

**BY-LAWS OF THE
CAMBRIDGE PLACE HOMEOWNERS ASSOCIATION, INC.**

**ARTICLE I
NAME AND LOCATION**

These are the By-Laws of the Cambridge Place Homeowners Association, Inc., hereinafter referred to as the "Association." The principal office of the Corporation shall be located at 4910 Trenholm Road, Suite C, Columbia, South Carolina, 29206, 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.

**ARTICLE II
DEFINITIONS**

The capitalized terms used herein shall have the same meaning as the defined terms set out in the Amended and Restated Declaration of Covenants, Restrictions, Easements and Charges for Cambridge Place dated March 1, 2006 and recorded in the Office of the ROD for Lexington County on _____ in Book _____ at Page _____.

**ARTICLE III
PURPOSE AND POWERS OF THE ASSOCIATION**

This Association does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which it is formed are to provide for maintenance, preservation, and architectural control of the residential Lots, Common Area, Area of Common Responsibility, and Area of Extended Lot Owner Responsibility within those certain tract(s) and/or lot(s) of Property described in Exhibit A attached to the Declaration and incorporated by reference, and to promote

the health, safety and welfare of the residences within the Community and any additions thereto as may hereafter be brought within the jurisdiction of the Association, and for this purpose to:

(a) Exercise all of the powers and privileges and to perform, or delegate to an appropriate person or entity the authority to perform, all of the duties and obligations of the Association, including the establishment and amendment of the Regulations of the Association and the use and maintenance of the Common Area, Area of Common Responsibility, and Area of Extended Lot Owner Responsibility, as set forth in the Declaration as the same may be amended from time to time as therein provided, said Declaration being incorporated herein as set forth in length;

(b) Fix, levy, collect and enforce payment by any lawful means, all Assessments pursuant to the terms of the Declaration; pay all expenses in connection therewith; and pay all office and other expenses incident to the conduct of the business of the Association, including all licenses, taxes, or governmental charges levied or imposed against the Property of the Association;

(c) Acquire (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, or otherwise dispose of real or personal property including, but not limited to the Common Area, as determined advisable by the Board of Directors;

(d) Borrow money, mortgage, pledge, deed in trust, or hypothecate any and all of its real or personal property including, but not limited to the Common Area, as security for money borrowed or debts incurred upon arrival by the affirmative casting of two-thirds (2/3) of all Class A and B votes of the Association;

(e) Participate in mergers and consolidations with other nonprofit corporations organized for the same purpose or annex additional residential property and Common Area, provided that any such merger, consolidation, or annexation shall have the assent of Members of the Association controlling a majority of all Class A and B votes of the Association, provided, however, that this shall not affect the right of the Developer to add additional Property to the Community and Association as set out in the Declaration;

(f) Make, by decision of the Board of Directors, and subject to applicable law, any election of a fiscal year for the Association, as the Board of Directors shall determine from time to time;

(g) Designate, by decision of the Developer or the Board of Directors, as set forth in the Declaration and by amendment to these By-Laws, Neighborhoods to be under the authority and control of the Association pursuant to voting rights of the Members as established by the Declaration, these By-Laws, as amended, and the Board of Directors.

(h) To have and exercise any and all powers, rights, and privileges which a corporation organized under the nonprofit corporation law of the state of South Carolina by law may now or hereafter have or exercise including the right to enter into agreement with other Associations and entities for the management and maintenance of Common Area of such Association or entities;

(i) Notwithstanding the purposes and powers of the Association enumerated above, the Association, after passage of control to the Owners and Co-owners by converting Class B membership to Class A membership as set forth in the Declaration, shall not enter into, either directly or indirectly, contracts or leases with the Developer (including a management contract)

unless there is a right of termination of any such contract or lease, without cause, which is exercisable without penalty at any time after transfer of control in accordance with the Declaration, upon not more than ninety (90) days notice to the other party to the said contract or lease.

ARTICLE IV
MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held at a time, date, and place established by the Developer within twelve (12) months after the organization of the Association. Subsequent annual meetings of the Members shall be held at a time, date and place established by the Board of Directors each year so long as no annual meetings of the Members shall be scheduled on a legal holiday. As long as the Developer maintains its Class B membership, the Developer shall appoint the Board of Directors and the only purpose of the annual meeting will be (1) to serve as a town forum in which the president and officers report on and answer reasonable questions concerning the activities and financial condition of the Association; and (2) consider matters raised consistent with the requirements of the South Carolina NonProfit Corporation Act, S.C. Code Ann. § 33-31-101 et seq., hereinafter referred to as the "Act."

Section 2. Special Meetings. Special Meetings of the Members may be called at any time by the Developer, President or by the Board of Directors, or as prescribed under the Act. Only those matters that are within the purpose or purposes described in the meeting notice may be conducted at a special meeting.

Section 3. Notice of Meetings. Written notice specifying the place, day and hour of the meeting of the Members, and, in the case of the special meeting, also specifying the purpose of each

meeting and the description of the matter for which the meeting was called, shall be given by, including the Developer, any fair and reasonable manner. The mailing of a copy of such notice of a special or annual meeting by first class mail or registered mail, postage prepaid, at least ten (10) days (or if notice is mailed by other than first class or registered mail, at least thirty (30) days) and not more than sixty (60) days before such meeting date to each Member entitled to vote at the meeting, including the Developer, addressed to the Members' address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice shall be considered fair and reasonable. The notice requirement may be waived by a Member before or after the date and time of the meeting as stated in the notice. 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, except that the attendance of a Member at a meeting waives notice unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting. Also, an Emergency Meeting may be called with a twenty-four (24) hour notice to those Members entitled to vote, upon the unanimous vote of the Association's Board in the event an issue requires the immediate attention of the Members of the Association. If a meeting of Members is adjourned to a different date, time, or place, notice need not be given of the new date, time or place, if (1) the new date, time, or place is announced at the meeting before adjournment and (2) the record date fixed pursuant to Section 9 of this Article for the adjourned meeting is not changed for the new meeting (either voluntarily by the Board or as required under the Act).

Section 4. Quorum. The presence at a meeting of Members entitled to cast, or of proxies entitled to cast, one-tenth (1/10) of the votes of each class of Membership shall constitute a quorum

for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members present shall have power to adjourn the meeting from time to time, without notice as long as the requirements of Section 3 of this Article are met. The quorum at the new meeting shall be reduced to five percent (5%) of each Class of Members.

Section 5. Proxies. Votes may be cast in person or by proxy. All appointment of proxies shall be by written appointment form, signed either personally or by an attorney-in-fact and filed with the Secretary prior to the vote being taken at the meeting in the case of a vote that is taken at a scheduled meeting (or such other time set out on the appointment form or meeting notice) and by the deadline established by the appropriate notification of a vote to be taken in any other manner. Except as otherwise allowed herein or by written authorization of the Board of Directors of the Association, no appointment form shall confer on the proxy a broader authority than to vote on the matter(s) or at the meeting(s) than is defined on the appointment form. Every proxy shall be revocable at the pleasure of the Owner or any one of the Co-owners issuing it, up to the time that the vote for which it was issued is cast and shall automatically cease upon conveyance by the Owner or any of the Co-owners of that Lot, the Member attending any meeting and voting in person, the Member signing, and delivery to the Secretary in writing revoking the appointment, or upon receipt of notice by the Secretary or the officer or agent authorized to tabulate the vote prior to the proxy casting vote of the death of the Member.

Section 6. Parliamentary Rules. 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 By-Laws or with the statutes of the State of South Carolina.

Section 7. Failure to Hold Meetings. The failure to hold an annual or regular meeting at a time stated in or fixed in accordance with these By-Laws does not affect the validity of a corporate action.

Section 8. Authorization to Vote and Notice by Owner. It shall at all times be the responsibility of any Lot Owner and all Co-owners to keep current with the Association, the name and address of the person authorized to cast the vote assigned to that Lot and to receive notification from the Association as to any meetings which the Association may be required to send. Proof of the authority to receive notice and to vote shall be presented to the Association in the form of a certificate signed by the Owner or all of the Co-owners of the Lot. Such certificate shall be deemed valid until revoked by a subsequent certificate.

Section 9. Record Date. The Board of Directors shall set the record date for determining the Members entitled to notice of a Members meeting; to vote at a Members meeting; and to exercise any rights in respect of any other lawful action. The record date shall not be more than seventy (70) days before the meeting or action requiring a determination of the Members occurs.

Section 10. Voting Requirements. Unless otherwise required in these By-Laws, the Declaration, the Articles of Incorporation, or the law, the affirmative vote of the votes represented and voting, which affirmative vote also constitutes a majority of the required quorum, is the act of the Members.

Section 11. Action by Written Ballot. Any action that may be taken at any annual, regular

or special meeting of Members may be taken without a meeting if the Association delivers a written ballot to every Member entitled to vote on the matter and 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 the meeting.

ARTICLE V
BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number & Types. The affairs of this Association shall be managed by a Board of not less than three (3) Directors, who need not be Members of the Association; provided, however, that so long as the Developer maintains its Class B Membership, all Directors shall be appointed by the Developer unless the Developer voluntarily waives its appointment power and authorizes the Association to elect Directors in accordance with these ByLaws. At any time the Developer, so long as it maintains its Class B Membership, or the Association thereafter by the affirmative vote of a majority (51%) of all of the Members' votes, may increase or decrease the number of Directors of the Association so long as there are never less than three (3) Directors at any given point, and so long as the rest of the terms of these ByLaws are adhered to. All Directors who are also Members must be in good standing with the Association in order to seek election to, or continue to hold a position on, the Board of Directors.

Section 2. Term of Office. At the first annual meeting after the termination of the Developer's Class B votes, the Members will elect five (5) Directors for staggered terms in accordance with Article VI, Section 2 of these By-Laws.

Section 3. Removal. At any time, any Director(s) appointed by the Developer may be removed from the Board, with or without cause, by the Developer by giving written notice of removal to the Director and either the presiding officers of the Board of Directors or the Association President or Secretary. Any Director(s) elected by the Association may be removed from the Board of Directors, with or without cause, by the affirmative casting of a majority (51%) of all of the votes of the Association. Any Director(s) who is a Member and 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 Chairman of the Board of Directors or other person(s) authorized to do so), may be immediately removed from the Board of Directors by the remaining Board members and replaced in accordance with these By-Laws. In the event of death, resignation, or removal of a Director, a successor shall be selected by the Developer, if that Director was appointed by the Developer, or the remaining Members of the Board of Directors, if elected by the Members of the Association and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. Compensation of any Director shall require the affirmative casting of a majority (51%) of all of the Class A and B votes. This provision shall in no way require the Members approval of or preclude the Board of Directors from compensating a Director for his duties as an officer of the Association, from employing a Director as an employee of the Association, or shall it preclude the Association from contracting with and thereafter compensating a Director for the management of the Association.

Section 5. Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written

consent of a majority (51%) of the Directors, which shall represent a quorum. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 6. Reversal of Board of Directors. A decision of the Board of Directors, an officer or a committee of the Association may be reversed or modified by the Developer as long as the Developer owns any portion of the Property.

ARTICLE VI NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Except where Directors are appointed or replaced by the Developer or the Board of Directors, nomination for election for the Board of Directors shall be made by a Nominating Committee or as specified in guidelines set forth by the Board of Directors. For purposes of the first Annual Meeting, the Nominating Committee, when created, shall consist of a Chairman and at least two (2) more Members of the Association. For purposes of any and all Annual Meetings other than the first Annual Meeting, at least one member of the Nominating Committee shall be a member of the Board of Directors. The Nominating Committee shall be appointed by the Board of Directors. Members of the Nominating Committee shall serve from the close of the annual meeting until the close of the next annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 2. Election. Unless agreed to otherwise by the affirmative vote of a majority (51%) of Members entitled to vote and present at the meeting, election to the Board of Directors shall be

by secret ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of these By-Laws and the Declaration. At the first annual meeting after the termination of the Developer's Class B votes, the Members shall elect five (5) Directors: two (2) Directors for a term of one (1) year, two (2) Directors for a term of two (2) years, and one (1) Director for a term of three (3) years; and at each annual meeting thereafter, the Members shall elect successor Directors for terms of three (3) years. The term of any Director shall be automatically extended and shall not expire until the annual meeting at which a successor for that Director is elected. The person(s) receiving the largest number of votes shall be elected. If no nominee(s) are nominated pursuant to these ByLaws, that (or those) Director(s) shall be appointed by the current Board of Directors of the Association. Cumulative voting, voting more than one (1) time for any Director, is not permitted under any circumstances.

ARTICLE VII MEETING OF DIRECTORS

Section 1. Regular Meetings. Until the end of the Developer's Class "B" Membership, regular meetings of the Board of Directors shall be held at dates, times and places and as frequently as is deemed prudent by the Developer. Upon the end of the Developer's Class "B" Membership, regular meetings of the Board of Directors shall be held quarterly, or more frequently, and at dates, times and places determined by a majority (51%) of the Board of Directors. Without the approval of all of the Directors, no meeting shall fall upon a legal holiday. No notice shall be required for regular meetings.

Section 2. 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 in writing signed by the Director or by attendance of the meeting without objection or participation.

Section 3. Quorum. A majority (51%) of the number of Directors shall constitute a quorum for the transaction of business. Every act or decision authorized by a majority (51%) of the Directors either by written consent or when present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board.

ARTICLE VIII
POWERS, DUTIES AND REQUIREMENTS OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors, When Empowered, shall have the power, but not the obligation, to perform such duties as authorized by the Declaration, to include, but not be limited, to:

(a) Adopt, amend and publish the Architectural Guidelines for the Community and Regulations of the Association governing the Area of Common Responsibility, the Area of Extended Lot Owner Responsibility, and the Common Area and facilities thereon and the personal conduct of the Members and their guests, and to establish Assessments for the infraction thereof;

(b) Suspend the voting rights, the right to use the recreational facilities on the Common Areas, and the services provided by the Association, including without limitation architectural review services, of a Member during any period in which each Member shall be in

default in the payment of any Assessment levied by the Association or for any other violation of the Declaration, the Architectural Guidelines, or the Regulations;

(c) Exercise for the Association of all of the powers, duties, and authority vested in or delegated to the Association and not reserved to the Membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;

(d) Declare the office of a member of the Board of Directors to be vacant in the event such member (i) is absent from three (3) consecutive regular meetings of the Board of Directors unless such absence shall have been excused by the Chairman of the Board of Directors or other person(s) authorized to do so, or (ii) is otherwise not in good standing as a Member of the Association, including without limitation failure to pay Assessments when due;

(e) Employ a manager, an independent contractor, Treasurer of the Association or such other employees as they may deem necessary, to prescribe their duties and;

(f) Levy Assessments and to collect from the Members all costs of collection, including but not limited to court costs and reasonable attorney fees, for all infractions of the Association's Regulations, the Architectural Guidelines, the Declaration, Articles of Incorporation or these By-Laws.

(g) Delegate, in part or in total, to any employee, agent, director, officer, contractor, manager or other appropriate entity, any power or authority given to the Board of Directors by the Covenants and Restrictions for the Community or these By-laws.

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

(a) Comply with the requirements of the Act regarding Annual Meetings;

(b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) Perform such other duties as required by the Declaration, the Articles of Incorporation or the By-laws.

(d) Take legal action where it is deemed prudent and to be in the best interest of the Association by the Board of Directors, including without limitation foreclosure of the lien against any Lot for which Assessments are not paid within thirty (30) days after the due date or to bring an action at law against the Owner or Co-owners personally obligated to pay the same as provided in the Declaration, or both;

(e) Issue, or cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. At all times the Association records with respect to payments made or due shall be deemed correct unless proper documentation to the contrary can be produced. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment. A reasonable charge may be made by the Board for the issuance of these certificates;

(f) Procure and maintain liability and hazard insurance on property owned by the Association in amounts established by the Board of Directors in its sole discretion and with insurance companies licensed to do business in South Carolina with a Best rating of AA or better;

(g) Cause and pay for all officers or employees having fiscal responsibilities to be bonded, if and as it may be deemed appropriate by the Board of Directors;

(h) Cause the Common Area to be maintained.

Section 3. Requirements: The Board shall not be authorized or obligated to initiate, and the Association shall not initiate, any judicial or administrative proceeding unless first approved by a seventy-five percent (75%) affirmative vote of the entire Association Membership, except that no such approval shall be required for actions or proceedings: (1) initiated to enforce the provisions of the Declaration, these By-Laws, Architectural Guidelines, or Regulations; (2) initiated to challenge property taxation or condemnation proceedings; (3) to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it. This Section 3 of Article VIII of these By-Laws shall not be amended unless such amendment is approved by the same percentage of votes necessary to institute proceedings.

ARTICLE IX
OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The offices of this Association shall be a President and Vice President, who shall at all times be Members of the Board of Directors, a Secretary and a Treasurer, and such other officers as the Board of Directors from time to time by resolution create. Compensation for the officers and the employees of the Association shall be fixed by the Board of Directors of the Association. The Board of Directors may employ a Director as an employee of the Association, and may contract with and thereafter compensate that Director for the management of the Association.

Section 2. Appointment of Officers. All officers shall be appointed by the Board of Directors.

Section 3. Term. Officers of this Association shall be appointed annually by the Board, and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board of Directors may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Directors may, from time to time, determine.

Section 5. Resignation and Removal. Any Officer may be removed from office with or without cause by a majority (51%) vote of the Board of Directors. Any Officer may resign at any time giving written notice to the Board of Directors, the President or Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. 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 he replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person, otherwise no office may be held by the same person during the same time period. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the Officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; see that the orders and resolutions of the Board of Directors are carried out; shall sign all leases, mortgages, promissory notes, deeds and other written instruments and shall be authorized, along with the Treasurer and other authorized parties, to sign on all checking accounts. If any vote of the Board results in a tie, the President shall cast the tie-breaking vote.

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

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

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by Resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; and keep proper books of accounts.

ARTICLE X
COMMITTEES AND ARCHITECTURAL CONTROL AUTHORITY

When Empowered, the Association's Board of Directors by majority vote shall appoint an

Architectural Control Authority for the Community. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose, including the establishment of a Nominating Committee as required herein. Compensation for committee members and for any employees of the Association assigned to or hired by these committees shall be fixed or approved by the Board of Directors of the Association. In addition to the committees appointed by the Board, there may be an appointed or elected committee for any Specific Purpose Area (the "Specific Purpose Committee") as follows:

Section 1. Establishment of Committee and Responsibilities. Upon termination of Developer's Class "B" Membership or, prior to that point, at such time as the Board of Directors of the Homeowners Association shall resolve to do so, a Specific Purpose Committee may be established by the Board of Directors for each Specific Purpose Area. As set forth in the Declaration, each Specific Purpose Committee shall carry out the duties required of it by the Board of Directors.

Section 2. Specific Purpose Assessment and Budget. To fund these budgeted expenses, in addition to the Annual Assessment charged each Lot Owner in the Community, all Owners of the Lots in each Specific Purpose Area may be charged an annual Specific Purpose Assessment, which shall be a part of the Association's Lien on each Lot. At the option of the Developer, or the Board of Directors, When Empowered, this Specific Purpose Assessment may be paid in installments and may, when collected, be deposited by the Association in an account separate from the Annual Assessment charged all Lot Owners in the Community. At the same time that the Specific Purpose Area budget is created by the Board of Directors, or submitted to the Board of Directors by the

Specific Purpose Committee, the Board of Directors shall determine or the Specific Purpose Committee shall submit to the Board of Directors for approval, the amount to be charged for the Specific Purpose Assessment and an installment schedule for payment of the Specific Purpose Assessment by the Owners of the Lots in each Specific Purpose Area.

The Specific Purpose Area budget adopted by the Specific Purpose Committee shall be submitted to the Board of Directors of the Association for approval prior to such date as shall be set out by the Board of Directors annually, however, said date for submittal shall not be less than thirty (30) days after the date of notice to the Specific Purpose Committee by the Board of Directors of the submittal date. The Specific Purpose Area budget, amount of annual Specific Purpose Assessment and installment plan submitted to the Board of Directors by the Specific Purpose Committee shall be deemed approved if not disapproved by the Developer or four (4) of the five (5) Members of the Board of Directors, When Empowered, within thirty (30) days after submission or such shorter time established by the Developer or the Board of Directors, When Empowered.

ARTICLE XI BOOKS, RECORDS, AND PUBLICATIONS

The books, records, publications, and papers of the Association shall at all times, during reasonable business hours, or other reasonable circumstances, and preferably by appointment, be subject to inspection by any Member. Upon reasonable notice to the Association or its designated manager, the Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies of the governing documents addressed in this paragraph may be purchased at a reasonable cost.

Upon written request, and pursuant to the Act, any Member shall be entitled to inspect the latest financial statements and accounting records of the Association.

ARTICLE XII
FUNDS AND BONDS

Section 1. Payments and Depositories All monies collected by the Association shall be treated as the separate property of the Association and such monies may be applied by the said Association to the payment of any of the expense of operating and managing the Association, or to the proper undertaking of all acts and duties imposed upon it by virtue of these By-Laws, the Articles of Incorporation and the Declaration. As the moneys for any Assessment is paid unto the Association by any Owner or Co-owner of a Lot the same may be commingled with the monies paid to the Association by the other Owners or Co-owners of Lots. All funds and other assets of the Association, and any increments thereto or profits derived therefrom, or from the leasing or use of the Common Areas, shall be held for the benefit of the Members of the Association.

The depository of the Association shall be such bank or other Federally Insured depository as shall be designated from time to time by the Board of Directors and in which the moneys of the Association shall be deposited. Withdrawal of moneys from such accounts shall only be by checks signed by such persons as are authorized by the Board of Directors.

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).

Section 2. Bonds. At the discretion of the Board of Directors, fidelity bonds shall be

required on all members of the Board of Directors, the Officers of the Association 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 Directors, 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.

ARTICLE XIII CORPORATE SEAL

The Association may have a seal in circular form having within its circumference the name of the Association.

ARTICLE XIV AMENDMENTS

Section 1. Except as otherwise required herein, by law, by this Declaration or by the Articles of Incorporation of the Association, these By-Laws may be amended, by mail or at a regular or special meeting of the Members, by the affirmative casting of a majority (51%) of all of the Class A votes of the Association present in person or by proxy and all of the Class B vote, except that the Federal Housing Administration or the Veterans Administration shall have the right to veto amendments while there is Class B Membership. Without limiting the foregoing, the Association, and for so long as the Developer owns any portion of the Property, the Developer, shall, at any time and from time to time as they see fit, have the right to cause this document to be amended to correct any clerical or scrivener's error(s) 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 2. In addition to any other right to amend as set out herein, as long as the Developer owns any portion of the Property the Developer may amend and/or restate these By-Laws without the consent of the Owners, their mortgagees, or the Association. Subject to the Declaration and these By-Laws, every purchaser or grantee of any Lot or Common Area now and hereafter, by acceptance of a deed or other conveyance thereof, agrees that the By-Laws may be amended as provided herein.

Section 3. In addition to any other right to amend as set out herein, the Board of Directors may amend and/or restate these By-Laws without the consent of the Owners, their mortgagees, or the Association, in order to (1) designate, add, withdraw, or otherwise modify Neighborhoods or Neighborhood voting in the Community, or (2) add, subtract, or otherwise modify the number of Directors on the Board.

Section 4. In the case of any conflict of any Articles of Incorporation and these By-Laws or the Regulations of the Association, the Articles shall control; and in the case of any conflict between the Declaration, the Regulations, and these By-Laws, the Declaration shall control.

ARTICLE XV MISCELLANEOUS

Section 1. In case of any conflict with the provisions of the South Carolina Non-profit Corporation laws, such laws shall control. Such laws are incorporated herein by reference as if

fully set out herein.

Section 2. Subject to the right of the Board to set or a ruling by the Internal Revenue Service, the fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 3. The Association shall indemnify an individual made a party to a proceeding because the individual is or was a Director, or officer against liability incurred in the proceeding if the individual complies with the requirements of the Act and shall pay for or reimburse the reasonable expenses incurred by the director or officer who is a party to a proceeding in advance of final disposition of the proceeding if the director complies with the terms of the Act.

IN WITNESS WHEREOF the undersigned incorporator of the Cambridge Place Homeowners Association, Inc. has hereunto set their hand and seal on this 28th day of March, 2006.

WITNESSETH:

Janine Acciara
Patricia P. Groves

By: 
Print Name: Reggie Porter
Its: _____

REGULATIONS
FOR
Cambridge Place

REVISED: August 1, 2008

INTRODUCTION

This document, the Regulations for **Cambridge Place**, defines and extends some of the rights and authority granted to the Developer and to the Association (when empowered by a partial or total transfer of control of authority from the Developer) by the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for **Cambridge Place** (Declaration). Further, this document creates additional Regulations for the entire Community, for the use of lots and Common Areas (if any are dedicated) within the Community and for the actions and behavior of all property owners, their family members, guests, invitees, licensees and permittees, while residing in and visiting the Community or while using Common Areas and facilities (if any) within the Community. Additional Restrictions and Regulations are set out in the Declaration.

We encourage you to review this document, to familiarize yourself with the Regulations that are set out here and in the Declaration, as well as the requirements spelled out in the Architectural Guidelines and to embrace the standards established by these three documents as they are intended to help the Association and its homeowners maintain a secure and harmonious environment within the Community.

Capitalized terms used in this document shall have the same meaning as the definitions in the Declaration, as amended, and should there be any conflicts between these Regulations and the Declaration, the Declaration shall control.

SCOPE OF AUTHORITY GRANTED

The scope of the authority granted to the Developer and later to the Association, is set out in the Declaration, which encumbers every Lot, road right-of-way and all Common Areas (if any), as well as in the Association's By-laws. In addition to creating certain specific Restrictions and Regulations, the Declaration authorizes the Developer (and later the Association) to create additional Regulations for the Lots, road right-of-ways and Common Areas. The Developer (and later the Association) is also authorized by the Declaration to amend those Regulations contained in this document and the Architectural Review Guidelines as well as any other Regulations that the Developer or the Association might create and add to these documents from time to time.

To assure compliance with the Declaration and this document, the Declaration and this document make available to the Developer and the Association, remedies to enforce the Declaration and any restrictions or Regulations set out in the Declaration or in this document. Additionally, the Declaration defines the Developer's and the Association's authority to waive or grant variances to specific Regulations.

VARIANCES

The Developer or the Association, When Empowered, shall have the right to, as determined in its sole discretion, waive or grant temporary or permanent variances to any Regulation set out in this document that are not violations of the Declaration. All variances shall be in writing and shall be specific as to the time period for which it is in effect and the action that is to be allowed. **Nothing herein shall be deemed to allow the Board of Directors to grant variances to any law or ordinance or to the ruling or decision of any governmental body having jurisdiction.**

DEVELOPER'S RIGHT TO OVERRIDE

Until one hundred (100%) percent of the Dwellings permitted by the Master Plan have certificates of occupancy issued thereon and have been conveyed to Owners other than builders holding title for purposes of development and sale, the Developer may, in its sole discretion: amend the Regulations of the Association; waive the violation of any Regulation issued by the Association; grant variances to the Regulations of the Association; veto any modification to the Regulations proposed or implemented by the Association; override any attempt by the Association to enforce or implement the Regulations; and require the Association to enforce and implement any provision of the Regulations.

VIOLATIONS: NOTICE, APPEAL AND REMEDIES

NOTICE OF A VIOLATION

Notice of violation of the Declaration and the By-Laws of the Association or of the Regulations of the Association shall be posted on a Lot or written notification from the Developer or the Association shall be sent to the Lot Owner at the address shown in the records of the Association. Notices shall site: the nature of the violation, the corrective actions required, the date of the notice and the deadline for compliance or the time in which the corrective action must be completed and an address for written response from the Lot Owner in violation, if any.

APPEAL/RESPONSE TO NOTICE OF A VIOLATION

Except in the case of an emergency, which shall be denoted on any notice of a violation, or as otherwise provided in these Regulations, the By-laws, or the Declaration, Lot Owners shall have a period of seven (7) days from the date of notice indicated upon the notice of a violation (or such other period as stated in the notice) in which to contest the initial finding of the Developer or the Association with respect to a violation, any corrective actions that it may require, or the time frame allowed by the Developer or the Association for completion of the corrective action. Any request for appeal submitted by an Owner shall be in writing and shall be delivered to the location noted on the notice for response prior to 5:00 PM on the seventh (7th) day or the date stated in the notice of violation.

Upon the appeal of an initial decision of the Developer or the Association by a Lot Owner, the Developer or the Association, When Empowered, shall determine what action by the Lot Owner, if any, is appropriate and warranted and shall notify the lot Owner of its decision providing a timeframe for compliance, if any is required. The decision of the Developer or the Association, When Empowered, shall then be final and may no longer be appealed. Neither the Developer nor the Association, When Empowered, is mandated by an appeal to allow additional time for compliance by a Lot Owner, but may do so it its sole discretion.

If the Lot Owner does not submit a written request for appeal of a decision of the Developer or of the Association, When Empowered, within the seven (7) days (or such other

period set out in the notice) or does not correct the violation within the time specified in the notice, and if the Developer or the Association, When Empowered, determines that Assessments for Non-compliance and/or corrective action are warranted, the Developer or the Association, When Empowered, may take corrective action at the Lot Owner's expense and the Association may levy all appropriate Assessments.

REMEDIES FOR NON-COMPLIANCE

In accordance with the Declaration, the Developer or the Association may levy an Assessment for Non-compliance against the Lot of any Lot Owner who fails to comply with a notice of violation from the Developer or the Association. Though some of the other remedies of the Developer and the Association, When Empowered, are more specifically defined in the Declaration and in the By-laws of the Association, upon notice to any Lot Owner, the Developer or the Association, When Empowered, shall have the right to require that any violation of the Declaration, By-laws, the Architectural Guidelines and these Regulations be corrected within a reasonable time frame provided in that notice and, unless otherwise provided in these documents, to take appropriate action to remedy the violation, including but not limited to any action at law. The cost of that correction, together with the cost of any action such as the cost of any supervision and/or management of these activities taken by the Developer or the Association to insure that this compliance is achieved; any Assessments for Non-Compliance levied by the Association and any collection cost or attorney fees, may then be added by the Association to the Association's continuing lien on that Lot and shall become the personal obligation of the Owner or Co-owner(s) of the Lot.

GENERAL REGULATIONS

PROPERTY MAINTENANCE AND USE

USE OF PROPERTY

Unless otherwise designated in a Supplemental Declaration filed by the Developer for additional phases of the Community, all Lots shall be used for single-family residential purposes only, and no commercial enterprise, business or business activity shall be carried on or upon any Lot at any time, except with the written approval of the Developer or the Association, When Empowered. The term "business" shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis which involves the provision of goods or services to persons other than the provider's family and for which the provider receives a fee, compensation, or other form of consideration, regardless of whether: (i) such activity is engaged in full or part-time; (ii) such activity is intended to or does generate a profit; or (iii) a license is required thereof. **The Association shall at all times have the authority to determine in its sole discretion whether or not an activity falls within the parameters of a commercial enterprise, business or business activity and whether or not that activity requires approval by the Association in order to be conducted. It is therefore prudent for a Lot owner to consult the Association prior to commencing any activity that might conceivably be considered by the Association as a commercial enterprise, business or business activity and if approval is required, to**

obtain that approval in writing.

Nothing herein shall prevent the Developer or any builder of homes in the Community approved by Developer from using any Lot owned by Developer or such builder of homes for the purpose of carrying on business related to the development, improvement and sale of property in the Community, including the establishment of one or more model homes; or, to the extent allowed by applicable zoning laws, a private office to be maintained in a dwelling located on any of the Lots, subject to any and all conditions established by the approval granted by the Developer or the Association, When Empowered.

Notwithstanding the above, the leasing of a home on a Lot shall not be considered a trade or business within the meaning of this section. Whether or not it is specifically stated in a lease agreement, the Declaration makes all leases subject to the Declaration, By-Laws, the Regulations and the Architectural Guidelines. In addition, the Declaration requires all tenants and their guests to comply with these documents and makes the Lot Owner responsible for providing the tenant with notice of this fact and the requirements under these documents and for the actions of the tenant and of their guests.

No garage sale, moving sale, rummage sale or similar activity and no trade or business may be conducted in or from any Lot without the approval of the Association, except that an Owner or occupant residing in a Lot may conduct business activities within the Unit so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside the Structures on the Lot; (b) the business activity conforms to all zoning requirements for the Properties and all other applicable laws and regulations; (c) the business activity does not involve persons coming onto the Lot or into the Properties who do not reside on that Lot or in the Properties or door-to-door solicitation of residents of the Properties in any way; and (d) the business activity is consistent with the residential character of the Properties and does not constitute any sort of a nuisance, or create a hazard or offensive use of any type or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Developer or the Association, When Empowered. No signage, advertising or identifying a commercial enterprise, business, or a business activity (including garage sales) may be displayed on a Lot, from a Structure located on a Lot where it is in any way visible outside of that Structure, within any location abutting a private or public road right-of-way within the Properties or within a public road right-of-way abutting the Properties without the approval of the Developer or the Association, When Empowered.

LOT OWNER'S RESPONSIBILITY

The Declaration requires that each owner comply with the Regulations. It is the responsibility of each lot/home owner to obtain a copy of these documents, to familiarize themselves with these documents and to require that their family members, guests, invitees, licensees and permittees do so as well. Failure on the part of an owner to acquire or to be provided with a copy of the Declaration, the Architectural Review Guidelines or the Regulations or to review these documents upon receipt does not in any way minimize the rights of the Developer or the Association, When Empowered, to enforce the terms of these documents or relieve an owner of the obligation of that owner, its family, its guests, its invitees, its licensees or permittees of their obligation to comply with these documents or the regulations set out in them.

MAINTENANCE ROAD RIGHT-OF-WAY

As further defined in the Declaration, unless designated as a Common Area or unless the responsibility for maintenance of this area is assumed by the Association as part of the Area of Common Responsibility, each homeowner shall be responsible for the installation (if landscaping acceptable to the Association does not already exist) and continued maintenance of landscaping in any portion of the road right-of-way that exists between the back of the curb (or the actual pavement, where no curbing exists) and their property line. As with all Structures located upon a Lot, including landscaping, the installation of all Structures located within these areas shall be subject to the approval of the Association and the quality of maintenance within these areas shall be subject to the standards established by the Association. All remedies available to the Association for the failure of a Lot Owner to obtain approval for the installation of a Structure or for failure of a Lot Owner to properly maintain a Structure in these areas in accordance with the standards established by the Association, including landscaping, shall be the same as those remedies available to the Association for Lot Owners who fail to properly obtain approval, install and maintain Structures on their Lots.

WINDOW TREATMENTS:

Window treatments and blinds that are viewable from the exterior of a home are to be white or off white in color (or as otherwise set out in the Architectural Guidelines) and must be kept in good repair at all times.

Fines for non-compliance of window treatments and blinds are as follows:

1st offense or notice – courtesy notice of non-compliance is sent out to owner with time frame of allowed correction period.

2nd offense or notice – a follow-up letter addressing the issue of non-compliance with notation of 1st offense letter date and a \$50.00 fine (or such amount as may be determined by the Board).

3rd offense or notice - \$100.00 fine (or such amount as may be determined by the Board) and notice of failure to comply with rules/regulations set forth by the Association will constitute immediate grounds for the HOA to take the appropriate action to remedy the violation, including but not limited to any action at law. The cost of that correction, together with the cost of any action such as the cost of any supervision and/or management of these activities taken by the Association to insure that this compliance is achieved; any Assessments for Non-Compliance levied by the Association and any collection cost or attorney fees, may then be added by the Association to the Association's continuing lien on that Lot and shall become the personal obligation of the Owner or Co-owner(s) of the Lot in violation of Non-Compliance.

UNSIGHTLY OR UNKEMPT CONDITIONS:

It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt conditions on their Lot, including the failure to properly install or maintain landscaping. The pursuit of hobbies or other activities, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Properties. No Lot or Structure on a Lot within the Properties shall be used, in whole or in part, for the storage of any property or thing that will in the sole opinion of the Developer or the

Association, cause such Lot or Structure to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of Community or the surrounding property. As set out in the Declaration, all Lot Owners are responsible for the maintenance of landscaping and the removal of debris from their Lot. In addition, whether addressed in the Declaration or not, all Lot Owners shall be responsible for the maintenance of landscaping in and for the removal of debris from within the road right-of way abutting their lot.

All exterior porches, patios and other Structures of this type as well as other locations on the lot that can be viewed from another Lot or the street are to be kept free and clear of unnecessary debris and clutter. Only outdoor furniture of a type and in a quantity appropriate for use on a Structure of this type shall be used on a permanent basis on these Structures or on the Lot. The authority to determine what type and quantity of furniture is appropriate and what constitutes excessive debris or clutter shall be that of the Developer and of the Association, When Empowered. No appliances shall, at any time, be stored on an exterior porch, patio or other like structure.

Fines for non-compliance of unsightly or unkempt conditions are as follows, but not limited to the enforcement of the Community Declarations:

1st offense or notice – courtesy notice of non-compliance is sent out to owner with time frame of allowed correction period.

2nd offense or notice – a follow-up letter addressing the issue of non-compliance with notation of 1st offense letter date and a \$100.00 fine (or such amount as may be determined by the Board).

3rd offense or notice - \$200.00 fine (or such amount as may be determined by the Board) and notice of failure to comply with rules/regulations set forth by the Association will constitute immediate grounds for the HOA to take the appropriate action to remedy the violation, including but not limited to any action at law. The cost of that correction, together with the cost of any action such as the cost of any supervision and/or management of these activities taken by the Association to insure that this compliance is achieved; any Assessments for Non-Compliance levied by the Association and any collection cost or attorney fees, may then be added by the Association to the Association's continuing lien on that Lot and shall become the personal obligation of the Owner or Co-owner(s) of the Lot in violation of Non-Compliance.

GARAGE DOORS:

Garage doors are to remain closed at all times when access is not required, with the exception of periods when continued access is required for the completion of a project or activity. In this event, garage doors may not be left open for periods in excess of twelve (12) hours and in no case overnight. The practice of leaving garage doors open for activities and projects for extended periods shall not become frequent, continuous or habitual and the frequency of leaving garage doors open to view from the street shall not constitute a nuisance to other Lot owners in the Community. The determination of what constitutes a nuisance, of what constitutes an acceptable period of time for a garage door to remain open and of what frequency is acceptable shall solely be that of the Developer or the Association.

GARBAGE AND REFUSE DISPOSAL, GARBAGE CONTAINERS:

No Lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers designed for that purpose and which are approved by the Developer or the Association, When Empowered, and screened from public view in a manner acceptable to the Developer or the Association, When Empowered. All equipment for the storage or disposal of such waste material shall be kept in a clean and sanitary condition. No burning of any trash (except as approved by the Developer or the Association, When empowered) and no unreasonable or unsightly accumulation or storage of litter, new or used building materials, or trash of any other kind shall be permitted on any Lot, street or upon any Common Area and all of these areas shall be kept clean at all times. If such litter or other materials is found on any Lot, the same will be removed by the Owner of such Lot, at the Owner's expense, upon written request of the Developer or the Association, When Empowered. Should the Owner fail to remove the refuse within the period set out in the written notice, the Developer or the Association, When Empowered, shall have the right to see that the refuse is removed by an appropriate party and to have the Association assess the Owner of that Lot for all of the costs associated with that removal, together with any collection costs, which shall become a part of the Association's continuing lien on the lot.

The size, type and storage location of all garbage containers shall be approved by the Developer or the Association, When Empowered. Except on the day of pickup by the garbage collector, all containers shall be located in a garage or in rear yards or side yards, screened or walled from front streets and adjoining properties in a manner approved by the Developer or the Association, When Empowered. Containers shall not remain on the street past 9:00 AM on the morning following pickup.

There shall be no dumping of grass clippings, leaves or other debris; rubbish, trash or garbage; petroleum products, fertilizers, or other potentially hazardous or toxic substances in any drainage ditch, storm or other drainage system pipes, catch basins, yard drains, stream, pond, lake or on any Lot, street or Common Area within the Properties, except that fertilizers may be applied to landscaping on Lots and in Common Areas, provided care is taken to minimize runoff. For a limited period of time acceptable to the Developer or the Association, When Empowered, and subject to additional conditions set by the Association or by a governmental entity or municipality responsible for its removal, where removal of such material is regularly provided by that entity or a provider contracted by that governmental entity for its removal, trash and debris acceptable to the Developer or the Association, When Empowered may be placed on the roadside for normal pick up. Upon notice from the Developer or the Association, When Empowered, that the type, quantity, location, condition of the trash or debris is unacceptable or that the time frame that the trash or Debris has or will remain in view is unacceptable, an owner shall remove such trash and debris from view of the street and other Lot Owners or from the Lot if directed to do so by the Developer or the Association, When Empowered.

Each Owner or Builder shall maintain its Lot in a neat and orderly condition throughout initial construction of a residential dwelling and not allow trash and debris from its activities to be carried by the wind or otherwise scattered within the Properties. Each Owner shall keep roadways, easements, swales, and other portions of the Properties clear of silt, construction materials and trash from its activities at all times. Trash and debris during initial construction of a residential dwelling shall be contained in a standard size dumpster or other appropriate

receptacles and removed regularly from Lot and shall not be burned (except in a manner approved by the Developer or the Association, When Empowered), buried or covered on the Lot. Any Lot on which construction is in progress may be policed prior to each weekend, and during the weekend, all materials shall be neatly stacked or placed and any trash or waste materials shall be removed.

Fines for non-compliance of garbage and refuse disposal and storage of garbage containers are as follows:

1st offense or notice – courtesy notice of non-compliance is sent out to owner with time frame of allowed correction period.

2nd offense or notice – a follow-up letter addressing the issue of non-compliance with notation of 1st offense letter date and a \$25.00 fine (or such amount as may be determined by the Board).

3rd offense or notice - \$50.00 fine (or such amount as may be determined by the Board) and notice of failure to comply with rules/regulations set forth by the Association will constitute immediate grounds for the HOA to take the appropriate action to remedy the violation, including but not limited to any action at law. The cost of that correction, together with the cost of any action such as the cost of any supervision and/or management of these activities taken by the Association to insure that this compliance is achieved; any Assessments for Non-Compliance levied by the Association and any collection cost or attorney fees, may then be added by the Association to the Association's continuing lien on that Lot and shall become the personal obligation of the Owner or Co-owner(s) of the Lot in violation of Non-Compliance.

COMBUSTIBLE LIQUID:

There shall be no storage of gasoline, propane, heating or other fuels, except for a reasonable amount of fuel that may be stored in containers appropriate for such purpose on each Lot for emergency operation of household heating and cooking appliances, for gas fireplaces and for the operation of lawn mowers and similar tools or equipment. Larger quantities (over 5 U.S. Gallons) must be approved by the Developer or the Association, When Empowered.

BEHAVIOR

OFFENSIVE ACTIVITIES:

No immoral, improper, noxious, offensive or illegal activities (including, but not limited to vulgar, abusive or otherwise inappropriate language or gestures and indecent exposure, the inappropriateness of all of which shall be the determination of the Developer or the Association, When Empowered) shall be carried on upon any Lot, Common Area or any other portion of the Properties, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any of the Owners or Co-owners of other Lots in the Community or any person using any lot or common area within the Properties, as determined by the Developer or the Association, When Empowered, in its sole discretion. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Properties. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell,

amplifier or other sound device, except such devices as may be used exclusively for security purposes or as approved by the Developer or Authority, When Empowered, shall be located, installed or maintained upon the exterior of any home site unless required by law. Any siren or device for security purposes shall contain a device or system which causes it to shut off automatically. All valid laws, ordinances and regulations of all governmental agencies having jurisdiction shall be observed.

Fines for non-compliance of Offensive Activities are as follows:

ALL OFFENSIVE ACTIVITIES WILL BE REPORTED AND FILED WITH THE COUNTY SHERIFF'S DEPARTMENT

1st offense or notice – courtesy notice of non-compliance is sent out to owner with time frame of allowed correction period.

2nd offense or notice – a follow-up letter addressing the issue of non-compliance with notation of 1st offense letter date and a **\$150.00** fine (or such amount as may be determined by the Board).

3rd offense or notice - **\$300.00** fine (or such amount as may be determined by the Board) and notice of failure to comply with rules/regulations set forth by the Association will constitute immediate grounds for the HOA to take the appropriate action to remedy the violation, including but not limited to any action at law. The cost of that correction, together with the cost of any action such as the cost of any supervision and/or management of these activities taken by the Association to insure that this compliance is achieved; any Assessments for Non-Compliance levied by the Association and any collection cost or attorney fees, may then be added by the Association to the Association's continuing lien on that Lot and shall become the personal obligation of the Owner or Co-owner(s) of the Lot in violation of Non-Compliance.

QUIET ENJOYMENT

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

TV's, radios, stereos shall be played at reasonable levels at all times and the same shall not be played so as to be heard outside of the home in which being played between 11:00 P.M. and 9:00A.M.

Fines for non-compliance of Quiet Enjoyment are as follows:

1st offense or notice – courtesy notice of non-compliance is sent out to owner with time frame of allowed correction period.

2nd offense or notice – a follow-up letter addressing the issue of non-compliance with notation of 1st offense letter date and a **\$50.00** fine (or such amount as may be determined by the Board).

3rd offense or notice - **\$100.00** fine (or such amount as may be determined by the Board) and notice of failure to comply with rules/regulations set forth by the Association will constitute immediate grounds for the HOA to take the appropriate action to remedy the violation, including but not limited to any action at law. The cost of that correction, together with the cost of any action such as the cost of any supervision and/or management of these activities taken by the Association to insure that this compliance is achieved; any Assessments for Non-Compliance levied by the

Association and any collection cost or attorney fees, may then be added by the Association to the Association's continuing lien on that Lot and shall become the personal obligation of the Owner or Co-owner(s) of the Lot in violation of Non-Compliance.

GUNS, WEAPONS AND NOISEMAKERS:

The discharge of firearms on the Properties is prohibited. The term "firearms" includes without limitation devices that make excessive noise or that eject a projectile a distance of more than 15 feet, "B-B" guns, pellet guns, slingshots, firecrackers, and firearms of all types (regardless of size) or any comparable weapons or noisemakers. The Board may impose fines and exercise other enforcement remedies as set forth in this Declaration. Notwithstanding anything to the contrary contained herein, in the Declaration or in the By-Laws, the Association shall not be obligated to take action to enforce this Regulation.

In addition, ALL VIOLATIONS OF THIS NATURE WILL BE REPORTED TO THE COUNTY SHERIFF'S DEPARTMENT AND A REPORT WILL BE FILED. FINES WILL BE ISSUED FOR ALL INFRACTIONS OF THIS SORT NO LESS THAN \$100.00 BUT NOT TO EXCEED \$1,000.00.

VEHICLES AND PARKING

INOPERATIVE AND UNLICENSED VEHICLES, AUTOMOTIVE REPAIRS:

No inoperative or unlicensed vehicles may be parked on a lot except in a garage. No auto maintenance or repairs of a commercial nature (Maintenance or repairs other than on your own vehicle or maintenance or repairs on any vehicle, including your own vehicle, which is of a nature other than minor maintenance or repairs. Minor maintenance and repairs shall be oil changes, belt replacement or general cleaning that do not make the vehicle inoperative for more than two (2) hours or that may in no way create excessive noise or draw undue attention to the activity) shall be allowed on a lot. No vehicles, of any type, without mufflers shall be allowed on premises.

COMMERCIAL AND RECREATIONAL VEHICLES:

No commercial vehicles, motorcycles, boats or boat trailers, "jet skis", personal water craft or other watercraft, utility trailers, campers, mobile homes, tractors, buses, farm equipment, recreational vehicles, all terrain vehicles, go-carts, mini bikes, motorcycles (except licensed street bikes as determined by the Developer or the Association, When Empowered), scooters, golf carts, other towed vehicles, vehicles on blocks, unlicensed vehicles or similar vehicles (collectively vehicles) may be placed or parked on any street within the Community or on any paved or non-paved area of a Lot or adjacent Lot, unless such vehicle is parked inside a totally enclosed Structure or screened area specifically approved for that purpose by the Authority. Service and delivery vehicles may be parked in the Properties during daylight hours for such periods of time as are reasonably necessary to provide service or to make a delivery within the Properties. This provision shall not apply to the Declarant or to any Builder in the process of constructing approved improvements.

The Declarant and/or the Association may designate certain parking areas within the Properties for recreational vehicles subject to reasonable rules and fees, if any.

Fines for non-compliance of Commercial and Recreational Vehicles are as follows:

1st offense or notice – courtesy notice of non-compliance is sent out to owner with time frame of allowed correction period.

2nd offense or notice – a follow-up letter addressing the issue of non-compliance with notation of 1st offense letter date and a \$100.00 fine (or such amount as may be determined by the Board).

3rd offense or notice - \$200.00 fine (or such amount as may be determined by the Board) and notice of failure to comply with rules/regulations set forth by the Association will constitute immediate grounds for the HOA to take the appropriate action to remedy the violation, including but not limited to any action at law. The cost of that correction, together with the cost of any action such as the cost of any supervision and/or management of these activities taken by the Association to insure that this compliance is achieved; any Assessments for Non-Compliance levied by the Association and any collection cost or attorney fees, may then be added by the Association to the Association's continuing lien on that Lot and shall become the personal obligation of the Owner or Co-owner(s) of the Lot in violation of Non-Compliance.

PASSENGER VEHICLES:

Subject to the conditions set out in the Regulations, no passenger vehicle may be parked on any portion of a Lot, specifically landscaped areas, other than paved areas designed for that purpose. All passenger vehicles may be parked in garages or on driveways; if the Developer or the Association, When Empowered, determines that the number of vehicles or their type or condition is not detrimental to the good of the Community or its residents. Parking on the street of any passenger vehicle is strictly prohibited when there is available space in the driveway or garage (use of the garage as a general storage area does not eliminate it from being an "available" parking location).

Where all available driveway and garage spaces are utilized by other vehicles, parking on the street of a passenger vehicle of a lot owner shall not be allowed if it is frequent, habitual or continuous and parking on the street of a passenger vehicle of a lot owner or of the temporary guest of a lot owner shall only be allowed if it is temporary in nature (less than six (6) hours) and in a manner or location that is neither a nuisance to any other lot owners, unsafe or hazardous to traffic or to persons within the Community.

Where all available driveway and garage spaces are utilized by other vehicles, parking on the street of a passenger vehicle of a guest of a lot owner that is actually residing in the home of that lot owner overnight or for a limited period of time (no more than seven (7) days) is permitted as long as the manner or location are not a nuisance to other lot owners, unsafe or hazardous to traffic or to persons within the Community. The parking of the vehicle of the guest of a lot owner who is residing in the home of that lot owner overnight or for a longer period shall be permitted as long as the vehicle is not parked on the street for more than twelve (12) hours in any forty-eight (48) hour period or, based then upon special circumstances, only if approved by the Association for longer periods.

An example of parking that would constitute a nuisance to other lot owners would include,

but not be limited to, blocking or impeding the use of a driveway by another homeowner. Examples of parking in a manner that is unsafe or hazardous shall include, but not be limited to, parking in a manner or location that: interferes with appropriate site-distance for the roadway, is on a hill where visibility is limited, is on a curve where visibility is limited, is near an entrance or intersection or is near a common areas where children might be playing or where other persons might collect on a frequent basis.

No curbside parking areas may be created by expanding any portion of the street pavement without the approval of the Authority.

In all cases the Board of Directors of the Association shall, at its sole discretion, determine what constitutes the proper number and type or condition of vehicles that are appropriate for a lot, a commercial or passenger vehicle, commercial maintenance and repairs, a nuisance to other lot owners, improper parking and unsafe or hazardous parking. The Association may tow or otherwise remove any vehicle or passenger vehicle parked in violation of this Regulation after notice to the Lot Owner of the violation, immediately in cases of a hazard or an emergency or upon the continued violation by that Lot Owner or the Lot Owner's guest, after the initial notice is provided to that Lot Owner.

CHILDREN:

Children are always to be supervised by a responsible adult and not left to their own discretion.

ANIMALS AND PETS:

As further stated in the Declaration, no animals, livestock, or poultry of any kind may be raised, bred, kept, or permitted on any Lot, with the exception of dogs, cats, or other usual and common household pets in reasonable number. The number and type of acceptable household pets may be determined by the Board of the Association from time to time. No animals shall be kept, bred or maintained for commercial purposes and all animals must be properly cared for and kept free of contagious diseases.

All pets shall be reasonably controlled by the owner whenever outside a home and shall be kept in a manner that prevents excessive barking or other acts that would, in the opinion of the Association, constitute a nuisance to other owners in the Community. The owners of the pet shall be responsible for all of the pet's actions. If, in the sole opinion of the Board, any animal becomes destructive of wildlife, dangerous or an annoyance or nuisance to the Owners of Lots within the Properties or of a nearby property, such animal shall be removed from the Properties upon notice from the Developer or the Association, When Empowered.

No pet shall be allowed by its owner to roam free (without being contained within a fenced area on the lot or, when not within a fenced area, confined by a leash) or to deposit its feces on the lot of another owner or on a common area. Those pets which are permitted to roam free, or, in the sole discretion of the Association, endanger the health, make objectionable noise, or constitute a nuisance or inconvenience to the Owners of other Lots or the owner of any portion of the Properties shall be removed by the Owner, upon notice from the Developer or the Association, When Empowered. Any pet may be removed by the Association, if that Owner fails to remove the pet after proper notice from the Association. Should a pet deposit its feces on the

lot of another Owner or upon a common area, it shall be the responsibility of the pet's owner or the Owner of the Lot where the pet is kept to immediately remove the feces.

PLAYGROUNDS AND PLAYGROUND EQUIPMENT

EQUIPMENT IN COMMON AREAS:

Any playground or other play areas or equipment furnished by the Association or erected within the Properties shall be used at the risk of the user, and the Association shall not be held liable to any Person for any claim, damage, or injury occurring thereon or related to use thereof.

BASKETBALL GOALS AND PLAYGROUND EQUIPMENT:

Temporary basketball goals are to be stored out of view from the roadways and all other lots at all times that they are not in use. When in use, the location or use of a temporary basketball goal shall not in any way constitute a nuisance to other residents, inconvenience other residents or create a traffic hazard to other residents or to the general public.

Fines for non-compliance of the storage of temporary basketball goals are as follows:

1st offense or notice – courtesy notice of non-compliance is sent out to owner with time frame of allowed correction period.

2nd offense or notice – a follow-up letter addressing the issue of non-compliance with notation of 1st offense letter date and a \$50.00 fine (or such amount as may be determined by the Board).

3rd offense or notice - \$100.00 fine (or such amount as may be determined by the Board) and notice of failure to comply with rules/regulations set forth by the Association will constitute immediate grounds for the HOA to take the appropriate action to remedy the violation, including but not limited to any action at law. The cost of that correction, together with the cost of any action such as the cost of any supervision and/or management of these activities taken by the Association to insure that this compliance is achieved; any Assessments for Non-Compliance levied by the Association and any collection cost or attorney fees, may then be added by the Association to the Association's continuing lien on that Lot and shall become the personal obligation of the Owner or Co-owner(s) of the Lot in violation of Non-Compliance.

SWIMMING POOLS

No above ground swimming pools are allowed within the community.

All in-ground pools must be approved by the Association. There will be absolutely no exceptions. The homeowner must submit an Architectural Review Application for Association review and approval. Homeowners who fail to comply with these rules and regulations hereby set forth by the Association will receive a notice of non-compliance with a reasonable period (determined by the Board of Directors) to remedy the situation. The Homeowner at that time, must, in writing, respond to the notice and submit a detailed account of how they plan to remedy the issue. A fine will be imposed on all Homeowner's that choose to violate this regulation of up to \$1,000.00, which will be determined at the discretion of the Board.