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**AMENDED AND RESTATED DECLARATION OF COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR QUEEN AND LOGAN  
TOWNHOUSE ASSOCIATION, INC.**

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- Exhibit A:** Property Description
- Exhibit B:** Articles of Incorporation
- Exhibit C:** Amended and Restated Bylaws

STATE OF SOUTH CAROLINA  
COUNTY OF CHARLESTON

AMENDED AND RESTATED  
DECLARATION OF COVENANTS,  
CONDITIONS, AND RESTRICTIONS  
FOR QUEEN AND LOGAN  
TOWNHOUSES

THIS AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR QUEEN AND LOGAN TOWNHOUSES is adopted this 8<sup>th</sup> day of February 2023, by vote of the membership, and certified by the Board of Directors of QUEEN AND LOGAN TOWNHOUSE ASSOCIATION, INC. (the "Association").

WITNESSETH

**WHEREAS**, the Association is a South Carolina Non-Profit Corporation responsible for the management and operation of the community known as Queen and Logan Townhouses in Charleston, SC; and

**WHEREAS**, the Property subject to this Amended and Restated Declaration of Conditions, and Restrictions for Queen and Logan Townhouses, includes all residential lots as described in Exhibit A, attached hereto and incorporated by reference (the "Property" or "Community"); and

**WHEREAS**, the Property was originally bound and made subject to the AGREEMENT recorded in Deed Book V124, at Page 189 of the Charleston County Register of Deeds (the "Original Agreement"), as thereafter amended and supplemented by that first AMENDMENT TO AGREEMENT recorded in Deed Book F167, at Page 830 (the "First Amendment to the Original Agreement"); that SECOND AMENDMENT TO OWNER' AGREEMENT recorded in Deed Book G204 at Page 812 (the "Second Amendment to the Original Agreement"); and that AMENDMENT TO THE GOVERNING DOCUMENTS FOR QUEEN AND LOGAN TOWNHOUSE ASSOCIATION, INC., recorded in Deed Book 0920, at Page 562 (the "2020 Amendment to the Governing Documents") of the Charleston County Register of Deeds (hereinafter collectively referred to as the "Original Agreement & Amendments"); and

**WHEREAS**, pursuant to Section 15 of the First Amendment to the Original Agreement, the covenants and restrictions contained therein may be amended by an affirmative vote of sixteen (16) lot owners, provided, however, that the owners shall be entitled to only one (1) vote per lot; and

**WHEREAS**, the Association desires to amend and fully restate the Original Agreements & Amendments and supersede all such instruments with this Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Queen and Logan Townhouses (*this* "Declaration") such that this Declaration and all amendments and supplements thereto shall run with the land and shall be binding upon the Association, each Owner, their heirs, successors and assigns, and all parties claiming under them or under this Declaration; and that this Declaration shall inure to the

benefit of and be enforceable by the Association, each Owner, and all claiming under each Owner; and

**WHEREAS**, in compliance with the requirements of Section 15 of the First Amendment to the Original Agreement, the following amendments and restatements of the covenants and conditions have been approved by the vote of no less than sixteen (16) lot owners.

**NOW THEREFORE**, the Association, by and through vote and approval of the Membership hereby declares that the Original Declarations & Amendments are amended, restated, superseded, and replaced with the following:

## **ARTICLE I** **DEFINITIONS**

1.1 “Articles of Incorporation” shall mean and refer to the Articles of Incorporation of the Association filed with the Secretary of State, a copy of which is attached to this Declaration as **Exhibit B**, as the same may be amended as provided therein.

1.2 “Association” shall mean and refer to Queen and Logan Townhouse Association, Inc., a South Carolina nonprofit corporation, its successors, and assigns.

1.3 “Board of Directors” or “Board” shall mean and refer to the board of directors of the Association.

1.4 “Bylaws” shall mean and refer to the Amended and Restated Bylaws of The Queen and Logan Townhouse Association, Inc., attached hereto as ‘**Exhibit C**’, as the same may be amended and supplemented thereafter.

1.5 “Common Area” shall mean and refer to the common drive, parking surfaces, common sidewalks, walkways, and common planting areas as shown on the Plats (defined below), and any plants, fences, gates, lights, and other improvements located therein.

1.6 “Community” shall mean and refer to the Property (defined below), including the Lots and Common Areas therein.

1.7 “Costs of Collection” shall mean and refer to all costs and expenses incurred by the Association in collecting assessments or any other authorized charges, whether or not any action at law and/or in equity is instituted and whether incurred before or after any action at law and/or equity is instituted, including, without limitation, attorney’s fees, management company/management agent charges, administrative fees and charges, court costs, costs and expenses occurred in protecting its lien(s) and/or the priority thereof, and any other costs and expenses incurred by the Association.

1.8 “Declaration” shall mean and refer to this AMENDED AND RESTATED DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS FOR QUEEN AND LOGAN TOWNHOUSE

ASSOCIATION, INC., as it may from time to time be amended or supplemented in the manner provided herein.

1.9 “First Lien Mortgagee” shall mean and refer to a bank, mortgage company or other institution in the business of loaning money that holds a first priority mortgage or deed of trust on a Lot or Townhouse in the Community.

1.10 “Governing Document(s)” shall mean and refer to this Declaration, the Plats (as defined below), the Bylaws, the Articles of Incorporation, and any amendments and supplements thereto, as well as any rules, regulations, or guidelines adopted by the Board in accordance herewith.

1.11 “Improvement” shall mean and refer to any addition, change, or object upon any portion of the Property, whether temporary or permanent, that alters or changes the appearance of the Property or the existence of which affects some aspect of the Property, including, without limitation, grade, slope, or natural flow of water. Improvement is intended to be comprehensive, and shall be construed broadly.

1.12 “Lot” shall mean and refer to the subdivided parcels of land as shown on the Plats, including the Townhouses and any Improvements located thereon. “Lot” shall not mean and refer to Common Areas within the Community.

1.13 “Member” shall mean and refer to a member of the Association, being more particularly defined in Article IV of this Declaration (collectively referred to as the “Membership”).

1.14 “Mortgagee” shall mean and refer to the holder of any recorded mortgage, or the party secured or beneficiary of any recorded deed of trust, encumbering one or more Lots.

1.15 “Occupant” shall mean and refer to any individual occupying the Townhouse that is not an Owner (as defined below) including but not limited to tenants and/or family members of the Owner(s) or tenants.

1.16 “Owner” shall mean and refer to record owner or owners, whether one or more individuals, of any Lot which is part of the Property (defined below), but excluding any party holding an interest merely as security for the performance of an obligation.

1.17 “Person” shall mean and refer to a natural person, a corporation, a partnership, a limited liability company, a trustee, or any other legal entity.

1.18 “Plats” shall mean and refer to that certain plat entitled “Plat of the Charleston Corporation Town Houses Located at Queen & Logan Street City of Charleston County, South Carolina” prepared by Forsberg Engineering & Surveying, Inc., dated May 1, 1987, and recorded in the Charleston County Register of Deeds Office on May 12, 1987, in Plat Book BN, at Pages 018, and collectively to any other plats, amendments, or supplements thereto depicting all or a portion of the Property (defined below) recorded in the Office of the Register of Deeds for

Charleston County, South Carolina from time to time, each as may be amended, supplemented, or superseded thereafter.

1.19 “Property” shall mean and refer to those certain lands, including but not limited to, the Lots, Common Areas, and road rights-of-way subjected to this Declaration, as more particularly described on Exhibit A, together with such additional lands as may be subjected to this Declaration as provided herein.

1.20 “Rules and Regulations” shall mean and refer to regulations of the Association adopted and modified from time to time by the Board as more specifically provided in Article IX, 9.2 of this Declaration.

1.21 “Townhouse” shall mean and refer to the single-family, attached, dwelling unit located on the Lot (defined below).

## **ARTICLE II** **PROPERTY SUBJECT TO THIS DECLARATION**

2.1 The Property. The real property which is subject to the covenants and restrictions contained in this Declaration is the real property described in **Exhibit “A.”** Only the real property described herein is made subject to this Declaration. However, notwithstanding the foregoing, additional property may be subjected to this Declaration in the manner provided herein.

2.2 Annexation & Divestiture. The Association shall have the right to annex additional property to be subject to this Declaration, and designate the use of such additional property, with the approval of one hundred percent (100%) of the total eligible votes in the Association. Such annexation shall be effective by the execution and recording of supplemental declaration describing the property annexed and imposing this Declaration upon such property or any portion of the property. The Association shall also have the right to sell, transfer, convey, or otherwise divest Common Area portions of the Property with the approval of one hundred percent (100%) of the total eligible votes in the Association. Such divestiture shall be effective by the execution and recording of an amended declaration describing the property being transferred, conveyed, and/or removed.

## **ARTICLE III** **PROPERTY RIGHTS TO COMMON AREAS**

3.1 Ownership of Common Areas. Ownership interests of each Lot include an undivided one-thirtieth (1/30th) interest in the Common Areas. Such interest runs with title to each Lot and must be conveyed, devised, mortgaged, or hypothecated with title to the Lot. Such interest



may not be conveyed, devised, mortgaged, or hypothecated separately from the Lot under any circumstances.

3.2 Restrictions on Use of Common Areas. Each Owner, but taking title to a Lot within the Property, shall have a right and nonexclusive easement of enjoyment in and to all portions of the Common Area which are appurtenant to and such easement and right to use shall pass with the title to such Owner's Lot. Such easements and rights shall be subject to the following:

- (a) The terms and provisions of the Governing Documents;
- (b) Any restrictions or limitations contained in any deed conveying such property to the Association;
- (c) The right of the Board of Directors to adopt, promulgate, enforce, and from time to time amend, reasonable Rules and Regulations, including Rules and Regulations governing the use and enjoyment of the Lots and Common Areas, as well as the alteration and modification thereof.
- (d) The right of the Board of Directors to establish and charge reasonable admission and any other fees for certain types of extraordinary uses of the Common Areas.
- (e) The right of the Board of Directors to suspend the voting rights and/or any services provided by the Association during any period in which an Owner shall be in default in the payment of any assessment levied by the Association or for any other violation of the Governing Documents.
- (f) The right of the Board of Directors to regulate parking on Common Area through the granting of easements, licenses, or promulgation of Rules and Regulations, including but not limited to the right to assign and reserve parking spaces for the exclusive use of individual Owners within the common parking lot owned by the Association.

3.3 No Partition. Except as permitted in this Declaration, there shall be no judicial partition of the Common Area or any part thereof, nor shall any Person acquiring any interest in the Property or any part thereof seek any such judicial partition unless the portion of the Common Area which is the subject of such partition action has been removed from the provisions of this Declaration. This Section shall not prohibit the Board from acquiring and disposing of real or personal property which may or may not be subject to this Declaration.

3.4 Common Walkways or Sidewalks. The areas shown and/or designated on the Plats as common walkways or sidewalks shall be subject to the following restrictions:

- (a) That no building or other structure shall be permitted or erected on said areas;
- (b) No storage of furniture, bicycles, or other personal items be made in such areas

- (c) That no obstruction shall be placed or permitted on said areas so as to prevent the full access and use of said areas for a right-of-way for ingress, egress, and regress for the benefit of all Lots as designated on the Plat; and
- (d) That no use be made of said areas except as walkways and the location of utility pipes and lines for the benefit of said Lots.

Notwithstanding the foregoing, the placement of trash and recycling containers on or within the designated sidewalk areas on trash or recycling collection day is permissible subject to any other restrictions contained herein.

#### **ARTICLE IV** **MEMBERSHIP AND VOTING RIGHTS**

4.1 **Membership.** Every Owner of a Lot in the Community shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

4.2 **Voting.** Members shall be entitled to cast one (1) vote for each Lot owned, provided however, there shall only be one (1) vote per Lot. If title to a Lot is held in the name of more than one Person, all such Persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot.

#### **ARTICLE V** **MAINTENANCE**

5.1 **Association's Responsibility.** The Association shall only provide maintenance to the Common Areas and improvements thereon, including maintenance, repair, replacement, and care of any landscaping on or within the Common Areas. Except as otherwise provided herein, all costs associated with the Association's responsibilities under this Section shall be common expense of the Membership and assessed equally against all Lots. Notwithstanding the foregoing, if the Board of Directors of the Association determines that the need for maintenance, repair, or replacement, which is the responsibility of the Association hereunder, is caused through the willful or negligent act(s) of an Owner, or the Owner's Occupants, family, guests, tenants, lessees, or invitees, then the Association may assess the cost of any such maintenance, repair, or replacement against the responsible Owner's Lot and such cost shall be added to and become a part of the assessments and continuing lien upon the Lot.

5.2 **Owner's Responsibility.** Unless specifically identified herein as being the responsibility of the Association, all maintenance and repair of a Lot, including the Townhouse,

patio fence, and any other Improvements and landscaping located thereon, shall be the responsibility of the Owner.

If the Board determines that any Owner has failed or refused to discharge properly the Owner's obligations with regard to the maintenance, repair, or replacement of such Owner's Lot, including the Townhouse, patio fence, individual planting area, and any Improvements and landscaping located thereon, then the Association may, but shall not be obligated to, perform the repair, replacement, or maintenance; provided, however, that, unless the Board determines that an emergency exists, the Association shall first give the Owner written notice of the Association's intent to provide such necessary maintenance, repair, or replacement at the Owner's sole cost and expense. The notice shall set forth with reasonable particularity the maintenance, repairs, or replacement, deemed necessary. Unless the Board determines that an emergency situation exists, the Owner shall have thirty (30) days from the date of the notice within which to complete such work or in the event that such work is not capable of completion within a thirty (30) day period, to commence the work and complete within a reasonable period of time. If the Board determines that an emergency exists, or if any Owner does not comply with the provisions hereof, the Association may provide any such maintenance, repair, or replacement at such Owner's sole cost and expense, and shall be added to and become a part of the assessments and continuing lien upon the Lot.

## **ARTICLE VI** **ROOFS & PARTY WALLS**

6.1 **Roofs.** The portion of the roof and roof system attributable to the Owner's Townhouse shall be the maintenance, repair, and replacement responsibility of the Owner. Owners shall maintain, repair, and replace their roof, and otherwise keep their roof in good condition and free of leaks. In the event an Owner fails to maintain, repair, and/or replace their roof and such failure results in damage in or to any common party walls, or damages any adjoining Townhouse or the contents thereof, the Owner of the adjoining property so damaged shall have the right to make necessary repairs, and the responsible Owner shall be liable for the costs and expenses incurred to make those necessary repairs, plus any costs or expenses incurred by the Owner of the damaged property to repair their property and replace their personal items. Such costs and expenses shall constitute a continuing lien on the responsible Owner's Lot in favor of the Owner who incurred them. Such lien shall include all costs and expenses incurred, plus costs of collection and reasonable attorneys' fees and such lien may be enforced if need by foreclosure.

6.2 **Party Walls.** Each wall which is built as a part of the original construction of the Townhouses and is located on the dividing line between the Lots shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.

- (a) **Use, Repair, and Maintenance.** The cost of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use. Neither Owner sharing a party wall, shall have the right to make use of

the party wall or common footing for the purpose of building an additional story to such Owner's Townhouse. Each Owner shall have an easement and right of access over an adjoining Lot as is reasonably necessary for the maintenance, repair, restoration, and/or replacement of the party wall. Each Owner shall be responsible for providing sufficient lateral support for the party wall so as not to damage the Townhouse of the adjoining Owner, and neither Owner shall damage or demolish such Owner's portion of the party wall without providing adequate support to the other Owner's portion of the party wall.

- (b) Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owner thereafter makes use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use, without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omission.
- (c) Weatherproofing. Notwithstanding any other provision of this Article, a Lot Owner who by his or her negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.
- (d) Right to Contribution Runs with Land. The right of any Lot Owner to contribution from any other Lot Owner under this Article shall be appurtenant to the land and shall pass to such Lot Owner's successors in title.

## **ARTICLE VII** **INSURANCE AND CASUALTY LOSSES**

7.1 Insurance by Lot Owners. It shall be the responsibility of each Owner, at such Owner's sole cost and expense, to maintain homeowner's and liability insurance covering the full replacement cost of their Lot including the Townhouse, and their one-thirtieth (1/30<sup>th</sup>) interest in the Common Areas; and any necessary coverage(s) as may be required by such Owner's mortgagee(s); flood insurance, and other any other necessary coverages or as desired by the Owner.

7.2 Insurance by Association. The Association shall maintain directors and officers insurance in such amounts as deemed necessary by the Board of Directors in its sole discretion. The Association may, but shall not be obligated to, purchase and maintain liability insurance for the Common Areas and Improvements located thereon, covering loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief, and shall be in an amount sufficient to cover the full replacement cost of any repair or reconstruction of the Common Areas in the event of damage or destruction from any such hazard. Association may obtain "all-risk" coverage in like amounts and/or flood insurance if necessary to satisfy requirements of the Federal home Loan Mortgage Corporation or the Federal National Mortgage Association. If insurance coverage is obtained by the Association covering the Common Areas, policies shall be written in the name of the Association, as trustee for the Lot Owners and their mortgagees.

Premiums for all insurance required or authorized by this Section shall be a common expense of the Membership, and assessed equally against all Lots.

7.3 Insurance Deductible. Except as otherwise provided herein, the deductible for any property insurance policy carried by the Association for the Common Areas shall be considered a common expense; provided that in the event a claim is filed as a result of damage caused by the negligence of an Owner, the Owner's Occupants, guests, invitees, and/or licensees, the Owner shall be responsible for the full cost of the deductible which shall be added to and become part of the assessment and continuing lien on the Lot. Notwithstanding the foregoing, and except as otherwise provided herein, no Lot Owner shall be liable for more than five thousand dollars (\$5,000.00) of deductible for any one occurrence, and any amount in excess shall be a common expense of the Association.

7.4 Repair and Reconstruction of Common Areas. Immediately after the damage or destruction by fire or other casualty to all or any portion of any improvement on or within the Common Areas, covered by insurance written in the name of the Association, the Board of Directors or its duly authorized agent shall proceed with the filing and adjustment of all claims arising under such insurance and obtain reliable and detailed estimates of the cost of repair or reconstruction thereof. Repair or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the same condition and location that existed prior to the fire or other casualty.

7.5 Repair and Reconstruction of Townhouses/Lots. Any damage or destruction by fire or other casualty to all or any portion of any Townhouse or Improvement on a Lot must be promptly repaired, restored, and/or rebuilt to good condition as it existed prior to such damage or destruction. The Townhouse must be rebuilt and restored to its original specifications, subject to the approval of the Association and local building codes and restrictions.

## ARTICLE VIII TAXES AND CONDEMNATION

8.1 Taxes. Owners shall be responsible for payment of all property taxes, including City of Charleston and County of Charleston property taxes attributable to such Owner's Lot and the Owner's undivided one-thirtieth (1/30<sup>th</sup>) interest in all of the Common Areas, as they are shown and designated on the Plats. In the event any Owner fails to pay property taxes attributable to such Annual taxes levied by the City of Charleston and County of Charleston, the Association shall have the right, but not the obligation to pay such taxes on behalf of the Owner, in order to avoid loss or judicial partition of any portion of the Property. Such amounts paid by the Association pursuant to this provision, shall be the personal obligation of the responsible Owner, and may be added to and collected in the same manner as assessments on the Lot.

8.2 Condemnation. In the event that all or part of the Common Areas shall be taken (or conveyed in lieu of and under threat of condemnation) by any authority having the power of condemnation or eminent domain, the Owners hereby appoint the Board of Directors to act as attorney-in-fact for all Owners in the proceedings incident to the taking, unless otherwise

prohibited by law. The Board of Directors shall have the right to negotiate a voluntary sale to the condemner in lieu of engaging in the condemnation action. No Owner, by virtue of his Lot ownership or Membership in the Association, shall be entitled to independently participate as a party in any condemnation proceedings or directly participate in any condemnation award, except as necessary to execute any deeds or agreements negotiated by the Board of Directors. The decision of the Board of Directors to agree to any voluntary sale in lieu or sales agreement shall be final and binding on all Owners; and all Owners shall be required to execute any deeds, contracts, or other conveyances necessary to avoid condemnation. Any awards received as a result of a sale, deed in lieu, or taking shall be paid to the Association. The Board of Directors, without the necessity of a vote of the Membership of the Association, may (1) retain any award in the reserve funds of the Association; or (2) use such award for the restoration or replacement of any Common Area, including any Improvements affected by the threat of condemnation or taking.

## **ARTICLE IX** **RIGHTS AND OBLIGATIONS OF THE ASSOCIATION**

9.1 **Common Area.** The Association shall be responsible for management, operation, and control of the Common Areas and any Improvements located thereon.

9.2 **Rules and Regulations.** The Board of Directors shall be authorized to promulgate, amend, and enforce Rules and Regulations governing the conduct on and use of the Property, including Common Areas, roads and rights-of-way, and Lots, and to establish penalties for the infraction thereof. The Rules and Regulations may include, but shall not be limited to, restrictions and limitations on the number of guests of Owners and Occupants who may use the Common Areas at any one time; as well as restrictions and limitations on modifications and alterations to the exterior of any portion of the Property, including Townhouses and Lots. Enforcement of Rules and Regulations shall specifically include the right of the Board of Directors to impose and collect monetary fines, which shall constitute specific assessments, for violation of any covenant or restriction contained in this Declaration, the Bylaws, and any Rules and Regulations adopted by the Board from time to time.

9.3 **Implied Rights.** The Association may exercise any right or privilege authorized by law, or expressly granted by the Governing Documents, or reasonably implied from, or reasonably necessary to, effectuate any such right or privilege. Except as otherwise specifically provided in the Governing Documents, or by law, all rights and powers of the Association may be exercised by the Board without a vote of the Membership.

9.4 **Management Agent or Company.** The Association shall have the right to hire or engage a property management agent or company to assist with and facilitate management of the Association and the overall Property, at the sole discretion of the Board. Management company fees and compensation for such property management agent or company shall be common expense of the Association. Unless expressly and exclusively reserved for the Board, the Board shall have

the authority to delegate any of its rights, duties, and/or obligations set forth in this Declaration or the Bylaws, or any other Governing Document, to the management company in its sole discretion.

## ARTICLE X ASSESSMENTS

10.1 Purpose of Assessment. The assessments provided for herein shall be used for the general purposes of promoting the common benefit and enjoyment of the Owners and Occupants of Lots, including the maintenance of real and personal property, all as may be more specifically authorized from time to time by the Board of Directors.

10.2 Creation of the Lien and Personal Obligation for Assessments. Each Owner of any Lot, by acceptance of a deed or other conveyance thereof, whether or not it shall be so expressed in such deed, jointly and severally, covenants and agrees to pay to the Association: (a) annual assessments or charges; (b) special assessments, such assessments to be established and collected as hereinafter provided; and (c) specific assessments against any particular Lot, including, but not limited to, reasonable fines as may be imposed in accordance with the terms of this Declaration. All such assessments, together with late charges, interest, and Costs of Collection, shall be a charge on the land and shall be a continuing lien upon the Lot against which each assessment is made in favor of the Association, and the Association shall be entitled to file a document evidencing such lien in the land records of the county in which the Lot is located. Such lien shall be superior to all other liens and encumbrances on such Lot, except for (a) liens for ad valorem taxes; or (b) liens for all sums unpaid on a first mortgage recorded in the land records of the county where the Properties are located.

Each such assessment, together with late charges, interest, and Costs of Collection, shall also be the personal obligation of the Owner of such Lot at the time the assessment fell due, and in the event of co-ownership of a Lot, all such co-Owners shall be jointly and severally liable for all such amounts. Owners shall be jointly and severally liable for all such amounts as may be due and payable at the time of conveyance to a new Owner; provided, however, the liability of a previous Owner for the unpaid assessments on a Lot being conveyed shall not apply to any First Lien Mortgagee taking title through foreclosure proceedings or deed in lieu of foreclosure.

No Owner may waive or otherwise escape liability for the assessments provided for herein, including, by way of illustration, but not limitation, non-use of the Common Area or abandonment of the Lot. No diminution or abatement of any assessment shall be claimed or allowed by reason of any alleged failure of the Association to take some action or perform some function required to be taken or performed by the Association pursuant to the Governing Documents, or for inconvenience or discomfort arising from the making of repairs or Improvements which are the responsibility of the Association, or from any action taken by the Association to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

10.3 Determination of Common Expenses and Budget. The Board of Directors shall prepare, for Membership approval, an estimated annual budget for each fiscal year. Such budget shall take into account all common expenses of the Association, the estimated income for the year,

contributions to the reserve funds, and projection for uncollected receivables. Common expenses of the Association include, but are not limited to, costs and expenses of maintenance, repair, and replacement of the Common Areas; the procurement of insurance; utilities applicable to the Common Areas and maintenance thereof; landscaping of the Common Areas and maintenance, repair, and replacement thereof; management company or agent fees; estimated legal fees; and other costs and expenses incurred by the Association for the benefit of the Property and Membership. Approval of the budget by the Membership shall be demonstrated by the majority vote of the Lot Owners at a duly called meeting of the Association. Notice of such meeting, along with the proposed budget, shall be delivered to every Lot Owner at least fifteen (15) days prior to an Association meeting at which approval of the budget is to be considered. If for any reason, the Board fails to prepare a budget, and or the budget is not approved by the Membership, the budget for the prior fiscal year as well as the payment amount, frequency, and due date, shall remain in effect until a budget is prepared and approved by the Membership. The failure of the Board to prepare and/or the failure of the Membership to approve the budget does not relieve any Lot Owner of the obligations to pay assessments pursuant to the budget for the prior fiscal year.

10.4 Annual Assessments. The Board of Directors shall fix the amount, frequency, and due date of the annual assessment based on the Association's approved budget for the fiscal year. Annual assessments shall be levied at a uniform rate for each Lot and shall be paid in such manner and on such dates as may be fixed by the Board. The Board, in its discretion, may require payment of the annual assessment in a single lump sum or may allow the annual assessment to be paid in periodic installments, including, without limitation, monthly, quarterly, or semi-annual installments. Unless otherwise provided by the Board, the annual assessment shall be due and payable as a single lump sum.

10.5 Special Assessments. In addition to the other assessments authorized herein, the Board of Directors may levy special assessments, as follows:

- a) Emergency Special Assessment. In the event of an emergency, as determined in the sole discretion of the Board, the Board may levy an Emergency Special Assessment without the approval of the membership.
- b) Non-Emergency Special Assessment. The Board may levy a Non-Emergency Special Assessment for the purposes of defraying, in whole or in part, any shortfall in the estimated annual budget, with the approval of at least a majority of a quorum of members at a duly called meeting to vote on such Non-Emergency Special Assessment.

Special assessments shall be levied at a uniform rate for each Lot and shall be paid in such manner and on such dates as determined by the Board. The Board may permit special assessments to be paid in installments extending beyond the fiscal year in which the special assessment is imposed.

10.6 Specific Assessments. The Board shall have the power to levy specific assessments against a Lot or Lots pursuant to this Section, as, in its discretion, it shall deem appropriate. Fines levied for violations of the Governing Documents and costs incurred by the Association for which the Owner is responsible shall be specific assessments. Failure of the Board to exercise its authority under this Section shall not be grounds for any action against the Association and shall not



constitute a waiver of the Board's right to exercise its authority under this Section in the future. Specific assessments are not subject to the uniform rate per Lot requirement.

10.7 Effect of Nonpayment of Assessments; Remedies of the Association. Any assessments or installments thereof which are not paid when due shall be delinquent. In the event that an assessment is to be paid in installments, and any installment becomes delinquent, the Board shall have the right to accelerate and immediately make due and payable the remaining installments. All payments shall be applied first to costs, then to late charges, then to interest and then to delinquent assessments. Any assessment or installment thereof that is delinquent for a period of more than ten (10) days shall incur a late fee, in such amount determined by the Board which may be charged each month that the assessment or any installment thereof remains unpaid. If any assessment or installment thereof shall become delinquent, a lien, as herein provided, shall automatically attach to the Lot, whether or not a lien instrument is recorded evidencing such lien, and the lien shall include the assessment(s), together with late charges, interest, and Costs of Collection. The Association may, in the discretion of the Board, institute suit to collect such amounts and/or to foreclose its lien in the same manner as prescribed by the laws of the State of South Carolina for the foreclosure of mortgages. The Association, acting on behalf of the Owners, shall have the right, but not the obligation, to bid on the Lot at any foreclosure sale and to acquire, hold, lease, mortgage or convey the same.

10.8 Reserve Budget and Reserve Contributions. The annual budget prepared by the Board shall include contributions to a reserve budget, which shall take into account the number and nature of replaceable assets, the expected life of each asset, and the expected cost of repair or replacement. The Board may cause contributions to be made to reserves as necessary to meet the projected needs of the Association.

10.9 Waiver of and Exemption from Homestead Exemption. Any lien provided for herein shall be exempt from the South Carolina Homestead Exemption, if such lien is foreclosed upon and each Owner by acceptance of the deed to a Lot waives any right to assert a Homestead Exemption.

10.10 Transfer Fee. At the time of any transfer of title to a Lot, the Owner acquiring title to the Lot shall be obligated to pay a Transfer Fee to the Association equal to 0.25% of the purchase price of the Lot which shall be due at closing. Transfer Fees collected shall be deposited into the reserve accounts of the Association. It is the selling Owner's obligation to notify the closing attorney and purchaser of the obligation to pay the Transfer Fee. The Transfer Fee shall be in addition to any assessments applicable to the Lot and shall not be considered an advance payment on any portion thereof. Transfer Fees shall be charged and collected in the same manner as assessments, and shall constitute a personal obligation of the Owner acquiring title to the Lot at the time of the transfer, and a continuing lien upon the Lot in favor of the Association.

**ARTICLE XI**  
**ARCHITECTURAL CONTROL**

No building or structure, or any change, alteration, addition, or modification to the exterior portions of any Lot or any Townhouse or other Improvement located thereon, including but not limited to installation of a fence or wall, substantial modifications to the landscaping (excluding removal or installation of small shrubs, plants and flowers), change in exterior color or material of any exterior surfaces, doors, or window, may be made until the proposed plans, specifications (including height, color and composition, location, materials, and finishes), and if applicable, a site plan, landscape plan, and construction schedule, shall have been submitted to and approved by Board in writing. In addition to the covenants and restrictions contained herein, the Property, and Owners thereof, are subject to the City of Charleston Board of Architectural Review. The Board may require written confirmation that any proposed construction, change, alteration, addition, or modification to the exterior of any Lot or Townhouse has been approved by the City of Charleston Board of Architectural Review.

Following submission of plans to the Board for review, if no approval, denial, or request for additional information is issued by the Board within forty-five (45) days following the Board's receipt of such plans, approval shall be deemed granted by the Board. Denial of any plans, location, or specifications may be based upon any ground which is consistent with the objectives of this Declaration, including purely aesthetic reasons. In no event, shall failure to approve or deny such plans constitute waiver by the Board to approve or deny future requests under this Article. Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and neither the Association, nor the Board of Directors, nor any member of any of the foregoing shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements, including but not limited to approval by the City of Charleston Board of Architectural Review. Neither the Association, nor the Board of Directors, nor any member of any of the foregoing, shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction on or modification to any Lot.

The Board may suspend or withhold architectural review services to any Owner during any period in which the Owner shall be in default in the payment of any assessments or other charges, or for any other violation of the governing documents.

**ARTICLE XII**  
**USE RESTRICTIONS**

12.1 Single-Family Residential Use / Prohibition on Business Use. No residential building shall be erected, altered, placed, or permitted upon any Lot other than one attached single-family Townhouse. All Lots and Townhouses shall be used only for single-family residential purposes (to include cohabitation of unrelated individuals living together as a family unit), or by multiple tenants under a single lease, but limited to no more than one (1) tenant per bedroom. No commercial, business, or business activity (including, but not limited to, daycares, barbershops/salons, boarding houses, bed and breakfasts, service/retail businesses) and/or any

business which is detectible from the exterior of the Townhouse or by the nature of activity associated therewith, shall be carried on upon any Lot at any time, except with the written approval of the Board of Directors. Provided that to the extent allowed by applicable zoning laws, a home office or "home occupation," as may be defined in the Rules and Regulations or in the zoning ordinances of the governmental authority having jurisdiction over the Lot, may be maintained in a Townhouse located on any of the Lots without Board approval, so long as such home office or "home occupation" (a) is not detectable from the exterior of the Lot; (b) does not negatively impact the Common Areas and peace and enjoyment of the other Owners and Occupants within the Community; and (c) complies with any and all applicable laws and ordinances.

12.2 Signs. No sign of any character, including campaign or political signs, or for sale or for rent signs, shall be erected, posted, or displayed.

12.3 Parking & Vehicles. Parking and vehicles within the Common Areas are subject to the following restrictions:

- (a) Each Lot/Townhouse is entitled to the use of one (1) assigned parking space within the Common Area parking Lot ("Assigned Spaces"), which may be assigned or re-assigned to a Lot/Townhouse by the Board of Directors in its sole discretion and based on need or any reasonable change in circumstance. Owners may assign use of the assigned parking spaces.
- (b) Short-term guests, invitees, and licensees of an Owner, and/or construction crew, service personnel, and delivery personnel may park in those spaces designated marked with letters "A," "B," "C," "D," "E," "F" or otherwise designated as "Guest" parking ("Guest Spaces"). Use of the Guest Spaces shall be subject to rules, regulations, and policies adopted by the Board, which may be amended by the Board from time to time as the Board deems necessary. The Board shall have the authority to tow vehicles in violation of any rules, regulations, and policies and to require the owner of said vehicle to pay the cost of towing. Construction crew, service personnel, and delivery personnel may not park overnight in Guest Spaces, without prior written approval from the Board. The Board reserves the right to designate and/or reserve Guests Spaces as Electronic Vehicle ("EV") parking and charging spaces.
- (c) Assigned Spaces are limited to one (1) Non-Commercial, 4 wheel vehicle per space. Commercial Vehicles may be parked in Guest Spaces. Vehicles utilizing Assigned or Guest Spaces must fit within the painted lines. No vehicle larger than seventeen (17) feet long, eight (8) feet high, or seven (7) feet wide may be parked in any Assigned or Guest Spaces overnight. "Commercial Vehicles," for the purposes of this provision, shall mean and include any vehicle with imaging or lettering for business purposes.
- (d) Except for temporary parking of construction, service, or delivery vehicles, no large trucks, vans, taxicabs, trailers, campers, motor homes, recreational vehicles ("RVs"), boats or other watercraft (including their trailers), motorcycles, construction or maintenance equipment, or other similar vehicles may be parked within any portion of the Common Areas, whether an Assigned or Guest Space. In the case of temporary parking for construction, service, or delivery vehicles in the Guest Spaces or the responsible Owner's

Assigned Space, such vehicles may only be parked for a period not to exceed twelve (12) hours. Owners may temporarily use their Assigned Space for the placement of a dumpster for construction and/or remodeling purpose, so long as the dumpster fits within the parking space, does not impede on other parking spaces, and so long as the dumpster is not placed or stored for longer than two (2) weeks in any three (3) month period.

- (e) Only properly licensed and registered vehicles may be operated and/or parked within the Common Areas. No junk or derelict vehicle shall be kept on any portion of the Common Area or any other portion of the Property. "Junk or derelict vehicle" shall mean any vehicle that is not in operating condition, or which for a period of three (3) 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 three (3) days or longer.
- (f) Blocking, obstructing, or parking in any manner which impedes traffic flow or prevents access to or from any common drive, parking lot, or parking space, is strictly prohibited.
- (g) No oil changes or major vehicle repairs are permitted on or within any portion of the Common Area including any Assigned or Guest Spaces. If any Owner and/or their guests, invitee, or licensee (including service personnel or contractors) damages or discolors any portion of the parking surface, such responsible Owner shall be obligated to arrange and pay for clean-up and repair.
- (h) Vehicles shall not be driven on any unpaved portion of the Common Area, except such vehicles that are authorized by the Board of Directors as needed to maintain, repair, or improve the Common Area.
- (i) Owners are responsible for ensuring that their Occupants, guests, invitees, and licensees, as well as contractors, comply with all of the parking restrictions contained in this Section.
- (j) In addition to any other available enforcement action, the Association may enforce these vehicle restrictions by towing any non-compliant vehicle at the responsible Owner's and/or vehicle owner's or user's sole risk and expense. Owners may have vehicles towed from their Assigned Spaces at the sole risk and expense of the Owner and/or owner or user of the vehicle; however, the Association accepts no liability for such towing.

12.4 Occupants Bound. All provisions of the Governing Documents, including all restrictions, conditions, and rules and regulations contained therein which govern the conduct of Owners shall apply and govern the Owner's Occupants, guests, invitees, and licensees of the Owner. Owners shall be responsible for ensuring Occupants, guests, invitees, and licensees abide by the applicable restrictions, conditions, and rules and regulations, and Owners shall be ultimately responsible for the violations, conduct, and costs and expenses incurred by the Association as a result of their Occupants, guests, invitees, and licensees within the Property.

12.5 Notification of Sale or Transfer. Owners are obligated to notify the Association, by and through the management company, of any anticipated sales or transfers of the Owner's

Townhouse, including but not limited to property sale transactions, quit claims or short-sale transactions, or any other conveyance or transfer in which the record owners of the Townhouse will change, regardless of whether monetary consideration changes hands. Notification of such sale or transfer should be delivered in writing at least seven (7) days prior to such sale or transfer.

12.6 Offensive Activities. No noxious, offensive or illegal activities as determined by the Board of Directors shall be carried on upon any Lot, Townhouse, Common Area, or any other portion of the Property, nor shall anything be done thereon which is or may become an annoyance or nuisance to any Owner or Occupant in the Community, including without limitation, nuisances of a permanent or temporary nature, occurring on an intermittent or continual basis, and those that are a nuisance to one or more Owners or Occupants in the Community, as determined in the sole discretion of the Board. No Owner or Occupant shall be permitted to make or create any condition on a Lot or on or within a Townhouse that would negatively impact the property values of the Community and/or that increase the rate of insurance for other Owners or the Association. No Owner or Occupant shall make or permit any disturbing noises within the Property, including but not limited to use of a musical instrument, record player, stereo, speaker, amplifier, sound system, television, or radio at an unreasonably high volume; nor may Owners or Occupants do or permit anything that would interfere with the rights, comforts, or convenience of other Owners and/or Occupants.

12.7 Unsightly or Unkempt Conditions. Each Owner shall at all times keep such Owner's Lot, Townhouse, and all Improvements thereon in a safe, clean, neat, and sanitary condition; and shall properly perform all necessary maintenance, repairs, and replacement, including but not limited to maintenance, repair, and replacement of any patio fences and landscaped areas or planting areas on or within such Owner's Lot. Should any unsafe, unclean, unsightly, unkempt, or unmaintained conditions exist on a Lot, the Association or its duly appointed agent shall, after providing the Owner thirty (30) days written notice, be entitled to enter upon the Lot to perform necessary maintenance, repairs, replacements, and/or clean-up at the cost and expense of the Owner, which may be charged as a Specific Assessment, constituting a personal obligation of the Owner and continuing lien upon the Lot. Any entry by the Association or its duly appointed agent, pursuant to this provision, shall not be deemed a trespass.

12.8 Landscape Maintenance. Owners shall be obligated to maintain, repair, and replace any landscaped area and/or planting area located within any portion of their Lot. Such landscape maintenance, repair, and replacement shall include regular plantings, trimmings, and removal of weeds, debris, and/or dead or diseased plants, such that the landscaping and landscaped areas are well-maintained and in good condition. Owners shall be obligated to trim plants and shrubbery on or within any portion of their Lot so as to prevent such plants and shrubbery from growing above or over any fences or walls and/or obstructing any sidewalks or walkways. No trees shall be cut or removed from any portion of the Property without the prior written approval of the Board. The areas designated on the Plats as common planting areas are considered Common Areas, and Owner use shall be subject to the rules and regulations set by the Board from time to time. Major

maintenance, repair, and replacement of the common planting areas shall be the responsibility of the Association.

12.9 Antennas/Satellite Dishes. As consistent with state and federal law, the Association has the authority to proscribe preferred locations for placement of antennas, satellite dishes, and/or other telecommunications equipment, provided that such placement does not impair the ability to receive a signal, increase cost of service, or delay use. Owner must obtain written approval from the Association prior to installing any such equipment on a Townhouse or Lot in a manner that is not located on the rear side of the Townhouse or portion of the Lot and/or that is not fully concealed from the street, common drive, or parking lot. Nothing herein shall be interpreted, construed, or enforced in a way that violates any state or federal law, including, but not limited to 47 U.S.C. § 303, and related FCC rules, and/or 47 CFR § 1.4000 (which limits, but does not entirely prohibit, control by the Association of the size and location of antennas and satellite dishes).

12.10 Solar Collecting Equipment. No solar collecting equipment shall be installed on any Townhouse or portion of the Lot or Common Area without prior written approval from Board. Such installations, if approved, shall be completed pursuant to the written terms and conditions set by the Board in any written approval.

12.11 Outdoor Equipment/Recreation/Bikes. All tools, recreation equipment, toys, and similar personal property must be contained within the fenced or enclosed area on the Lot, and concealed from view from the streets, common drive, and parking lot. Bicycles must be kept on patios when not in use.

12.12 Fireworks and Firearms. The discharge of fireworks is strictly prohibited. The discharge of firearms, except as permitted by law to protect life, limb, and property, shall not be permitted anywhere on the Property.

12.13 Outbuildings and Other Structures. Permanent garden sheds, located within the fenced portion of the Lot shall be permitted, provided that such garden shed is no more than six (6) feet high. No other building or structure (other than the Townhouse) whether such building is permanent or temporary, shall be permitted on any Lot without prior written approval from the Board. No temporary trailer, tent, shack, barn, shed, workshop, pen, or other accessory structure shall be erected, used, or maintained on any Lot without prior written approval from the Board.

12.14 Fences. No construction, installation, modification, or alteration of any fence, wall, hedge, or screen of any kind may be commenced on the Lot without prior written approval from the Board. Fences are allowed only on the rear portion of the Lot, behind the Townhouse, and enclosing the patio/courtyard area, with the exception of the fence for Lots 2, 90, and 130 ½ which may enclose a portion of the Lot on the side (the "Patio Fences"). Such Patio Fences shall not exceed six feet (6') high and must be installed on the Lot lines. These height and placement requirements apply regardless of materials of construction. The maintenance, repair, and replacement of Patio Fences shall be the responsibility of the Owner, and Owners shall promptly maintain, repair, and replace existing fences as approved upon demand of the Association. Such

Patio Fence maintenance shall include, but shall not be limited to, routine pressure washing, regular painting and/or staining, and repair and replacement of fence panels as necessary.

12.15 Elevation / Drainage. No Owner may change the elevation of said Lot, or change or modify the drainage on any Lot, without prior written approval from the Board.

12.16 Window Treatments/Air Conditioning Units. All window treatments visible from outside the Townhouse shall be white or off-white in color. No air conditioner shall be installed in any window of a Townhouse, nor shall any air conditioner be installed in any Townhouse so that the same protrudes through any exterior wall of the Townhouse.

12.17 Disposition of Trash, Recycling, and Debris. Trash, garbage, waste, recycling, and other items to be discarded shall be kept only in sanitary containers intended for such purpose, which shall be kept on or within the enclosed patio portions of the Lot in a manner that is screened from view from the street, common drive, and the parking lot. Trash containers and/or recycling containers may be placed on the curb or in other designated locations no sooner than 6 p.m. on the day before the scheduled trash and/or recycling collection day, and must be removed by 6 p.m. following pick up, no later than 6 p.m. Oversized items, garden waste, and construction debris must be deposited for pickup in designated locations; and such items shall be deposited no earlier than forty-eight (48) hours prior to the scheduled pick up date.

12.18 Animals. No animals, livestock, exotic pets, fowl, or poultry of any kind, whether domestic or exotic, shall be raised, bred, or kept on any Lot, except that no more than two (2) dogs and/or cats (either one (1) dog and one (1) cat; or two (2) dogs; or two (2) cats), and two (2) other small non-exotic household pets contained in a cage (such as a hamster, rabbit, or bird), and/or small aquariums may be kept; provided, however, that they are not kept, bred, or maintained for any commercial purposes. Pets must be kept in accordance with all city, county, and other local and state regulations, ordinance, and laws; including required registrations, tags, and inoculations. Pets may not constitute a nuisance within the Community as determined by the Board of Directors in its sole discretion. No animal shall be kept outside the Townhouse overnight or in any manner which disturbs the quiet enjoyment of the Community. While not in a fully confined area, all pets must be restrained by leashes, and no pet shall enter upon any Lot without the express permission of that Owner or an Occupant thereof. Owners and Occupants are responsible for removing any fecal matter deposited by any pet for which they are responsible, and must deposit such waste in the responsible Owner's trash containers. Responsible Owners shall be liable for, indemnify, and hold harmless the Association and any other Owner or Occupant from any loss, cost, damage or expense incurred by the Association, or such Owner or Occupant, as a result of any violation of these pet restrictions. The appropriate governmental authorities shall have an easement and right of access across the Property to enforce local animal control laws and ordinances.

12.19 Leasing. "Leasing" for purposes of this Section, is defined as regular, exclusive occupancy of a Lot or Townhouse by any Person, other than the Owner, for a period of more than thirty (30) days, for which the Owner receives any consideration or benefit, including, but not limited to, a fee, service, gratuity, or emolument. "Short Term Rental" for the purpose of this Section is defined as exclusive occupancy of a Lot or Townhouse by any Person, other than the

Owner, for a period of thirty (30) days or less, for which the owner receives any consideration or benefit, including but not limited to, a fee, service, gratuity, or emolument.

- (a) Short Term Rental. Short-Term Rentals are prohibited.
- (b) Leasing Requirements. All Leasing agreements must be in writing. Owners must provide the following information prior to the start of any lease term: (1) the names of all persons occupying or who will be occupying the Townhouse pursuant to, as a consequence of, or in any way as a result of or due to a Leasing agreement; (2) the name and contact information for any property management company managing the lease of the Townhouse; and (3) such other information as may be reasonably required by the Board of Directors to assist in monitoring compliance with the provisions of this Section. It is the Owners obligation to provide tenants and occupants with a copy of the Governing Documents.
- (c) Owner Responsibility. Owners are responsible for providing tenants and their occupants with a copy of the Governing Documents and ensuring that their tenants and occupants comply with all provisions and restrictions thereof. Owners are ultimately responsible for any violation of the Governing Documents by their tenants, occupants, guests, invitees, or licensees.
- (d) Leasing Restrictions. All leases or rental agreements shall be for the entire Lot or Townhouse. There shall be no subletting of a Lot or Townhouse or any portion thereof. Notwithstanding the foregoing, the Board of Directors shall have the right and power, but not the obligation, in its complete and sole discretion, to grant a waiver or variance of the application of the restrictions set forth in this section in circumstances when the application may result in undue hardship or inequitable results. The granting of a waiver or variance by the Board shall not in any way be construed as setting a precedent for the granting of a waiver or variance in the future.
- (e) Non-Liability. Neither the Association, the Board, nor any individual officer or director of the Association shall be liable in any way for the exercise of discretion or judgment under this Section, including, but not limited to, by reason of mistake in judgment, negligence, or nonfeasance arising out of or in connection with such exercise of judgment.

### ARTICLE XIII EASEMENTS

13.1 Easements of Encroachment. There exists a reciprocal appurtenant easement of encroachment, and for maintenance and use of any permitted encroachment, between each Lot and any adjacent Common Area and between adjacent Lots due to unintentional placement or settling or shifting of the Improvements constructed, reconstructed, or altered thereon (in accordance with the terms of this Declaration) to a distance of not more than three (3) feet, as measured from any



point on the common boundary along a line perpendicular to such boundary; provided, however, in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner, his or her family, guests, tenants, lessees, or invitees, or the Association.

13.2 Right of Entry. The Association reserves for itself, and others as it may designate the right to inspect, monitor, test, redesign, and correct any structure, Improvement, or condition which may exist on any portion of the Property, including Lots, and a perpetual, nonexclusive easement of access throughout the Property to the extent reasonably necessary to exercise such right. Except in an emergency, entry onto a Lot shall be only after reasonable notice to the Owner and no entry into a Townhouse shall be permitted without the consent of the Owner. The Person exercising this easement shall promptly repair, at such Person's expense, any damage resulting from such exercise.

13.3 Easement for Maintenance.

- a. For Association. An easement and right to unobstructed access over, upon, and across each Lot is granted to/reserved to the Association to perform the maintenance and other responsibilities of the Association set forth herein, and to exercise any rights of the Association provided herein. Any fences allowed to be constructed on any Lots must contain an access gate or gates sufficient to allow the Association access to perform any of its responsibilities set forth herein and to exercise any of its rights provided herein, regardless of whether or not any gate is specifically mentioned in an approval by the Board. Should any fence impede access needed by the Association to perform any of its responsibilities set forth herein or to exercise any of its rights provided herein, the Association shall have the right to remove the fence as necessary – such removal and any replacement thereof shall be at the respective Owner's or Owners' expense, and shall be added to and become a part of the assessment(s) to which such Owner(s) is/are subject and shall become a lien against the respective Lot(s).
- b. For Owners. Each Owner shall have an easement and right of access over an adjoining Lot for the purpose of maintenance and/or repair of such Owner's Lot, including the maintenance, repair, restoration, and/or replacement of any dwelling or other improvements thereon. The easement shall be used only for such period of time and to such extent as is reasonably necessary in order to complete the needed maintenance, repair, restoration, and/or replacement. The Owner exercising this easement right shall be liable for the prompt repair of any damage to the Lot over which this easement is exercised which is caused by the maintenance or repair work. The damaged portions of such Lot shall be restored to substantially the same condition as existed prior to the damage.

13.4 Easement of Structural Support. Every portion of a Lot and/or the dwelling thereon which contributes to the structural support of a dwelling on another Lot shall be burdened with an easement for structural support.

13.5 Abatement Easement. Every Lot and dwelling thereon shall be subject to an easement for entry by the Association for the purpose of correcting, repairing or alleviating any emergency condition which arises upon any Lot or within any dwelling thereon and which endangers any attached dwelling structure or which constitutes or creates a safety issue

#### **ARTICLE XIV** **COMMITTEES**

The Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose. Any such committee shall report to and serve at the pleasure of the Board and shall be delegated with the authority as determined appropriate by the Board in an enabling resolution.

#### **ARTICLE XV** **ENFORCEMENT**

15.1 Enforcement. In addition to any other rights, remedies, or enforcement mechanisms provided for herein, the Association, or an aggrieved Owner in the appropriate case, shall also have the right to enforce, by any proceeding at law or in equity, the provisions of the Governing Documents. An Owner shall be responsible and liable for the actions and violations of the Owner, and Owner's Occupants, as well as the actions and violations of all guests, invitees, licensees, or contractors of the same. Any failure by the Association or by any Owner to enforce any provision of the Governing Documents shall in no event be deemed a waiver of the right to do so hereafter. All costs and expenses incurred by the Association in connection with enforcement of the provisions of the Governing Documents, including reasonable attorneys' fees, whether or not any suit is instituted and whether incurred before or after any suit is instituted, shall be paid by the Owner against whom enforcement is sought and shall constitute a charge and continuing lien upon such responsible Owner's Lot and shall be added to and become part of the assessments to which the Owner's Lot is subject; therefore, all provisions of the Governing Documents governing enforcement and collection of delinquent assessments shall also apply to the collection and enforcement of such costs and expenses.

15.2 Abatement. In addition to any other remedies provided for herein, the Association or its duly authorized agent shall have the power to enter upon a Lot or any portion of the Common Area to abate or remove, using such force as may be reasonably necessary, any erection, thing or condition which violates the Governing Documents. Unless an emergency situation exists, the Board shall give the violating Lot Owner at least ten (10) days' written notice of its intent to exercise this abatement remedy. All costs of abatement or other self-help, including reasonable attorney's fees actually incurred shall be assessed against the responsible Owner as a Specific Assessment and shall be collected as provided for herein for the collection of assessments.

15.3 Fines. In addition to the foregoing, the Association, by and through its Board of Directors, shall also have the right to levy reasonable monetary fines for violations of the provisions of the Governing Documents. Such monetary fines shall constitute Specific Assessments. As set forth above, an Owner shall be responsible and liable for their actions and violations, and the actions and violations of their Occupants, guests, invitees, licensees, or

contractors of the same, and as such, an Owner may be fined for violations by any of the same and shall be responsible for payment of any fines levied as a result of a violation by any of the same. The issuance of any fine(s) for a violation shall not constitute an election of remedies, nor a waiver of any right to pursue any other additional enforcement mechanisms concerning the violation provided for by the Governing Documents. The Board, in its discretion, may adopt and publish policies and procedures pertaining to the issuance of any fines set forth herein, which may be amended from time.

15.4 Suspension of Rights. In addition to the foregoing, the Association, by and through its Board of Directors, shall also have the right to suspend a Member's rights, including but not limiting to a Member's voting rights, for violations of the provisions of the Governing Documents of the Association and/or in the event that such Owner is more than thirty (30) days delinquent on the payment of any assessment or charged authorized by these Declarations.

15.5 Hearing. An Owner disputing a noticed violation may request a hearing before the Board within ten (10) days of the first notice provided thereof. If the Owner fails to present a written request for a hearing within this ten (10) day period, the Owner has waived their right to a hearing and has impliedly consented to the validity of the violation and the sanctions to be imposed.

## **ARTICLE XVI** **MORTGAGEE PROVISIONS**

16.1 Notices of Action. A First Lien Mortgagee which provides a written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

- (a) Any condemnation loss or casualty loss which affects a material portion of the Community or which affects any Lot on which there is a first mortgage held, insured or guaranteed by such Eligible Holder;
- (b) Any delinquency in the payment of assessments or charges owed by a Lot subject to the mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Governing Documents relating to such Lot or the Owner or Occupant which is not cured within sixty (60) days; and
- (c) Any lapse, cancellation, or material modification of any insurance policy maintained by the Association.

16.2 No Priority. No provision of the Governing Documents gives or shall be construed as giving any Owner or other party priority over any rights of the First Lien Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

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

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

## **ARTICLE XVII** **GENERAL PROVISIONS**

17.1 Term. The covenants and restrictions of this Declaration, as the same may be amended, restated, changed, altered, added to, derogated, or otherwise modified from time to time, shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Declarant, or the Owners of any land subject to this Declaration, their respective legal representatives, heirs, successors, and assigns, for a period of twenty-five (25) years from the date this Declaration is recorded. Thereafter, this Declaration shall automatically renew and extend for successive ten (10) year periods; provided, however, that there shall be no renewal or extension of this Declaration if during the last year of any period hereinabove referenced, one hundred percent (100%) of the total eligible votes cast at a duly held meeting of the Association vote in favor of terminating this Declaration at the end of its then term. Such a vote shall be reduced to a written instrument and recorded in the land records of Charleston County. Nothing in this provision shall limit the right of the Association to amend pursuant to this Article.

17.2 Amendment. This Declaration may be amended, restated, changed, altered, added to, derogated, or deleted at any time and from time to time, with the approval of two-thirds (2/3) of the total eligible votes of the Membership. Nothing herein shall be construed to prohibit action under this Section by written or electronic ballot. Such amendment shall be evidenced in writing and recorded in Charleston County Register of Deeds. In addition, any provision of this Declaration which contradicts the requirements of the Federal Housing Administration ("FHA") or the Veterans Administration ("VA") or the Federal National Mortgage Corporation ("FNMC") or any other insurer or purchaser of a mortgage secured by the Lots, as the same may be amended from time to time, shall be automatically deemed amended and modified so as to comply with such requirements if one or more Owners obtains FHA, VA, or FNMC financing and the Board of Directors consents in writing.

17.3 Indemnification. The Association and Owners shall indemnify every director and every officer of the Association, their heirs, executors, and administrators against all losses, costs and expenses reasonably incurred by them in connection with any action, suit or proceeding to which they may be made a party by reason of his being or having been a director or officer of the Association, except as to matters wherein they shall be finally adjudged in such action, suit or proceeding, to be liable for or guilty of gross negligence or willful misconduct. The foregoing

rights shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

17.4 Severability. Invalidation of any provision of this Declaration by judgment or court order does not affect any other provision, which shall remain in full force and effect. The effect of a general statement is not limited by the enumeration of specific matters similar to the general.

17.5 Litigation. The Association may, without a vote of the Members, initiate legal actions or proceedings, as may be deemed necessary by the Board of Directors.

17.6 Cumulative Effect; Conflict. The provisions of this Declaration shall be cumulative with any additional covenants, restrictions, and declarations applicable to any portion of the Property, and the Association may, but shall not be required to, enforce the covenants, restrictions, and provisions applicable to any portion of the Property.

17.7 Instrument under Seal. This Declaration is to be construed as a sealed instrument subject to the twenty-year statute of limitations provided in S.C. Code Ann. § 15-3-520. Any and all amendments hereto shall also be executed under seal.

*[Signature page to follow]*



**EXHIBIT A**  
**(LEGAL DESCRIPTION)**

All that certain piece, parcel, or tract of land, situate, lying, and being in the City of Charleston, in the County of Charleston, State of South Carolina being shown and designated as Lot 2, 4, 6, 8, 10, 12, 14, 16, 18, 20, 22, 24, 72, 74, 76, 78, 80, 82, 84, 86, 88, 90, 120, 122, 124, 126, 128, 129 ½, 130, and 130 ½, and common areas consisting of the common drive, parking lot, common sidewalks, and common planting areas as shown on that certain plat entitled "Plat of the Charleston Corporation Town Houses Located at Queen & Logan Street City of Charleston County, South Carolina" prepared by Forsberg Engineering & Surveying, Inc., dated May 1, 1987, and recorded in the Charleston County Register of Deeds Office on May 12, 1987, in **Plat Book BN, at Pages 018**.

**EXHIBIT B**  
**(ARTICLES OF INCORPORATION)**



*Mark Hammond*  
SECRETARY OF STATE OF SOUTH CAROLINA

DECLARATION AND PETITION FOR INCORPORATION  
APPLICATION MUST BE TYPEWRITTEN  
DO NOT FILE IN DUPLICATE

23,076

*John T. Cimmisell*  
FILED  
JUL 21 1987  
AM 7 18 | 9 | 10 | 11 | 12 | 1 | 2 | 3 | 4 | 5 | 6 PM

JUL 01/02 4973  
87-011825/87-011825 16:30:20 009  
07-21-87 PMT:\$15.00  
SECT OF STATE OF SOUTH CAROLINA

The undersigned declarants and petitioners.	
NAME	STREET ADDRESS AND CITY
Anne F. Justice	6 Charlestowne Court, Chas., SC 29401
S. Lindsay Sachs	16 Charlestowne Court, Chas., SC 29401

being two or more of the officers or agents appointed to supervise or manage the affairs of Queen and Logan Townhouse Association, Inc.

an organization which has been duly and regularly organized for the purposes hereinafter to be set forth, do affirm and declare: 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 a 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 or gain to the members, otherwise than is above stated, or for the insurance of life, health, accident or property; and that the three days' notice in the News & Courier a newspaper published in the County of Charleston has been given that the aforesaid Declaration would be filed.

The said Declarants and Petitioners further declare and affirm:

FIRST. Their names and residences are as above given.  
SECOND. The name of the proposed Corporation is Queen and Logan Townhouse Association, Inc.

THIRD. The place at which it proposes to have its headquarters or to be located is 6 Charlestowne Court in the City of Charleston, SC 29401  
(Street and Number)

FOURTH. The purpose of the said proposed Corporation is to preserve the values and amenities of the common areas of the thirty townhouses located at Queen and Logan Street in the City of Charleston, SC

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

NAMES	TITLE	ADDRESS
<u>Anne F. Justice</u>	<u>Director</u>	<u>6 Charlestowne Court Charleston, SC 29401</u>
<u>S. Lindsay Sachs</u>	<u>Director</u>	<u>16 Charlestowne Court, Charleston, SC 29401</u>

SIXTH. That they desire to be incorporated in perpetuity (or 20 years).

Wherefore your petitioners pray that the Secretary of State do issue to the aforesaid

Queen and Logan Townhouse Association, Inc.  
(Repeat Name of Association)

A Certificate of Incorporation, with all rights, powers, privileges and immunities, and subject to all the limitations and liabilities conferred by Title 33, Chapter 31, 1976 Code, and Acts amendatory thereto, to provide for the incorporation of Religious, Education, Social, Fraternal or Charitable Churches, Lodges, Societies, Associations, or Companies, and for amending the Charters of those already formed and to be formed.

(Sign here) *Anne F. Justice*  
*S. Lindsay Sachs*

Date June 1<sup>st</sup> 1987

*Mark Hammond*  
SECRETARY OF STATE OF SOUTH CAROLINA

INSTRUCTIONS

FILING FEES—Churches, Religious Organizations, Religious Societies, Religious Institutions and Volunteer Fire

Departments ..... \$3.00  
Other Non-profit Corporations ..... \$15.00

All fees are payable to the Secretary of State.

Two petitioners are all that is required.

State the purpose of your organization tersely in general terms. Do not attempt to include therein matter that should go into your by-laws, or specifically ask for certain powers granted under the law to all corporations—such as the right to buy and hold property, to have a common seal, etc.

SHOULD ASSOCIATION BE OTHER THAN A CHURCH, HAVE THE SHERIFF ENDORSE THE PETITION.

THE AFFIDAVIT BELOW MUST BE COMPLETED BEFORE THE CHARTER WILL BE ISSUED.

AFFIDAVIT EXECUTED AS A PART OF THE DECLARATION AND PETITION FOR INCORPORATION OF A PROPOSED CORPORATION NAME Queen and Logan Townhouse Association, Inc.

STATE OF SOUTH CAROLINA )

COUNTY OF Charleston )

The undersigned Anne F. Justice and S. Lindsay Sachs, Directors

do hereby certify that they are the officers or persons signing the petition for incorporation of a non-profit corporation having no capital stock, that all the facts in the petition are true and correct and that the corporation will not operate for a profit for itself or any of its members.

*S. Lindsay Sachs*  
*Anne F. Justice*

Sworn to before this 1st

day of June, 19 89

*Mary Ann Goodgame*  
Notary Public for South Carolina

My commission expires 10/18/92

NOTICE: IF IT IS FOUND THAT THE CORPORATION IS OPERATED FOR PROFIT, THIS MAY BE GROUNDS FOR REVOCATION OF CHARTER.

*Charles J. Hawley*  
SHERIFF'S SIGNATURE

PLEASE MAIL THIS APPLICATION WITH CORRECT REMITTANCE TO: SECRETARY OF STATE  
P. O. BOX 11350, COLUMBIA, SOUTH CAROLINA 29211

CERTIFIED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM AND COMPARED WITH THE  
ORIGINAL ON FILE IN THIS OFFICE

Sep 28 2022  
REFERENCE ID: 1131427

**STATE OF SOUTH CAROLINA  
SECRETARY OF STATE**

**1 COPY**

*Mark Hammond*  
SECRETARY OF STATE OF SOUTH CAROLINA

**NONPROFIT CORPORATION  
ARTICLES OF AMENDMENT**

**TYPE OR PRINT CLEARLY WITH BLACK INK**

Pursuant to the provisions of Section 33-31 1005 of the 1976 South Carolina Code of Laws as amended the applicant delivers to the Secretary of State these articles of amendment

- 1 The name of the nonprofit corporation is Queen and Logan Townhouse Association Inc
- 2 Date incorporated filed July 21, 1987
- 3 Specify (a) the text of every amendment adopted and (b) list when each amendment was adopted

*W.A. Murphy*  
4 27 09

The Articles of Incorporation are hereby amended to delete the current agent which is HDQRTRS at 6 Charlestowne Ct, Charleston, SC 29401 to

William A Murphy, 124 Queen Street, Charleston, SC 29401 and this amendment was adopted by the Board of Directors on April 20 2009 This is a Mutual Benefit

- 4  By checking this paragraph #4 the applicant represents that (a) approval of the amendment by the Corporation members was not required (b) the amendment was approved by a sufficient vote of the board or directors or the incorporators (Do not check this paragraph #4 if member vote was required or if the required vote of directors or incorporators was not obtained )

- 5 If the approval of the members was required to adopt the amendment(s) provide the following information

(a) Designation (Classes of Membership)

\_\_\_\_\_

(b) Number of memberships outstanding

\_\_\_\_\_

(c) Number of votes entitled to be cast by each class entitled to vote separately on the amendment

\_\_\_\_\_  
\_\_\_\_\_

(d) Number of votes of each class indisputably voting on the amendment

\_\_\_\_\_  
\_\_\_\_\_

(e) Complete one of the following as appropriate

(i) Total number of votes cast for and against the amendment by each class entitled to vote separately \_\_\_\_\_

(ii) Total number of undisputed votes cast for the amendment by each class which was sufficient for approval for that class \_\_\_\_\_

090430-0034 FILED 04/30/2009  
QUEEN AND LOGAN TOWNHOUSE ASSOCIATION INC  
Filing Fee \$10.00 ORIG



Mark Hammond

South Carolina Secretary of State

CERTIFIED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM AND COMPARED WITH THE  
ORIGINAL ON FILE IN THIS OFFICE

Queen and Logan Townhouse Association Inc  
Name of Corporation

Sep 28 2022

REFERENCE ID: 1131427

Mark Hammond  
SECRETARY OF STATE OF SOUTH CAROLINA

); this paragraph #6 the applicant represents that approval of the amendment by some  
ons other than the members the board or the incorporators is required pursuant to  
Section 33-31 1030 of the 1976 South Carolina Code of Laws as amended and that the approval  
was obtained (Do not mark paragraph #6 if either of these statements is not true )

- 7 If the amendment provides for an exchange reclassification or cancellation of memberships  
provisions for implementing the amendment must be set forth here if provisions are not contained in  
the amendment itself \_\_\_\_\_

- 8  If this corporation is converting from either a public benefit or religious corporation into a mutual  
benefit corporation mark this paragraph #8 which certifies that a notice including a copy of the  
proposed amendment was delivered to the South Carolina Attorney General at least twenty days  
before the consummation of the amendment

Date 4/20/09

Queen and Logan Townhouse Association Inc  
Name of Corporation

Michael A Scardato  
Signature of Officer

Michael A Scardato  
Chairman/President  
Type or Print Name and Office

### FILING INSTRUCTIONS

- 1 Two copies of this form the original and either a duplicate original or a conformed copy must be filed
- 2 If the space in this form is insufficient, please attach additional sheets containing a reference to the appropriate paragraph in this form or prepare this using a computer disk which will allow for expansion of space on the form
- 3 This form must be accompanied by the filing fee of \$10.00 payable to the Secretary of State

Return to Secretary of State  
P O Box 11350  
Columbia SC 29211

Sep 28 2022  
REFERENCE ID: 1131427

*Mark Hammond*  
SECRETARY OF STATE OF SOUTH CAROLINA

STATE OF SOUTH CAROLINA  
SECRETARY OF STATE

NONPROFIT CORPORATION  
ARTICLES OF AMENDMENT

TYPE OR PRINT CLEARLY WITH BLACK INK

Pursuant to the provisions of Section 33-31-1005 of the 1976 South Carolina Code of Laws, as amended, the applicant delivers to the Secretary of State these articles of amendment.

1. The name of the nonprofit corporation is Queen and Logan Townhouse Association, Inc.

2. Date incorporated filed July 21, 1987

3. Specify (a) the text of every amendment adopted, and (b) list when each amendment was adopted.

The Art. of Inc. are hereby amended to delete the current agent which is William A. Murphy, 124

Queen St., Charleston, SC 29401 to Andrea Bartlett, 84 Logan St., Charleston, SC 29402 and this

amendment was adopted by the Board of Directors on 2/7/2010. This is a Mutual Benefit Corp.

*Andrea Bartlett*

4.  By checking this paragraph #4 the applicant represents that (a) approval of the amendment by the members was not required, (b) the amendment was approved by a sufficient vote of the board or directors or the incorporators. (Do not check this paragraph #4 if member vote was required or if the required vote of directors or incorporators was not obtained.)

5. If the approval of the members was required to adopt the amendment(s), provide the following information:

(a) Designation (Classes of Membership)  
\_\_\_\_\_

(b) Number of memberships outstanding  
\_\_\_\_\_

(c) Number of votes entitled to be cast by each class entitled to vote separately on the amendment  
\_\_\_\_\_  
\_\_\_\_\_

(d) Number of votes of each class indisputably voting on the amendment  
\_\_\_\_\_  
\_\_\_\_\_

(e) Complete one of the following as appropriate

(i) Total number of votes cast for and against the amendment by each class entitled to vote separately \_\_\_\_\_  
\_\_\_\_\_

(ii) Total number of undisputed votes cast for the amendment by each class which was sufficient for approval for that class  
\_\_\_\_\_

100211-0207 FILED: 02/11/2010  
QUEEN AND LOGAN TOWNHOUSE ASSOCIATION, INC.  
Filing Fee: \$10.00 ORIG



Mark Hammond South Carolina Secretary of State



Sep 28 2022  
REFERENCE ID: 1131427

  
SECRETARY OF STATE OF SOUTH CAROLINA

Queen and Logan Townhouse Association, Inc.


Name of Corporation

6.  By checking this paragraph #6 the applicant represents that approval of the amendment by some person or persons other than the members, the board, or the incorporators is required pursuant to Section 33-31-1030 of the 1976 South Carolina Code of Laws, as amended, and that the approval was obtained. (Do not mark paragraph #6 if either of these statements is not true.)
7. If the amendment provides for an exchange, reclassification, or cancellation of memberships, provisions for implementing the amendment must be set forth here if provisions are not contained in the amendment itself \_\_\_\_\_
8.  If this corporation is converting from either a public benefit or religious corporation into a mutual benefit corporation, mark this paragraph #8 which certifies that a notice, including a copy of the proposed amendment, was delivered to the South Carolina Attorney General at least twenty days before the consummation of the amendment.

Date 2-7-10

Queen & Logan Townhouse Association, Inc.

Name of Corporation



Signature of Officer

MARTIN I MARKOWITZ

Chairman/President

Type or Print Name and Office

### FILING INSTRUCTIONS

1. Two copies of this form, the original and either a duplicate original or a conformed copy, must be filed.
2. If the space in this form is insufficient, please attach additional sheets containing a reference to the appropriate paragraph in this form, or prepare this using a computer disk which will allow for expansion of space on the form.
3. This form must be accompanied by the filing fee of \$10.00 payable to the Secretary of State.

Return to: Secretary of State  
P.O. Box 11350  
Columbia, SC 29211

Sep 28 2022  
REFERENCE ID: 1131427

  
SECRETARY OF STATE OF SOUTH CAROLINA

STATE OF SOUTH CAROLINA SECRETARY OF STATE

NOTICE OF CHANGE OF REGISTERED OFFICE  
OR REGISTERED AGENT OR BOTH  
OF A NONPROFIT CORPORATION

TYPE OR PRINT CLEARLY WITH BLACK INK

Pursuant to Sections 33-31-502 and 33-31-1508 of the 1976 South Carolina Code of Laws, as amended, the undersigned corporation submits the following information:

1. The name of the corporation is Queen and Logan Townhouse Association, Inc.  
(Must match name on record with Secretary of State's Office)
2. The corporation is (complete either "a" or "b", whichever is applicable)
  - a. A domestic nonprofit corporation incorporated in South Carolina on 07/21/1987 or  
(Must match date on record with Secretary of State's Office)
  - b. A foreign nonprofit corporation incorporated in \_\_\_\_\_ on \_\_\_\_\_,  
State \_\_\_\_\_  
and authorized to do business in South Carolina on \_\_\_\_\_  
(Must match date on record with Secretary of State's Office)
3. The street address of the registered office (currently on file) in South Carolina is  
84 Logan St. Charleston, South Carolina 29402  
Street Address City Zip Code
4. If the current registered office is to be changed, the new street address will be  
960 Morrison Drive, Suite 100 Charleston, South Carolina 29403  
Street Address City Zip Code
5. The name of the registered agent currently on file is Andrea Bartlett.
6. If the current registered agent is to be changed, the name of the new registered agent is  
Jules Deas, Jr.

\*I hereby consent to the appointment as registered agent of the corporation.

  
Signature of New Registered Agent

\*Pursuant to Sections 33-31-502(5) and 33-31-1508(5) of the 1976 South Carolina Code of Laws, as amended, the written consent of the registered agent may be attached to this form.

7. The street addresses of the registered office and of the office of the registered agent, as changed, will be identical.

160614-0126 FILED: 06/09/2016  
QUEEN AND LOGAN TOWNHOUSE ASSOCIATION, INC.  
Filing Fee: \$10.00 ORIG



Mark Hammond South Carolina Secretary of State

CERTIFIED TO BE A TRUE AND CORRECT COPY  
AS TAKEN FROM AND COMPARED WITH THE  
ORIGINAL ON FILE IN THIS OFFICE

Sep 28 2022  
REFERENCE ID: 1131427

  
SECRETARY OF STATE OF SOUTH CAROLINA

3/31/15

Date

Queen and Logan Townhouse Association, Inc.

Name of Corporation

  
Signature of Officer

Jules Deas, Jr.

Type or Print Name

President

Position of Officer

**FILING INSTRUCTIONS**

1. Two copies of this form must be submitted for filing.
2. \$10.00 filing fee made payable to the South Carolina Secretary of State.
3. Self-addressed stamped return envelope.
4. Return to: Secretary of State  
Attn: Corporations  
1205 Pendleton St, Ste 525  
Columbia, SC 29201

Form Revised by South Carolina  
Secretary of State, March 2012



**EXHIBIT C**  
**(AMENDED AND RESTATED BYLAWS)**

STATE OF SOUTH CAROLINA  
COUNTY OF CHARLESTON

AMENDED AND RESTATED BYLAWS  
OF THE QUEEN AND LOGAN  
TOWNHOUSE ASSOCIATION, INC.

THESE AMENDED AND RESTATED BYLAWS OF THE QUEEN AND LOGAN TOWNHOUSE ASSOCIATION, INC. is adopted this 8<sup>th</sup> day of February, 2023, by vote of the Membership, and certified by the Board of Directors of QUEEN AND LOGAN TOWNHOUSE ASSOCIATION, INC. (the "Association").

WITNESSETH

**WHEREAS**, the Association is a South Carolina Non-Profit Corporation responsible for the management and operation of the community known as Queen and Logan Townhouses in Charleston, SC; and

**WHEREAS**, the BY-LAWS OF THE QUEEN AND LOGAN TOWNHOUSE ASSOCIATION, INC. were first recorded in **Deed Book T181**, at **Page 302** of the Charleston County Register of Deeds, as thereafter amended and supplemented by that FIRST AMENDMENT TO BY-LAWS QUEEN & LOGAN TOWNHOUSE ASSOCIATION, INC. recorded in Deed Book **N205**, at Page **423**; that second AMENDMENT TO BY-LAWS QUEEN & LOGAN TOWNHOUSE ASSOCIATION, INC. recorded in Deed Book **H337**, at Page **317**; and that third AMENDMENT TO THE BYLAWS OF QUEEN AND LOGAN TOWNHOUSE ASSOCIATION, INC. recorded in Deed Book **0540**, at Page **922**; that AMENDMENT TO THE GOVERNING DOCUMENTS FOR QUEEN AND LOGAN TOWNHOUSE ASSOCIATION, INC., recorded in Deed Book **0545**, at Page **030**; and that AMENDMENT TO THE GOVERNING DOCUMENTS FOR QUEEN AND LOGAN TOWNHOUSE ASSOCIATION, INC., recorded in Deed Book **0920**, at Page **562** of the Charleston County Register of Deeds (hereinafter collectively referred to as the "Original Bylaws & Amendment"); and

**WHEREAS**, pursuant to Article VI of the Original Bylaws, the Bylaws may be amended by the vote of at least two-thirds of the Owners (twenty [20]), at a duly called meeting provided that written notice, stating that such an action is under consideration and specifying the amendments or modifications, is mailed or otherwise delivered to the Owner fifteen (15) days prior to such meeting; and

**WHEREAS**, the Association desires to amend and fully restate the Original Bylaws & Amendments and supersede all such instruments with this with these Amended and Restated Bylaws of the Queen and Logan Townhouse Association, Inc. (*these* "Bylaws"); and

**WHEREAS**, in compliance with the requirements of Article VI of the Original Bylaws the Association called a meeting, and provided the required notice thereof, and no less than twenty (20) lot owners have voted to approve the following amendments and restatement.

**NOW THEREFORE**, the Association, by and through vote and approval of the Membership hereby declares that the Original Bylaws & Amendments are amended, restated, superseded and replaced with the following:

**ARTICLE 1**  
**NAME, PRINCIPAL OFFICE, DEFINITIONS AND DECLARATION**

Section 1.1 Name. The name of the corporation is Queen and Logan Townhouse Association, Inc. (the “Association”). No person, committee, or group of Members, other than those elected by the Membership, or appointed by the Board of Directors, shall use in their name the name “Queen and Logan Townhouse Association” or any variant thereof, or any other names, words or phrases that would tend to give the general public or the Membership the impression that the Member, committee or group of Members is speaking for or on behalf of the Association.

Section 1.2 Principal Office. The Association shall designate and maintain a principal office in accordance with requirements of the South Carolina Nonprofit Corporation Act of 1994 (S.C. Ann. §§ 33-31-101, *et seq.*) (the “Act”) as registered with the South Carolina Secretary of State, but meetings of Members and Directors may be held at such places as may be designated by the Board of Directors from time to time or as otherwise provided in these Bylaws.

Section 1.3 Definitions. Capitalized terms used herein and not otherwise defined herein shall have the same meaning as set forth in the Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Queen and Logan Townhouse Association, Inc. (the “Declaration”).

Section 1.4 Declaration. The Declaration is hereby incorporated herein by this reference and made part hereof.

**ARTICLE 2**  
**PURPOSES AND POWERS**

Section 2.1 Purposes. The Association shall have the purpose of engaging in any lawful activity; however, without limiting the generality of the foregoing, some of the primary functions of the Association include: (1) to perform those rights, powers, obligations, and functions of the Association set forth in the Declaration; and (2) to generally promote the health, safety, and welfare of the Owners and residents of the Community.

Section 2.2 Powers. The Association shall have the power to do all things necessary or convenient, not inconsistent with law, to carry out its affairs and to further the activities and affairs of the Association, including, without limitation:

- (a) All powers, rights, and privileges which a corporation incorporated under the Act may now or hereafter have or exercise; and
- (b) All powers, rights, and privileges provided to the Association in the Declaration or Articles of Incorporation.

**ARTICLE 3**  
**MEMBERSHIP; MEETINGS OF MEMBERS; NOTICE; & VOTING**

Section 3.1 **Membership.** Membership in the Association shall be as set forth in Declaration, and the provisions of the Declaration pertaining to Membership are specifically incorporated herein by this reference. The Association shall have one class of Membership. Members shall be entitled to cast one (1) vote for each Lot owned, provided however, there shall only be one (1) vote per Lot. If title to a Lot is held in the name of more than one Person, all such Persons shall be Members, and the vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast with respect to any such Lot.

Section 3.2 **Annual Meeting.** A meeting of Members shall be held annually, at a time, date, and place established by the Board of Directors during the fourth quarter of each calendar year. No annual meeting of the Members shall be scheduled on a federally recognized holiday. At each annual meeting the President and Treasurer shall report on the activities and financial condition of the Association. An election of Directors shall occur at each annual meeting unless voted on previously by written or electronic ballot in accordance with Section 3.10. Subject to the provisions of the Act requiring prior notice before certain matters may be brought before the Members at the annual meeting (including, without limitation, S.C. Code Sections 33-31-705(b) and 33-31-705(c)(2)), the Members may consider and act on any matters or business that may properly come before the annual meeting. Notice of the annual meeting shall be given in accordance with Section 3.4 hereof. The failure to hold an annual meeting at a time stated in or fixed in accordance with these Bylaws does not affect the validity of a corporate action.

Section 3.3 **Special Meetings.**

- a) Special meetings of the Association's Members may be called by the Board President and shall be held at a time, date, and place established by the Board of Directors.
- b) Additionally, the Association shall hold a special meeting of the Members if the holders of at least five percent (5%) of the total eligible votes of the Association sign, date, and deliver to any officer of the Association a written demand for a special meeting describing the purpose or purposes for which it is to be held. If a proper demand is made, the Board of Directors shall have the right to set the time, date, and place of the special meeting, and the Association shall cause notice of the special meeting to be given within thirty (30) days of the date that the written demand was delivered to an officer of the Association.
- c) Notice of special meetings of Members shall be given in accordance with Section 3.4 hereof. Only those matters that are within the purpose or purposes described in the special meeting notice may be conducted at a special meeting of Members.

Section 3.4 Notice of Meetings of Members; Waiver of Notice.

- a) Notice of Meetings of Members – In General. Written notice specifying the time, date, and place of a meeting of Members and, if required by the Act or these Bylaws, the purpose or purposes for which such meeting was called shall be given to all Members of record at least fifteen (15) days, but not more than sixty (60) days prior to the meeting date may be achieved by any of the following methods:
- i) depositing the same in the United States Mail, with first class postage affixed/prepaid, addressed the Member's address last appearing on the books of the Association;
  - ii) by hand delivery to the Member or to the Member's address last appearing on the books of the Association; and/or
  - iii) by electronic mail delivered to the Member's email address last appearing on the books of the Association, unless the Member has opted out of receiving email notifications from the Association. If a Member has opted out of receiving email notifications, notice must be achieved in accordance with subsections (i) or (ii) above.
- b) Waiver of Notice. A Member may waive notice of a meeting before or after such meeting. The waiver must be in writing, be signed by the Member, and be delivered to the Association for inclusion in the minutes of the meeting. Further, a Member's attendance at a meeting waives objection to lack of notice or defective notice of the meeting, unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting. Additionally, a Member's attendance at a meeting waives objection to consideration of a particular matter at the meeting on the basis of improper notice of that particular matter (i.e., that such matter was required to be described in or identified as a purpose of the meeting in the meeting notice, but such matter is not within the purpose described in the meeting notice), unless the Member objects to considering the matter when it is presented.
- c) Effective Date of Notice. Any notice required or permitted to be given by the Declaration, these Bylaws, the Articles of Incorporation, or the Act shall be effective by written notice. Written notice, if in a comprehensible form, is effective at the earliest of the following:
- i) when received (an email shall be deemed to be received/delivered on the date that it is sent, if correctly addressed and if the sender does not receive an automated response indicating that the email was undeliverable);
  - ii) five (5) days after its deposit in the United States mail, if mailed correctly addressed and with first class postage affixed;
  - iii) on the date shown on the return receipt, if sent by registered or certified mail, return receipt requested, and the receipt is signed by or on behalf

- of the addressee;
- iv) fifteen (15) days after its deposit in the United States mail, if mailed correctly addressed and with other than first class, registered, or certified postage affixed.

- d) Address for Notice. It shall be the responsibility of each Member to designate, and update as needed, a current mailing address and/or email address for purposes of notice, which designation shall be in writing and filed with the Secretary or responsible agent or officer designated by the Board of Directors. If no address or email address is provided to the Secretary, the address of the Member's Lot shall be deemed to be the Member's address for notice. Written notice is correctly addressed to a Member if addressed to the Member's address shown in the Association's current list of Members. If a Member provides an email address, the Member automatically accepts notice by email, unless and until the Member notifies the Association in writing that they are opting out of email notifications.

Section 3.5 Record Date for Meetings. Members at the close of business on the business day preceding the day on which the meeting notice is first *transmitted* to any Member are entitled to notice of the meeting. For purposes of this Section, notice shall be deemed to be "*transmitted*" (even different than the effective date of notice under Section 4.2) on the date when: (i) deposited in the United States Mail in accordance with Section 3.4(a)(i); (ii) hand delivered in accordance with Section 3.4(a)(ii); and/or (3) delivered by email in accordance with Section 3.4(a)(iii). Members on the date of the meeting who are otherwise eligible to vote at the meeting shall be entitled to vote at the meeting.

Section 3.6 Adjournment of Meeting of Members; Notice of Adjourned Meetings; Record Date for Adjourned Meetings. Any meeting of Members, whether or not a quorum is present, may be adjourned to a different date, time, and/or place. In the event that a quorum is not present, the meeting of Members may be adjourned to a different date, time, and/or place by the affirmative vote of a majority of the votes represented at the meeting. If a quorum is present, action to adjourn to a different, date, time, and/or place shall be approved in accordance with Section 3.7. Notice need not be given of the new date, time, and/or place, if the new date, time, and/or place is announced at the meeting before adjournment, provided that the meeting is adjourned to a date not more than one hundred twenty (120) days after the record date for determining Members entitled to notice of the original meeting. The record dates for the original meeting shall apply to any adjournment of the meeting, provided that the meeting is adjourned to a date not more than one hundred twenty (120) days after the record date for determining Members entitled to notice of the original meeting. If the meeting is adjourned to a date more than one hundred twenty (120) days after the record date for determining Members entitled to notice of the original meeting, notice of the adjourned meeting must be given in accordance with Section 3.4 and new record dates shall be established in accordance with Section 3.5.

Section 3.7 Quorum. Except as otherwise provided by these Bylaws, the Articles of Incorporation, the Declaration, or the Act, the presence at a meeting, whether in person or by proxy, or the submission of written or electronic votes, of Members representing a majority (fifty percent plus one [50% +1] or 16 votes) of the total eligible votes in the Association entitled to be

cast at the meeting shall constitute a quorum for the transaction of business. In the event quorum is not met, quorum may be reduced as follows:

- a) Reduction in Quorum at Meeting. In the event quorum is not met at a meeting, the meeting may be adjourned in accordance with Section 3.6, and the quorum shall be reduced to thirty-three percent (33% or 10 votes) at the rescheduled meeting. In the event quorum is not obtained at the first rescheduled meeting, the meeting may be adjourned again in accordance with Section 3.6, and the quorum shall be reduced to ten percent (10% or 3 votes) at any subsequently rescheduled meeting within six (6) months of the first rescheduled meeting date.
- b) Reduction in Quorum for Vote by Written or Electronic Ballot. In the event quorum is not met for a vote by written or electronic ballot, the vote may be rescheduled by the Board and the quorum shall be reduced to thirty-three percent (33% or 10 votes). In the event quorum is not obtained during a rescheduled vote, the vote may be rescheduled again by the Board, and the quorum shall be reduced to ten percent (10% or 3 votes) for any subsequent vote on the same matter within six (6) months of the first rescheduled vote due date.

Section 3.8 Action of the Membership. Unless these Bylaws, the Articles of Incorporation, the Declaration or the Act require a greater vote, if a quorum is present, the following vote is required to constitute approval by or an act of the Members: (a) the affirmative vote of the majority of votes cast; and (b) such affirmative votes must also constitute a majority of the required quorum. Members entitled to vote on a matter shall have as many votes as specified in the Declaration.

Section 3.9 Proxies. At all meetings of Members, Members may vote in person or by proxy. All appointments of proxies shall be by written appointment form, signed either personally or by an attorney-in-fact. An appointment of a proxy is effective when received by the Secretary (or other officer or agent authorized to tabulate votes). An appointment is valid for eleven (11) months unless a different period is expressly provided in the appointment form. However, no proxy shall be valid for more than three (3) years from the date of execution. An appointment of a proxy is revocable by the Member. An appointment of a proxy is revoked by the person appointing the proxy: (a) attending any meeting and voting in person, or (b) signing and delivering to the Secretary (or other officer or agent authorized to tabulate votes) either a writing stating that the appointment of the proxy is revoked or a subsequent appointment form. The death or incapacity of the Member appointing a proxy does not affect the right of the corporation to accept the proxy's authority unless notice of the death or incapacity is received by the Secretary (or other officer or agent authorized to tabulate votes) before the proxy exercises authority under the appointment.

Section 3.10 Action by Written or Electronic Ballot. Unless limited or prohibited by the Declaration, these Bylaws, the Articles of Incorporation, or the Act, any action that may be taken at any annual, regular, or special meeting of Members, including the election of Directors, may be taken without a meeting if the Association delivers a written or electronic ballot to every Member entitled to vote on the matter. A written or electronic ballot shall: (a) set forth each proposed action; and (b) provide an opportunity to vote for or against each proposed action. Approval by written or electronic ballot pursuant to this Section is valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve

the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. All solicitations for votes by written or electronic ballot shall: (a) indicate the number of responses needed to meet the quorum requirements; (b) state the percentage of approvals necessary to approve each matter other than election of directors; and (c) specify the time by which a ballot must be received by the Association in order to be counted. A written or electronic ballot may not be revoked.

Section 3.11 Conduct of Meetings. Robert's Rules of Order (latest edition) or such other rules as the Board of Directors may adopt shall govern the conduct of corporate proceedings when not in conflict with the Declaration, the Articles of Incorporation, these Bylaws or with the laws of the State of South Carolina.

#### **ARTICLE 4** **BOARD OF DIRECTORS**

Section 4.1 Number and Qualifications. The Board of Directors shall have the ultimate authority over the conduct and management of the business and affairs of the Association. The Board of Directors shall be composed of not fewer than three (3) Directors, each of whom shall be an Owner and Member in good standing, in the discretion of the Board, of the Association, in order to seek election to, or continue to hold a position on, the Board of Directors.

Section 4.2 Election and Term of Office.

- a) Election Generally. At each annual meeting of the Association, each Lot shall be entitled to cast one (1) vote per vacancy on the Board. There shall be no cumulative voting. A Director shall be elected by the Members for a term of one (1) year. Each Director shall thereafter serve until the following annual meeting of the Association or until their successors are elected and qualified. Directors may be elected to serve any number of consecutive terms.
- b) Election by Acclamation. If the number of vacancies on the Board is equal to the number of qualified candidates, the President or chair, after ensuring that no Members wish to make further nominations, may declare that the nominees are elected by unanimous consent.
- c) Election by Written Ballot. Election of Directors may be held by written or electronic ballot in accordance with Section 3.10, in lieu of holding the election at a physical annual meeting.

Section 4.3 Removal or Resignation. Any Director elected by the Members may be removed from the Board of Directors, with or without cause, by the affirmative vote of at least fifty-one percent (51%) of the total eligible votes in the Association at a meeting of the Members called for the purpose of removing the Director, provided that the meeting notice states that the purpose, or one of the purposes, of the meeting is removal of the Director. Removal of a Director may not be voted on by written or electronic ballot in lieu of meeting of the Members.



Any Director who is not in good standing with the Association, or who misses three (3) consecutive Board meetings (unless such absence shall have been excused by the President of the Association or other person(s) authorized to do so), may be immediately removed from the Board of Directors by the remaining Directors and replaced in accordance with these Bylaws.

A Director may resign at any time by delivering written notice to the Board of Directors, or any appointed agent or director thereof. Such resignation shall take effect on the date of receipt of such notice unless otherwise specified therein.

Section 4.4 Vacancies. Vacancies in the Board of Directors (caused by any reason other than the removal of a Director by a vote of the Members) shall be filled by a vote of a majority of the remaining Directors, even though the Directors present at such regular or special meeting of the Board may constitute less than a quorum. Each person so appointed shall be a Director for the remainder of the term of the individual being replaced and until a successor shall be elected at the next annual meeting or election of Directors.

A vacancy on the Board of Directors shall not affect the validity of any decision made or action taken by the remaining Directors, so long as there are at least three (3) Directors on the Board at the time of the decision or action.

Section 4.5 Meetings of Directors.

- a) Organizational Meeting. The first meeting of the Board following any election shall be held within at such time and place as set by the Board and within ten (10) days of the meeting at which such election took place, or, if elected by written or electronic ballot, within ten (10) days of the announcement of the election results.
- b) Regular meetings. Regular meetings of the Board of Directors shall be held quarterly, or more frequently as the Board of Directors may desire, and at dates, times, and places determined by a majority of the Board of Directors. Without the approval of all of the Directors, no meeting shall fall upon a federally recognized holiday. No notice shall be required for regular meetings.
- c) Special meetings. Special Meetings of the Board of Directors shall be held when called by the President of the Association or any two (2) Directors, after not less than two (2) days' notice is given, either personally, by mail, or by telephone, to each Director, unless waived by the Director in writing or by attendance or participation by the Director at the meeting without objection.
- d) Executive session. The Board may hold executive sessions in a regular or special meeting from which others are excluded, by affirmative vote of two-thirds of the Directors present at a meeting. A motion to go into executive session shall indicate the nature of the business of the executive session, and no other matter shall be considered in the executive session. No minutes shall be taken at any executive session.

Section 4.6 Participation by Telecommunications. Any Director may participate in, and be regarded as present at, any meeting of the Board of Directors by means of conference telephone or any other means of communication by which all parties participating in the meeting can hear each other at the same time.

Section 4.7 Quorum of Directors. A majority of the Directors in office immediately before the meeting shall constitute a quorum for the transaction of business at any meeting of the Board of Directors. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

Section 4.8 Action of the Board. Every act or decision authorized by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board of Directors. Directors may not vote by proxy.

Section 4.9 Action of the Board outside of a Meeting. To the fullest extent permitted by the Act, the Board of Directors may take action without a meeting by written consent as to such matters and in accordance with such requirements and procedures authorized by the Act. Unless otherwise permitted in the Act, such written consent must be signed by all Directors and be included in the minutes filed with the corporate records reflecting the action taken.

Section 4.10 Compensation. Directors shall not receive compensation for service on the Board of Directors.

Section 4.11 Obligation of Confidentiality. Each Director shall have a continuing obligation to keep confidential any private or privileged information made available to the Director pursuant to his or her role on the Board.

Section 4.12 Powers and Duties of Board.

- a) General Authority. The Board shall be responsible for conducting the affairs of the Association and shall be authorized to exercise all rights and powers of the Association and to do all acts and things on behalf of the Association except those as to which the Declaration, the Act, these Bylaws, or the Articles of Incorporation specifically require to be done or approved by the Members generally. The Board shall have all powers necessary for the administration of the Association, including but not limited to, the following specifically enumerated powers:
  - i. Appoint committee by resolution and to delegate the powers and duties appurtenant thereto;
  - ii. Adopt, amend, and publish Rules and Regulations governing the Property, including Guest Parking regulations and Trash/Recycling Rules and Regulations, and establish enforcement procedures and fines for the infraction thereof;

- iii. Suspend the voting rights of a Member during any period in which the Member shall be in default in the payment of any assessment, charge, fine or other cost levied by the Association for more than thirty (30) days or for any other violation of the Governing Documents;
  - iv. Employ a property management agent or company, and/or other contractors, agents, or employee of the Association and prescribe their duties; and
  - v. Levy and collect assessments, Costs of Collection, and applicable attorney's fees from the Owners in accordance with the Declaration.
- b) Duties. The Board shall be responsible for all duties prescribed by the Declaration, the Act, or other South Carolina or Federal law as well as the following, without limitation:
- i. Prepare and adopt, in accordance with the Declaration, an annual budget;
  - ii. Opening and maintaining bank accounts for the Association and designating the signatories thereof, which may be delegated to a property management agent or company;
  - iii. Provide for the operation, care, upkeep and maintenance of the Common Areas;
  - iv. Enforce the provisions of the Governing Documents, if any, subject to the discretion of the Board provided in Section 4.13; and
  - v. Obtain and carry property and liability insurance, and pay the cost thereof and adjust claims, as appropriate.

Section 4.13 Discretion. The Board of Directors may determine whether to take enforcement action by exercising the Association's power to impose sanctions or commence an action for violation of the Governing Documents, including whether to compromise any claim for unpaid Assessments or other claims made by or against it. The Board shall not have a duty to take enforcement action if it determines, in good faith, that under the facts and circumstances presented:

- a) The Association's legal position does not justify taking any or further enforcement action;
- b) The covenant, restriction, rule, or regulation being enforced is, or is likely to be, construed as inconsistent with the law;
- c) Although a violation may exist or may have occurred, it is not so material as to be objectionable to a reasonable person or to justify expending the Association's resources; and/or

- d) It is not in the Association's best interest to pursue an enforcement action.

The Board's decision not to pursue enforcement under one set of circumstances shall not prevent the Board from taking enforcement under another set of circumstances, but the Board shall not be arbitrary or capricious in taking enforcement action.

## **ARTICLE 5** **OFFICERS**

Section 5.1 Designation. The principal officers of the Association shall be the President, Secretary, and Treasurer. Any two or more offices may be held by the same person, except the offices of President and Secretary. Officers must be Directors of the Association.

Section 5.2 Appointment and Term. The Board shall appoint the Association's officers at the first Board meeting following each election of Directors, to serve until their successors are appointed.

Section 5.3 Removal or Resignation of Officers. Any officer may be removed from office, with or without cause, by a majority vote of the Board of Directors. Any officer may resign at any time giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice, unless otherwise specified therein. The formal acceptance of such resignation shall not be necessary to make it effective. Removal or resignation of an officer does not cause removal or resignation from the Board of Directors in accordance with Section 4.3.

Section 5.4 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

Section 5.5 Powers and Duties of Officers. The Association's officers shall have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as the Board may specifically confer or impose upon them. The President shall be the chief executive officer of the Association. The Secretary shall have the primary responsibility of keeping meeting minutes, causing notices to be delivered, and keeping the records of the Association. The Treasurer shall have primary responsibility for preparation of the budget as provided for in the Declaration. With the exception of the obligation to execute certain agreements, contracts, and leases, the duties and obligations of the Officers may be delegated, or partially delegated to a management agent, company, or other professional duly hired or retained by the Board.

Section 5.6 Special Appointments. The Board of Directors may appoint such other officers, agents, or entities to perform duties on behalf of the Association. The Board of Directors shall determine, in its sole discretion, the authority and duties of such appointees and shall have the authority to remove them in its sole and absolute discretion.

Section 5.7 Compensation of Officers. No officer shall receive any compensation from the Association for his or her service as an officer.

## **ARTICLE 6**

### **ADMINISTRATION**

Section 6.1 Agreements, Contracts, Deeds, Leases, Checks, etc. All agreements, contracts, deeds, leases, and other legal instruments of the Association shall be executed by the President of the Board of Directors, or by such Officer or Officers as the Board may designate by resolution. Checks of the Association, may be executed by any authorized signatory on the Association's bank account, including but not limited to, a duly authorized management agent or company.

Section 6.2 Bonds. At the discretion of the Board of Directors, fidelity bonds may be required on all Directors and any other persons, employees or entities handling or responsible for the funds of the Association. The amounts of such bonds shall be determined by the Board, but if it is determined that bonds are to be obtained, they shall be at least equal to the amounts to be handled at any point by that person or entity. Unless verification that the bonds have been provided by such person or entity is obtained by or provided for the Board of Directors, the premiums for these bonds shall be paid by the Association as a common expense.

Section 6.3 Management Agent /Company. The Board may employ for the Association a professional property management agent or management company at such compensation as the Board may establish, to perform such duties and services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policy-making or decision-making authority.

## **ARTICLE 7**

### **ACCOUNTING AND FINANCIAL MATTERS**

Section 7.1 Fiscal Year. The fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution.

Section 7.2 Deposits. All funds of the Association shall be treated as the separate property of the Association and shall be deposited in a bank or other federally insured depository institution as shall be designated from time to time by the Board of Directors. Withdrawal of funds shall only be by checks signed by such persons as are authorized by the Board of Directors.

Section 7.3 Reserve. In the event the Board of Directors uses funds collected and held in the Association's reserve account(s), the Board of Directors shall have the option, in its sole discretion and without notice to the Members, to replenish (in whole or in part) or not to replenish said reserve account(s). The Board of Directors shall take all necessary actions to maintain a minimum of \$5,000.00 in the reserve account(s) of the Association.

Section 7.4 Borrowing Funds. The Association, by and through the Board of Directors, shall have the power to borrow money for any legal purpose, including but not limited to, the purpose of maintaining adequate operating and reserve accounts; defraying any shortfall in the

estimated annual budget; and/or financing the cost to repair, maintain, replace, or make improvements to the Common Areas.

## **ARTICLE 8 COMMITTEES**

The Board of Directors may from time to time by resolution, designate, and delegate authority to one or more committees. Any such committee shall serve at the pleasure of the Board and shall be chaired by a Board Member.

## **ARTICLE 9 BOOKS AND RECORDS**

Section 9.1 Corporate Records. When consistent with good business practices, any records of the Association required by the Act may be maintained in any format so long as the records can be reproduced in written form in a reasonable time.

Section 9.2 Inspection Rights. The Members shall have only such rights to inspect records of the Association to the extent, and accordance with, the procedures and limitations prescribed by the Act. The Association may charge reasonable fees for the time and cost incurred in providing the records for inspection or copies of the books and records. Every Director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association.

## **ARTICLE 10 INDEMNIFICATION**

Section 10.1 Scope. The Association shall indemnify, defend, and hold harmless the Association's Directors and Officers to the fullest extent permitted by, and in accordance with the Act, or any other applicable state or federal law. This plan of indemnification shall constitute a binding agreement of the Association for the benefit of the Directors and Officers as consideration for their services to the Association. Such right of indemnification shall not be exclusive of any other right which such Directors, Officers, or representatives thereof, may have or hereafter acquire and, without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any Bylaw, agreement, vote of Members, insurance, provision of law, or otherwise, as well as their rights under this Article 10. The Association shall pay for or reimburse the reasonable expenses incurred by the Director or Officer who is a party to a proceeding in advance of a final disposition of the proceeding if the Director or Officer complies with the terms of the Act.

Section 10.2 Insurance. The Board of Directors may cause the Association to purchase and maintain insurance on behalf of any person who is or was a Director or Officer of the Association, against any liability asserted against such person and incurred in any such capacity or arising out of such status, whether or not the Association would have the power to indemnify such person.

**ARTICLE 11**  
**ENFORCEMENT PROCEDURES**

The Association shall have the power, as provided in the Declaration, to impose sanctions for any violation of the Governing Documents, if any. To the extent specifically required by the Governing Documents, the Board shall provide reasonable notice to the responsible Owner and an opportunity to be heard before imposing fines or other sanctions.

**ARTICLE 12**  
**MISCELLANEOUS**

Section 12.1 Amendments.

- a) By the Members. These Bylaws may be amended by the affirmative vote of a majority (fifty percent plus one [50%+1]) of a quorum of members.
- b) By the Board of Directors. In addition to the foregoing, the Board of Directors shall, at any time and from time to time, have the right (but not the obligation) to cause the Bylaws to be amended to correct any clerical or scrivener's errors or to conform to the requirements of the Federal Housing Administration or the Veterans Administration or the Federal National Mortgage Corporation, FHLMC and such other secondary market agencies as the same may be amended from time to time.

Section 12.2 Conflicts.

- a) With other Governing Documents. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the case of any conflict between the Rules and Regulations of the Association and these Bylaws, these Bylaws shall control.
- b) With the Act. In case of any conflict with the mandatory provisions of the Act, the mandatory provisions of the Act shall control.

Section 12.3 Interpretation. The Board shall interpret the terms of these Bylaws and its interpretation shall be final.