

Pelham Falls

River-Front
Residential Community

Restrictive Covenants
And By-Laws

PELHAM FALLS PLANNED COMMUNITY
COUNTY OF GREENVILLE SECTION I

The undersigned, Pelham Falls Joint Venture, the owner and developer of all numbered lots, access ways and common areas of a subdivision known as Pelham Falls Planned Community, Phase I, Section I, as shown on plat of the same being recorded in the RMC Office for Greenville County, SC in Plat Book 13-N at Page 79, which plat was prepared by Freeland-Clinkscales Engineers, dated March 23, 1987, does hereby impose on the numbered lots shown thereon, access ways and common area, if any, the covenants and restrictions hereinafter set forth which shall be binding on all parties and all persons claiming under them until December 31, 2012, at which time said covenants shall be automatically extended for successive periods of ten (10) years unless by vote of a majority of the then owners of lots it is agreed to change or abrogate said covenants in whole or in part. In such vote, each lot shall be entitled to one vote and only one vote, irrespective of ownership.

If the undersigned, its successors or assigns, any lot owner in said subdivision or anyone else, shall violate or attempt to violate any of the covenants herein contained, it shall be lawful for any other person or persons owning any lot situated in said development or subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such covenant and either to prevent him or them from doing or to recover damages or dues for such violation.

Invalidation of any one of these covenants shall in no wise affect any of the any of the other provisions which shall remain in full force and effect.

PURPOSE OF RESTRICTIVE COVENANTS

1.1 The fundamental object and purpose of these restrictive covenants is to create a harmonious whole in the subdivision, to prevent the building of any structure which would be out-of-keeping with the other dwellings, to insure the use of the property for attractive residential purposes only, to prevent nuisances, to prevent the impairment of the attractiveness of the property, to maintain the desired tone of the community, to preserve the value of the property owned and developed by the owners of lots in the subdivision and to secure to each lot owner the full benefit and enjoyment of his home.

II.

USES PERMITTED AND PROHIBITED

2.1 All numbered lots in this subdivision shall be known and described as residential lots and shall be used exclusively for single-family residential dwellings. No structure shall be erected, altered, placed or permitted to remain on any such numbered lot other than one detached single-family dwelling not to exceed two and one-half stories in height, exclusive of basement and a garage for private passenger automobile and servant's quarters. The garage may be detached from the dwelling and no garage shall be of a size larger than necessary to park two automobiles plus storage area of reasonable size.

2.2 No trailer, mobile home, basement, tent, shack, barn or other outbuilding erected upon any numbered lot shall at any time be used as a residence either temporarily or permanently. No structure of a temporary nature shall be used as a residence.

2.3 No house trailer or mobile home shall be placed on any lot either temporarily or permanently. No camping trailer or boat of greater than 18 feet shall be parked on a lot. Camping trailers and boats of 19 feet and less in length may be parked on a lot in the rear yard only.

2.4 No noxious or offensive activity shall be carried on anywhere on the property subject to these covenants, nor shall anything be done thereon which may be or become a nuisance or menace to the neighborhood. No numbered lot or any part thereof shall be used for any business or commercial purpose or for any public purpose.

2.5 No fuel oil tanks or containers will be permitted above ground.

2.6 No animals shall be kept, maintained or quartered on any lot except that cats, dogs and caged birds may be kept in reasonable numbers as pets for the pleasure of the occupants. No beehives may be located on any lot. The Architectural Committee is authorized, but not required, to issue reasonable rules for the protection of all Owners in this community relating to the number of pets which may be kept on any numbered lot.

2.7 The total of all driveways shall be paved by plant mix concrete provided it is first approved by the Architectural Committee. County of Greenville standards for driveway construction shall be adhered to. The Committee shall not permit a standard less than minimum County requirements. The driveway shall be completely paved with the same type of material. Materials of a different nature for different parts of the driveway may not be used without approval of the Architectural Committee. The Architectural Committee may require a substantial length of driveway

be double-parking width to adequately provide for off street parking in the subdivision.

2.8 Garbage containers, trashcans, woodpiles and clothes drying areas must be located so that they will not be visible from the front street.

2.9 All mailboxes and supporting posts shall be a standard design approved by the Architectural Committee.

2.10 Property owners will be required to keep tall shrubbery or hedges trimmed to reasonable limits where air circulation or view from surrounding property may be adversely affected or where traffic hazards may be created.

2.11 Provisions must be made by the property owners for off street parking of cars belonging to visitors. Parking on street rights-of-way for long periods of time during the day or night will be permitted. No trucks, unless three-quarter ton or less in size, shall be permitted to be parked or stored on the property or on the streets in the subdivision. It is the intention of this paragraph that all vehicles be parked off street and that no vehicles be parked on any streets in the subdivision except on a temporary basis.

2.12 The primary use of all garages and carports shall be storage of vehicles. However, minimum areas of storage in garages and carports shall be permitted for equipment and other items of personal property provided the same is stored neatly at all times.

III.

SETBACKS, LOCATION AND SIZE, IMPROVEMENTS

3.1 No building shall be erected on any lot nearer to the front lot line than the building setback line as shown on the recorded plat, and any such building shall face toward the front line of the lot except that buildings to be constructed on corner lots shall face in the direction designated by the Architectural Committee. No residence shall be nearer to any lot line than ten (10) percent of the lot width measured at the building line.

3.2 Any detached garage or other outbuilding erected shall be in the rear yard and no nearer than ten (10) feet to any side or rear lot line.

3.3 No wall, fence or hedge shall be erected:

(1) across or along the front of any lot, (2) along side line from front of house to street or (3) along the front building setback line running to the front edge of the house, having a height of more than 3 feet. All walls, fences or hedges erected in the backyard shall be of a reasonable height. All walls, fences or hedges proposed to be erected or placed on any lot in this subdivision, regardless of location, or as part of the original residence or a later addition or additions, must first receive the approval in writing of the Architectural Committee after the Committee has received the plans, specifications or design proposed for said wall, fence or hedge. All fences must be constructed of wood or brick except that chain link fencing not more than 42" high may be permitted only along rear yard lines.

3.4 No numbered lots in this subdivision shall be re-cut to face any direction other than as shown on the recorded plat hereinabove referred to, nor shall any of said lots be re-subdivided to create an additional building lot. This provision is not intended to prevent cutting off a small portion or portions of any lot for the purpose of conveying the same to an adjoining property owner or straightening a boundary line. However, the remaining portion of the lot must not violate the minimum size requirements of any zoning regulation.

3.5 Nothing herein contained shall be construed to prohibit the use of more than one lot or of portions of one or more lots as a single residential unit, provided written approval thereof shall first be obtained from the Architectural Committee and, provided further, said site faces as required by these restrictions and the recorded plat.

3.6 No residence in Phase I shall contain less than 1700 square feet. In calculating the minimum floor space, there shall be included only the heated area of the residence. Porches, garages and breezeways shall be excluded from the calculation.

IV.

ARCHITECTURAL COMMITTEE

- 4.1 The Architectural Committee shall be composed of:
- (a) Kenneth R. Padgett, Jr.
 - (b) J. Coleman Shouse

4.2 In the event of a vacancy on the Architectural Committee or the failure or inability of any member to act, the vacancy shall be filled temporarily or permanently as may be necessary by the remaining member(s) of the Committee. The members of the Architectural Committee shall be appointed for a term of three years but may be reappointed for additional terms with no limit on the number of additional terms to which they can be reappointed. In all matters, a majority vote shall govern. By mutual agreement of all parties, after residences have been erected on substantially all lots in Pelham Falls Section 1, the Architectural Committee may resign and turn over its rights, duties and responsibilities to a new Architectural Committee to be appointed from time to time by the Pelham Falls Homeowners' Association.

4.3 No improvements shall be erected, placed, altered or changed on any lot in this subdivision until and unless the building plans, specifications and plot showing the proposed type of construction, exterior design and location of such residence have been approved in writing by the Architectural Committee. In addition, a landscape development plan must likewise be submitted to and approved by the Architectural Committee showing the location of all proposed fences, boundary or patio walls, driveways and parking areas, hedges, shrubbery and trees.

4.4 In order to prevent excessive duplication of buildings or improvements to be constructed in this subdivision, the Architectural Committee is vested with full authority to approve or disapprove plans for the construction of any building or improvement with its major features so similar to an existing building or improvements as to be considered a substantial duplication thereof in the discretion of the Committee. The

architectural Committee shall further have the right to refuse to approve any such plans, specifications, plot plans or landscape plans which in its opinions and discretion are not suitable or desirable, In so passing upon such plans, specifications, plot plans or landscaped plans, the Committee shall take into consideration the suitability of the proposed building or other improvement, the materials of which it is to be built, including roofing material and color, whether or not it is in harmony with the surroundings and what effect it will have on other residences already constructed and what effect it will have on the outlook from adjacent or neighboring property.

4.5 In the event that the Committee fails to approve or disapprove such plans within thirty (30) days after they have been submitted to it, or if no suit to enjoin the erection or alteration of such building or improvement has been commenced before such erection or alteration is substantially complete, approval of the Architectural Committee will be conclusively presumed and this covenant will be deemed to have been fully complied with. The term “building or improvement” shall be deemed to include the erection, placement or alteration of any wall, fence, driveway, parking area and swimming pool.

4.6 Application for approval as required herein shall be made to the Committee at the office of Pelham Falls Joint Venture, P.O. Box 10025, Greenville, South Carolina 29603, or at such other place as they may have their office, and at the time of making such application, the building plans, specifications, plot plans and landscape plans shall be submitted in duplicate. One copy of such plans and specifications will be retained by the Committee and the other copy will be returned to the applicant with approval or disapproval plainly noted thereon.

4.7 Upon approval by the committee, the construction may be commenced. Should the applicant request the same, the Committee will approve the construction by a written permit.

4.8 The Committee is authorized by majority vote of its members to approve or ratify any minor violation of the requirements herein set forth under Section III, "Setbacks, Location and Size, Improvements and Lots," if in the opinion of the Committee the same shall be necessary to prevent undue hardship because of topography, the shape of any platted lot or the setback lines as shown on the record Plat, and if in the opinion of the Committee such violation will cause no substantial injury to any other lot owner. In no event may the Committee approve or ratify a violation of the front setback line of more than 6 feet or of the main building side line restriction of more than 4 feet or a reduction of the restrictions as to building size imposed by Section III hereof by more than 25 percent of the permitted area. The approval or ratification by the Committee in accordance with this paragraph shall be binding on all persons.

V.

COMMON AREA

5.1 Owners' Easements of Enjoyment. Every owner shall have a right and easement of enjoyment in and to the Common Area, which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Area;

(b) the right of the Association to suspend the voting rights and right to use of the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed 60 days for any infraction of its published rules and regulations;

(c) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedications or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by two-thirds of each class of members has been recorded;

(d) the right of the Association to enact, publish and enforce reasonable rules and regulations including rules governing the use of the Common Areas.

5.2 Membership in Pelham Falls Homeowners' Association, Inc. Every owner shall be entitled to membership in Pelham Falls Homeowners' Association, Inc. with full privileges therein subject to the payment of such dues as shall be set by that Association and its rules and regulations.

5.3 Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the Common Area and facilities to the members of his family, his tenants and their guests.

5.4 Reservation of Easement for Future Development. The Declarant hereby reserves unto itself, and its successors and assigns, an easement over the streets, roadways, parking areas, and common area as

may be necessary for the purpose of constructing and maintaining improvements and related utilities upon the property reserved by Declarant for future development. The foregoing easement shall include, but not be limited to the right to enter upon the affected property for the purpose of constructing residences, installing all necessary utilities and related improvements together with the right to thereafter maintain such utilities over the property as installed

5.5 Membership and Voting Rights. Every owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment. The Association shall have two classes of voting membership:

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

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

- (a) when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership, or
- (b) on January 1, 1991.

5.6(a) Creation of the Lien and Personal Obligation of Assessments.

The Declarant, for each lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association: (1) annual assessments or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs and reasonable attorney's fees, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made.

Such lien shall be at all times subordinate to the lien of any Mortgagee or Lender of any sums secured by a properly recorded Mortgage or Deed to secure debt, to the end and intent that the lien of any such Mortgage, or lien instrument shall be paramount to the lien for charges herein and provided further, that such subordination shall apply only to the charges that shall be come payable prior to the passing of title under foreclosure of Mortgage or Lien Instrument or by deed in lieu of foreclosure, and nothing herein contained shall be held to affect the rights herein given to enforce the collection of such charges accruing after the sale under foreclosure of such Mortgage or acquisition of title by Deed in lieu of foreclosure.

Notice of any charge due and payable shall be given by filing notice of pendency of action in the Lis Pendens Book in the Office of the Clerk of Court for Greenville County. As to subsequent bona fide purchasers for value the lien herein reserved for charges due and payable shall be effective only from the time of the filing of said Lis Pendens; provided, however, that

nothing herein contained shall affect the right of the association to enforce the collection of any charges that shall become payable after the acquisition of title by such subsequent bona fide purchaser for value.

The lien herein created shall be subordinated to the lien of laborers, contractors, or material men furnishing labor or services in connection with the construction or alteration of any improvement located on any lot, except that nothing herein contained shall be held to affect the rights herein given to enforce the collection of such charges accruing after foreclosure of any such lien.

Each such assessment, together with interest, costs and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due.

(b) Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents for the improvement and maintenance of the Common Area, streets, lawn and landscaped areas.

(c) Maximum Annual Assessment. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be One Hundred Twenty (\$120.00) Dollars per Lot,

(1) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increase each year not

more than 15% above the maximum assessment for the previous year without a vote of the membership.

(2) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased above 15% by a vote of two-thirds majority of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

(3) The Board of Directors may fix the annual assessment at an amount not in excess of the maximum.

(d) Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds majority of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

(e) Notice and Quorum for any Action Authorized Under Sections C and D. Written notice of any meeting called for the purpose of taking any action authorized under Section C or D shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast

sixty percent (60%) of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

(f) Uniform Rate of Assessment. Both annual and special assessments must be fixed at uniform rate for all Lots and may be collected on a monthly, quarterly, semi-annual or annual basis.

(g) Date of Commencement of Annual Assessments: Due Dates. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a Lot is binding upon the Association as of the date of its issuance.

(h) Effect of Nonpayment of Assessment; Remedies of the Association. Any assessment not paid within thirty (30) days after the due

date shall bear interest from the due date at the highest legal rate allowed per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

VI.

ADDITIONAL PHASES

6.1 The Declarant intends to subdivide and develop additional phases of Pelham Falls Planned Community. All additional phases shall be contiguous to the property herein described or to other phases of Pelham Falls. Additional phases shall be made subject to restrictive covenants similar to those contained herein. However, Developer reserves the right to vary some requirements and size of lots, as market conditions and experience may dictate.

6.2 All lot owners in additional phases of Pelham Falls shall automatically be eligible for membership in the Pelham Falls Homeowners Association, Inc., and upon payment of dues shall have all responsibilities and enjoy all privilege of membership including the right to use the recreational facilities. All members of the Association shall be subject to the terms and conditions of applicable restrictive convents, charter and by-laws of the association and reasonable rules and regulations promulgated by the Board of Directors of the Association.

6.3 Land owners of record of December 31, 1985 in the Cherry Hills subdivision (see plats in Plat Book 7-0 at page 39; Plat Book 7-4 at page 28 and Plat Book 7x at page 16) near Pelham Falls may join the Pelham Falls Community Association subject to all applicable rules and regulations and payment of dues. This right is not transferable.

VII.

MISCELLANEOUS

7.1 No signs shall be permitted on any residential lot except that a single temporary sign offering the property for sale or for lease may be placed on any such lot provided such sign is not more than 24 inches wide by 20 inches high.

7.2 Nothing herein contained shall be construed to prevent Pelham Falls Joint Venture, its successors and assign, as Developer, from maintaining temporary offices or a temporary storage building or storage area on any lot while the subdivision is in the process of being developed. The Declarant or his agent may build and use model units for sales purposes on any numbered lot.

7.3 In the event construction of any dwelling is commenced on any lot in this subdivision and work is abandoned for a period of thirty (30) days or longer, within just cause shown, or should any dwelling remain unfinished for a period of nine (9) months from the date construction began, without just cause shown, then and in either event the Architectural Committee shall have (1) the authority to complete the structure at the expense of the owner and shall have a lien against the land and all

improvements to the extent of any monies expended for said completion by said lien shall at all times be subordinated to the lien of any prior recorded mortgage or mechanic's lien (but the Committee shall have the right to contest the validity and amount of such liens) or (2) the authority to remove the improvements from the property and the expense of said removal shall constitute a lien against the property which lien shall be subordinated to the lien of any prior recorded first mortgage. Said liens shall be foreclosed in the same manner as the foreclosure of a real estate mortgage. No action shall be taken under this paragraph without giving written notice to the owner with a copy of said notice being sent to the mortgagee or other lien holder indicating the proposed action to be taken and giving ten (10) days to allow the owner to show cause why the Architectural Committee should not take action under this paragraph.

7.4 No vehicles shall remain abandoned on any property (including any numbered lot) or street in this subdivision and should the same be abandoned or unattended for seven (7) days the same may be removed and stored at the expense of the owner. No property owner or his invitee, licensee, or agent shall park any vehicle on any street in this subdivision except on a temporary basis. Said vehicles should be parked in garages, carports or the driveway area. All motor vehicles belonging to property owners in this subdivision shall maintain a current license tag and a current inspection sticker.

7.5 In the event a lot is enlarged as provided for in these restrictions, the five (5) foot easement for drainage and utilities along all side lines and ten (10) foot easement along rear lines as called for on the recorded

plat shall be moved to the new side line or rear line of the enlarged lot in place of the original lines.

7.6 The five (5) foot easement along all side lines and ten (10) foot easement along rear lot lines referred to above is specifically reserved by developer together with such other easements as may appear on the recorded plat. The reservation of said easements shall include the right to cut trees and shrubs, grade swales or ditches, lay drain pipes or do such other things as may be reasonably necessary and required to provide for necessary drainage, Declarant shall have the right to perform said work but shall not be required to do so. Declarant may assign said rights to other interested parties.

7.7 No outdoor satellite dishes (receiving television or similar signals) shall be allowed on any lot, property, or structure in this subdivision.

BY-LAWS
OF
PELHAM FALLS HOMEOWNERS' ASSOCIATION, INC.

NAME AND LOCATION. The name of the corporation is Pelham Falls Homeowners' Association, Inc., hereinafter referred to as the "Association." The principal office of the corporation shall be located at 409 East North Street, Greenville, South Carolina 29601 (P.O. Box 10025, Federal Station, 29602), but meetings of members and directors may be held at such place within the State of South Carolina, County of Greenville, as may be designated by the Board of Directors.

ARTICLE II
DEFINITIONS

Section 1. "Association" shall mean and refer to Pelham Falls Homeowners' Association, Inc., its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners.

Section 4. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Area.

Section 5. “Owner” shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 6. “Declarant” shall mean and refer to Pelham Falls Joint Venture, its successors and assigns, if such successors or assigns should acquire more than one undeveloped Lot from the Declarant for the purpose of development.

Section 7. “Declaration” shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the R.M.C for Greenville County, South Carolina.

Section 8. “Member” shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 8:00 o’clock P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the president or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least 15 days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence of the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

ARTICLE IV

TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of five (5) directors, who need not be members of the Association. Provided, however, that the initial Board of Directors shall consist of three (3) directors who shall manage the affairs of the Association until the first annual meeting.

Section 2. Term of Office. At the first annual meeting the members shall elect five directors for a term of one year.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make

as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETING OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act of decision done or made by a majority of the directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

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

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in

writing by one-fourth (1/4) of the Class A members who are entitled to vote;

- (b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) as more fully provided in the Declaration, to:
 - (1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;
 - (2) send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and
 - (3) foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

- (g) cause the Common Area and the exterior of the residences to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES

Section 1. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 2. Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year, unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 3. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 4. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 6. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 3 of this Article.

Section 7. Duties. The duties of the officers are as follows:

President

(a) The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice-President

(b) The vice-president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board.

Secretary

(c) The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association, together with their addresses, and shall perform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX
COMMITTEES

The Association shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee as provided in these By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE X
BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI
ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten (10%) percent per annum, and 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 interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner

may waive or otherwise escape liability for the assessments provided for therein by non-use of the Common Area or abandonment of his Lot.

ARTICLE XII CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Pelham Falls Homeowners' Association, Inc.

ARTICLE XIII AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B membership.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XIV MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

FILED APRIL 14, 2005

AMENDMENT TO THE DECLARATIONS OF RESTRICTIVE
COVENANTS FOR PELHAM FALLS SUBDIVISION

THIS AMENDMENT is made as of the date set forth below by The Pelham Falls Home Owners Association.

WHEREAS, recorded that certain Declarations of Protective Covenants for Pelham Falls Subdivision in Deed Book 1296, Page 147 et seq., of the Greenville County, South Carolina records, as amended and supplemented from time to time and recorded in the aforesaid land records.

WHEREAS, pursuant to the terms of Article XIII, Section 1 of the By-Laws, the Association may unilaterally amend the By-Laws; upon the affirmative vote or written consent of the Owners by a vote of a majority of a quorum of members present in person or by proxy at a regular or special meeting.

WHEREAS, the Association desires to amend the By-Laws to revise the Treasurer's duty to call for an audit of the association's books every third year, which does not adversely affect the right, title or interest of any Lot Owner.

Page 10, Article VIII, Section (d)) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books

of account; cause an audit of at least one fiscal year of the Board's choosing of the Association books to be made by a public accountant at the completion of every third fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members. These duties may also be performed by a licensed Property Manager at the discretion of the Board. In the event that a licensed Property Manager is not employed by the Board to handle the affairs of the association, the treasurer shall cause an audit of the Association books every fiscal year.

NOW THEREFORE, pursuant to the powers retained by the Association under the Declaration & By-Laws, the Association hereby amends the By-Laws as provided herein. Such property shall be sold, transferred, used, conveyed, occupied, and mortgaged or otherwise encumbered pursuant to the provision of this Amendment to the By-Laws and the Declaration, both of which shall run with the title to such property and shall be binding upon all persons having any right, title, or any interest in such property, their respective heirs, legal representatives, successors, successors-in-title, and assigns.