from said lot, said owner, his heirs, successors and/or assigns shall never have the right to conduct any drilling, exploring, or other operations on the surface of said residential lot.

BB. It shall be the responsibility of each owner to keep his driveway in a reasonable state of repair. Driveways will be either hard surfaced, or loosely graveled with a permanent border subject to approval by the Architectural Control Committee.

CC. Every homeowner shall be required to possess, maintain, and operate a post lantern approved by the Architectural Control Committee, located between his residence and the street with an automatic on-off switch to operate during all dark hours.

DD. Only vehicles bearing current license plates shall be parked or stored within public view from the street or from adjoining property. No trucks over one-half ton, no trailers, no tractors, no commercial vehicles and no automobiles bearing advertisements, signs, or placards are to be stored or parked on residential property unless screened from public view from the street or from adjoining property except when making deliveries. No boats, boat trailers, or recreational vehicles shall be exposed to public view from the street or from adjoining property.

EE. Each homeowner shall be required to erect and maintain a standard mailbox approved for use by the Architectural Control Committee.

FF. Except as otherwise permitted by the Company, the Company, its successors or assigns shall be the exclusive agent on all resales or rental of lots or the improvements thereon. An owner's intent for the Company to resell or rent shall be in the form of an Exclusive Right to Sell or Lease Contract with the Company. Upon execution of said contract the Company shall have until midnight of the ninetieth (90) day therefrom to produce to the owner a legitimate offer to purchase or lease at the amount and terms agreed. Should said Company

fail to produce an offer to purchase or lease said property within the time span so indicated, the Company's Exclusive Right to Sell or Lease shall expire.

GG. No commercial signs including, "for rent", "for sale", and other similar signs shall be erected or maintained on any residential lot by anyone, including, but not limited to, the owner, a realtor, a contractor, or subcontractor, except with the written permission of the Company or the Association or except as may be required by legal proceedings. It being understood that the Company or the Association will not grant permission for said signs unless their erection is reasonably necessary to avert serious hardship to the owner. If such permission is granted, the Company or the Association reserves the right to restrict size, color, and content of such signs.

HH. Any General Limitations contained in this Article I, and any subsequent amendments hereto may be waived on any particular lot by the assent of all of the adjoining property owners, that is to say the owners of those lots with common boundaries to the lot in question and the owners of those lots situate directly across a street or road from the lot in question; upon recommendation by the Architectural Control Committee; and upon majority approval of the Directors of the Association.

II. Only one single-family residence may be erected on any residential lot other than in those areas specifically designated by the Company on recorded plats as Common Properties or Condominium Tracts. Said property shall not be used, rented, sold, leased, or otherwise disposed of for mercantile, manufacturing, or any reason other than residential purposes.

ARTICLE II – MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

A. Every owner shall be a member of the Association. The Company shall be a member of the Association.

B. The Association shall have three (3) types of voting memberships:

"Type A" – "Type A" members shall be all those owners of the residential lots and family dwelling units. A "Type A" member shall be entitled to two (2) votes for each family dwelling unit he owns. An owner of a residential lot upon which a family dwelling unit has not been constructed shall be entitled to one vote for each residential lot, which he owns. It is the intent of this provision that so long as property qualifies as a residential lot by virtue of the fact that improvements have not been constructed thereon, the owner thereof shall have only one (1) vote, but once improvements are constructed on said lot, it loses its character as a residential lot and becomes a family dwelling unit. The owner thereof shall have a total of two (2) votes for the ownership of such property.

"Type B" – "Type B" members shall be all those owners of undeveloped condominium tracts. A "Type B" member shall be entitled to one (1) vote for each condominium tract, which such "Type B" member owns.

“Type C” – The “Type C” member shall be the Company. The “Type C” member shall be entitled to the same number of votes as is cumulatively held by all “Type A and B” members plus one (1), provided that “Type C” membership shall be abolished on January 1, 1979, or at such time that the Company, its successors or assigns, has sold two hundred (200) assessable residential lots, family dwelling units, or condominium tracts, whichever of these two events occurs first. Any provisions herein to the contrary notwithstanding at such time as “Type C” membership ceases to exist, the Company shall become a “Type A and/or B” member depending upon the type of property owned by the Company at such time. The abolition of “Type C” membership shall be evidenced by written notice to the Association and recording of a certified copy of said notice in the Real Estate Records of Greenwood County, Greenwood, South Carolina.

In computing the Company’s votes as a “Type A and/or Type B” member, only those unsold residential lots or condominium tracts, which are shown on a final plat recorded in the Real Estate Records of Greenwood County will be considered. The Board of Directors of the Association shall be classified as improved property for the purposes of voting rights.

When any property entitling the owner to membership as a “Type A, B, or C” member of the Association is owned of record in the name of two or more persons or entities, whether fiduciaries, tenants in common, tenants in partnership, or in any other manner of common ownership, or if two (2) or more persons or entities have the same fiduciary relationship respecting the same property, then unless the instrument or order appointing them or creating the tenancy otherwise directs and it or a copy thereof is filed with the secretary of the Association, their acts with respect to voting shall have the following effect:

1. If only one (1) vote in person or by proxy, his act binds all.
2. If more than one (1) vote in person or by proxy, the act of the majority so voting binds all.
3. If more than one (1) vote in person or by proxy, but the vote is evenly split on any particular matter, each fraction shall be entitled to its proportionate share of the vote or votes.
4. If the instrument or order so filed shows that any such tenancy is held in unequal interest, a majority or even split for purposes of this paragraph shall be a majority or even split in interest.
5. The principles of this paragraph shall apply but not be limited insofar as possible, to execution of proxies, waivers, consents, or to objections for the purpose of ascertaining the presence of a quorum.

The voting rights of any owner may be assigned by said owner to his lessee who has entered into a lease with a term of two (2) years or more; provided, however, that the owner may not assign to such lessee any vote or votes not attributable to the property actually leased by such lessee. The “Type A, B, and/or C” members are sometimes hereinafter collectively referred to as “The Members”.

ARTICLE III – COVENANTS FOR ASSESSMENTS

A. The Company covenants and each owner shall in the acceptance of a deed, whether or not it shall be so expressed in any such deed or other conveyance, be deemed to covenant and agree to all the terms and provisions of this declaration, and to pay the Association general assessments or charges and club dues or charges hereinafter collectively referred to as Assessments. For the purposes set forth in this article, such assessments are to be fixed, established, and collected from time to time as hereinafter provided. The assessments and dues together with such interest thereon and cost of collection thereof as hereinafter provided shall be a charge and continuing lien on the real property and improvements thereon against which such assessment is made. Each such assessment together with such interest thereon and cost of collection thereof as hereinafter provided shall also be the personal obligation of the person who was the owner of such real property at the time when the assessment first became due and payable.

B. Co-ownership of any residential lot, family dwelling unit, or condominium tract shall not entitle each of the co-owners to a club membership. Only one (1) club membership shall be granted per each of the above-described parcels. In the case of co-ownership of any residential lot, family dwelling unit, or condominium tract all of such co-owners shall be jointly and severally liable for the entire amount of the assessment.

Should the Association be required to employ an attorney to collect any assessment, it shall be entitled to collect in addition thereto all costs of collection including reasonable attorney's fees.

C. The assessments levied by the Association shall be used exclusively for the acquisition, improvement, maintenance, and operation of the common properties and for the payment of services, which the Association is authorized to provide, including, but not limited to, the payment of taxes and insurance thereon, construction of improvements, repair, replacement, and additions to common properties, payment of the cost of labor, equipment, materials, management, and supervision, necessary to carry out its authorized functions, and for the payment of principal, interest and any other charges connected with loans made to or assumed by the Association for the purpose of enabling the Association to perform its authorized functions.

D. Except as otherwise provided herein, the initial monthly assessments shall not be more than the sums calculated in accordance with the following schedule:

<u>CLASS</u>	<u>MONTHLY ASSESSMENT</u>	<u>COMMENCING</u>
<u>I. General Assessments</u>		
A. Unimproved residential lots	\$15.00	July 1, 1974
B. Any family dwelling unit	\$15.00	July 1, 1974

C. Condominium tract	\$15.00	July 1, 1974
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II. Club Dues

(Per owner of each unimproved residential lot, condominium tract, or family dwelling unit)	\$25.00	July 1, 1974
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It is understood that the Company shall have unlimited assessments levied against it by the Association to cover any or all expenses incurred by the Association until the abolition of the "Type C" membership. Subsequent to this date, the Company shall not be assessed for any units, residential lots, or condominium tracts, which said Company owns.

E. All assessments charged by the Association shall be rounded off to the nearest one-dollar (\$1.00).

From and after July 1, 1974, the maximum monthly assessment as applied to all classes of members considered together may be increased each year by the Board of Directors of the Association by an amount not in excess of the larger of (A) six percent (6%) per year over the preceding year, or (B) the percentage increase between the first month and the last month of an annual assessment period in the Consumer Price Index, U.S. City Average, all items (1967=100) issued by the U.S. Bureau of Labor Statistics in its monthly report entitled, "The Consumer Price Index, U.S. City Average and Selected Areas". Upon the abolition of the "Type C" membership, and only upon said abolition, three-fourths (3/4) of the vote cast at a duly called meeting of the Association shall be necessary to vote against such increase, or vote to increase said maximum monthly assessment by a greater amount or to decrease the maximum monthly assessment.

Any increase or decrease in the monthly maximum assessment shall be made in such a manner that the proportionate increase or decrease in such maximum monthly assessment is the same for all classes as described in (D) above, and likewise any time the actual assessment levied by the Board of Directors of the Association is less than the maximum monthly assessment, any such decrease shall be apportioned among the respective classes. Increases in proportionate payments of the maximum monthly assessments born by any particular class may be altered only by the favorable vote of ninety percent (90%) of the vote cast at a duly called meeting of the class whose proportionate share is being altered.

The Board of Directors of the Association may, after consideration of the current costs and future needs of the Association, fix the monthly assessment for any year at an amount less than the applicable maximum monthly assessment, but such action shall not constitute a waiver by the Association of its right to revert to the full cumulative assessment in subsequent years; however, if the Board of Directors fixes such monthly assessment at an amount less than the maximum and it is subsequently determined by the Board that the amount assessed will not be sufficient, the Board shall have the power to make a supplemental monthly assessment, but in no event shall the sum of the initial and supplemental monthly assessments in any one (1) month exceed the applicable cumulative maximum.

F. In addition to the monthly assessments authorized above, the Association may levy special assessments for the purpose of defraying in part or in whole the cost of any construction or reconstruction, unexpected maintenance or repair, and replacement of the common properties and capital improvements thereon, if any, including the necessary fixtures and personal property related thereto, or addition to the common properties, or to provide for the necessary facilities and equipment to offer the services authorized herein, and to repay any loan made to the Association to enable it to perform the duties and functions authorized herein, provided that any such assessment shall have the consent of three-fourths (3/4) of the votes cast at a duly called meeting of the Association, written notice of which shall be sent to all members at least thirty (30) days in advance and shall set forth the purpose of the meeting. The proportion of each special assessment to be paid by the owners of the various classifications of assessable property shall be equal to the sum of the total applicable maximum assessments for all property in that class for the month during which such special assessment is approved, expressed as a percentage of the sum of the total applicable maximum assessment for all property within the properties for the month during which such assessment is approved. Such special assessments in any one (1) month may not exceed a sum equal to the amount of the maximum monthly assessment for such month except for emergency and other repairs required as a result of storm, fire, natural disaster, or other casualty loss. This provision shall be interpreted to mean that the Association may make in any one month a monthly assessment up to the maximum set forth in this article. Any additional special assessment when considered alone, may not exceed the amount set forth in the maximum monthly assessment. The fact that the Association has made a monthly assessment for any amount up to the permitted maximum and/or has adjusted proportionate payments between the classes as permitted herein, shall not affect its right to make special assessment during the month.

G. The limitations in assessment hereof shall apply to any merger or consolidation in which the Association is authorized to participate under the bylaws of the Association.

H. The quorum required for any action authorized to be taken by the Association members under this article shall be as follows:

The first time any meeting of the members of the Association is called to take action under this article the presence at the meeting of members or proxies entitled to cast sixty percent (60%) of the total vote of the membership shall constitute a quorum. If the required quorum is not forthcoming at any such meeting a second meeting may be called, subject to the giving of proper notice, and the required quorum at such subsequent meeting shall be the presence of members or proxies entitled to cast fifty percent (50%) of the total vote of the membership of the Association.

I. The general assessment and the club dues shall both be fixed on a calendar year basis and shall be due and payable monthly in advance commencing July 1, 1974. All owners who acquire residential lots, family dwelling units, or condominium tracts subsequent to July 1, 1974, shall

commence prorated payment of the assessment from the first day following the date of closing. Payment of the assessment shall be past due thirty (30) days after the date of billing.

The due date of any special assessment described in (F) above shall be fixed in the resolution authorizing such assessment. All assessments shall be based on the status and classification of property at the end of each month without adjustments for improvements completed during the month.

J. The Board of Directors of the Association shall fix the amount of the assessment against each residential lot, family dwelling unit, or condominium tract for each assessment period and shall at that time prepare a roster of the properties and assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection to any owner.

The Association shall within three (3) days after written request therefore, furnish to any owner liable for said assessment a certificate in writing signed by an officer of the Association setting forth whether said assessment has been paid. Such certificate shall be conclusive evidence against all but the owner, of payment of any assessment therein stated to have been paid.

The Board of Directors shall establish a schedule of fees to be charged for admission to and use of the common properties and/or the facilities thereon should the Association so desire.

K. If the assessment is not paid on or before the past due date specified in (I) above, then such assessment shall become delinquent and shall, together with interest thereon at the rate of one and a half percent (1-1/2%) per month from the past due date and cost of collection thereof, be a charge and continuing lien on the real property and all improvements thereon, against which each such assessment is made, in the hands of the then owner, his heirs, and devisees, personal representatives and assigns. The personal obligation of the owner at the time when the assessment first became due and payable to pay such assessment, however, shall remain his personal obligation and shall not pass as a personal obligation to his successors in title unless expressly assumed by them.

If the assessment is not paid within thirty (30) days after the past due date, the Association may bring an action at law against the owner personally obligated to pay the same or foreclose the lien against the property; and there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action; and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee together with the cost of the action.

L. The lien of the assessment provided for herein shall be subordinate to the lien of any mortgage, security deed, or deed of trust hereafter placed upon the properties subject to assessment if, but only if, all assessments and charges with respect to such lot authorized herein and having a due date prior to the date such mortgage is filed for record have been paid. The liens and charges hereby subordinated shall apply only to the assessments which have become due and

payable subsequent to the date such mortgage is filed for record and prior to the satisfaction, cancellation, or the sale, or transfer of such property pursuant to a decree of foreclosure, sale under power, or any other proceeding or deed in lieu of foreclosure. Any such sale or transfer as part of a foreclosure proceeding shall not relieve such property from liability for any assessments accruing after conveyance by the mortgagee to a subsequent owner; provided, however, that the mortgagee who purchases the property at such foreclosing proceeding shall not be liable for assessments until it has held title to the property for one (1) year.

M. The following property, individuals, partnerships, or corporations subject to this declaration shall be exempted from the assessment charge and lien created herein:

1. The grantee in conveyances made for the purpose of granting utility easements;
2. All common properties as defined in these declarations;
3. Property owned and operated by the Company or affiliate of the Company which is used for any of the following purposes:
 - a. Road right-of-ways and parking lots.
 - b. Utilities, community halls, and meeting rooms, maintenance and equipment storage areas and offices of the Company.

ARTICLE IV – THE ASSOCIATION

A. The Association shall be required to accept conveyances of and to reasonably maintain the common properties and equipment, furnishings, and improvements thereto.

B. The Association shall be authorized, but not required, to provide any services, which the voting membership of the Association deems to be in its best interest.

C. The functions and services, which are carried out or offered by the Association at any particular time, subsequent to the abolition of the “Type C” membership shall be determined by the Board of Directors of the Association taking into consideration the funds available to the Association and needs of the members of the Association. Subsequent to the abolition of the “Type C” membership, the functions and services which the Association is authorized, but not required, to carry out or offer may be added to or reduced at any time upon the affirmative vote of three-fourths (3/4) of the votes cast at a duly called meeting of the Association; provided, however, that the functions and services authorized and/or rendered by the Association may be reduced by the Board of Directors of the Association and may also be changed by merger or consolidation of the Association. Prior to the abolition of the “Type C” membership the Company, its successors or assigns, may add to or reduce the functions and/or services of said Association at its own discretion.

D. The Board of Directors of the Association shall have the power and authority to mortgage the property of the Association and to pledge the revenues of the Association as security for loans made to the Association; said loans shall be used by the Association in performing its authorized functions.

ARTICLE V – COMMON PROPERTIES

A. Subject to the provisions of these covenants, the rules and regulations of the Association, and any fees or charges established by the Association, every “Type A, B, and C” member shall have an easement of enjoyment in and to the common properties and such easement shall be appurtenant to and shall pass with the title of every residential lot, family dwelling unit, and condominium tract.

B. The Company shall have the right to convey to the Association by deed or long term lease any lands, watercourses, lakes, greenbelts, paths, roads, right-of-ways, easements, utilities, etc., and any improvements thereon including any or all recreational facilities which the Company designates to become common properties.

C. The Company and its successors or assigns may convey any or all of the aforesaid properties to the Association at such time that the Association, in the sole opinion of the Company, is able to maintain such properties; or if the Association is to be responsible for construction of improvements thereon, at such time as the Company feels, notwithstanding any of the aforesaid, that Association is capable of constructing and financing such improvements.

D. The easement of use and enjoyment created hereby shall be subject to the following:

1. The right of the Company and of the Association, in accordance with its By-laws, to borrow money from the Company or any other lender for the purpose of improving and/or maintaining the common properties and providing the services authorized herein, and in aid thereof to mortgage said properties.
2. The right of the Association to assume and pay any liens or encumbrances against the property at the time of conveyance.
3. The right of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosures.
4. The rules and regulations of the Association and the right of the Association, as provided in its By-laws, to suspend the rights and easement of enjoyment to any member or any tenant of any member for a period during which any assessment remains unpaid, and for any period not to exceed sixty (60) days for any infraction of its published rules and regulations; it being understood that any suspension for either nonpayment of any assessment or a breach of the rules and regulations of the Association shall not constitute a waiver or discharge

of the member's obligation to pay the assessment; and provided that the Association shall not suspend the right to use the roads belonging to the Association subject to the rules and regulations, if any, established by the Association for such use. Should the Association be required to employ an attorney to collect any assessment, it shall be entitled to collect in addition thereto, all costs of collection including reasonable attorneys' fees.

5. The Board of Directors of the Association shall have the power to place any reasonable restrictions upon the use of the roadways now or hereafter to be conveyed by the Company to the Association, including, but not limited to, the types and sizes of vehicles using said roads, the maximum and the minimum speeds of vehicles using said roads, all other necessary traffic and parking regulations, and the maximum noise levels of vehicles using said roads. The fact that such restrictions on the use of the roads shall be more restrictive than the laws of any state of local government having jurisdictions over the property shall not make such restrictions unreasonable.
6. The right of the Company or the Association by its Board of Directors to dedicate or transfer to any public or private utility, utility easements on any part of the common properties.
7. The right of the Association to give or sell all or any part of the common properties including leasehold interests to any public agency, authority, utility, or private concern for such purposes and subject to such conditions as may be agreed to by the members, provided that no such gift or sale or determination as to the purposes or as to the conditions thereof shall be effective unless such dedication, transfers and determinations as to purposes and conditions shall be authorized by the affirmative vote of three-fourths (3/4) of the votes cast at a duly called meeting of the Association and unless written notice of the meeting and of the proposed agreement and action thereunder is sent to every member of the Association at least thirty (30) days prior to such meeting. A true copy of such resolution together with a certificate of the results of the vote taken thereon shall be made and acknowledged by the President or Vice-President and Secretary or Assistant Secretary of the Association and such certificate shall be annexed to any instrument of dedication or transfer affecting the common properties prior to the recording thereof. Such certificates shall be conclusive evidence of authorization by the membership.
8. The rights of reversion of the lessor of any common properties leased by the Association upon expiration of the lease.

ARTICLE VI – MISCELLANEOUS PROVISIONS

- A. The covenants and restrictions of this Declaration shall run with the land and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Company, or the owner of any land subject to this Declaration,

and their respective legal representatives, heirs, successors, and assigns, for a period of twenty-five (25) years from the date this Declaration is recorded. Upon the expiration of said twenty-five (25) year period, this Declaration shall be automatically renewed and extended. Upon the expiration of each ten (10) year renewal period, thereafter, this Declaration shall be automatically renewed for an additional ten (10) year period; provided, however, that there shall be no renewal or extension of this Declaration if during the last year of the initial twenty-five (25) year period, or during the last year of any subsequent ten (10) year renewal period, three-fourths (3/4) of the votes cast at a duly held meeting of the Association vote in favor of terminating this Declaration at the end of its then current term.

It shall be required that written notice of any meeting at which such a proposal to terminate this Declaration is to be considered, setting forth the fact that such a proposal will be considered, shall be given each member at least thirty (30) days in advance of said meeting. In the event that the Association votes to terminate this Declaration, the President and Secretary of the Association shall execute a certificate which shall set forth the resolution of termination adopted by the Association, the date of the meeting of the Association at which such resolution was adopted, the date that notice of such meeting was given, the total number of votes of members of the Association, the total number of votes required to constitute a quorum at a meeting of the Association, the number of votes necessary to adopt a resolution terminating this Declaration, the total number of votes cast in favor of such resolution, and the total number of votes cast against such resolution. Said certificate shall be recorded in Official Real Estate Records for Greenwood County, Greenwood, South Carolina, and may be relied upon for the correctness of the facts contained therein as they relate to the termination of this Declaration.

B. This Declaration can be amended at any time provided that three-fourths (3/4) of the votes cast during a duly called meeting of the Association vote in favor of the proposed amendment. Notice shall be given each member at least fifteen (15) days prior to the date of the meeting at which proposed amendment is to be considered. If any proposed amendment to this Declaration is approved by the members as set forth above, the President and Secretary of the Association shall execute an amendment to this Declaration which shall set forth the amendment, the effective date of the amendment, which in no event shall be less than thirty (30) days after the date of recording the amendment, the date of the meeting of the Association at which such amendment was adopted, the date that notice of such meeting was given, the total number of votes of members of the Association, the total number of votes required to constitute a quorum at a meeting of the Association, the number of votes necessary to adopt the amendment, and the total number of votes cast for and against the amendment. Such amendment shall be recorded in the Official Real Estate Records for Greenwood County, Greenwood, South Carolina.

In addition to the other rights of the Company as set forth herein, the Company may unilaterally amend this Declaration for the following purposes:

1. To lessen the number of votes which the "Type C" member shall have in proportion to the number of votes of all other members of the Association.
2. To provide that the "Type C" member shall not vote for certain seats on the Board of Directors and that these seats shall be filled exclusively by the vote of "Type A", and "B" members.
3. To increase the amount of the annual assessment due by the Company to the Association.
4. To incorporate in this Declaration a specific list of amenities to be conveyed by the Company to the Association, said list may include the specific dates before which said items shall be transferred to the Association and any conditions upon which they will be transferred.
5. For any other purpose which requires a greater contribution by the Company to the Association or which lessens the role of the Company in the operation of the Association and increases the role of the other members.
6. From time to time to supplement these General Covenants and Restrictions with supplemental covenants and restrictions; provided, however, that such supplemental covenants and restrictions shall not bind, without the consent of the then owner thereto, any portion of the properties sold by the Company and deed evidencing such sale having been recorded in the Official Real Estate Records of Greenwood County, Greenwood, South Carolina.
7. For a period of eighteen (18) months from the date hereof, to amend these General Covenants and Restrictions by supplemental declarations thereto and which supplemental declarations shall bind all of the properties; provided, however, that such supplemental declarations to these General Covenants and Restrictions shall not bind without the consent of the owner thereto, any portion of the properties which have been previously sold by the Company and a deed evidencing such sale having been recorded in the Official Real Estate Records for Greenwood County, Greenwood, South Carolina.

C. Any notice required to be sent to any member or owner under the provisions of the Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper postage affixed to the last known address of the person or entity who appears as owner in the public records of Greenwood County, Greenwood, South Carolina, on the first day of the calendar month in which said notice is mailed. Notice to one (1) of two (2) or more co-owners of a residential lot, family dwelling unit, or condominium tract shall constitute notice to all co-owners. It shall be the obligation of every member to immediately notify the Secretary of the Association in writing of any change of address. Any person who becomes an owner and member following the first day

in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice was given to his predecessor in title.

D. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any covenant or restriction, either to restrain or enjoin violations, or to recover damage, or by any appropriate proceeding at law or equity against the land to enforce any lien created by these covenants. Every owner hereby waives any trial by jury in any action or proceeding brought by Company or the Association to enforce any of the covenants or restrictions contained herein. Further, no owner will interpose any counterclaim, except compulsory counterclaims, in any proceeding brought by the Company or the Association to enforce any of these covenants or restrictions. The remedies given to Company and/or the Association herein are distinct, cumulative remedies and the exercise of any of them shall not be deemed to exclude the Company or the Association's rights to exercise any or all of the others or those which may be permitted by law or equity. The failure to enforce any rights, reservation, restrictions, or condition contained in this Declaration, however long continued, shall not be deemed a waiver of this right to do so hereafter as to the same breach, or as to a breach occurring prior to or subsequent thereto and shall not bar or affect its enforcement. Any person entitled to file a legal action for the violation of these covenants shall be entitled to recover reasonable attorneys' fees as part of such action.

E. Should any covenant or restriction herein contained or any article, subsection, sentence, clause, phrase, or term of this Declaration be declared to be void, invalid, illegal, or unenforceable for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way effect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

F. The Board of Directors of the Association shall have the right to determine all questions arising in connection with this Declaration of Covenants and Restrictions and to construe and interpret its provisions, and its good faith determination, construction, or interpretation. Said determination shall be final and binding. In all cases, the provisions of this General Declaration of Covenants and Restrictions shall be given that interpretation or construction that will best tend toward the consummation of the general plan of improvements.

G. All actions which the Association is allowed to take under this instrument shall be authorized actions of the Association if approved by the Board of Directors of the Association in the manner provided for in the By-laws of the Association, unless the terms of this instrument provide otherwise.

H. In the event that this Declaration be declared to be void, invalid, illegal, or unenforceable in its entirety, or in such a significant manner that the Association is not able to function substantially as contemplated by the terms hereof, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, and such adjudication occurs

within ten (10) years of the date of recording this Declaration, all common properties belonging to the Association at the time of such adjudication shall revert to the Company, and the Company shall own and operate said common properties as Trustee for the use and benefit of owners within the properties as set forth below. If said adjudication shall occur on a date more than ten (10) years after the date of recording of this Declaration, or if the members of the Association should vote not to renew and extend this Declaration as provided for, all common properties owned by the Association at such time shall be transferred to a Trustee appointed by the Clerk of Court, Greenwood County, Greenwood, South Carolina, which Trustee shall own and operate such common properties for the use and benefit of owners within the properties as set forth below:

1. Each lot or parcel of land located within the properties shall be subject to an annual assessment which shall be paid by the owner of each such lot or parcel to the Company or Trustee, whichever becomes the successor in title to the Association. The amount of such annual assessment and its due date shall be determined solely by the Company or the Trustee, as the case may be, but the amount of such annual assessment on any particular lot or parcel shall not exceed the amount actually assessed against the lot or parcel in the last year that assessments were levied by the Association, subject to the adjustments set forth in paragraph (2) immediately below.
2. The amount of the maximum annual assessment which may be charged by the Company or Trustee hereunder on any particular lot or parcel shall be automatically increased each year by either six percent (6%) or the percentage increase between the first month and the last month of the annual assessment period in the Consumer Price Index, U.S. City Average, All Items (1967=100) issued by the U. S. Bureau of Labor Statistics in its monthly report entitled "The Consumer Price Index, U. S. City Average and Selected Areas," whichever of these two percentage figures is larger. The actual amount of such increase in the maximum annual assessment on a lot or parcel shall equal the maximum annual assessment on such lot or parcel for the previous year multiplied by the larger of the two percentage factors set forth above. If the Consumer Price Index is discontinued, then there shall be used the most similar index published in the United States Government that may be procured indicating changes in the cost of living.
3. Any assessments together with interest thereon at the rate of one and a half percent (1-1/2%) per month from the past due date and all costs of collection including reasonable attorney's fees shall be a personal obligation of the owner at the time the annual assessment became past due, and it shall also constitute and become a charge and continuing lien on the lot or parcel of land and all improvements thereon, against which the assessment has been made, in the hands of the then owner, his heirs, devisees, personal representatives and assigns.
4. The Company or the Trustee, as the case may be, shall be required to use the funds collected as annual assessments for the operation,

maintenance, repair, and up keep of the common properties. The Company or Trustee may charge as part of the cost of such functions the reasonable value of its services in carrying out the duties herein provided for. Neither the Company nor the Trustee shall have the obligation to provide for operation, maintenance, repair and upkeep of the common properties once the funds provided by the annual assessment have been exhausted.

5. The Company shall have the right to convey title to the common properties and to assign its rights and duties hereunder, provided that the transferee accepts such common properties subject to the limitations and uses imposed hereby and affirmatively acknowledges its acceptance of the duties imposed hereby.
6. The Trustee shall have the power to dispose of the common properties free and clear of the limitations imposed hereby; provided, however, that such disposition shall first be approved in writing by fifty percent (50%) of the owners, or in the alternative shall be found to be in the best interest of the owners by the Clerk of Court, Greenwood County, Greenwood, South Carolina. The proceeds of such a sale shall first be used for the payment of any debts or obligations constituting a lien on the common properties, then for the payment of any obligations incurred by the trustee in the operation, maintenance, repair, and upkeep of the common properties, and the excess, if any, shall be distributed among the owners, exclusive of the Trustee, and a proportion equal to the portion that the maximum annual assessment on property owned by a particular owner bears to the total maximum annual assessments for all property located within the properties.

I. The Company does hereby covenant and agree to provide those owners of residential lots, family dwelling units, and condominium tracts who, from the date of closing of purchase, continuously own, maintain, and pay assessments due on said property for a period of five (5) years, and who choose to sell or transfer said property at any time thereafter, a Special Club Membership. It is to be understood that no such owner shall be required to accept said membership and that upon accepting a Special Club Membership, the member may, upon written notice to an officer of the Association, revoke his membership at any time. This Special Club Membership shall be a non-transferrable, non-assignable, dues paying membership and shall entitle the member to use of those facilities and amenities normally associated with any regular club membership. It is to be further understood that this Special Club Membership shall not entitle the member to membership in the Gatewood Property Owner's Association, nor to any rights normally associated therewith.

J. The Board of Directors shall establish a set of rules for determining when construction has been substantially completed so that property shall be classified as improved property for purposes of assessment and voting rights.

ARTICLE VII – THE PROPERTIES

A. The real property which is, and shall be, held, transferred, sold, conveyed, given, donated, leased and occupied subject to these covenants is described as follows:

All that tract or parcel of land situate, lying, and being in Greenwood County, Greenwood, South Carolina, containing approximately seventy-five (75) acres, more or less, which is more particularly described in Exhibit "A" attached hereto and by specific reference made a part hereof.

B. The Company intends to develop the properties in accordance with a master plan on display in its sales office and other areas. The Company reserves the right to review and modify the master plan at its sole option from time to time. The master plan shall not bind the Company, its successors and assigns, to adhere to said plan in the development of the land shown thereon. The Company shall not be required to follow any predetermined sequence or order of improvements and developments; and it may bring within these covenants additional lands and develop the same before completing the development of the properties. The Company shall have the full power to add to, subtract from, and make changes in the master plan regardless of the fact that such actions may alter the relative voting strength of the various types of membership of the Association.

C. Additional lands including property not owned by the Company at the time of recording of these declarations may become subject to, but not limited to, this declaration in the following manner:

1. The Company, its successors and assigns, shall have the right without further consent of the Association to bring within the plan and operation of this Declaration additional properties. The additions authorized under this and the preceding subsection, shall be made by filing a Supplementary Declaration of Covenants and Restrictions with respect to the additional property, which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

The Supplementary Declaration may contain such complimentary additions and modifications of the covenants and restrictions contained in this Declaration as may be necessary or convenient in the judgment of the Company to reflect the different character, if any, of the added properties; but such modifications shall have no effect on the immediate property described above in this article.

2. Upon approval in writing of the Association pursuant to three-fourths (3/4) of the vote of those present at a duly called meeting, the owner of any property who desires to add it to the plan of these covenants and to subject it to the jurisdiction of the Association, may file or record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property which shall extend the operation and effect of the covenants and restrictions of the Declaration to such additional property.

3. Upon a merger or consolidation of the Association with another association, if provided for in the By-laws of the Association, its properties, rights, and obligations may, by operation of law, be transferred to another surviving or consolidated association; or, in the alternative, the properties, rights and obligations of another association may, by operation of law, be added to the properties of the Association as a surviving entity pursuant to a merger. The surviving or consolidated association may administer the covenants and restrictions established by this Declaration within the properties, together with the covenants and restrictions established upon any other properties as one plan. Except as hereinafter provided, no such merger or consolidation shall affect any revocation, change of, or addition to the covenants established by this Declaration within the existing property.

STATE OF SOUTH CAROLINA) COVENANT AND RESTRICTION
) MODIFICATION/AMENDMENT BY
COUNTY OF GREENWOOD) RESOLUTION AMENDING BY-LAWS

**IN RE: GATEWOOD PROPERTY OWNERS ASSOCIATION INC.,
COVENANTS AND RESTRICTIONS MODIFIED/AMENDED**

WHEREAS, the duly appointed members of the Board of Directors of the Gatewood Property Owners Association met on or before February 16, 2009 and unanimously approved amendments to the Covenants and/or Restrictions of the association hereinafter referred to as Exhibit "A" and Exhibit "B" and attached hereto.

WHEREAS, Exhibit “A” and Exhibit “B” are modifications and amendments of the Declaration of Covenants and Restrictions of The Gatewood Property Owners Association and Town and County Real Estate dated October 1, 1973 and recorded in the Office of the Clerk of Court of Greenwood County on December 7, 1973 in Book 241, Page 790, as the same was supplemented and applied to real estate by instruments recorded in the Clerk’s Office in Book 255, Page 296; Book 287, page 204; Book 294, Page 297; Book 295, Page 748; Book 324, Page 801; Book 334, Page 902; Book 367, Page 419, and Book 466, Page 251.

WHEREAS, pursuant to Section 33-31-708 of the Code of Laws of South Carolina 1976 as amended, known as the S.C. Nonprofit Corporation Act, the Board of Directors of Gatewood Property Owners Association held a special meeting on March 19, 2009 where a vote was held with a quorum of members in good standing present and/or voting.

WHEREAS, by law the members in good standing were required to approve the proposed amendments by a seventy five percent (75%) margin and with a quorum present

the members in good standing did in fact approve the amendment attached hereto as Exhibit "A" by a margin of Eighty Four and 91/100s percent (84.91%) and did in fact also approve the amendment Exhibit "B" attached hereto by a margin Eighty Two and 02/100s percent (82.02%).

WHEREAS, the parties have previously recorded this document on May 21, 2009 but out of an abundance of caution have renamed and rerecorded this document so that the public records of Greenwood County would clearly reflect these amendments to the covenants and restrictions.

NOW THEREFORE BE IT RESOLVED:

1. That the By-Laws of the Gatewood Property Owners Association are hereby modified, changed and amended adding Exhibit "A" and Exhibit "B" attached hereto and made a part hereof modifying/amending the Restrictive Covenants as set forth herein.

DONE AND RESOLVED AT GREENWOOD SOUTH CAROLINA BY THE UNANIMOUS VOTE OF THE OFFICERS AND BOARD OF DIRECTORS AND BY LEGALLY SUFFICIENT VOTE OF THE MEMBERS IN GOOD STANDING OF THE GATEWOOD PROPERTY OWNERS ASSOCIATION AS SET FORTH ABOVE THIS 29th DAY OF July 2009.

IN WITNESS WHEREOF, the parties have set their hands and seals the 29th day of July 2009.

IN THE PRESENCE OF:

Red Jones

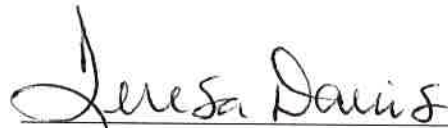
Don Julefsa

Chuck Strawn

Chuck Strawn, Chairman for the Board of Directors

Wilson Bruce

Wilson Bruce, President of Property Owners Association



Teresa Davis, Secretary to the Board of
Directors

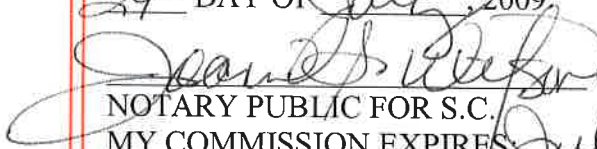
STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENWOOD)

PROBATE

PERSONALLY appeared the undersigned witness and made oath that (s)he saw the within named Chuck Strawn, Wilson Bruce, and Teresa Davis sign, seal and as their act and deed deliver the within written Resolution of Amendment to the By-Laws, and that (s)he, with the other witness subscribed above, witnessed the execution thereof.



SWORN TO BEFORE ME THIS
29th DAY OF July, 2009

 (L.S.)

NOTARY PUBLIC FOR S.C.

MY COMMISSION EXPIRES: July 24, 2011

Exhibit "A"

The Declaration will be amended by deleting in its entirety Paragraph E of Article III and substituting therefore a new Paragraph E, which will read as follows:

E. All assessments charged by the Association shall be rounded off to the nearest one dollar (\$1. 00).

The Board of Directors shall commence work on the budget for a succeeding fiscal year not later than the first of the second-to-last month of the Association's current fiscal year, and shall complete such budget by the end of the current fiscal year. From and after March 1, 2009, the maximum monthly assessment, as applied to all classes of Members considered together may be increased each fiscal year by the Board of Directors of the Association by an amount not in excess of the larger of (A) six percent (6%) per year over the preceding fiscal year, or (B) the percentage increase in the "CPI-U," as hereinafter defined, between the third-to-last month of the preceding fiscal year and the second-to-last month of the then current fiscal year. The "CPI-U" will mean the Consumer Price Index for All Urban Consumers, South Region All Items (1982-84=100) published by the U.S. Bureau of Labor Statistics, or, if such index is discontinued or revised, by reference to such other government index or computation with which it is replaced or which would produce substantially the same measure as would be obtained if such index had not been discontinued or revised. For purposes of calculating any subsequent fiscal year's maximum monthly assessment, the actual monthly assessment charged for the last month of the then current fiscal year shall be used.

Any increase or decrease in the monthly maximum assessment shall be made in such a manner that the proportionate increase or decrease in such monthly assessment is the same for all classes as described in Article III, Paragraph D above, and likewise any time the actual assessment levied by the Board of Directors of the Association is less than the maximum monthly assessment, any such decrease shall be apportioned among the respective classes.

In the event that the Board of Directors of the Association approves an assessment for any fiscal year which is less than the maximum monthly assessment applicable for that fiscal and after due consideration of the current costs and future needs of the Association, if the Board of Directors of the Association determines in an open meeting after notice to all Members at least thirty (30) days in advance, that the previously approved monthly assessment will not meet the current or future obligations of the Association to be funded currently or on an ongoing basis, the Board may raise the current monthly assessment to the applicable maximum monthly assessment for the remainder of that fiscal year. For purpose of giving notice of any such meeting of the Board of Directors at which consideration of an assessment increase is to be taken up, the notice shall be conspicuously posted no less than ten (10) days in advance of the meeting in the Gatewood Clubhouse on a bulletin board established for community notices, and shall also be sent by internet email to any address specified in writing by a Member for receipt of community notices.

The Declaration is amended by deleting in its entirety Paragraph F of Article III and substituting therefore a new Paragraph F, which will read as follows:

F. Nothing contained in Article III, Paragraph E above shall be construed so as to prevent the Board of Directors of the Association from seeking to implement a resolution approving a special assessment for a specific purpose or needs of the Association and seek to collect such special assessment in periodic monthly amounts for a fixed period of time or by

payment of a lump sum upon a specified date, either of which must be contained in the resolution approving such assessment. However, any revenues raised by such special assessment(s) may only be used for the purposes or needs outlined with particularity in such resolution. To become effective, such resolution must be presented to a specially-called meeting of the Members as provided in Article VI, Paragraph C and must be approved by two-thirds (2/3) of the votes cast by Members in good standing in a written ballot (pursuant to Section 33-31-708 of the South Carolina Nonprofit Corporation Act of 1994), or in person, or by proxy, and for which a quorum is voting and/or present. The notice shall include or have attached the full text of the resolution; shall specify the purpose of the special assessment in reasonable detail; shall publish each Board member's name and vote cast who voted in favor of and against the special assessment; and shall incorporate or have attached any statement in support of the special assessment the Board wishes to publish. If the Board wishes to publish a statement in favor of the resolution as aforesaid, the notice shall also incorporate or have attached any statement in opposition to the resolution requested by any Board member or group of Board members voting against the resolution.

Exhibit "B"

The Declaration will be amended to delete every reference in the Declaration to "three-fourths (3/4)," and to substitute therefor "two-thirds (2/3)," including, but not limited to, the use of such consent or high voting calculation in Article III, Paragraph E; Article IV, Paragraph C; Article V, Paragraph D, subparagraph 7; Article VI, Paragraph A; and Article VII, Paragraph C, subparagraph 2.

BY-LAWS
OF
GATEWOOD PROPERTY OWNERS ASSOCIATION

ARTICLE I.

Definitions

The following terms as used in these By-Laws are defined as follows:

- A. "Association" means the Gatewood Property Owners Association, a South Carolina non-profit corporation.
- B. "Board" means the Board of Directors of the Association.
- C. "By-Laws" means the By-Laws of the Association.
- D. "Declaration" means the Declaration of Protective Covenants for Gatewood dated the 1st day of October 1973 as the same may be supplemented or amended from time to time.
- E. "Developer" means Gatewood and its successors.
- F. "Development" means Gatewood Subdivision as the same may be shown on the maps thereof record.
- G. "Lot" means any Lot in the Development included from time to time in the definition of Lot set forth in the Declaration.
- H. "Owner" means:
 - (1) Any person, including Gatewood who holds fee simple title to any Lot.
 - (2) Any person or legal entity who has contracted to purchase fee simple title to a Lot pursuant to a written agreement, in which case seller under said agreement shall cease to be the owner while said agreement is in effect.

ARTICLE II.

Membership and Voting Rights

Section 1. Every owner shall be a member of the Association. The Company

shall be a member of the Association. 176

Section 2. The Association shall have three (3) types of voting memberships:

"Type A" - "Type A" members shall be all those owners of the residential lots and family dwelling units. A "Type A" member shall be entitled to two (2) votes for each family dwelling unit he owns. An owner of a residential lot upon which a family dwelling unit has not been constructed shall be entitled to one vote for each residential lot which he owns. It is the intent of this provision that so long as property qualifies as a residential lot by virtue of the fact that improvements have not been constructed thereon, the owner thereof shall have only one (1) vote, but once improvements are constructed on said lot, it loses its character as a residential lot and becomes a family dwelling unit. The owner thereof shall have a total of two (2) votes for the ownership of such property.

"Type B" - "Type B" members shall be all those owners of undeveloped condominium units. A "Type B" member shall be entitled to one (1) vote for each condominium unit which such "Type B" member owns.

"Type C" - The "Type C" member shall be the Company. The "Type C" member shall be entitled to the same number of votes as is cumulatively held by all "Type A and B" members plus one (1), provided that "Type C" membership shall be abolished on January 1, 1979, or at such time that the Company, its successors or assigns, has sold two hundred (200) assessable residential lots, family dwelling units, or condominium units, whichever of these two events occurs first. Any provisions herein to the contrary notwithstanding at such time as "Type C" membership ceases to exist, the Company shall become a "Type A and/or B" member depending upon the type of property owned by the Company at such time. The abolition of "Type C" membership shall be evidenced by written notice to the Association and recording of a certified copy of said notice in the Real Estate Records of Greenwood County, Greenwood, South Carolina.

In computing the Company's votes as a "Type A and/or B" member, only those unsold residential lots or condominium units which are shown on a final plat will be considered. The Board of Directors of the Association shall determine whether said property owned by the Company shall be classified as improved property for the purposes of voting rights.

When any property entitling the owner to membership as a "Type A, B, or C" member of the Association is owned of record

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in the name of two or more persons or entities, whether fiduciaries, tenants in common, tenants in partnership, or in any other manner of common ownership, or if two (2) or more persons or entities have the same fiduciary relationship respecting the same property, then unless the instrument or order appointing them or creating the tenancy otherwise directs and it or a copy thereof is filed with the secretary of the Association, their acts with respect to voting shall have the following effect:

1. If only one (1) votes in person or by proxy, his act binds all.
2. If more than one (1) vote in person or by proxy, the act of the majority so voting binds all.
3. If more than one (1) vote in person or by proxy, but the vote is evenly split on any particular matter, each fraction shall be entitled to its proportionate share of the vote or votes.
4. If the instrument or order so filed shows that any such tenancy is held in unequal interest, a majority or even split for purposes of this paragraph shall be a majority or even split in interest.
5. The principles of this paragraph shall apply but not be limited insofar as possible, to execution of proxies, waivers, consents, or to objections for the purpose of ascertaining the presence of a quorum.

The voting rights of any owner may be assigned by said owner to his lessee who has entered into a lease with a term of two (2) years or more; provided, however, that the owner may not assign to such lessee any vote or votes not attributable to the property actually leased by such lessee. The "Type A, B, and/or C" members are sometimes hereinafter collectively referred to as "The Members."

Section 3. Suspension of Privileges of Membership.

The Board may suspend the voting privileges of any member for:

- (a) Any period during which any Association charge on such member's Lot remains unpaid;
- (b) The period of any continuing violation by such member or associate member of the provisions of the Declaration after the existence thereof shall have been declared by the Board;
- (c) A period to be determined by the Board, for repeated violations of the By-Laws or the rules and regulations of the Association.

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ARTICLE III.

Evidence of Membership and Transfer

Section 1. Membership Certificates.

Certificates of membership in the Association may be issued to members and associate members. Such certificates shall be in such form as the Board shall from time to time designate and shall be issued over the signature of the president or other officer of the Association. Such certificate shall indicate whether or not the holder is a member or an associate member and shall also indicate the Lot the ownership of which gives rise to membership. Such certificate shall also clearly state on its face that the Association is a non-profit corporation. Adequate records shall be maintained by the Association showing the names of the members and associate members of the Association, the type of membership and the date of membership.

Section 2. Transfer.

When a member ceases to be an Owner, such person's membership, and those associate memberships existing through relationships to such person, shall cease, but such person shall remain liable for all Association charges incurred prior to the giving of written notice to the Association that such person is no longer an Owner.

ARTICLE IV.

Meetings of Members

Section 1. Place of Meetings.

Any meeting of the members of the Association shall be held in the State of South Carolina at such place therein as may be stated in the notice of such meeting.

Section 2. The Annual Meeting.

The annual meeting of the Association shall be held on the second Sunday of December of each year commencing with the year 1975.

Section 3. Special Meetings of the Association.

Special Meetings of the Association may be called by the Board at any time in the manner herein provided. A special meeting may also be called upon the written petition of twenty percent (20%) of the members of the Association who would have the right to vote at such meeting. Such petition shall set forth the purpose of the special meeting.

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Section 4. Notice of Meetings of the Association.

Written notice of the place, date and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than twenty (20) days nor more than forty (40) days before the date of the meeting, either personally or by mail, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed to have been delivered when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Association, with postage prepaid; or such notice may be published in any newspaper or publication printed under the auspices of the Association and distributed generally among members of the Association. At a special meeting, no business shall be conducted except that stated in the notice of said meeting.

Section 5. Quorum.

A quorum at either a special meeting or the annual meeting shall be ten percent (10%) of the members entitled to vote at such meeting in person or by proxy. The vote of a majority of the votes entitled to be cast at any meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by law.

ARTICLE V.

The Directors

Section 1. Powers:

The Board shall:

- (a) Manage and control the affairs of the Association.
- (b) Adopt a corporate seal as the seal of the Association.
- (c) Designate a banking institution or institutions as depository for the Association's funds; and the officer or officers authorized to make withdrawals therefrom and to execute obligations on behalf of the Association.
- (d) Perform other acts the authority for which has been granted herein or by law.
- (e) Establish and levy reasonable fees for the issuance of permits for erecting or placing improvements on any Lot.
- (f) Cause the Association to employ sufficient personnel to adequately perform the responsibilities of the Association.
- (g) Adopt reasonable rules of order for the conduct of the meetings of the Association, and with reference thereto, on procedural questions upon which no rules have been adopted, the ruling of the Chairman of the meeting shall be final.

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- (h) Select the officers of the Association. It may establish committees of the Association and appoint the members thereof. It may assign to such committees such responsibilities and duties not inconsistent with the provisions of these By-Laws or with law as it may deem appropriate.
 - (i) The Board shall, prior to the annual meeting of the Association in each year, adopt an operating budget to be presented for approval by the members at such annual meeting. Upon approval, the Board shall, taking into consideration other sources of income that the Association may have, levy an annual assessment for each Lot for the following year. Upon the adoption and approval of the budget, the Board shall be bound by the same and shall not vary therefrom by more than fifteen percent (15%) of the total amount thereof without having called a special meeting of the Association to approve such variations. The budget shall be adopted only after the members of the Association shall have had a reasonable opportunity to review the same and to comment thereon, either at hearings held thereon or through such other means as the Board may direct. The Board may, by resolution, fix the time for payment of the annual assessments which may be on a monthly, quarterly, semi-annual, or annual basis.

Section 2. Number of Directors.

The number of Directors shall be seven (7). However, the Board of Directors may by resolution increase the number of Directors to nine (9). Directors need not be members.

Section 3. Term.

The initial Board shall serve for a term of three (3) years. Thereafter, Directors shall serve for a term of two (2) years.

Section 4. Qualifications of Directors.

A Director shall be at least twenty-one (21) years of age. Directors elected or appointed after the year 1976 shall be members of the Association.

Section 5. Election of Directors.

- (a) Election of Directors following the appointment of the initial Board, shall be by written ballot as is hereinafter provided. The seven (7) persons receiving the largest number of votes shall be elected, unless prior to the notice of election, the Board of Directors by resolution shall have increased the number of Directors to nine (9) as is provided in Article V, Section 2., and in such case, the nine (9) persons receiving the largest number of votes shall be elected.

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- (b) Between the first and fifteenth day of August of each year, commencing with the year 1976, any member in good standing may file with the Secretary of the Association a statement of his or her candidacy for election as a Director of the Association for the term beginning immediately following the first Annual Meeting of the Association held after the filing of such statement, together with endorsements of his or her candidacy signed by ten (10) voting members in good standing.

The Secretary of the Association shall cause notice of each candidacy and a brief biographical statement of each candidate to be included in the notice of such Annual Meeting.

- (c) All elections to the Board following the appointment of the initial Board shall be made on written ballot which shall:
1. Describe the vacancy to be filled; and,
 2. Set forth the names of those persons who have become candidates for the office of Director in the order in which they filed their statements and endorsements of candidacy with the Secretary of the Association.
- Such ballots shall be prepared and mailed by the Secretary to each person entitled to vote simultaneously with the mailing of the notice of the Annual Meeting of the Association.
- (d) Each member entitled to vote shall receive one (1) ballot for each Lot for which he is the voting member.
- (e) The completed ballots shall be returned as follows: Each ballot shall be placed in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one (1) ballot, and each voting member shall be advised that because of the verification procedures hereinafter set forth, the inclusion of more than one (1) ballot in any one "Ballot" envelope shall disqualify the return. Such "Ballot" envelope shall be placed in another sealed envelope which shall bear on its face the name and signature of the member, his Lot number, and such other information as the Board may determine will serve to establish his right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the Secretary of the Association at such address as the Board may from time to time determine, no later than ten (10) days prior to the Annual Meeting.
- (f) Upon receipt of each return, the Secretary shall immediately place it in a safe or other locked place until the day fixed by the Board for the counting of such ballots. On that day,

the external envelopes containing the "Ballot" envelopes shall be turned over, unopened, to an Election Committee consisting of the Secretary, the then existing Board, and a representative of each candidate for the office of Director. The Election Committee shall then adopt a procedure which shall establish:

1. That the signature of the member on the outside envelope is genuine; and,
2. That such member is a member in good standing. Such procedure shall be taken in such manner that the vote of any member shall not be disclosed to anyone, including the Election Committee.

The outside envelopes shall thereupon be placed in a safe or other locked place, and the Election Committee shall proceed to the opening of the "Ballot" envelopes and the counting of the votes. If any "Ballot" envelope is found to contain more than one (1) ballot, all ballots contained in such envelope shall be disqualified. The Election Committee shall certify the results of the count at the Annual Meeting, and the terms of office of the Directors so elected shall commence immediately at such Annual Meeting.

- (g) All outside envelopes, ballots and statements of candidacy shall be retained by the Secretary for a period of one (1) year.

Section 6. Proxies:

Except in connection with the election of Directors, every member entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such member or his duly authorized agent and filed with the Secretary of the Association; provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution unless that person executing it specified therein the length of time for which such proxy is to continue in force, which in no event shall exceed three (3) years from the date of its execution.

Section 7. Meetings of the Board of Directors.

The Board shall meet at least quarterly. Special meetings of the Board may be called by a majority of the Board and shall be held at such place as the call or notice of the meeting shall designate. Notice of a special meeting may be given in writing or orally at least twenty-four (24) hours prior to the date of said special meeting, or notice thereof may be waived by the Directors in writing. After adoption of a resolution setting forth the times of regular meeting, no notice of such meetings shall be required, or waived, but notice of special meetings of the Board shall be given.

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Section 8. Action Without Meeting.

Unless prohibited by law, any action which may be taken at a meeting of the Board may be taken without a meeting if authorized in writing, signed by all of the Directors who would be entitled to vote upon said action at a meeting, and filed with the Secretary of the Association.

Section 9. Quorum.

A majority of the Directors shall constitute a quorum to transact business of the Board, and the act of the majority of the Directors present at any meeting shall be deemed to be the act of the Board.

Section 10. Vacancies.

If any Vacancy exists on the Board, such vacancy shall be filled by the remaining Directors even though those remaining Directors might be less than a quorum. Any person so elected a Director shall serve out the unexpired term of the Director whom he has replaced.

ARTICLE VI.

The Officers

Section 1. Officers.

The officers of the Association shall be the President, one or more Vice-Presidents, the Secretary, the Treasurer and such other officers and assistant officers as the Board may from time to time elect.

Officers shall serve at the will of the Board. Any two (2) or more offices may be held by same person, except the offices of President and Secretary. Officers need not be members of the Association.

Section 2. President.

The President shall be the general managerial officer of the Association, except as otherwise determined by the Board, and he shall be vested with the powers and duties generally incident to the office of President of a non-profit corporation, except as otherwise determined by the Board, or as may be otherwise set forth in these By-Laws. He need not be a Director.

Section 3. Vice-President.

In the absence of the President, or in the event of his inability or refusal to act, the Vice-President is empowered to act and shall thereupon be vested with the powers and duties of the President. In the event that there are more than one Vice-

Presidents, the Board shall establish the order in which they serve.

Section 4. Secretary.

The Secretary of the Association shall keep the minutes of the business and other matters transacted at the meetings of the members and of the Board. He shall mail, or cause to be mailed, all notices required under the By-Laws. He shall have the custody of the corporate seal and records, and maintain a list of the members and their addresses and perform all other duties incident to the office of Secretary.

Section 5. Treasurer.

The Treasurer shall have custody of the funds of the Association, collect monies due, pay the obligations of the Association out of its funds, and perform such other duties as are incident to the office of Treasurer. The Board may require that the Treasurer be bonded for such amount and under such conditions as the Board may require.

Section 6. Removal of Officers.

Any officers may be removed when, in the judgment of the Board, the best interests of the Association will be served by such removal.

ARTICLE VII.

Committees

Section 1. Committees of Directors.

The Board of Directors, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more Directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the Board of Directors in the management of the corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board of Directors, or any individual director, of any responsibility imposed upon it or him by law.

Section 2. Other Committees.

Other committees not having and exercising the authority of the Board of Directors in the management of the Association may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the

Association, and the President of the Association shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the Association shall be served by such removal.

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Section 3. Term of Office.

Each member of a committee shall continue as such until the next annual meeting of the members of the Association and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 4. Chairman.

One member of each committee shall be appointed chairman by the person or persons authorized to appoint the members thereof.

Section 5. Vacancies.

Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 6. Quorum.

Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules.

Each committee may adopt rules for its own government not inconsistent with these By-Laws or with rules adopted by the Board of Directors.

ARTICLE VIII.

Duties of Members

Section 1. Payment of Assessments.

The charges or assessments levied by the Association shall be paid to it on or before the date or dates fixed by resolution of the Board. If not so paid, the amount of such assessment, plus any other charges thereon, including interest at the maximum limit provided by law per annum from date of delinquency and costs of collection, including attorneys'

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fees, if any, shall constitute and become a lien on the Lot so assessed when the Board causes to be recorded in the office of the appropriate County Recorder of Deeds, a notice of assessment which shall state the amount of such assessment and such other charges and a description of the Lot which has been assessed. Such notice shall be signed by the Secretary of the Association on behalf of the Association. Upon payment of said assessment and charges, or other satisfaction thereof, the Board shall, within a reasonable time, cause to be recorded a further notice stating the satisfaction and the release of said lien.

Section 2. Priority of Lien.

Conveyance of any Lot shall not affect any lien for assessments provided herein. Such lien shall be prior to all other liens recorded subsequent to said notice of assessment.

Section 3. Enforcement.

The lien provided for herein may be foreclosed by suit by the Association in like manner as a mortgage and, in such event, the Association may be a bidder at the foreclosure sale. The Association may also pursue any other remedy against any owner owing money to it which is available to it by law or equity for the collection of debt.

Section 4. Proof of Payment.

Upon request, the Association shall furnish a statement certifying that all assessments then due have been paid or indicating the amount then due.

Section 5. Suspension.

The Association shall not be required to transfer membership on its books or allow the exercise of any rights or privileges of membership on account thereof to any owner or to any persons claiming under them unless or until all assessments and charges to which they are subject have been paid.

ARTICLE IX.

Contracts, Checks, Deposits and Funds

Section 1. Contracts.

The Board of Directors may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf

of the Association, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc.

All checks, drafts, or orders for the payment of money, 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 and in such manner as shall from time to time be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice-President of the Association.

Section 3. Deposits.

All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4. Gifts.

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

ARTICLE X.

Amendments.

These By-Laws may be amended by a majority vote of the Board.

ARTICLE XI.

Fiscal Year

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.

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WHEREAS on September 12, 1975, the Secretary of State for the State of South Carolina did issue a charter to Gatewood Property Owners Association, and

WHEREAS, subsequent to the issuance of such charter and the adoption of the By-Laws for said Association, the South Carolina Alcoholic Beverage Control Commission has required that additional provisions be made to said By-Laws before a license for the sale and consumption of alcoholic liquors could be made,

NOW, THEREFORE, BE IT RESOLVED:

1. That the By-Laws of Gatewood Property Owners Association, be amended by adding a new paragraph to Article II, Section 2, which shall read as follows:

"The combined total of the "Type A", "Type B", and "Type C" memberships shall not exceed seven hundred fifty (750)."

2. That the By-Laws of Gatewood Property Owners Association be amended by adding a new Article XII which shall be entitled "Dissolution" and shall read as follows:

"Upon dissolution of the Corporation, the assets remaining after all debts have been paid shall be distributed in such amount or amounts as the Board of Directors may determine or as may be determined by a Court of competent jurisdiction at the request of the Board of Directors, exclusively to an organization or organizations described in Section 501 (c) (3) and exempt from taxation under Section 501 (a) The Internal Revenue Code of 1954 or the corresponding provisions of any prior or future Internal Revenue Code or to the federal, state, local governments or school districts for exclusively public purposes."

DONE AND RESOLVED at Greenwood, South Carolina by a majority vote of the officers and directors of Gatewood Property Owners Association this 27th day of January, 1976.

GATEWOOD PROPERTY OWNERS ASSOCIATION

BY: Calhoun A. Mays, Jr.
Calhoun A. Mays, Jr., Its President

BY: Michael A. Davis
Michael A. Davis, Its Secretary

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DONE AND RESOLVED at Greenwood, South Carolina by a majority vote of the officers and directors of Gatewood Property Owners Association this 27th day of January, 1976.

Gregory E. Lee
Gregory E. Lee

Daniel E. Hyde
Daniel E. Hyde

GATEWOOD PROPERTY OWNERS ASSOCIATION

Calhoun A. Mays Jr.
BY: Calhoun A. Mays Jr.
Calhoun A. Mays, Jr., Its President

Michael A. Davis
BY: Michael A. Davis
Michael A. Davis, Its Secretary

EXHIBIT A

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On Tuesday, November 19, 1996 the Board of Directors of the Gatewood Property Owners Association passed this resolution:

RESOLVED:

That the By-Laws of the Gatewood Property Owners Association be amended as follows:

- 1) That Article I, Section E, be amended to read, "Developer" means Town and Country Real Estate, Inc. and its successors.
- 2) That Article II, Section 3, be amended by adding the phrase "and the right to use the facilities and amenities" and shall read, The Board may suspend the voting privileges and the right to use the facilities and amenities of any member for: a) b) & c, and Article VIII, Section 1.
- 3) That Article IV, Section 2, be amended by replacing the "section" with the paragraph, "The annual meeting of the Association shall be held on the fourth (4th) Monday of January of each year at 7:00 PM at the Gatewood Club House, subject, however to the Board's right to change same by notice by regular mail.
- 4) That Article V, Section 1, be amended by deleting the paragraph () in it's entirety , and replace this paragraph as follows: "The Board shall prior to the annual meeting each year prepare an operating budget for the next year, for Board approval at such meeting, and the same shall, first, be presented to the members at such annual meeting prior to the Board vote on same. The Board shall fix the time and amount for the payment of the annual assessment which may be on a monthly, quarterly, semi-annual, or annual basis". Further, Section 1, be amended by adding (j) "Provide rules and regulations for the conduct of it's affairs", and (k) "Provide penalties for the violation of any provisions of the By-Laws, General Declaration Of Covenants And Restrictions, Rules and Regulations of the Gatewood Club".
- 5) That Article V, Section 2, be amended by replacing this section with "The number of Directors shall be twelve (12) . Directors shall be Association voting members, in good financial standing, with the Gatewood Property Owners Association. The Chairperson, Vice-Chairperson, and Secretary shall be appointed by the Board of Directors. The duties are:
Chairperson: It shall be the duty of the chairperson to preside at all meetings of the board and the association. The chairperson shall vote only in the event of a tie. The chairperson shall, with the secretary, sign all obligations, contracts, deeds, mortgages, promissory notes, and other instruments, unless otherwise provided by the board. The chairperson, with approval of the board, shall designate from the members of the board, chairperson for the various committees authorized by the Board. Vice-Chairperson: In the absence of the chairperson, or if the chairperson is unable to perform, the vice-chairperson shall perform the chairperson's duties. In case of a vacancy in the position of chairperson, the vice-chairperson shall perform the duties until a successor has been designated by the board. Secretary: The Secretary shall be custodian of the board records and books and shall keep full and correct minutes of all meetings of the Board of Directors. He/She shall attend to all correspondence of the Board. The secretary shall sign all obligations, contracts, deeds, mortgages, promissory notes, and other instruments, unless otherwise provided by the Board.
- 6) That Article V, Section 3, be amended by replacing this section with "The Board Directors shall serve for a term of three (3) years, with one-third of the twelve (12) Directors elected each year."
- 7) That Article V, Section 5, be amended by replacing this section with:
 - a) "The Chairperson of the Board shall appoint a Nominating Committee, consisting of at least three (3) Board members. The Nominating Committee shall nominate from the

voting members, in good standing, candidates to fill the vacancies on the Board of Directors.”

- b) “Upon Board approval of the candidates to fill the vacancies on the Board of Directors, the Secretary shall mail to all voting members the slate of nominees . Members, in good standing, may petition to have additional candidates placed in nomination, by submitting a petition listing the nominee, together with endorsement signatures of fifteen (15) Association voting members.”
 - c) “If no petition is filed within the prescribed time period, the nominees, approved by the Board are declared elected. However, if a petition is received, the nominee will be added to the ballot and mailed to the voting membership, at which time, the Association members shall vote for four (4) persons to serve on the Board of Directors.”
- 8) That Article V, Section 10, be amended by replacing this section with “If any vacancy exists on the Board, the Directors shall, by vote, a) allow the vacancy to remain open until the next election; or b) appoint an Association member to serve the unexpired term.”
- 9) That Article VI, Section 1, be amended by adding, “The Board of Directors shall appoint the Officers of the Association annually”.
- 10) That Article VIII, Section 1, be amended by deleting the remainder of the section beginning with the phrase, in the second sentence, “when the Board causes to be recorded in the office of the appropriate County Recorder of Deeds, a notice of assessment which shall state the . amount of such assessment “ and replace the phrase with “thirty (30) days after payment is due.” Further by adding the sentence “ To become a subsequent purchaser, in good faith, all successors to title herein, whether by grant or operation by law, shall have the duty to inquire of the Gatewood Property Owners Association with regard to all delinquent accounts and charges, then delinquent, shall be the liability of the successor in title”.
- 11) That the By-Laws be amended by adding a new Article XIII, which shall be entitled “Indemnification of Directors and Officers” and read as follows:
- “The Gatewood Property Owners Association shall indemnify each person who is or was a officer or director against any and all liability and reasonable expense that may be incurred by him/her in connection with or resulting from or arising out of any claim, action, suit or proceeding in which he/she may become involved as a party or otherwise by reason of having been an officer or director, whether or not he/she continues to be such at the time any liability or expense is incurred, provided that such person has acted in good faith and, in addition, in any criminal action or proceedings, provided that he/she had no reasonable cause to believe that his/her conduct was unlawful. As used in this section, the terms “liability” and “expense” shall include but shall not be limited to attorneys’ fees and disbursements and amounts of judgment, fines, or penalties against and amounts paid by the officer or director. The association may purchase and maintain insurance, at it’s expense, on behalf of any person who is or was an officer or director.”

STATE OF SOUTH CAROLINA)
COUNTY OF GREENWOOD)

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RESOLUTION TO AMEND BY-LAWS

RE: GATEWOOD PROPERTY OWNERS ASSOCIATION, INC.

WHEREAS, duly appointed members of the Board of Directors of the Gatewood Property Owners Association met on November 19, 1996 for the purpose of amending then existing By-Laws of the Gatewood Property Owners Association; and

WHEREAS, a quorum sufficient to amend By-Laws was present; and

WHEREAS, after Motion to Amend By-Laws was seconded and after general discussion with regard to the same it was resolved as follows:

NOW, THEREFORE, BE IT RESOLVED:

1. That the By-Laws of the Gatewood ^{Property} Owners Association be amended by adding new paragraphs and material and data merged herein and attached hereto and identified as Exhibit "A".

DONE AND RESOLVED AT GREENWOOD, SOUTH CAROLINA BY A MAJORITY VOTE OF THE OFFICERS AND DIRECTORS OF THE GATEWOOD PROPERTY OWNERS ASSOCIATION THIS 19TH OF NOVEMBER, 1996.

In the Presence of:

Jean O. Hood
Daniel E. Hyde

Thomas A. Wood
THOMAS A. WOOD, CHAIRMAN OF
THE BOARD

Lynn W. Vaughn
LYNN VAUGHN, SECRETARY TO THE
BOARD

STATE OF SOUTH CAROLINA)
COUNTY OF GREENWOOD)

PROBATE

Personally appeared the undersigned witness and made oath that (s)he saw the within named signatories, above sign, seal and as the signatories act and deed deliver the within written instrument and that (s)he, with the other witness subscribed above witnessed the execution thereof.

SWORN to before me this 16
day of January, 1996.

[Signature] (SEAL) Daniel E. Hyde
Notary Public for South Carolina.
My Commission Expires: 11/1/2000

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENWOOD)

PROBATE

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Personally appeared the undersigned witness and made oath that (s)he saw the within named Calhoun A. Mays, Jr., as President of the Gatewood Property Owners Association, above sign, seal and as his act and deed deliver the within written instrument and that (s)he, with the other witness subscribed above witnessed the execution thereof.

SWORN to before me this 27th
day of January, 1997.

[Signature] (SEAL)
Notary Public for South Carolina
My Commission Expires: 5/21/06

[Signature]

For David Hyde
604 Osterwood Dr.
Dwd. 29646

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENWOOD)
)
) (Original Bylaws recorded in Volume 471)
) beginning at Page 175)

THE FOLLOWING BEING AN AMENDMENT to the Bylaws of the Gatewood Property Owners' Association (the "Bylaws"), a nonprofit Corporation organized under the laws of the State of South Carolina.

WHEREAS, Article X of the Gatewood Property Owners' Association Bylaws, recorded on January 16, 1997 in Volume 471 at Page 175 in the Office of the Clerk of Court for Greenwood County permits that these Bylaws be amended by a majority vote of the Board of Directors, and;

WHEREAS, the Board desires to decrease the number of Directors to nine (9), and

NOW, THEREFORE, BE IT RESOLVED THAT the Association hereby amends the Bylaws as follows:

(1) Article V, Section 2 Number of Directors [located at Page 190 of Bylaws], which once read:

"The number of Directors shall be twelve (12). Directors shall be Association voting members, in good financial standing with the Gatewood Property Owners Association".

Shall now be amended as follows:

"The number of Directors shall be nine (9). Directors shall be Association voting members, in good financial standing with the Gatewood Property Owners Association".

[SIGNATURE PAGE TO FOLLOW]

201600008881
Filed for Record in
GREENWOOD COUNTY SC
ANGELA WOODHURST, COUNTY CLERK
12-19-2016 At 01:00 pm.
AMENDMENT00 10.00
Book 1556 Page 212 - 213

IN WITNESS WHEREOF, the Association has by its duly authorized officer set its hand and seal this 4th day of December, 2016 (the "Execution Date"), and by doing so acknowledges and affirms that the Amendment requirements of Article X of the Bylaws have been met and therefore the provisions contained in this Amendment have been duly approved and authorized by the Board of Directors of the Association.

WITNESSES:

Donna Hasting
Witness #1
Diane Chastan
Witness #2

Association:
Gatewood Property Owners Association

By: [Signature]
Its: Chairman
Print Name: Stefan Hartung

STATE OF SOUTH CAROLINA)

COUNTY OF GREENWOOD)

ACKNOWLEDGEMENT

I, Nancy Stelling, the undersigned Notary Public for the State of South Carolina, do hereby certify that the above individuals personally appeared before me this day and acknowledged the due execution of the foregoing Amendment.

WITNESS my hand and official seal this 4 day of Dec, 2016

Nancy Stelling
Printed name: Nancy Stelling
Notary Public for South Carolina
My commission expires: 10/2/2018

After recording, please return to:
McCabe, Trotter & Beverly, P.C.
P.O. Box 212069, Columbia, SC 29221
File No.: 015069.00045

202000000158
E-Filed for Record in
GREENWOOD COUNTY SC
CHASTITY COPELAND, COUNTY CLERK
January 8, 2020 10:12:26 AM
RESTRICTION: \$25.00
County: \$0.00
State: \$0.00
BOOK: 1615 PGS: 1407 - 1412

STATE OF SOUTH CAROLINA

COUNTY OF GREENWOOD

AMENDMENT TO THE GENERAL
DECLARATION OF COVENANTS AND
RESTRICTIONS OF THE GATEWOOD
PROPERTY OWNERS ASSOCIATION AND
TOWN AND COUNTRY REAL ESTATE

(ORIGINAL DECLARATION RECORDED IN DEED BOOK 241 AT PAGE
790)

THIS AMENDMENT TO THE GENERAL DECLARATION OF COVENANTS AND RESTRICTIONS OF THE GATEWOOD PROPERTY OWNERS ASSOCIATION AND TOWN AND COUNTRY REAL ESTATE (the "***Amendment***") is made on the Execution Date (hereinafter defined) by the Members of the Gatewood Property Owners' Association (the "***Association***") with an Effective Date of thirty (30) days after recordation of this instrument.

WHEREAS, The GENERAL DECLARATION OF COVENANTS AND RESTRICTIONS OF THE GATEWOOD PROPERTY OWNERS ASSOCIATION AND TOWN AND COUNTRY REAL ESTATE is dated and recorded December 7, 1973, in the Office of the Clerk of Court for Greenwood County in Deed Book 241 at Page 790 (as further amended and supplemented the "***Declaration***"); and

WHEREAS, the Declaration was amended or supplemented and applied to real estate by instruments recorded in the Office of the Clerk of Court of Greenwood County in Book 255 at Page 296; in Book 287 at Page 264; in Book 294 at Page 297; in Book 295 at Page 748; in Book 324 at Page 801; in Book 334 at Page 902; in Book 367 at Page 414; in Book 466 at Page 251; in Book 533 at Page 81; in Book 1156 at Page 181; and in Book 1169 at Page 38; and

WHEREAS, Amended Article VI, Section B of the Declaration provides that the Declaration may be amended by affirmative vote of two-thirds (2/3) of the votes cast by members at a duly called meeting of the Association; and

WHEREAS, a special meeting of the Membership was held by mail in ballot, with notice of said meeting being delivered on July 19, 2019; and

WHEREAS, 187 ballots were returned by the deadline of November 30, 2019; 31 responses were needed to establish a quorum; and

WHEREAS, there are 534 total votes represented by the members; and

WHEREAS, of the votes cast, 2/3 affirmative responses were necessary to approve each Amendment; and

WHEREAS, the total votes cast and votes in favor of each amendment were as follows:

Amendment #1: 265.5 votes were cast, 211.5 votes in favor and 54 votes against the Amendment.

Amendment #2: 266 votes were cast, 203 votes in favor and 63 votes against the Amendment.

Amendment #3: 259.5 votes were cast, 224.5 votes in favor and 35 votes against the Amendment.

Amendment #4: 266 votes were cast, 183 votes in favor and 83 votes against the Amendment.

Amendment #5: 266 votes were cast, 182 votes in favor and 84 votes against the Amendment.

Amendment #6: 264 votes were cast, 202 votes in favor and 62 votes against the Amendment.

Amendment #7: 266 votes were cast, 206 votes in favor and 60 votes against the Amendment.

Amendment #8: 253 votes were cast, 205.5 votes in favor and 47.5 votes against the Amendment.

Amendment #9: 262 votes were cast, 186 votes in favor and 76 votes against the Amendment.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, that the Association hereby declares that the Declaration is amended as follows:

1. Amend Article I, Section A, Second Paragraph by inserting the words “solar panel and equipment” after the words “swimming pool,” in the first sentence.

2. Amend Article I, Section E by adding the following to the end of that Section:

The Board shall have the express authority to determine, if an animal demonstrates a danger to the health, safety or welfare of any Owner or guest thereof. If an animal is deemed to be dangerous by the Board, the Board may require that an Owner take additional steps to ensure the protection of others. For purposes of this Section, “dangerous” shall be defined in the same manner as the S.C. legislature has adopted in S.C. Code Ann. § 47-3-710.

3. Delete Article I, Section G in its entirety.

4. Amend Article I, Section V by deleting it in its entirety and replacing with the following:

V. No private vehicle of any sort shall be parked overnight on any street or roadway within the development. Owners shall be required to furnish adequate paved parking in the driveway or garage for their vehicles. There shall be no parking on any unpaved portion of the Properties or Lots.

5. Amend Article I, Section DD by deleting it in its entirety and replacing it with the following:

DD. (a) Except in connection with construction activities and except as needed for the temporary and occasional delivery of services or merchandise to a resident in the

Association, no commercial trucks, vans, taxicabs or other Commercial Vehicles of any type, and no trailers, campers, motor homes, recreational vehicles, boats and other watercraft, or grounds property maintenance equipment may be parked on any portion of the Properties or on a Lot, unless parked entirely within a closed garage or otherwise completely screened from public view from the street or from adjoining property. The term "Commercial Vehicle" shall be deemed to include vehicles with commercial license tags, as well as any cars, trucks and vans in styles normally used for private purposes, but painted with or carrying commercial advertising, logos, or business names or containing visible commercial materials, cargo, tools or equipment on the exterior of the vehicle. No vehicle that has a chassis with a capacity of 3/4 ton or larger, such as flatbed trucks, tow trucks, tractor-trailer rigs, and the like, or any part thereof, shall park on the Properties at any time, except in connection with construction activities and except as needed for the temporary and occasional delivery of services or merchandise to a resident, and then only for a period not to exceed twelve (12) consecutive hours on any given day. Commercial Vehicle shall not include vehicles with government designations such as fire, police, city inspectors, etc.

(b) Only properly licensed and registered vehicles may be operated and parked on the Properties. No junk or derelict vehicle shall be kept on any portion of the Common Properties or any portion of a Lot. "Junk or derelict vehicle" shall mean any vehicle that is not in operating condition, or which for a period of sixty (60) consecutive days or longer has been partially or totally disassembled by the removal of tires and wheels, the engine, or other essential parts required for operation of the vehicle, or on which there is no valid license plate for a period of thirty (30) days or longer.

(c) Vehicle repairs are not permitted in any area visible outside of the structure in which such repairs are made. This Section shall not apply to routine maintenance, which is completed in a period less than twenty-four hours.

(d) Vehicles shall not be driven or parked on any unpaved portion of the Common Properties, except such vehicles that are authorized by the Board of Directors as needed to maintain, repair or improve the Common Properties.

(e) In addition to any other available enforcement action, the Association may enforce these vehicle restrictions by towing any non-compliant vehicle at the vehicle owner's sole risk and expense after providing written notice and a reasonable opportunity to cure.

6. Amend Article III, Section A by deleting the last two (2) sentences of that Section and replacing them with the following:

The assessments and dues together with any common amenity charges owed, late charges, interest thereon, and costs of collection, including, without limitation, reasonable attorney's fees and management company charges incurred, shall be a charge and continuing lien on the real property and improvements thereon against which such assessment is made. Each such assessment together with late charges, interest thereon, and costs of collection, including, without limitation, reasonable attorney's fees and

management company charges incurred, shall also be the personal obligation of the person who was the owner of such real property at the time when the assessment first became due and payable.

7. Amend Article III, Section K as follows:

Add the words “late charges and” after the words “such assessment shall become delinquent and shall, together with . . .” in the first sentence of the first paragraph.”

Add the words “late charges and” after the words “such judgment shall include” in the last sentence of the last paragraph.

8. Amend Article VI, Section C by adding the following to the end of that Section:

Written notice may also include electronic mail (e-mail). It shall be considered fair and reasonable for each Member or Owner to be e-mailed a notice to the Members/Owner’s e-mail address supplied by such Member or Owner to the Association for the purpose of notice. If a Member or Owner has not provided an e-mail address or if the e-mail is returned as undeliverable, then the Association shall follow the procedure for mailing meeting notice by first class mail, as outlined above.

9. The Declaration and all Amendments thereto are to be construed as sealed instruments subject to the twenty year statute of limitations provided in S.C. Code Ann. § 15-3-520.

[Remainder of page intentionally left blank, signatures to follow]

IN WITNESS WHEREOF, Gatewood Property Owners' Association has by its duly authorized officers set its hand and seal this 3rd day of January, 2020 (the "**Execution Date**"), and by doing so acknowledges and affirms that the amendment requirements of the Declaration have been met and therefore the provisions contained in this Amendment have been duly approved and authorized by the Association.

WITNESSES:

[Signature]
(witness #1)

[Signature]
(witness #2)

Gatewood Property Owners' Association

By: [Signature]
Print Name: Rhonda A. McGinnis
Its: President

STATE OF SOUTH CAROLINA)
COUNTY OF Greenwood)

ACKNOWLEDGEMENT

do hereby certify that Courtney S. Russ, a Notary Public for the State of South Carolina, **Gatewood Property Owners' Association**, by [Signature], its President personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Given under my hand and official seal this 3 day of January, 2020

[Signature]
Notary Public for South Carolina
My Commission Expires: 10-10-2020

WITNESSES:

[Signature]
(witness #1)
[Signature]
(witness #2)

Gatewood Property Owners' Association

By: CM Sacerdote
Print Name: CM Sacerdote
Its: Secretary

STATE OF SOUTH CAROLINA)
COUNTY OF Greenwood)

ACKNOWLEDGEMENT

I, Courtney S. Russ, a Notary Public for the State of South Carolina,
do hereby certify that **Gatewood Property Owners' Association**, by
[Signature], its Secretary personally appeared before me this day and
acknowledged the due execution of the foregoing instrument.

Given under my hand and official seal this 3 day of January, 2020

[Signature]
Notary Public for South Carolina
My Commission Expires: 10-10-2020

200900003741
TOMMY HITE
206 WENTWORTH DR
GREENWOOD SC 29649

200900003741
Filed for Record in
GREENWOOD COUNTY SC
INGRAM MOON
05-21-2009 At 11:23 am.
OTHERDEED 12.00
Book 1156 Page 181 - 186

STATE OF SOUTH CAROLINA)
) RESOLUTION AMENDING BY-LAWS
COUNTY OF GREENWOOD)

Instrument Book Page
200900003741 1156 181

IN RE: GATEWOOD PROPERTY OWNERS ASSOCIATION INC.

WHEREAS, the duly appointed members of the Board of Directors of the Gatewood Property Owners Association met on or before February 16, 2009 and unanimously approved amendments to the Covenants of the association hereinafter referred to as Exhibit "A" and Exhibit "B" and attached hereto.

WHEREAS, Exhibit "A" and Exhibit "B" are modifications and amendments of the Declaration of Covenants and Restrictions of The Gatewood Property Owners Association and Town and County Real Estate dated October 1, 1973 and recorded in the Office of the Clerk of Court of Greenwood County on December 7, 1973 in Book 241, Page 790, as the same was supplemented and applied to real estate by instruments recorded in the Clerk's Office in Book 255, Page 296; Book 287, page 204; Book 294, Page 297; Book 295, Page 748; Book 324, Page 801; Book 334, Page 902; Book 367, Page 419, and Book 466, Page 251.

WHEREAS, pursuant to Section 33-31-708 of the Code of Laws of South Carolina 1976 as amended, known as the S.C. Nonprofit Corporation Act, the Board of Directors of Gatewood Property Owners Association held a special meeting on March 19, 2009 where a vote was held with a quorum of members in good standing present and/or voting.

WHEREAS, by law the members in good standing were required to approve the proposed amendments by a seventy five percent (75%) margin and with a quorum present the members in good standing did in fact approve the amendment attached hereto as

6835-171-249
6834-383-973
6835-389-287

Exhibit "A"

The Declaration will be amended by deleting in its entirety Paragraph E of Article III and substituting therefore a new Paragraph E, which will read as follows:

E. All assessments charged by the Association shall be rounded off to the nearest one dollar (\$1. 00).

The Board of Directors shall commence work on the budget for a succeeding fiscal year not later than the first of the second-to-last month of the Association's current fiscal year, and shall complete such budget by the end of the current fiscal year. From and after March 1, 2009, the maximum monthly assessment, as applied to all classes of Members considered together may be increased each fiscal year by the Board of Directors of the Association by an amount not in excess of the larger of (A) six percent (6%) per year over the preceding fiscal year, or (B) the percentage increase in the "CPI-U," as hereinafter defined, between the third-to-last month of the preceding fiscal year and the second-to-last month of the then current fiscal year. The "CPI-U" will mean the Consumer Price Index for All Urban Consumers, South Region All Items (1982-84=100) published by the U.S. Bureau of Labor Statistics, or, if such index is discontinued or revised, by reference to such other government index or computation with which it is replaced or which would produce substantially the same measure as would be obtained if such index had not been discontinued or revised. For purposes of calculating any subsequent fiscal year's maximum monthly assessment, the actual monthly assessment charged for the last month of the then current fiscal year shall be used.

Any increase or decrease in the monthly maximum assessment shall be made in such a manner that the proportionate increase or decrease in such monthly assessment is the same for all classes as described in Article III, Paragraph D above, and likewise any time the actual assessment levied by the Board of Directors of the Association is less than the maximum monthly assessment, any such decrease shall be apportioned among the respective classes.

In the event that the Board of Directors of the Association approves an assessment for any fiscal year which is less than the maximum monthly assessment applicable for that fiscal and after due consideration of the current costs and future needs of the Association, if the Board of Directors of the Association determines in an open meeting after notice to all Members at least thirty (30) days in advance, that the previously approved monthly assessment will not meet the current or future obligations of the Association to be funded currently or on an ongoing basis, the Board may raise the current monthly assessment to the applicable maximum monthly assessment for the remainder of that fiscal year. For purpose of giving notice of any such meeting of the Board of Directors at which consideration of an assessment increase is to be taken up, the notice shall be conspicuously posted no less than ten (10) days in advance of the meeting in the Gatewood Clubhouse on a bulletin board established for community notices, and shall also be sent by internet email to any address specified in writing by a Member for receipt of community notices.

The Declaration is amended by deleting in its entirety Paragraph F of Article III and substituting therefore a new Paragraph F, which will read as follows:

F. Nothing contained in Article III, Paragraph E above shall be construed so as to prevent the Board of Directors of the Association from seeking to implement a resolution approving a special assessment for a specific purpose or needs of the Association and seek to collect such special assessment in periodic monthly amounts for a fixed period of time or by

payment of a lump sum upon a specified date, either of which must be contained in the resolution approving such assessment. However, any revenues raised by such special assessment(s) may only be used for the purposes or needs outlined with particularity in such resolution. To become effective, such resolution must be presented to a specially-called meeting of the Members as provided in Article VI, Paragraph C and must be approved by two-thirds (2/3) of the votes cast by Members in good standing in a written ballot (pursuant to Section 33-31-708 of the South Carolina Nonprofit Corporation Act of 1994), or in person, or by proxy, and for which a quorum is voting and/or present. The notice shall include or have attached the full text of the resolution; shall specify the purpose of the special assessment in reasonable detail; shall publish each Board member's name and vote cast who voted in favor of and against the special assessment; and shall incorporate or have attached any statement in support of the special assessment the Board wishes to publish. If the Board wishes to publish a statement in favor of the resolution as aforesaid, the notice shall also incorporate or have attached any statement in opposition to the resolution requested by any Board member or group of Board members voting against the resolution.

Exhibit "B"

The Declaration will be amended to delete every reference in the Declaration to "three-fourths (3/4)," and to substitute therefor "two-thirds (2/3)," including, but not limited to, the use of such consent or high voting calculation in Article III, Paragraph E; Article IV, Paragraph C; Article V, Paragraph D, subparagraph 7; Article VI, Paragraph A; and Article VII, Paragraph C, subparagraph 2.

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENWOOD)

PROBATE

PERSONALLY appeared the undersigned witness and made oath that (s)he saw the within named Chuck Strawn, Wilson Bruce, and Teresa Davis sign, seal and as their act and deed deliver the within written Resolution of Amendment to the By-Laws, and that (s)he, with the other witness subscribed above, witnessed the execution thereof.

Donna H. Whittle

SWORN TO BEFORE ME THIS

19th DAY OF May, 2009

James D. Wifor (L.S.)

NOTARY PUBLIC FOR S.C.

MY COMMISSION EXPIRES: July 24, 2011

Exhibit "A" by a margin of Eighty Four and 91/100s percent (84.91%) and did in fact also approve the amendment Exhibit "B" attached hereto by a margin Eighty Two and 02/100s percent (82.02%)

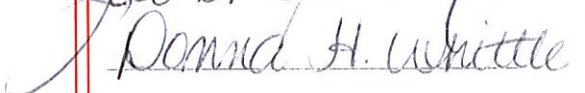
NOW THEREFORE BE IT RESOLVED:

1. That the By-Laws of the Gatewood Property Owners Association are hereby modified, changed and amended adding Exhibit "A" and Exhibit "B" attached hereto and made a part hereof.

DONE AND RESOLVED AT GREENWOOD SOUTH CAROLINA BY THE UNANIMOUS VOTE OF THE OFFICERS AND BOARD OF DIRECTORS AND BY LEGALLY SUFFICIENT VOTE OF THE MEMBERS IN GOOD STANDING OF THE GATEWOOD PROPERTY OWNERS ASSOCIATION AS SET FORTH ABOVE THIS 19th DAY OF MAY 2009.

IN WITNESS WHEREOF, the parties have set their hands and seals the 19th day of MAY 2009.

IN THE PRESENCE OF:


Chuck Strawn, Chairman for the Board of Directors


Wilson Bruce, President of Property Owners Association


Teresa Davis, Secretary to the Board of Directors

STATE OF SOUTH CAROLINA) COVENANT AND RESTRICTION
) MODIFICATION/AMENDMENT BY
COUNTY OF GREENWOOD) RESOLUTION AMENDING BY-LAWS

IN RE: GATEWOOD PROPERTY OWNERS ASSOCIATION INC.,

COVENANTS AND RESTRICTIONS MODIFIED/AMENDED

WHEREAS, the duly appointed members of the Board of Directors of the Gatewood Property Owners Association met on or before February 16, 2009 and unanimously approved amendments to the Covenants and/or Restrictions of the association hereinafter referred to as Exhibit "A" and Exhibit "B" and attached hereto.

WHEREAS, Exhibit "A" and Exhibit "B" are modifications and amendments of the Declaration of Covenants and Restrictions of The Gatewood Property Owners Association and Town and County Real Estate dated October 1, 1973 and recorded in the Office of the Clerk of Court of Greenwood County on December 7, 1973 in Book 241, Page 790, as the same was supplemented and applied to real estate by instruments recorded in the Clerk's Office in Book 255, Page 296; Book 287, page 204; Book 294, Page 297; Book 295, Page 748; Book 324, Page 801; Book 334, Page 902; Book 367, Page 419, and Book 466, Page 251.

WHEREAS, pursuant to Section 33-31-708 of the Code of Laws of South Carolina 1976 as amended, known as the S.C. Nonprofit Corporation Act, the Board of Directors of Gatewood Property Owners Association held a special meeting on March 19, 2009 where a vote was held with a quorum of members in good standing present and/or voting.

WHEREAS, by law the members in good standing were required to approve the proposed amendments by a seventy five percent (75%) margin and with a quorum present

the members in good standing did in fact approve the amendment attached hereto as Exhibit "A" by a margin of Eighty Four and 91/100s percent (84.91%) and did in fact also approve the amendment Exhibit "B" attached hereto by a margin Eighty Two and 02/100s percent (82.02%).

WHEREAS, the parties have previously recorded this document on May 21, 2009 but out of an abundance of caution have renamed and rerecorded this document so that the public records of Greenwood County would clearly reflect these amendments to the covenants and restrictions.

NOW THEREFORE BE IT RESOLVED:

1. That the By-Laws of the Gatewood Property Owners Association are hereby modified, changed and amended adding Exhibit "A" and Exhibit "B" attached hereto and made a part hereof modifying/amending the Restrictive Covenants as set forth herein.

DONE AND RESOLVED AT GREENWOOD SOUTH CAROLINA BY THE UNANIMOUS VOTE OF THE OFFICERS AND BOARD OF DIRECTORS AND BY LEGALLY SUFFICIENT VOTE OF THE MEMBERS IN GOOD STANDING OF THE GATEWOOD PROPERTY OWNERS ASSOCIATION AS SET FORTH ABOVE THIS 29th DAY OF July 2009.

IN WITNESS WHEREOF, the parties have set their hands and seals the

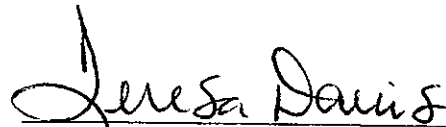
29th day of July 2009.

IN THE PRESENCE OF:

Ed 209
Don Julefer

Chuck Strawn
Chuck Strawn, Chairman for the Board of Directors

Wilson Bruce
Wilson Bruce, President of Property Owners Association



Teresa Davis, Secretary to the Board of
Directors

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENWOOD)

PROBATE

PERSONALLY appeared the undersigned witness and made oath that (s)he
saw the within named Chuck Strawn, Wilson Bruce, and Teresa Davis sign, seal and as
their act and deed deliver the within written Resolution of Amendment to the By-Laws,
and that (s)he, with the other witness subscribed above, witnessed the execution thereof.



SWORN TO BEFORE ME THIS

 29th DAY OF July, 2009

 (L.S.)

NOTARY PUBLIC FOR S.C.

MY COMMISSION EXPIRES  July 24, 2011

Exhibit "A"

The Declaration will be amended by deleting in its entirety Paragraph E of Article III and substituting therefore a new Paragraph E, which will read as follows:

E. All assessments charged by the Association shall be rounded off to the nearest one dollar (\$1.00).

The Board of Directors shall commence work on the budget for a succeeding fiscal year not later than the first of the second-to-last month of the Association's current fiscal year, and shall complete such budget by the end of the current fiscal year. From and after March 1, 2009, the maximum monthly assessment, as applied to all classes of Members considered together may be increased each fiscal year by the Board of Directors of the Association by an amount not in excess of the larger of (A) six percent (6%) per year over the preceding fiscal year, or (B) the percentage increase in the "CPI-U," as hereinafter defined, between the third-to-last month of the preceding fiscal year and the second-to-last month of the then current fiscal year. The "CPI-U" will mean the Consumer Price Index for All Urban Consumers, South Region All Items (1982-84=100) published by the U.S. Bureau of Labor Statistics, or, if such index is discontinued or revised, by reference to such other government index or computation with which it is replaced or which would produce substantially the same measure as would be obtained if such index had not been discontinued or revised. For purposes of calculating any subsequent fiscal year's maximum monthly assessment, the actual monthly assessment charged for the last month of the then current fiscal year shall be used.

Any increase or decrease in the monthly maximum assessment shall be made in such a manner that the proportionate increase or decrease in such monthly assessment is the same for all classes as described in Article III, Paragraph D above, and likewise any time the actual assessment levied by the Board of Directors of the Association is less than the maximum monthly assessment, any such decrease shall be apportioned among the respective classes.

In the event that the Board of Directors of the Association approves an assessment for any fiscal year which is less than the maximum monthly assessment applicable for that fiscal year and after due consideration of the current costs and future needs of the Association, if the Board of Directors of the Association determines in an open meeting after notice to all Members at least thirty (30) days in advance, that the previously approved monthly assessment will not meet the current or future obligations of the Association to be funded currently or on an ongoing basis, the Board may raise the current monthly assessment to the applicable maximum monthly assessment for the remainder of that fiscal year. For purpose of giving notice of any such meeting of the Board of Directors at which consideration of an assessment increase is to be taken up, the notice shall be conspicuously posted no less than ten (10) days in advance of the meeting in the Gatewood Clubhouse on a bulletin board established for community notices, and shall also be sent by internet email to any address specified in writing by a Member for receipt of community notices.

The Declaration is amended by deleting in its entirety Paragraph F of Article III and substituting therefore a new Paragraph F, which will read as follows:

F. Nothing contained in Article III, Paragraph E above shall be construed so as to prevent the Board of Directors of the Association from seeking to implement a resolution approving a special assessment for a specific purpose or needs of the Association and seek to collect such special assessment in periodic monthly amounts for a fixed period of time or by

payment of a lump sum upon a specified date, either of which must be contained in the resolution approving such assessment. However, any revenues raised by such special assessment(s) may only be used for the purposes or needs outlined with particularity in such resolution. To become effective, such resolution must be presented to a specially-called meeting of the Members as provided in Article VI, Paragraph C and must be approved by two-thirds (2/3) of the votes cast by Members in good standing in a written ballot (pursuant to Section 33-31-708 of the South Carolina Nonprofit Corporation Act of 1994), or in person, or by proxy, and for which a quorum is voting and/or present. The notice shall include or have attached the full text of the resolution; shall specify the purpose of the special assessment in reasonable detail; shall publish each Board member's name and vote cast who voted in favor of and against the special assessment; and shall incorporate or have attached any statement in support of the special assessment the Board wishes to publish. If the Board wishes to publish a statement in favor of the resolution as aforesaid, the notice shall also incorporate or have attached any statement in opposition to the resolution requested by any Board member or group of Board members voting against the resolution.

Exhibit "B"

The Declaration will be amended to delete every reference in the Declaration to "three-fourths (3/4)," and to substitute therefor "two-thirds (2/3)," including, but not limited to, the use of such consent or high voting calculation in Article III, Paragraph E; Article IV, Paragraph C; Article V, Paragraph D, subparagraph 7; Article VI, Paragraph A; and Article VII, Paragraph C, subparagraph 2.

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENWOOD)
)
) (Original Bylaws recorded in Volume 471)
) beginning at Page 175)

THE FOLLOWING BEING AN AMENDMENT to the Bylaws of the Gatewood Property Owners' Association (the "Bylaws"), a nonprofit Corporation organized under the laws of the State of South Carolina.

WHEREAS, Article X of the Gatewood Property Owners' Association Bylaws, recorded on January 16, 1997 in Volume 471 at Page 175 in the Office of the Clerk of Court for Greenwood County permits that these Bylaws be amended by a majority vote of the Board of Directors, and;

WHEREAS, the Board desires to decrease the number of Directors to nine (9), and

NOW, THEREFORE, BE IT RESOLVED THAT the Association hereby amends the Bylaws as follows:

(1) Article V, Section 2 Number of Directors [located at Page 190 of Bylaws], which once read:

"The number of Directors shall be twelve (12). Directors shall be Association voting members, in good financial standing with the Gatewood Property Owners Association".

Shall now be amended as follows:

"The number of Directors shall be nine (9). Directors shall be Association voting members, in good financial standing with the Gatewood Property Owners Association".

[SIGNATURE PAGE TO FOLLOW]

201600008881
Filed for Record in
GREENWOOD COUNTY SC
ANGELA WOODHURST, COUNTY CLERK
12-17-2016 At 01:00 pm.
AMENDMENTDB 10.00
Book 1556 Page 212 - 213

IN WITNESS WHEREOF, the Association has by its duly authorized officer set its hand and seal this 4th day of December, 2016 (the "Execution Date"), and by doing so acknowledges and affirms that the Amendment requirements of Article X of the Bylaws have been met and therefore the provisions contained in this Amendment have been duly approved and authorized by the Board of Directors of the Association.

WITNESSES:

Donna Hasting
Witness #1
Diane Chastan
Witness #2

Association:

Gatewood Property Owners Association

By: [Signature]
Its: Chairman
Print Name: Stefan Hartung

STATE OF SOUTH CAROLINA)

COUNTY OF GREENWOOD)

ACKNOWLEDGEMENT

I, Nancy Stelling, the undersigned Notary Public for the State of South Carolina, do hereby certify that the above individuals personally appeared before me this day and acknowledged the due execution of the foregoing Amendment.

WITNESS my hand and official seal this 4 day of Dec, 2016

Nancy Stelling
Printed name: Nancy Stelling
Notary Public for South Carolina
My commission expires: 10/2/2018