

STATE OF SOUTH CAROLINA)

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AMENDMENT AND RESTATEMENT OF
DECLARATION OF COVENANTS,
CONDITIONS, EASEMENTS,
RESTRICTIONS, CHARGES AND LIENS
FOR WILLOW COMMONS TOWN HOMES
AND PROVISIONS FOR THE WILLOW
COMMONS TOWN HOMES ASSOCIATION
RECORDED IN RECORD BOOK 851 AT PAGE 1

COUNTY OF RICHLAND

COPY

THIS AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES ASSOCIATION is made this 13th day of MARCH, 2007, by REMA, LLC, a South Carolina Limited Liability Company ("Declarant") by and with the consent of the owners of at least two-thirds of the lots covered thereby.

WITNESSETH:

WHEREAS, Declarant owns property located in Richland County, South Carolina, and has determined to develop therein a neighborhood or Presidential Town Homes known as Willow Commons Place or Willow Lakes Commons or Willow Commons; and

WHEREAS, Declarant desires to impress certain restrictions and to create certain easements upon such property and to establish a Willow Commons Town Homes Association for the purpose of protecting the value and desirability of said lands; and

WHEREAS, Declarant has or is about to cause to be Incorporated under the laws of the State of South Carolina a non-profit Corporation, Willow Commons Town Homes Association, for the purpose of exercising the functions aforesaid, which are hereinafter more fully set forth; and

WHEREAS, in order to cause these covenants, conditions, restrictions, easements, charges and liens to run with, burden, benefit, and bind the property, Declarant executes this instrument.

NOW THEREFORE, Declarant declares that the real property described as the Properties in Article II is and shall be held, transferred, sold, conveyed, given, donated, leased, occupied and used subject, among others, to the covenants, restrictions, conditions, easements, charges assessments, affirmative obligations and liens (herein sometimes referred to as the "Covenants" or "Declaration of Covenants") hereinafter set forth.

ARTICLE I
DEFINITIONS

The following words and terms, when used in these Covenants or any supplemental declaration of covenants (unless the context shall clearly indicate otherwise) shall have the



following meanings:

- (a) Association shall mean and refer to Willow Commons Town Homes Association, a South Carolina non-profit corporation, its successors and assigns.
- (b) "Common Area" shall mean and refer to all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners and Residents. The Common Area shall include pedestrian lighting, entrance monuments, walkways, driveways, patios, fences, landscaping and other land which is not part of the Lots. Common Area may be conveyed to the Association subject to all applicable restrictive covenants of record, and when tendered, title thereto shall be accepted by the Association.
- (c) The "Declarant" shall mean and refer to REMA, LLC, a South Carolina Limited Liability Company, its successors and assigns.
- (d) "Driveway" shall mean and refer to the real property included in the Common Area that provides ingress, egress and access to a Lot as shown on the recorded plat of a portion of the Properties. Reference to Common Area in this Declaration of Covenants shall be deemed to include driveways.
- (e) "Lot" shall mean and refer to all platted lots on which Town homes residences are constructed or are to be constructed as shown on a recorded plat of a portion of the Properties. The term Lot shall include the Town homes residential dwelling unit constructed thereon when the content of use would reasonably imply such construction.
- (f) "Member" shall mean and refer to all those Owners who are Members of the Association as provided in Article IV, Section 4.01 hereof.
- (g) "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of any Lot which is part of the Properties, but excluding in all cases any party holding an interest merely as security for the performance of an obligation.
- (h) The "Properties" shall mean and refer to the real property described in Exhibit "A" attached hereto and made a part hereof by reference, together with such additional real property as the Declarant may own or acquire and which the Declarant makes subject to this Declarant of Covenants pursuant to the terms of Article II hereof.
- (i) "Resident" shall mean and refer to those persons residing in a Town home.
- (j) "Town home" or "Unit" shall be interchangeable and shall mean and refer to the

residential dwelling unit constructed on a Lot, and shall include the Lot when the context of use reasonably implies such construction. Town homes shall consist of two types as follows:

- (i) Free standing or detached single family.
- (ii) Attached single family.

ARTICLE II PROPERTY

SECTION 2.01. PROPERTY. The real property which is and shall be held, transferred, sold, conveyed, leased and occupied, subject to this Declaration of Covenants, is located in Richland County, South Carolina, and is more particularly described in Exhibit "A" attached hereto and incorporated herein by reference.

SECTION 2.02. RIGHT OF EXPANSION. Additional land within the area described in Exhibit "B" attached hereto and incorporated herein by reference may be annexed by the Declarant without the consent of Members within ten (10) years of the recording date of this instrument. Annexation of all or a portion of the area described in Exhibit "B" shall be accomplished by execution and recording in the Register of Deeds Office for Richland County, S.C. of a Supplemental Declaration which shall include a description of the property made subject to this Declaration of Covenants.

SECTION 2.03. EXTENT OF PROPERTY. Nothing contained in this Declaration of Covenants imposes nor should be interpreted to impose any restriction, condition, limitation or easement upon land owned by the Declarant other than that described in Section 2.01 herein above, and such additional property as may by subsequent declaration be added to and subjected to this Declaration of Covenants to Section 2.02 of this Article II.

ARTICLE III PROPERTY RIGHTS

SECTION 3.01. OWNERS' EASEMENTS OF ENJOYMENT. Every Owner shall have a right and easement of enjoyment in and to the Common area and Driveway which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association to suspend the voting rights of an Owner for any period during which any assessment against his Lot remains unpaid, and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.
- (b) The right of the Association to dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility as more fully set forth in Article VI, paragraph (e).

- (c) The right of the Declarant, so long as it owns any Lots, to place promotional signs in the Common area.
- (d) The right of the Association, with the consent of two-thirds (2/3rds) of each class of Members, i.e. both Class A and Class B Members, as defined in Article IV, Section 4.02, to pledge, mortgage, deed in trust or hypothecate any or all of its real and personal property as security for money borrowed or debts incurred, provided, however, that the rights of any such mortgage shall be subordinate to the rights of the Owner and further provided that, as long as the Declarant controls the Association, the approval of the Veterans Administration shall be required if the project known as Willow Commons is approved for VA financing.
- (e) The right of the association to establish reasonable rules and regulations for the use of the Common Area and Driveway.

SECTION 3.02. DELEGATION OF USE. Any Owner may delegate, in accordance with the By-laws, his right of enjoyment to the Common Area and facilities, if any, to the members of his family, his tenants, or contract purchasers who reside in a Town home.

SECTION 3.03. PARKING. Ownership of each Lot shall entitle the Owner to the use of not more than two (2) automobile parking spaces, one of which shall be the garage attached to the Town home of the Owner and the other of which shall be located near each Owner's Lot, together with the right of ingress and egress to said parking area.

SECTION 3.04. TITLE. Upon conveyance of title of the Common Area and Driveway by the Declarant to the Association, the Association shall have full responsibility for maintenance of the Common Area and Driveway.

SECTION 3.05. DAMAGE TO COMMON AREA AND DRIVEWAY. In the event any Common Area or Driveway is damaged or destroyed through negligence or an intentional act of any Owner, Resident, or guest, tenant or member of an Owner's or Resident's family, the Owner of the Lot authorizes the Association to repair such damaged area in accordance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently either by the Association or with the approval of the Association as set forth herein. The amounts necessary to effect such repairs shall be the responsibility of such Owner and shall become a special assessment upon the Lot owned by such Owner.

ARTICLE IV MEMBERSHIP AND VOTING RIGHTS

SECTION 4.01. Every owner of a Lot shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot and shall be subject to assessment as set forth herein. Every member of the Association shall be governed by this

Declaration of Covenants, the By-Laws of the Association and the rules and regulations of the Association.

SECTION 4.02. The Association shall have two (2) classes of voting membership.

- Class A. Class A Members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members. The vote for such Lot shall be cast as a whole and exercised as the Owners thereof shall determine. In no event shall more than one vote be cast with respect to any Lot nor shall the vote appurtenant to any Lot be cast in a fractional part.
- Class B. The Class B Member shall be the Declarant and shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership on the happening of any of the following events, whichever occurs earlier.
- (a) when the total votes outstanding in the Class A membership equals or exceeds the total votes outstanding in the Class B membership, or
 - (b) Ten (10) years from recording of this Declaration of Covenants, or
 - (c) when, in its discretion, the Declarant so determines and executes and records an instrument stating such determination.

ARTICLE V COVENANT FOR MAINTENANCE ASSESSMENTS

SECTION 5.01. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS. The Declarant, for each Lot owned within the Properties, except as is hereinafter provided, hereby covenants, and each Owner of any Lot by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agrees to pay to the Association: (1) annual assessments or charges; and (2) special assessments for capital improvements and other special improvements and/or maintenance authorized by the Board of Directors or otherwise authorized in this Declaration, such assessments to be established and collected as hereinafter provided. The annual and special assessments, together with interest, costs, and reasonable attorney's fees, shall be a charge on the Lot and shall be a continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such Lot at the time when the assessment fell due. In the case of Co-Owners, all Co-Owners shall be jointly and severally liable. The personal obligation for delinquent assessments shall not pass to an Owner's successor(s) in title unless expressly assumed by such successor(s).

SECTION 5.02. PURPOSE OF ASSESSMENTS. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the Residents and Owners; for the improvement and maintenance of the Common Area, Driveway, and the exterior of the Attached Town homes, and, upon the failure of an Owner to maintain the exterior

of free-standing Town homes as required by the Association, then the improvement and maintenance of free-standing Town homes, including but not limited to the costs of repair and replacement, costs of labor, equipment, materials, management, maintenance and supervision; the payment of utilities and taxes assessed against the Common Area and Driveway; and the employment of attorneys, accountants and other professionals to represent the Association when necessary, and such other needs as may arise.

SECTION 5.03. MAXIMUM AND ACTUAL ANNUAL ASSESSMENT. Until January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment shall be One Thousand Eighty and 00/100 (\$1,080.00) Dollars per Lot for Attached Town homes and Seven Hundred Twenty and No/100 (\$720.000) Dollars per Lot for free-standing or detached Town homes.

- (a) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased without a vote of the membership each year by not more than five (5%) percent above the maximum assessment for the previous year.
- (b) From and after January 1 of the year immediately following the conveyance of the first Lot to an Owner, the maximum annual assessment may be increased by an amount greater than permitted in Section 5.03 (a) above by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose;
- (c) The Board of Directors shall fix the annual assessment at an amount not in excess of the maximum. The Board of Directors shall, at least thirty (30) days prior to the annual meeting at which the budget will be presented to the Membership, prepare a budget showing the estimated costs of operating the Association during the coming year and the costs thereof per Lot as an annual assessment. At that time, the Board shall prepare a roster of the Lots and assessments applicable thereto which shall be kept in the Office of the Association and shall be open to inspection by any Owner. The budget shall be provided to the Members at least fifteen (15) days prior to the annual meeting. The budget shall include a contribution establishing a reserve fund. The annual assessments shall become effective when the budget is presented at such meeting.

SECTION 5.04. SPECIAL ASSESSMENTS FOR CAPITAL IMPROVEMENTS. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, the Driveway, and the Town homes located on the Lots as necessary to repair, replace or maintain those portions of the Town homes which are maintained by the Association pursuant to this Declaration of votes of each

class of Members who are voting in person or by proxy at a meeting duly called for this purpose.

SECTION 5.05. NOTICE AND QUORUM FOR ANY ACTION AUTHORIZED UNDER SECTIONS 5.03 (b) and 5.04. Written notice of any meeting called for the purpose of taking any action authorized under Section 5.03(b) or 5.04 shall be sent to all Members not less than fifteen (15) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half ($\frac{1}{2}$) of the required quorum at the preceding meeting. Such subsequent meeting(s) shall be held within sixty (60) days following the preceding meeting.

SECTION 5.06. UNIFORM RATE OF ASSESSMENT. Both annual and special assessments must be fixed at a uniform rate for all Lots on which an attached unit is standing, and, at a uniform rate for all Lots on which a detached unit is standing, and shall be collected on a monthly basis, unless otherwise determined by the Board of Directors.

SECTION 5.07. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENT; DUE DATES. The annual assessments provided for herein shall commence as to all Lots on the first day of the month following the conveyance to the Association of the Common Area. The first annual assessment shall be adjusted according to the number of months remaining in the then current assessment year. In subsequent phase(s) of the project annexed into the Association pursuant to Article II hereof, annual assessments shall commence as to all Lots in such phase(s) on the first day of the month following conveyance to the Association of the Common Area within such phase(s).

The Association shall, upon request of a Member, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. The Association may charge a reasonable fee for costs in connection with the issuance of such certificate. A properly executed certificate of the Association as to the status of assessments, annual and special, on a Lot shall be binding on the Association as of the date of its issuance, with the right of the Association to adjust such certificate based on a charge back due to payment by check drawn on an account with insufficient funds or based on receipt of assessments by collected funds after the issuance of the certificate.

SECTION 5.08. EFFECT OF NON-PAYMENT OF ASSESSMENT; THE LIEN; REMEDIES OF THE ASSOCIATION. Any assessments not paid within thirty (30) days after the date when due shall bear interest at the rate of 18% per year or at the maximum rate permitted under the laws of the State of South Carolina.

The Association may bring an action at law against the Owner personally obligated to pay the same and may foreclose the lien against the Lot in like manner as a mortgage on real estate. Upon exercise of its right to collect the delinquent assessments, the Association may elect to declare the remaining amount of the annual assessment due and payable plus interest, reasonable attorneys

fees, and the costs of collection, and, if the Association brings an action to foreclose the assessment lien, there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action, and in the event a judgment is obtained, such judgment shall include interest, reasonable attorneys fees, and costs of such action. No Owner may waive or avoid liability for the assessments provided for herein by non-use of the Common Area, Driveway or abandonment of his Lot.

SECTION 5.09. SUBORDINATION OF THE LIEN TO MORTGAGES. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage now or hereafter placed upon the Lots subject to assessment. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any assessments thereafter becoming due or from the lien thereof.

SECTION 5.10. RESERVES AND SURPLUS. The Association may establish, from time to time, reserves for such lawful purposes as in its sole discretion it may determine necessary for the greater financial security of the Association and the effectuation of its purposes. The Association shall not be obligated to spend in any fiscal year all the sums collected in such year, and may carry forward, as surplus, any balances remaining. The Association shall not be obligated to apply any such surplus to the reduction of the amount of the annual assessment in the succeeding year, but may carry forward the same from year to year; provided, however, funds may not be accumulated to such an extent as would cause the Association to lose its exempt status.

SECTION 5.11. EXEMPTION. Notwithstanding anything to the contrary contained herein or in the By-Laws of the Association, nor charge, lien or assessment shall be made against any property which is owned by the Declarant and which has not been previously conveyed to any third party, or against Common Area or against properties conveyed to a public agency or utility.

ARTICLE VI PURPOSE AND POWER OF THE ASSOCIATION

The Association is formed to provide for maintenance, preservation, and architectural control of the Lots and Common Area which comprise the Properties and to promote the health, safety and welfare of the Owners and Residents within the Properties, including any additions thereto as may hereafter be brought within the jurisdiction of the Association. The Association is authorized to:

- (a) exercise all of the powers and privileges and to perform all of the duties and obligations of the Association as set forth in this Declaration of Covenants and as the same may from time to time be amended;
- (b) fix, levy, collect and enforce payment by any lawful means, of all charges or assessments pursuant to the terms of the Declaration of Covenants; pay all expenses in connection

therewith and 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, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association;

(d) borrow money, and with the consent of two-thirds (2/3rds) of each class of Members, mortgage, pledge, deed in trust, or hypothecate any or all of its real and personal property as security for money borrowed or debts incurred as more fully set forth in Article III, Section 3.01d(d);

(e) dedicate, sell or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the Members. No such dedication, sale or transfer shall be effective unless an instrument has been signed by two-thirds (2/3rds) of each class of Members, agreeing to such dedication, sale or transfer.

(f) participate in mergers and consolidations with other non-profit corporations organized for the same purposes provided that any such merger, consolidation or annexation shall have the assent of two-thirds (2/3rds) of each class of Members;

(g) to enforce the provisions of the Declaration of Covenants and prosecute lawsuits to do so; and

(h) have and to exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Law of the State of South Carolina by law may now or hereafter have or exercise.

(i) establish reasonable rules and regulations for the use of the Common Area.

The affairs of the Association shall be managed by a Board of at least three (3) Directors and no more than five (5) Directors. The number of directors may be changed by amendment of the By-Laws of the Association.

ARTICLE VII EXTERIOR MAINTENANCE

In addition to maintenance upon the Common Area and Driveway, the Association shall provide exterior maintenance upon each Lot on which an attached Town home is located (including the Town home constructed thereon) which is subject to assessment hereunder as follows: paint, repair, replacement and care of roofs (exclusive of gutters and down spouts), exterior building surfaces, trees, shrubs, grass, walks, parking areas, patios, fences and other exterior improvements,

except that such exterior maintenance shall not include gutters, downspouts and glass surfaces. The Owners of detached or free-standing Town homes shall be required to provide exterior maintenance upon such Town home as follows: paint, repair, replacement and care of roofs, gutters (if any), down spouts (if any) and exterior building surfaces. The Association shall provide exterior maintenance upon each lot on which a detached or free-standing Town Home is located to include all trees, shrubs, grass, walks, parking area, fences and all other common areas. All maintenance by the Owner shall be in the same manner and to the same standard as the Association maintains the attached Town homes, and, upon the failure of an Owner to maintain the exterior of free-standing Town homes as required by the Association, then the Association shall provide the improvement and maintenance of free-standing Town homes, including but not limited to the costs of repair and replacement and the costs of labor, equipment, materials, management, maintenance and supervision, the cost of which shall be a lien against the Lot as set forth in Article V above.

In order to enable the Association to accomplish the foregoing, there is hereby reserved to the Association, in addition to any other rights reserved in the Declaration of Covenants, the right to unobstructed access over and upon each Lot at all reasonable times to perform maintenance herein provided.

In the event that the need for maintenance or repair of a Lot or the improvements thereon or the Common Area is caused through the willful or negligent acts of its Owner or Resident, or through the willful or negligent acts of the family, guests, or invitees of the Owner or Resident of the Lot needing such maintenance or repair, the cost of such exterior maintenance shall be added to and become part of the assessment to which such Lot is subject.

ARTICLE VIII PARTY WALLS

SECTION 8.01. GENERAL RULES OF LAW TO APPLY. Each wall which is built as a part of the original construction of a Town home upon the Properties, and placed 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.

SECTION 8.02. SHARING OF 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.

SECTION 8.03. 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 Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice; however, 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 omissions.

SECTION 8.04. WEATHERPROOFING. Notwithstanding any other provision of this Article, an Owner who by his 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.

SECTION 8.05. RIGHT TO CONTRIBUTION RUNS WITH LAND. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the Lot and shall pass to such Owner's successors in title.

SECTION 8.06. STRUCTURAL INTEGRITY. There shall be no impairment of the structural integrity of any party wall without the prior written consent of (a) all Owners having an interest therein, (b) all mortgagees of each Lot affected thereby, and (c) the Association.

ARTICLE IX ARCHITECTURAL CONTROL

No construction, reconstruction, remodeling, alteration, or addition to any building, fence, wall or other structure, driveway or improvement of any nature shall be commenced, erected or maintained upon the Properties, nor shall any exterior additions to or change or alteration therein be made, until the plans and specifications showing the nature, kind, color, shape, height, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Board of Directors of the Association, or by an Architectural Review Committee composed of three (3) or more representatives appointed by the Board (herein sometimes referred to as "ARC") and by the Architectural Review board for REMA, LLC ("REMA ARC"). In the event said Boards, or their designated committees, fail to approve or disapprove such design and location within forty-five (45) days after said plans and specifications have been submitted to them, approval will not be required and this Article will be deemed to have been fully complied with; provided, however, that nothing herein contained shall be construed to permit interference with the development of the Properties by the Declarant so long as said development follows the general plan of development of the Properties. The Board of Directors may delegate all rights herein to the REMA ARC.

As a prerequisite to consideration for approval, and prior to beginning the contemplated work, a complete set of building plans and specifications shall be submitted to the ARC in such form and include such content as specified in architectural guidelines promulgated by the ARC. The ARC shall be the sole arbiter of such plans and may withhold approval for any reason, including purely aesthetic considerations. Upon given approval, construction shall be started and prosecuted to completion promptly, and in strict conformity with such plans. No previously approved building or structure shall be used for any purposes other than for which it was originally approved.

If any Town home, structure, or building shall be erected, placed, maintained, or altered upon any Lot or other Properties, or any new use commenced on any Lot or other Properties, otherwise than in accordance with the plans and specifications approved by the Board or ARC pursuant to the provisions of this Article, such erection, placement, maintenance or alteration shall be deemed to

have been undertaken in violation of this Article and without the approval required herein; provided, however, that any violation which has existed for more than one (1) year shall be deemed waived unless notification to abate said violation is given by the Association or other action to enforce this Article is undertaken within twenty (20) days after the mailing of the aforesaid notice of violation, the Association shall have the right of enforcement as provided in Section 13.02 herein.

Nothing contained in this Article shall prohibit the construction or re-construction of a detached or free-standing dwelling on a Lot on which a free-standing or detached dwelling has been previously constructed.

ARTICLE X EASEMENTS

SECTION 10.01. OWNER'S RIGHT TO INGRESS, EGRESS, AND SUPPORT. Each Owner shall have the right to ingress and egress over, upon and across the Common Area and Driveway necessary for access to his or her Lot and shall have the right to lateral support for his or her Lot, and such rights shall be appurtenant to and pass with the title to each Lot.

SECTION 10.02. EASEMENTS OF ENCROACHMENT. There shall be reciprocal appurtenant easements of encroachment as between each Lot and such portion or portions of the Common Area and Driveway adjacent thereto or as between adjacent Lots due to the unwillful placement or settling or shifting of the improvements constructed, or altered thereon (in accordance with the terms of this Declaration of Covenants) to a distance of not more than one (1') foot, as measured from any point on the common boundary between each Lot and the adjacent portion of the Common Area or Driveway or as between said adjacent Lots, as the case may be, along a line perpendicular to such boundary at such point; provided, however, that in no event shall an easement for encroachment exist if such encroachment occurred due to willful conduct on the part of an Owner.

There shall also be appurtenant easements of encroachment as between each Lot and such portion or portions of the Common Area and Driveway or an adjacent Lot for eaves of the Town homes to overhang for a distance of not more than Two (2') feet as approved by the Board or ARC as part of the initial construction of the Town homes.

SECTION 10.03. EASEMENTS FOR UTILITIES, ETC. There is hereby reserved by the Declarant blanket perpetual easements upon, across, over, and under all of the Common Area and Driveway for ingress, egress, installation, replacement, repair and maintenance of television antenna systems, security, and similar systems, and all utilities, including, but not limited to, water, sewer, telephone, gas and electricity. The Board shall, upon written request, grant such easements as may be reasonably necessary for the development of any property made subject to this Declaration of Covenants. Notwithstanding anything to the contrary contained in this paragraph, no sewer lines, electrical lines, water lines, or other utilities may be installed or relocated on the Common Area or Driveway except as may be approved by the Association's Board of Directors or as provided in the

development by Declarant. Should any entity furnishing a service covered by the general easement herein provided request a specific easement by separate recordable document, the Board of Directors shall have the right to grant such easements on said Common Area or Driveway without conflicting with the terms hereof. The easements provided for in this Article shall be in addition to any other recorded easements on the Properties. The rights of Declarant herein shall include the right to cut or plant any trees, bushes or shrubbery, make any gradings of the soil, or take other similar action reasonably necessary to achieve the said purposes.

ARTICLE XI REPAIR, RESTORATION, REBUILDING AND INSURANCE

SECTION 11.01. REPAIR, RESTORATION AND REBUILDING. In the event any part of the Lots or any of the Town homes, both attached and detached, thereon shall be damaged or destroyed by fire, other casualty, or any other cause or event whatsoever, the Owner or Owners of the property so damaged or destroyed shall cause it to be promptly repaired, restored, or rebuilt to at least as good a condition as existed immediately prior to such damage or destruction, subject only to the right of the Association (which right is hereby granted to the Association) to authorize and direct such different action as shall be recommended by the Board of Directors and approved by affirmative vote of not less than two-thirds (2/3rds) of each class of Members, which majority shall include the affirmative vote of all the Owners whose homes shall have been damaged or destroyed.

SECTION 11.02. BOARD OF DIRECTORS TO SUPERVISE. All repair, restoration or rebuilding pursuant to the provisions of this Article shall be carried out under such supervision and direction as the Board of Directors of the Association shall deem appropriate in order to assure the expeditious and correct completion of the work concerned, and the Owner or Owners of each Lot which shall have been damaged or destroyed shall fully cooperate with and abide by all instructions and directions of the Association in connection therewith. The Association is hereby given and shall have the right reasonably to approve the architects, contractors and subcontractors to be employed in connection with such repair, restoration or rebuilding, to select a contractor or contractors to perform all or various parts of work to be done upon the various Town homes which shall have been damaged or destroyed by such casualty or other happening, to coordinate the progress of the work among such various Lots, and to hold the proceeds of any insurance which may be payable on account of such casualty or other happening and control the disbursement thereof in such manner as to assure the sufficiency of funds for the completion of said work or for any other proper purpose.

SECTION 11.03. LIEN RIGHTS OF ASSOCIATION. In any case in which the Owner or Owners of the damaged or destroyed Lot or Town home shall fail to carry out and see to the repair, restoration or rebuilding required by the provisions of this Article, or shall request the Association to carry out and see to such repair, restoration or rebuilding, and, in any case, where more than one contiguous Town home shall be involved, the Association shall carry out and see to the repair, restoration or rebuilding required by the provisions of this Article, provided, however, that to the extent the insurance proceeds referred to in Section 11.05 are insufficient as to any Lot, the particular Owner shall be responsible to the Association for such deficiency, and the Association shall have,

and is hereby given, a continuing lien on the Lot for which any such repairs or rebuilding are furnished by the Association in the aggregate amount of (a) the cost thereof, (b) interest at the highest rate permitted by law, but not exceeding eighteen (18%) percent per annum nor less than eight (8%) percent per annum from the date of the Association's payment of such costs, and (c) reasonable attorney's fees and any court or other costs incurred by the Association in connection therewith, which lien shall encumber such Lot of such Owner, his heirs, devisees, personal representatives, grantees and assigns. In the event such Owner does not forthwith fully repay the Association, as aforesaid, such lien may be foreclosed against the Lot by the Association in the same manner provided herein in connection with unpaid assessments. The Association's lien shall be subordinate to the line of any first mortgage, now or hereafter placed on the Lot.

SECTION 11.04. INSURANCE.

(A) INSURANCE REQUIRED FOR ATTACHED UNITS. The Association shall obtain and maintain at all times a policy or policies with replacement cost coverage for the attached Town homes, and all insurable improvements on the Properties, including Common Area and Driveway (with the exception of improvements and betterments made by the respective Lot Owners and with the exception of detached Town homes on which insurance is maintained by the Owner as hereafter set forth) against loss or damage by fire, extended coverage, and other perils included in the special cause of loss form. Earthquake coverage is required either by endorsement or separate policy. If the property is located in an area that is designated as a special flood hazard area, flood insurance shall be purchased by the Association on the Town homes. The insurance policies shall be maintained in an amount sufficient to cover full replacement cost, minus ordinary deductible amount, of repair or reconstruction in the event of damage or destruction from any such hazard. The Association shall also obtain and maintain at all times comprehensive general liability insurance covering damage or injury caused by the negligence of the Association, its officers, directors, agents, employees, Lot Owners and other persons entitled to occupy and Lot or other portion of the Common Area, with cross liability endorsement to cover liability of the Lot Owners as a group to a Lot Owner, with limits of coverage no less than \$1,000,000.00 per occurrence and \$2,000,000.00 aggregate, for a combined single limit, for Bodily Injury and Property damage, or in such amounts as the Board of Directors may from time to time deem to be in the best interest of the Association. The Board of Directors is authorized to purchase workers compensation insurance, if required, and such other insurance as the Board of Directors may from time to time determine desirable including liability insurance for Board Members and Officers while acting in their capacity as members of the Board or Officers of the corporation. Premiums for all such insurance policies and that portion of any covered loss not compensated for because of the loss deductible clause of such policies shall be common expenses included in the annual assessments of each Lot. All such insurance coverage obtained by the Association shall be written in the name of the Association for the use and benefit of Lot Owners. Such insurance shall be governed by the following provisions:

- (a) The Association shall use reasonable efforts to place all insurance coverage with a company or companies licensed to do business in the State of South Carolina and holding a rating of A+ or better by Best's Insurance Reports.

(b) All policies shall be for the benefit of the Association, the Lot Owners and their mortgagees as their interests may appear.

(c) Provision shall be made for issuance of a certificate of insurance to each Lot Owner and his mortgagee, if any, which shall specify the proportionate amount of such insurance attributable to the particular Lot Owner's interest in the Property.

(d) Exclusive authority to adjust losses under policies hereafter in force on the Properties shall be vested in the Association; provided, however, that no mortgagee may be prohibited from participating in the settlement negotiations, if any, related thereto.

(e) In no event shall the insurance coverage obtained and maintained by the Association hereunder be bought into contribution with insurance purchased by individual Lot Owners or their mortgagees.

(f) Each Lot Owner may obtain additional insurance at his expense; provided, however, that no Lot Owner shall be entitled to exercise his right to maintain insurance coverage in such a way as to decrease the amount which the Association, on behalf of all the Lot Owners and their mortgagees, may realize under any insurance policy which the Association may have in force on the Properties at any particular time.

(g) Any Lot Owner who obtains an individual insurance policy covering any portion of the Properties shall file a copy of each such individual policy with the Association within thirty (30) days after purchase of such insurance.

(h) It shall be the individual responsibility of each Lot Owner at his own expense to provide, as he sees fit, title insurance on his individual Lot, public liability insurance, theft and other insurance covering improvements, betterments and personal property damage and loss.

(i) The Association shall conduct an annual insurance review which shall include a replacement cost appraisal, without respect to depreciation, of all insurable improvements on the Properties by one or more qualified persons at least one of whom should be a qualified building cost estimator. The insurance policy shall contain an Agreed Amount and Inflation Guard Endorsement, if available.

(j) The Association shall assure insurance policies that will provide for the following: (1) a waiver of subrogation by the insurer as to any claims against the Association, the Lot Owners and their employees, agents and invitees; (2) waiver by the insurer of its rights to repair and reconstruct instead of paying cash; (3) that the policy on the Properties cannot be canceled, invalidated or suspended on account of the conduct of any officer, director, agent or employee of the Association without a prior demand in writing delivered to the Association to cure the defect and the allowance of a reasonable time thereafter within

which the defeat may be cured by the Association, any Lot Owner or mortgagee; (4) that any "other insurance" clause in the policy exclude individual Lot Owner's policies from consideration and (5) the insurance is not prejudiced by any act or neglect of individual Lot Owners which is not in the control of such Owners collectively.

(k) The Association also may obtain fidelity coverage against dishonest acts on the part of all persons responsible for handling funds belonging to or administered by the Association. The fidelity insurance policy must name the Association as the named insured and shall be written in an amount sufficient to provide protection which is no event less than one and one-half times the Association's estimated annual operating expenses and reserves. An appropriate endorsement to the policy to cover any persons who serve without compensation shall be added if the policy would not otherwise cover volunteers.

(l) The insurance policies and fidelity bonds obtained by the Association shall provide that they may not be canceled or substantially modified without at least ten (10) days prior written notice to the Association and to each holder of a first mortgage which is listed as a scheduled holder of a first mortgage in the insurance policy.

(m) Each Lot Owner appoints the Association as attorney-in-fact for the purpose of purchasing and maintaining the insurance described herein, including the collection and appropriate disposition of the proceeds, the negotiations of losses and execution of releases of liability, the execution of all documents and the performance of all other acts necessary to accomplish such purpose.

(B) INSURANCE REQUIRED FOR DETACHED OR FREE-STANDING UNITS. Each Lot Owner of a Detached Unit shall obtain and maintain at all times a policy or policies with replacement cost coverage for the detached Town home located on the Lot, and all insurable improvements on the Properties, including Common Area and Driveway attached to the Lot against loss or damage by fire, extended coverage, and other perils included in the special cause of loss form. Earthquake coverage is required either by endorsement or separate policy. If the Lot is located in an area that is designated as a special flood hazard area, flood insurance shall be purchased by the Lot Owner. The insurance policies shall be maintained in an amount sufficient to cover full replacement cost, minus ordinary deductible amount, of repair or reconstruction in the event of damage or destruction from any such hazard. The Lot Owner shall also obtain and maintain at all times comprehensive general liability insurance covering damage or injury caused by the negligence of the Lot Owner or any other persons entitled to occupy or utilize the Lot or its appurtenant Common Area. Premiums for all such insurance policies and that portion of any covered loss not compensated for because of the loss deductible clause of such policies shall be the expense of the Lot Owner in addition to the annual and any special assessments of each Lot. All such insurance coverage obtained by the Lot Owner shall be written in the name of the Lot Owner for the use and benefit of the Lot Owner and shall name the Association, as well as the Mortgagee of the Lot Owner as Additional Insureds. Such insurance shall be governed by the following provisions:

(a) The Lot Owner shall use reasonable efforts to place all insurance coverage with a company or companies licensed to do business in the State of South Carolina and holding a rating of A+ or better by Best's Insurance Reports.

(b) All policies shall be for the benefit of the Lots Owners, their Mortgagees and the Association, as their interests may appear.

(c) Each Lot Owner of a detached or Free-standing Town home shall file a copy of each such individual policy with the Association within thirty (30) days after purchase of such Insurance.

(d) It shall be the individual responsibility of each Lot Owner at his own expense to provide, as he sees fit, title insurance on his individual Lot, public liability insurance, theft and other insurance covering improvements, betterments and personal property damage and loss.

(e) The Association shall conduct an annual insurance review which shall include a replacement cost appraisal, without respect to depreciation, of all insurable improvements on the Properties by one or more qualified persons at least one of whom should be a qualified building cost estimator. The insurance policy shall contain an Agreed Amount and Inflation Guard Endorsement, if available.

(f) Upon the failure of the Owners of a Lot on which a detached or free-standing Town home is located to maintain Insurance in accordance with the provisions of this Article, then the Association shall obtain Insurance in the same manner as provided for attached Town homes and the premium for such Insurance shall be an assessment

SECTION 11.05. HANDLING OF CASUALTY INSURANCE. All insurance policies purchased by and in the name of the Association shall provide that proceeds covering property losses shall be paid to the Association. The Association shall receive such proceeds as are paid and delivered to it and hold same in trust for the benefit of the Lot Owners and their mortgagees. Such proceeds, or such portion thereof as may be required for such purpose, shall be disbursed by the Association in payment of repairs or reconstructions as hereinafter provided. Any proceeds remaining after defraying all costs of repairs or reconstruction shall be disbursed to the beneficial Lot Owners, remittances to Lot Owners and their mortgagees being payable jointly to them. Notwithstanding the foregoing, in the event of a determination that the damage or destruction for which the proceeds are paid shall not be repaired or reconstructed, such proceeds shall be disbursed to such persons as hereinafter provided.

SECTION 11.06. ASSOCIATION NOT LIABLE. The Association and its officers, directors, employees, agents and representatives shall have no liability to any Owner for damage to or loss of either the real or any personal property of said Owner. Each insurer of any of said Owner's

interest in said real or personal property shall be bound by the provisions of this Section 11.06 and shall, by appropriate provisions in each policy of insurance concerned, waive its rights of subrogation against the Association and its officers, directors, employees, agents and representatives.

SECTION 11.07. INSURANCE INSUFFICIENT. In any case in which insurance proceeds shall not be paid or payable on account of any damage to or destruction of any Town home or shall be inadequate to fully cover the cost of repair, restoration or rebuilding which the Association is by the provisions of this Article be permitted to carry out, the cost of such repair, restoration or rebuilding in excess of the amount of insurance proceeds available may be borne and paid for by the Association, but without diminishing or in any way affecting any rights or recovery thereof which the Association may have by law against any person or persons who shall be directly or indirectly responsible for such damage or destruction by reason of any negligent or wrongful act or omission or against any Owner for his failure to maintain insurance coverage in accordance with Section 11.04.

SECTION 11.08. OBLIGATION OF ASSOCIATION. Notwithstanding anything to the contrary herein contained, the obligations of the Association under the provisions of this Article shall be limited to the repair, restoration and rebuilding of the Lots and the Association shall not be responsible for repair, restoration or replacement of any personal property of the Owner or others. Further, neither the Association nor its officers or directors shall be liable to Owners, Residents, tenants, guests, or invitees of Owners or Residents for injury or damage, other than the cost of said repair, restoration and rebuilding of the Lots.

SECTION 11.09. ADDITIONAL INSURANCE. The Association may, but shall not be required to, obtain and maintain additional insurance as its board of Directors shall from time to time deem prudent with respect to damage to or destruction of improvements located upon the Common Area, or to any or all of the Town homes, from any cause not covered by the insurance herein above described, and may also obtain such other kinds of insurance protection against such other matters or happenings as its Board of Directors shall from time to time deem prudent.

SECTION 11.10. USE OF PROCEEDS. Notwithstanding the foregoing, to the extent required by the terms of any mortgage for value of any part of the Properties, the proceeds of any insurance becoming payable on account of any loss of, or damage to, the part of the Properties so mortgaged shall be paid first to such mortgagee to the extent of its interest; provided, however, that such mortgagee shall cause or permit all such proceeds received by it to be applied upon the cost of repair, restoration or rebuilding of such Properties, except for any excess of such proceeds over the full cost of such repair or restoration, unless it shall be determined in accordance with the provisions of this Declaration of Covenants that such loss or damage is not to be repaired or restored.

ARTICLE XII USE RESTRICTIONS

In order to preserve the character of Willow Commons as a planned community, Owners,

Residents, and their tenants, guests, and invitees are and shall be subject to the following restrictions, covenants and conditions in addition to, and not as any limitation of, the architectural guidelines set forth in Article IX herein.

SECTION 12.01. RESIDENTIAL USE OF TOWN HOMES; EXTERIOR OF TOWN HOMES AND ACCESSORY BUILDINGS. All Lots shall be used for residential purposes only; provided, however, that nothing contained herein shall prevent the Declarant from using any Lot as a model or sales office. The exterior color scheme and finish of the Town Homes and other buildings shall be regulated by the ARC and specified in the architectural guidelines. Each dwelling shall be harmonious and compatible with surrounding residences and topography, provided, however, that both detached and attached units shall be allowed.

SECTION 12.02. COMMERCIAL USE OF TOWN HOMES PROHIBITED. No trade or business of any kind or character nor the practice of any profession, nor any building or structure designed or intended for any purpose connected with any trade, business, or profession shall be permitted within any Town Home or upon any Lot. Nothing in this section or these Covenants shall be construed to prohibit the rental of any of the Town homes for residential purposes otherwise consistent with this Declaration of Covenants.

SECTION 12.03. DELIVERY RECEPTACLES, MAIL BOXES AND HOUSE NUMBERS. Receptacles for the receipt of mail shall be approved by the Post Office Department and by the ARC and shall be installed as part of the original construction of a Town home. Said receptacle shall be of uniform construction and appearance as prescribed by the ARC and shall be erected in a manner approved by the ARC and at such location as the ARC may in its discretion designate. The ARC may, upon the approval of the Post Office Department, cluster mail receptacles in such location as the ARC may, in its discretion, deem appropriate. No receptacle or any construction for the receipt of newspapers or similar delivered materials shall be erected or permitted except as approved in writing by the ARC. The Declarant shall affix to each dwelling the appropriate house number in a manner prescribed by the ARC in the architectural guidelines.

SECTION 12.04. OUTBUILDINGS AND SIMILAR STRUCTURES. No building or structure of a temporary nature shall be erected or allowed to remain on any Lot, except that temporary structures may be used by Declarant during construction provided that such temporary structures shall not be used as a temporary residence. No trailer, shack, tent, garage, barn, shed, workshop, or other structure or outbuilding of any kind shall be erected or allowed to remain on any Lot, excepting only the buildings constructed as a part of the original construction of the Town home.

SECTION 12.05. SIGNBOARDS. No sign boards shall be displayed except "For Rent" and "For Sale", which signs shall not exceed six (6) square feet in size. No more than one (1) sign shall be displayed on one Lot at the same time. All signs must be of a design and location approved by the ARC.

SECTION 12.06. FENCES, WALLS, AWNINGS AND SCREENS. No fences, walls, awnings, ornamental screens, screen doors, or exterior sunshades of any nature shall be built or erected on any Lots other than such that are constructed or installed by Declarant in connection with the original construction of the Town homes or any replacement thereof, or as authorized and approved by the Board of Directors or ARC. Fences, walls, awnings, screens or the like authorized to be built or erected on the Lot shall be completed within a reasonable period of time to be established by the Board or ARC.

SECTION 12.07. MINIMUM SIZE OF TOWN HOMES AND SETBACKS. No Town home shall be erected on any of the Lots unless said Town home be constructed with a minimum of One Thousand One Hundred Fifty (1,150) square feet of total enclosed dwelling area. The term "enclosed dwelling area" as used in these minimum size requirements does not include terraces, decks, porches, garages, and like areas. Setback and building line requirements shall be as set forth in the architectural guidelines or as approved by the REMA ARC.

SECTION 12.8. SWIMMING POOLS. No swimming pools shall be allowed on any Lot without the prior written consent of the ARC which consent may be withheld in the ARC's sole discretion.

SECTION 12.9. ANTENNA. No radio or television transmission tower or antenna shall be erected within the Properties, except that a television receiving antenna may be mounted on the rear of a Town home provided it does not extend above the roof ridge line and cannot be seen from the front of the house. Satellite dishes are not authorized in the Willow Commons development, unless such prohibition is not enforceable by law, in which case requests for such satellite dishes shall be made to the ARC and REMA ARC in the same manner provided for in this Declaration for requests by Owners of changes to the existing Town homes and Lots.

SECTION 12.10. MINING. No Lot or portion thereof shall be used for any mining, boring, quarrying, drilling, removal of, or any other exploitation of subsurface natural resources.

SECTION 12.11. DISPOSITION OF TRASH AND OTHER DEBRIS. Trash, garbage or other waste shall be kept only in sanitary containers. No Owner shall permit or cause any trash or refuse to be kept on any portion of a Lot or other portion of the Properties other than in the receptacle customarily used therefore which, except on the scheduled day for trash pickup, shall be located only in such locations designated by the ARC where they cannot be seen from adjacent and surrounding property.

No lumber, metals bulk materials, refuse or trash shall be kept, stored or allowed to accumulate on any Lot, except building materials during the course of construction for a period not to exceed one hundred eighty (180) days (commencing from day one of the first delivery of any of such materials) for any approved structure, unless such materials are screened from view in a manner approved by the ARC.

SECTION 12.12. AESTHETICS, NATURE GROWTH, AND UNDERGROUND UTILITY SERVICES. No nature growth or flora shall be intentionally destroyed or removed, except with the prior written approval of the ARC, without which the Owner shall at his cost, replace the same. Garbage cans, equipment, coolers, or storage piles shall be concealed from the view of the neighboring Lots or streets. Any curtains or drapes installed in the Town homes shall be white lined. All residential utility service and lines to Town Homes shall be underground. All fuel tanks must be buried or concealed from view.

SECTION 12.13. ANIMALS. No animals, reptiles, rodents, bees, birds, fish, livestock or poultry shall be raised, bred, or maintained on a Lot, except that domestic dogs, cats, fish and birds inside bird cages, may be kept as household pets within a Town home, provided they are not kept, bred, raised therein for commercial purposes, or in unreasonable quantities. As used in these Covenants, unreasonable quantities shall be deemed to limit the total number of all dogs and cats to two (2) per Town home or enclosed area. All pets must be on a leash any time they are permitted outside of a Town home or enclosed area. Unsupervised animals are subject to being picked up by the Richland County Animal Control in accordance with the County's leash law.

SECTION 12.14. MINOR AGRICULTURAL PURSUITS. Minor agricultural pursuits incidental to residential use of the Lots shall be permitted only within the enclosed rear portion of the Lot provided that such pursuits may not include the raising of crops intended for marketing or sale to others.

SECTION 12.15. CHANGING ELEVATIONS. No Owner shall excavate or extract earth for any business purpose. No elevation changes shall be permitted which materially affects surface grade of surrounding Properties.

SECTION 12.16. WELLS. No individual water supply well system shall be permitted provided, however, that the Association may install one or more wells for landscaping purposes.

SECTION 12.17. MAINTENANCE REQUIRED BY OWNER. Each Owner shall keep all Town homes owned by him and all improvements therein or thereon, in good order and repair, including but not by way of limitation, the seeding watering and mowing of all rear lawns, and the pruning and cutting of all trees and shrubbery in the rear yard, all in a manner and with such frequency as is consistent with safety and good property management.

SECTION 12.18. USE OF SAMPLE HOUSES. The Declarant or other entity acting with Declarant's express written consent, during such time as Declarant or such designee shall continue to be the owner of any of the Town homes, may use the same for the purpose of building thereon a sample house or sample houses, and sales and information centers in Willow Commons which may be exhibited to the public and to which the Declarant or its designee shall be entitled to invite the public for purposes of inspection of the sample house or houses and dissemination of sales information. Such activities are limited to the sale of Willow Commons town Homes and shall not be construed as a violation of the residential provisions of this Declaration of Covenants.

SECTION 12.19. OUTSIDE DRYING, LAUNDERING, STORAGE AND RECREATIONAL EQUIPMENT. No clothing, household fabrics, mops, tools or similar objects may be hung or stored in the open on any Lot. No personal items of any kind may be placed or stored on the Lots or on the Common Area or Driveway, including but not limited to gym sets, sand boxes, basketball goals or other outdoor recreational equipment except in areas which may be specifically provided by the Association.

SECTION 12.20. LANDSCAPE RESTRICTIONS AND PROHIBITION AGAINST SUBDIVISION. No tree having a diameter of six (6") inches or more (measuring from a point five (5') feet above ground level) shall be removed from any of the Properties without the express written authorized of the ARC. No Lot shall be divided or subdivided or have its boundaries changed except that the Declarant hereby expressly reserves the right to divide, subdivide or change the boundary lines of any one or more Lots owned by the Declarant in order to create a modified Lot or Lots to create Common Area, provided, however, changes in boundaries shall be for the purpose of correcting survey areas. Such changes shall have the approval of the Veterans Administration, if the project known as Willow Commons is approved for VA financing.

SECTION 12.21. FIREWORKS AND USE OF FIREARMS. The sale and use of fireworks of any kind whatsoever on the Properties is prohibited. The use of or discharge of firearms of any kind whatsoever is prohibited. Hunting of any kind, and by any method, including but not limited to firearms, traps, snares, bow and arrows, or manually propelled missiles is prohibited.

SECTION 12.22. PROHIBITION AGAINST OFFENSIVE CONDUCT OR NUISANCE. No noxious or offensive activity shall be carried on upon any Lot or other properties, nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance, or nuisance to the neighborhood. There shall not be maintained any plants or animal or device or anything of any sort whose normal activities or existence will in any way diminish or destroy the enjoyment of other properties in the neighborhood by the Owners or Residents thereof. The keeping of bees is specifically prohibited. There shall be no activity on or within any Lot, Common Area, Driveway or Town Home which violates any laws, regulations, ordinances, including but not limited to zoning and subdivision ordinances, or rules affecting the Properties or which causes the rate of insurance covering the Common Area, Driveway, Lots and Town Homes to be increased.

SECTION 12.23. PARKING RESTRICTIONS AND USE OF GARAGES. No automobile shall be parked or left on any street or Common Area, except a Driveway, overnight or on any Lot shown on the Willow Commons plat other than in a parking area. Habitual parking on Common Area or on the street during the day is prohibited. Inoperable vehicles (jacked up on blocks or other devices) are not permitted on the Common Area, Driveway, streets, or yards for longer than two (2) days and there shall be no repairs, maintenance, assembly, or disassembly of motor vehicles, boats, or other mechanical devices. Garage doors shall remain closed at all times except when entering or exiting.

SECTION 12.24. OTHER VEHICLE AND TRAILER PARKING. No trailer, trailer house,

recreational vehicle, mobile home, or habitable motor vehicle of any kind, boat or boat trailer, school bus, truck (other than non-commercial "vans" or "pick-ups") or commercial vehicle shall be brought upon or habitually parked overnight, whether on any street, Common Area, Driveway or on any Lot or on any part of the Properties. This shall not be construed to prohibit a mere temporary standing or parking of a trailer, boat, or trailer house, recreation vehicle, or mobile home for short periods preparatory to taking same to some other location for use or storage. Nothing contained herein shall be considered to prohibit the use of portable or temporary buildings or trailers as field offices by contractors during actual construction, provided the same are not inhabited as a temporary residence.

SECTION 12.25. CHEMICAL FERTILIZERS, PESTICIDES, OR HERBICIDES. No commercial chemical fertilizers, pesticides, or herbicides other than those approved by the Association shall be used on any Lot or any portion of the Properties. This provision in no way limits the use of those products which are readily available for consumer use and approved by an agency, such as the Food and Drug Administration, for the purpose intended, provided, however, that such chemical products are not harmful to, nor will adversely affect, aquatic growth, or marine and animal life, and said product is so labeled by such agency as harmless to said plant and animal life.

SECTION 12.26. RIGHT OF ENTRY IN EMERGENCY. In the event an emergency condition exists which would result in damage to other Town Homes, Declarant, for itself and on behalf of the Association, once the Common Area and Driveway are conveyed to the Association, reserves the right in the case of such an emergency, to enter the Lot and the Town Home located on the Lot and take such action as the Declarant or Association deems reasonable to address such emergency.

ARTICLE XIII GENERAL PROVISIONS

SECTION 13.01. DOCUMENTS. All papers and instruments required to be filed with or submitted to the Declarant, the Association, or the ARC shall be delivered personally or sent by Certified Mail Return Receipt Requested to the Declarant, Association or ARC at the initial address of 23 Ridge Road, Beaufort, SC 29072, ATTN: Managing Partner, or to such other address as the Declarant, the Association, the ARC or REMA ARC may specify.

SECTION 13.02. VIOLATION. If any person, firm, or corporation shall violate or attempt to violate any of these Covenants, it shall be lawful for any person, firm or corporation owning any of the Lots for having any interest therein, to prosecute any proceeding at law or in equity against the person, firm, or corporation violating or attempting to violate the same and either to prevent it or them from so doing or to recover damages or other dues for such violation. The party enforcing the Covenants shall be entitled to recover attorney's fees and expenses if he prevails.

In addition to the rights and remedies herein above enumerated, and not as any limitation thereof, if the Association Board determines that any provision of these Covenants has been violated, the Association Board may, in its discretion, seek appropriate relief at law or equity to assure that

the purposes of these Covenants are fulfilled. After having given thirty (30) days written notice to the Owner of any Lot involved, setting forth the specific violation or breach of these Covenants and the action required to be taken by the Owner to remedy such violation or breach of these covenants and if, at the end of such time, reasonable steps to accomplish such action have not been taken by the Owner, the Declarant or the Association can enforce these Covenants by entering upon a Lot to abate or remove any violation, and any such entry shall not be deemed a trespass. Failure to enforce any of these Covenants shall not be deemed a waiver of the right to do so.

SECTION 13.03. SEVERABILITY. Invalidation of any of these Covenants shall in no way affect the validity or enforceability of the other Covenants, which will remain in full force and effect.

SECTION 13.04. DURATION AND AMENDMENT. This Declaration of Covenants shall bind all persons claiming any interest in the land and shall run with the land for a period of twenty (20) years from the date of recording, after which time they shall be automatically extended for successive periods of ten (10) years unless an instrument signed by a majority of the Owners (multiple Owners of a single Lot shall have one (1) vote among them) of Lots has been recorded terminating the Covenants.

During the first twenty (20) year period, amendments shall be by a written instrument signed by not less than ninety (90%) percent of the Owners and thereafter, by an instrument signed by not less than seventy-five (75%) percent of the Owners (multiple Owners of a single Lot shall have one (1) vote for each Lot it owns), provided, however, that the proposed amendment shall first be approved by a majority of the board members present at the meeting of the Board of Directors of the Willow Commons Town Homes Association, Inc. in which the proposed amendment is submitted for action. Upon proper execution, the instrument shall be filed in the Office of the Register of Deeds for Richland County, South Carolina.

The foregoing paragraph notwithstanding, so long as the Class B Membership shall exist, the Declarant specifically reserves the right to amend this Declaration of Covenants, or any portion thereof, on its own motion and without the vote of the Class A Membership.

SECTION 13.05. RELOCATION OF STREETS AND REVISION OF THE PLAT. The Declarant reserves the right unto itself, its successors and assigns, to relocate, open, or close streets shown upon the recorded subdivision plat and also reserves the right to revise, resubdivide, and change the size, shape, dimensions and location of Common Area, Driveway and Lots, and these Covenants shall be applicable to resulting Common Area, Driveway and Lots; provided, however, that no such revision shall adversely affect the overall subdivision plan and that no revision shall adversely affect any Lot value, as shall be determined by the Veterans Administration if the project is approved for VA financing, and no Lot sold prior to such revision shall be deprived of access from the streets or Driveways of the subdivision, and provided, further, that no Lot sold prior to such revision shall be deprived of access from the streets or Driveways of the subdivision, and, provided, further, that no Lot shall have any area less than the smallest Lot shown on said recorded subdivision Plat.

SECTION 13.06. LIGHTING. Street lighting shall be installed and operated by the County of Richland and paid for through property taxes or as may otherwise be provided for by the Association.

SECTION 13.07. ASSIGNMENT OF MANAGEMENT RESPONSIBILITIES. Upon approval of a vote of two-thirds of the Members of the Association present and voting at a duly called meeting, the Association may employ a Manager (which may be a natural person or corporation) to provide such services and perform such duties of management of the Association as authorized and directed by the Board of Directors.

ARTICLE XIV ANNEXATION OF ADDITIONAL PROPERTIES

SECTION 14.01. Additional real property as described on Exhibit "B" attached hereto and incorporated herein by reference may be annexed to the Willow Commons development and subject to the jurisdiction of the Association by additions by the Declarant or by voluntary additions, as set forth in this Article XIV.

SECTION 14.02. Additions by Declarant. The Declarant, its successors and assigns, shall have the right, without consent of the Association, to bring within the plan and operation of this Declaration of Covenants additional properties, in its option, as more fully set forth in Article II, Section 2.02 of this Declaration.

SECTION 14.03. Voluntary Additions. Upon approval in writing of the Association by two-thirds (2/3rds) of the vote of each Class of Members at a duly called meeting, the owner, other than Declarant, of any property not included in Willow Commons, who desires to add it to the plan of this Declaration of Covenants and to subject it to the jurisdiction of the Association may file of record an adoption of this Declaration of Covenants with respect to the additional property. Such adoption shall reflect in writing the approval by (1) the Association; (2) the owner of the real property to be annexed; and (3) the lien holders of the owner desiring to have his real property annexed.

SECTION 14.04. Method of Annexation. The methods of annexation authorized herein shall be effectuated by the recordation of a Supplemental Declaration executed by the Declarant under Section 14.02 above; by the owner of the real property to be annexed and the Secretaries of the Association under Section 14.03 above. In all instances, the lien holders' approval in writing shall also be obtained.

SECTION 14.05. Contents of Supplemental Declaration. The Supplemental Declaration shall describe the real property to be annexed and shall state that it is being made pursuant to this section and article of the Declaration of Covenants for the purpose of annexation and that the jurisdiction of this Declaration of Covenants and that Association shall extend to and cover the real property to be annexed. Upon recordation of the Supplemental Declaration, the owners of the real property annexed shall be subject to this Declaration, the By-Laws of the Association, and all rules

and regulations promulgated by the Association and shall have a right and easement of enjoyment in and to the Common Area and Driveways, incur an obligation of maintenance assessments as is provided herein which shall be personal and run with the real property annexed, and in all ways shall become a member of the Association.

SECTION 14.06. Common Area and Driveway. Title to any common area and driveway located within such portions of real property annexed by the Declarant as provided in Section 14.02 above may be conveyed to the Association without the consent of the Association or the consent of the Owners, and shall, if so transferred, be held and administered in the same manner, and for the same purposes as the land described in Article II herein.

SECTION 14.07. Government Approval. In the event that any agency of the United States of America or of South Carolina has insured or provided funds to finance any real property subject to this Declaration of Covenants and the regulations or procedures of such agency require approval of the annexations or a determination that the annexation is within the General Plan of Development of Willow Commons, then such written and recorded approval or determination shall be a prerequisite to such annexation.

IN WITNESS WHEREOF, Declarant has hereunto set its hand and seal the day and year first above written.

IN THE PRESENCE OF:

REMA, LLC
By: Charles C. Beyer Jr.
Printed Name: Charles C. Beyer
Title: President

[Signature]
(First Witness sign here)

[Signature]
(Second Witness or Notary sign here)

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

The foregoing instrument was acknowledged before me by REMA, LLC, a South Carolina Limited Liability Company, its Members, this 19 day of March, 2007.

[Signature]
(SEAL)
Notary Public for South Carolina
My Commission Expires: 7/29/09

Exhibit A

All that certain piece, parcel or lot of land, lying and being in the County of Richland, State of South Carolina, and being shown as Willow Commons Phase I Building 1, Units A and B, Building 2, Units A and B, Building 19, Units A and B and proposed Units 3, 4, 5, 18, 20, 21, and 27, prepared by James F. Polson, RLS dated August 28, 2003 and recorded September 3, 2003 in Book 845 at page 2157. Reference is made to said survey for specific metes and bounds.

Exhibit B

All that certain piece, parcel or lot of land, lying and being in the County of Richland, State of South Carolina, and being shown as that portion of a 9.79 acre tract of land that is not included in Phase I and being designated as Phase II on a plat prepared by James F. Polson, RLS dated December 10, 2002 and recorded in Book 736 at page 1611. The plat is incorporated herein as to specific metes and bounds.

BY-LAWS
OF
WILLOW COMMONS TOWN HOMES ASSOCIATION

ARTICLE I

NAME AND LOCATION. The name and location of the corporation is Willow Commons Town Homes Association, Inc. hereinafter referred to as the "Association". The principal office of the corporation shall be located at 23 Ridge Road, Beaufort, SC 29902, but meetings of members and directors may be held at such places within the State of South Carolina, County of Richland, as may be designated by the Board of Directors.

ARTICLES II
DEFINITIONS

The following words and terms, when used in these By-laws (unless the context shall be clearly indicated otherwise) shall have the following meanings:

- Section 1. "Association" shall mean and refer to Willow Commons Town Homes Association, Inc., a South Carolina non-profit corporation, its successors and assigns.
- Section 2. "Common Area" shall mean and refer to all real and personal property now or hereafter owned by the Association for the common use and enjoyment of the Owners and Residents. The Common Area shall include Willow Commons Town Homes Association pedestrian lighting, entrance monuments, walkways, driveways, landscaping, patios, fences, and other land which is not part of the Lots. Common Area may be conveyed to the Association subject to all applicable restrictive covenants of record, and when tendered, title thereto shall be accepted by the Association.
- Section 3. The "Declarant" shall mean and refer to REMA, LLC, a South Carolina Limited Liability Company, its successors and assigns.
- Section 4. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, Easements, Restrictions, Charges, and Liens for Willow Commons Town Homes and provisions for Willow Commons Town Homes Association.
- Section 5. "Driveway" shall mean and refer to the real property included in the Common Area that provides ingress, egress, and access to a Lot as shown on the

recorded plat of a portion of the Properties. Reference in a Common Area in this Declaration of Covenants shall be deemed to include driveways.

- Section 6. Lot shall mean and refer to all platted lots on which Town Homes residences are constructed as shown on a recorded plat of a portion of the Properties. The term Lot shall include the Town Homes residential dwelling unit constructed thereon when the context of use would reasonably imply such construction.
- Section 7. "Member" shall mean and refer to all those owners who are members of the Association as provided in Section 4.01 of Articles IV of the Declaration.
- Section 8. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of any Lot which is part of the Properties, but excluding in all cases any party holding any interest merely as security for the performance of an obligation.
- Section 9. The "Properties" shall mean and refer to the real property described in Exhibit "A" attached hereto and make part hereof reference, together with such additional real property as the Declarant may own or acquire and which the Declarant makes subject to this Declaration of Covenants pursuant to the terms and Article II of the Declaration of Covenants, Conditions, Easements, Charges, and Liens for Willow Commons Town Homes and provisions for Willow Commons Town Homes Association.
- Section 10. "Resident" shall mean and refer to those persons residing in a Town Home.
- Section 11. "Town home" or "Unit" shall be interchangeable and shall mean and refer to the residential dwelling unit constructed on a Lot, and shall include the Lot when the context of use reasonably implies such construction. Town homes shall consist of two types as follows:
- (i) Free standing or detached single family units
 - (ii) Attached single family units.

ARTICLE III MEETING OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of corporation of the Association, and each subsequent regular annual meeting of the Members shall be held on the same day of the same month of the year thereafter at the hour of 7:00 o'clock, P.M. If the day for the annual meeting of members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

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

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

Section 4. Quorum. The presence at the 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 the meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

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

ARTICLE IV BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of at least three (3) directors, who need not be members of the Association, except that the initial Board of Directors which serves until the first annual meeting of the Association shall consist of three (3) Directors.

Section 2. Term of Office. At the first annual meeting, the Members shall elect two (2) directors for each term of one year, two (2) directors for a term of two years, and one (1) director for a term of three years; and at each annual meeting thereafter the Members shall elect those directors whose terms expire.

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

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

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

ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a nominating Committee. Nominations may also be made from the floor of the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

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

ARTICLE VI MEETINGS OF DIRECTORS

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

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

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

ARTICLE VII
POWER AND DUTIES OF THE BOARD OF DIRECTORS

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

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

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

- a) cause to be kept a complete record of all its acts and corporate affairs and to be present a statement thereof to the members at the annual meeting of the Members, or any special meeting when such statement is requested in writing by one-fourth (1/4) of the Class A members who are entitled to vote;
- b) supervise all officers, agents and employees of the Association, and to see that their duties are properly performed;
- c) as more fully provided in the Declaration to:
 - 1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period.
 - 2) send written notice of each assessment to every Owner due date subject thereto at least (30) days in advance of each annual assessment period; and

- 3) foreclose the lien against the property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the Owner personally obligated to pay the same.
- d) 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. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of payment;
- e) procure and maintain adequate liability and hazard insurance on property owned by the Association;
- f) cause all officers or employees having fiscal responsibilities to be bonded, as it may be deemed appropriate; and
- g) cause the Common Area to be maintained.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of the Association shall be a president and a 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 may from time to time by resolution create.

Section 2. Election of Officers. The election of the officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

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

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

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause from the Board. Any officer may resign at any given time by giving written notice to the Board, 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 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 of the Board. 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 the secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any other offices except in the case of special offices pursuant to Section 4 of this Article.

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

President

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

Vice-President

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

Secretary

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

Treasurer

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

ARTICLE IX COMMITTEES

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

ARTICLE X BOOKS AND RECORDS

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

ARTICLE XI ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of eighteen (18) percent per annum, and the Association may bring an action in law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interests, costs, and reasonable attorney's fees ("Delinquent Payment Fees") of any such action shall be added to the amount of such assessment and shall be collectible as a part thereof. No owner may waive or otherwise avoid liability for the assessments provided for herein by non-use of the Common Area or abandonment of his Lot.

CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Willow Commons Town Homes Association, Inc.

ARTICLE XIII AMENDMENTS

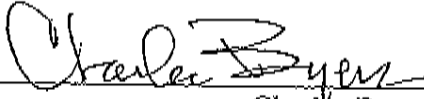
Section 1. These By-laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, except that the Veterans Administration, if the project is known as Willow Commons Town Homes is approved for VA financing, shall have the right to veto amendments while there is a class b membership.

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

ARTICLE XIV
MISCELLANEOUS

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

IN WITNESS WHEREOF, we, being all of the Directors of the Willow Commons Town Homes Association have hereunto set our hands this 17th day of March, 2007.


Charles Byers

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Willow Commons Town Homes Association, Inc., a South Carolina Limited Liability Company, and,

THAT the foregoing By-laws constitute the original Amended By-laws of said Association, as duly adopted at a meeting of the Members thereof, held on the 13th day of March, 2007.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Association this 13 day of March, 2007.



Secretary (seal)

Exhibit A

All that certain piece, parcel or lot of land, lying and being in the County of Richland, State of South Carolina, and being shown as Willow Commons Phase I, Unit A and B, Building 2, Units A and B, Building 19, Units A and B and proposed Units 3,4,5,18,20,21, and 27, prepared by James F. Polson, RLS dated August 28, 2003 and recorded September 3, 2003 in Book 845 at page 2157. Reference is made to said survey for specific metes and bounds.

Exhibit B

All that certain piece, parcel or lot of land, lying and being in the County of Richland, State of South Carolina, and being shown as that portion of a 9.79 acre tract of land that is not included in Phase I and being designated as Phase II on a plat prepared by James F. Polson, RLS dated December 10, 2002 and recorded in Book 736 at page 1611. The plat is incorporated herein as to specific metes and bounds.

CONSENT TO AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES RECORDED IN RECORD BOOK 851 AT PAGE 1.

The undersigned, being the current Owner(s) of the below referenced Lot in Willow Commons do(es) hereby consent to the attached Amendment and Restatement of AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES ASSOCIATION recorded in Record Book 851 at page 1.

Witness our hands and seals this 13th day of March, 2007.

WITNESSES:

May Beal Kinard
[Signature]

VIP Developers, Inc.
By: *Porter O. Kinard*
Porter O. Kinard, Vice President
Owner(s) of the following Unit Lots in Revised Phase 2:

- Lot 1 - 121 Weeping Willow Circle
- Lot 3 - 125 Weeping Willow Circle
- Lot 5 - 129 Weeping Willow Circle
- Lot 7 - 133 Weeping Willow Circle
- Lot 9 - 137 Weeping Willow Circle
- Lot 11 - 141 Weeping Willow Circle
- Lot 13 - 145 Weeping Willow Circle
- Lot 15 - 144 Weeping Willow Circle
- Lot 17 - 140 Weeping Willow Circle
- Lot 19 - 134 Weeping Willow Circle
- Lot 21 - 130 Weeping Willow Circle
- Lot 23 - 220 Willow Glen Circle
- Lot 25 - 216 Willow Glen Circle
- Lot 28 - 210 Willow Glen Circle

- Lot 2 - 123 Weeping Willow Circle
- Lot 4 - 127 Weeping Willow Circle
- Lot 6 - 131 Weeping Willow Circle
- Lot 8 - 135 Weeping Willow Circle
- Lot 10 - 139 Weeping Willow Circle
- Lot 12 - 143 Weeping Willow Circle
- Lot 14 - 147 Weeping Willow Circle
- Lot 16 - 142 Weeping Willow Circle
- Lot 18 - 138 Weeping Willow Circle
- Lot 20 - 132 Weeping Willow Circle
- Lot 22 - 128 Weeping Willow Circle
- Lot 24 - 218 Willow Glen Circle
- Lot 27 - 212 Willow Glen Circle

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

The foregoing instrument was acknowledged before me by Porter O. Kinard as Vice President of VIP Developers, Inc. this 13th day of March, 2007.

[Signature] (SEAL)
Notary Public for South Carolina
My Commission Expires: 7/29/07

CONSENT TO AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES RECORDED IN RECORD BOOK 851 AT PAGE 1.

The undersigned, being the current Owner(s) of the below referenced Lot in Willow Commons do(es) hereby consent to the attached Amendment and Restatement of AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES ASSOCIATION recorded in Record Book 851 at page 1.

Witness our hands and seals this 13th day of March, 2007.

WITNESSES:

May Byrd O'Connell
[Signature]

VIP East, LLC

By: Porter O. Kinard
Its Authorized Member

Owner(s) of Unit Lot 4-B, Phase I
115 Weeping Willow Circle

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

The foregoing instrument was acknowledged before me by Porter O. Kinard as Authorized member of VIP East, LLC this 13th day of March, 2007.

[Signature]
[Signature]

(SEAL)

Notary Public for South Carolina

My Commission Expires: 3/29/09

CONSENT TO AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES RECORDED IN RECORD BOOK 851 AT PAGE 1.

The undersigned, being the current Owner(s) of the below referenced Lot in Willow Commons do(es) hereby consent to the attached Amendment and Restatement of AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES ASSOCIATION recorded in Record Book 851 at page 1.

Witness our hands and seals this 13th day of March, 2007.

WITNESSES:

May Bryan Darnold
[Signature]

Samuel J. Dukes
Samuel J. Dukes

Owner(s) of Unit Lot 23
(Original Phase 2)
213 Willow Glen Circle

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

The foregoing instrument was acknowledged before me by Samuel J. Dukes this 13th day of March, 2007.

[Signature] (SEAL)
Notary Public for South Carolina
My Commission Expires: 7/29/09

CONSENT TO AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES RECORDED IN RECORD BOOK 851 AT PAGE 1.

The undersigned, being the current Owner(s) of the below referenced Lot in Willow Commons do(es) hereby consent to the attached Amendment and Restatement of AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES ASSOCIATION recorded in Record Book 851 at page 1.

Witness our hands and seals this 17th day of March, 2007.

WITNESSES:

Mary Beth Demand
[Signature]

Ronald J. Davis
Ronald J. Davis

Owner(s) of Unit Lot 5-A, Phase 1
117 Weeping Willow Circle

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

The foregoing instrument was acknowledged before me by Ronald J. Davis this 17th day of March, 2007.

[Signature]

(SEAL)

Notary Public for South Carolina
My Commission Expires: 7/29/09

CONSENT TO AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES RECORDED IN RECORD BOOK 851 AT PAGE 1.

The undersigned, being the current Owner(s) of the below referenced Lot in Willow Commons do(es) hereby consent to the attached Amendment and Restatement of AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES ASSOCIATION recorded in Record Book 851 at page 1.

Witness our hands and seals this 17th day of March, 2007.

WITNESSES:

Raymond Donald

Bernice M. Mial

Bernice M. Mial

[Signature]

Edward S. Mial

Edward S. Mial

Owner(s) of Unit Lot 1-A, Phase 1
101 Weeping Willow Circle

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

The foregoing instrument was acknowledged before me by Bernice M. Mial and Edward S. Mial this 17th day of March, 2007.

[Signature] (SEAL)

Notary Public for South Carolina
My Commission Expires: 7/29/09

CONSENT TO AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES RECORDED IN RECORD BOOK 851 AT PAGE 1.

The undersigned, being the current Owner(s) of the below referenced Lot in Willow Commons do(es) hereby consent to the attached Amendment and Restatement of AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES ASSOCIATION recorded in Record Book 851 at page 1.

Witness our hands and seals this 13th day of March, 2007.

WITNESSES:

Phay Bird Omond
~~_____~~

Iva Dean Sessions
Iva Dean Sessions

Owner(s) of Unit Lots 2-A and 2-B, Phase 1
105 and 107 Weeping Willow Circle

STATE OF SOUTH CAROLINA)

COUNTY OF RICHLAND)

The foregoing instrument was acknowledged before me by Iva Dean Sessions this 13th day of March, 2007.

~~_____~~ (SEAL)

Notary Public for South Carolina
My Commission Expires: 3/29/09

CONSENT TO AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES RECORDED IN RECORD BOOK 851 AT PAGE 1.

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Witness our hands and seals this 13th day of March, 2007.

WITNESSES:

[Handwritten signature]

Mary M Walker
Mary M. Walker

Owner(s) of Unit Lot 20-A, Phase 1
201 Willow Glen Circle

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

The foregoing instrument was acknowledged before me by Mary M. Walker this 13th day of March, 2007.

[Handwritten signature]

(SEAL)

Notary Public for South Carolina
My Commission Expires: 3/29/09

CONSENT TO AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES RECORDED IN RECORD BOOK 851 AT PAGE 1.

The undersigned, being the current Owner(s) of the below referenced Lot in Willow Commons do(es) hereby consent to the attached Amendment and Restatement of AMENDMENT AND RESTATEMENT OF DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, RESTRICTIONS, CHARGES AND LIENS FOR WILLOW COMMONS TOWN HOMES ASSOCIATION recorded in Record Book 851 at page 1.

Witness our hands and seals this 13th day of March, 2007.

WITNESSES:

Ray Byrd Omond Michael W. Merritt

 Michael W. Merritt

Owner(s) of Unit Lot 19-A, Phase 1
202 Willow Glen Circle

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

The foregoing instrument was acknowledged before me by Michael W. Merritt this 13th day of March, 2007.

[Signature] (SEAL)
 Notary Public for South Carolina
 My Commission Expires: 3/29/09