

**BYLAWS OF
RIDGE TERRACE HOMEOWNERS ASSOCIATION**

ARTICLE I

NAME AND LOCATION

These are the Bylaws of the **Ridge Terrace Homeowners Association**, a South Carolina non-profit corporation (the "Association"). The principal office of the Association shall be located at **4910 TRENHOLM ROAD, SUITE C, COLUMBIA, SOUTH CAROLINA 29206**, but meetings of Members and Directors may be held at such places as may be designated by the Board of Directors from time to time.

ARTICLE II

DEFINITIONS

The capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Amended and Restated Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens for Ridge Terrace Subdivision dated March 9, 2012 and recorded in the Office of the Register of Deeds for Lexington County, South Carolina in Book 15393 at Page 201 (as the same may be amended or modified from time to time, the "Declaration"). The Declaration is incorporated herein by this reference and made a part hereof.

ARTICLE III

PURPOSE AND POWERS OF THE ASSOCIATION

This Association does not contemplate pecuniary gain or profit to the Members thereof, and the specific purposes for which it is formed are to (i) enforce the Declaration, (ii) provide for maintenance, preservation, and architectural control of the Property described in Exhibit A to the

Declaration, including the residential Lots, Common Areas, Areas of Common Responsibility, and Areas of Extended Lot Owner Responsibility, and (iii) to promote the health, safety and welfare of the Owners within the Community and any additions thereto as may hereafter be brought within the jurisdiction of the Association, and for this purpose to:

(a) Exercise all of the powers and privileges and to perform, or delegate to an appropriate person or entity the authority to perform, all of the duties and obligations of the Association, including the establishment and amendment of the Regulations of the Association and the use and maintenance of the Common Area, Area of Common Responsibility, and Area of Extended Lot Owner Responsibility, as set forth in the Declaration;

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

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

(d) Borrow money, mortgage, pledge, deed in trust, or hypothecate any and all of its real or personal property including, but not limited to the Common Area, as security for money borrowed or debts incurred; provided that any such borrowing of money, mortgage, pledge, deed in trust or hypothecation shall have been approved by the affirmative vote of the holders of not less than a majority of the votes of the Members present or represented at a duly called meeting at which a quorum is present;

(e) Annex additional residential property and Common Area into the Community; provided that any such annexation shall have been approved by the affirmative vote of the holders of not less than a majority of the votes of the Members present or represented at a duly called meeting at which a quorum is present; provided, further that the foregoing shall not affect the right of the Developer to add additional property to the Community and the Association as set out in the Declaration;

(f) Participate in mergers and consolidations with other nonprofit corporations organized for the same or similar purposes; provided that any such merger or consolidation shall have been approved by the affirmative vote of the holders of a majority of the votes of all Members of the Association;

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

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

(i) Have and exercise any and all powers, rights, and privileges which a corporation organized under the South Carolina Nonprofit Corporation Act (S.C. Code Annotated §§ 33-31-101, *et seq.*) (the "Act") may now or hereafter have or exercise, including the right to enter into agreements with other associations and entities for the management and maintenance of the common areas of such associations or entities; and

(j) Maintain liability and hazard insurance on the Property to be procured by and in amounts established by the Board of Directors in its sole discretion and with insurance companies licensed to do business in South Carolina, and to enter into co-insurance or other cost sharing arrangements with other associations within or related to the Property.

Notwithstanding the purposes and powers of the Association enumerated above, the Association, after passage of control to the Owners by conversion of the Class B membership to Class A membership as set forth in the Declaration, shall not enter into, either directly or indirectly, contracts or leases with the Developer (including a management contract) unless there is a right of termination of any such contract or lease, without cause, which is exercisable without penalty at any time after transfer of control in accordance with the Declaration, upon not more than ninety (90) days' notice to the other party to such contract or lease.

ARTICLE IV

MEMBERSHIP; MEETINGS OF MEMBERS; VOTING

Section 4.1 Membership. The Association shall have three (3) classes of membership, Class "A", Class "B", or Class "C", as more fully set forth in the Declaration.

Section 4.2 Annual Meetings. The first annual meeting of the Members shall be held at a time, date, and place established by the Developer within twelve (12) months after the organization of the Association. Subsequent annual meetings of the Members shall be held at a time, date and place established by the Board of Directors each year so long as no annual meetings of the Members shall be scheduled on a legal holiday. As long as the Developer maintains its Class B membership, the Developer shall appoint the Board of Directors and the only purpose of the annual meeting will be (a) to serve as a town forum in which the President and other officers report

on and answer reasonable questions concerning the activities and financial condition of the Association; and (b) consider matters raised consistent with the requirements of the Act.

Section 4.3 Special Meetings. Special meetings of the Members may be called at any time by the Developer, President or by the Board of Directors, or as otherwise prescribed under the Act. Only those matters that are within the purpose or purposes described in the meeting notice may be conducted at a special meeting.

Section 4.4 Notice of Meetings.

(a) Written notice in English specifying the time, date and place of the meeting of the Members and, in the case of a special meeting, the purpose(s) for which the special meeting is called, shall be given by any fair and reasonable manner. The mailing of a copy of such notice of a special or annual meeting by first class mail or registered mail, postage prepaid, at least ten (10) days (or if notice is mailed by other than first class or registered mail, at least thirty (30) days) and not more than sixty (60) days before such meeting date to each Member entitled to vote at the meeting, including the Developer, addressed to the Members' address last appearing on the books of the Association or supplied by such Member to the Association for the purpose of notice shall be considered fair and reasonable.

(b) The notice requirement may be waived by a Member before or after the date and time of the meeting as stated in the notice. The waiver must be in writing, be signed by the Member and be delivered to the Association for inclusion in the minutes of the meeting; provided that the attendance by a Member at a meeting waives notice unless the Member at the beginning of the meeting objects to holding the meeting or transacting business at the meeting.

(c) Notwithstanding the foregoing, upon the unanimous vote of the Board of Directors,

an emergency meeting may be called with twenty-four (24) hour's notice to those Members entitled to vote at such meeting, in the event an issue requires the immediate attention of the Members of the Association.

(d) If a meeting of Members is adjourned to a different date, time, or place, notice need not be given of the new date, time or place, if (i) the new date, time, or place is announced at the meeting before adjournment; and (ii) the record date fixed pursuant to Section 4.10 for the adjourned meeting is not changed for the new meeting (either voluntarily by the Board of Directors or as required under the Act).

Section 4.5 Quorum. The presence at a meeting, whether in person or by proxy, of Members entitled to cast ten percent (10%) of the total votes of the Members of the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If a quorum is not present or represented at any duly called and noticed meeting, the Members present at the meeting may, by majority vote, adjourn the meeting without further notice to a new date, time and place and the quorum requirement at such new meeting shall be reduced to five percent (5%) of the total votes of the Members of the Association. Nothing herein shall prohibit any such new meeting to be held at a later time on the same date and in the same place as the originally noticed meeting.

Section 4.6 Proxies. Votes may be cast in person or by proxy. All appointments of proxies shall be by written appointment form, signed either personally or by an attorney-in-fact and filed with the Secretary prior to the vote being taken at the meeting in the case of a vote that is taken at a scheduled meeting (or such other time set out on the appointment form or meeting notice) and by the deadline established by the appropriate notification of a vote to be taken in any other manner.

Except as otherwise allowed herein or by written authorization of the Board of Directors of the Association, no appointment form shall confer on the proxy a broader authority than to vote on the matter(s) or at the meeting(s) than is defined on the appointment form. Every proxy shall be revocable at the pleasure of the Owner issuing it, up to the time that the vote for which it was issued is cast. A proxy shall automatically terminate and cease to be effective upon (i) the Member attending any meeting and voting in person, (ii) conveyance by the Member of such Member's Lot, (iii) receipt by the Secretary or other officer or agent authorized to accept proxies of a written notice, signed by the Member, revoking the proxy, or (iv) receipt by the Secretary or other officer or agent authorized to accept proxies of notice of the death of the Member prior to the proxy casting a vote.

Section 4.7 Parliamentary Rules. Robert's Rules of Order (latest edition) or such other rules as the Board of Directors may adopt shall govern the conduct of corporate proceedings when not in conflict with the Declaration, the Articles of Incorporation, these Bylaws or with the laws of the State of South Carolina.

Section 4.8 Failure to Hold Meetings. The failure to hold an annual or regular meeting at a time stated in or fixed in accordance with these Bylaws does not affect the validity of a corporate action.

Section 4.9 Authorization to Vote and Notice by Owner. It shall at all times be the responsibility of any Lot Owner to keep current with the Association, the name and address of the person authorized to cast the vote assigned to that Lot and to receive notification from the Association as to any meetings which the Association may be required to send. Proof of the authority to receive notice and to vote shall be presented to the Association in the form of a certificate signed by all of the Owners of the Lot. Such certificate shall be deemed valid until

revoked by a subsequent certificate.

Section 4.10 Record Date. The Board of Directors shall set the record date for determining the Members entitled to notice of a Members' meeting; to vote at a Members' meeting; and to exercise any rights in respect of any other lawful action. The record date shall not be more than seventy (70) days before the meeting or action requiring a determination of the Members occurs.

Section 4.11 Voting Requirements. Unless otherwise required in these Bylaws, the Declaration, the Articles of Incorporation, the Act or other applicable law, the affirmative vote of the holders of a majority of the votes of the Members present or represented at a duly called meeting at which a quorum is present or represented, which affirmative vote also constitutes a majority of the required quorum, is the act of the Members.

Section 4.12 Action by Written or Electronic Ballot.

(a) Any action that may be taken at any annual, regular or special meeting of Members may be taken without a meeting if the Association delivers a written or electronic ballot to every Member entitled to vote on the matter.

(b) A written or electronic ballot shall (i) set forth each proposed action; and (ii) provide an opportunity to vote for or against each proposed action.

(c) Approval by written or electronic ballot pursuant to this section is valid only when the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

(d) All solicitations for votes by written or electronic ballot shall: (i) indicate the number of responses needed to meet the quorum requirements; (ii) state the percentage of approvals necessary to approve each matter other than election of directors; and (iii) specify the time by which a ballot must be received by the corporation in order to be counted.

Section 4.13 Action by Written Consent. Any action required or permitted to be approved by the Members may be taken without a meeting if the action is approved by Members holding at least eighty percent (80%) of the votes of all Members of the Association. The action must be evidenced by one or more written consents describing the action taken, signed by those Members representing at least eighty percent (80%) of the votes of all Members of the Association, and delivered to the Association for inclusion in the minutes or filing with the corporate records. Written notice of Member approval pursuant to this section must be given to all Members who have not signed the written consent. If written notice is required, Member approval pursuant to this section is effective ten (10) days after the written notice is given.

ARTICLE V

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 5.1 Number & Types. The affairs of the Association shall be managed by a Board of Directors of not fewer than three (3) Directors, who need not be Members of the Association; provided, however, that when the Developer has its Class B membership, all Directors shall be appointed by the Developer unless the Developer voluntarily waives its appointment power and authorizes the Association to elect Directors in accordance with these Bylaws. At any time the Developer, has its Class B membership, or the Association, thereafter, by the affirmative vote of the holders of a majority of the votes of all Members of the Association, may increase or decrease the

number of Directors of the Association so long as there are never fewer than three (3) Directors at any given point; provided that at the time any such change in the number of Directors is made, the Members shall have the authority to determine the appropriate terms of the new or remaining Directors consistent with the intent of these Bylaws with respect, in particular, to the staggered terms of the Directors as set forth in Section 5.2 and Section 6.2 below. All Directors who are also Members must be in good standing with the Association in order to seek election to, or continue to hold a position on, the Board of Directors.

Section 5.2 Term of Office. At the first annual meeting after the termination of the Developer's Class B votes, the Members will elect five (5) Directors for staggered terms of three (3) years in accordance with Section 6.2 of these Bylaws.

Section 5.3 Removal.

(a) At any time, any Director(s) appointed by the Developer may be removed from the Board of Directors, with or without cause, by the Developer by giving written notice of removal to the Director and either the presiding officers of the Board of Directors or the Association President or Secretary.

(b) Any Director(s) elected by the Members may be removed from the Board of Directors, with or without cause, by the affirmative vote of the holders of a majority of the votes of all Members of the Association.

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

accordance with these Bylaws.

(d) In the event of the death, resignation, or removal of a Director, a successor shall be selected by the Developer, if that Director was appointed by the Developer, or by majority vote of the remaining Directors, if elected by the Members and shall serve for the unexpired term of his predecessor.

(e) If, after termination of its Class "B" Membership, the Developer regains its Class "B" Membership by adding additional property to the Community or reacquiring Lots in the Community, it may remove all Directors elected by the Members and appoint new Directors.

Section 5.4 Compensation. Compensation of any Director shall require the affirmative vote of a majority of the votes of all Members of the Association. This provision shall in no way require the Members approval of or preclude the Board of Directors from compensating a Director for his duties as an officer of the Association, from employing a Director as an employee of the Association, nor shall it preclude the Association from contracting with and thereafter compensating a Director for the management of the Association.

Section 5.5 Action Taken Without a Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if the action is taken by unanimous written consent of the Directors. The action must be taken by one or more written consents describing the action taken, signed by each Director, and included in the minutes filed with the corporate records. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 5.6 Reversal of Board of Directors. A decision of the Board of Directors, an officer or a committee of the Association or the Board of Directors may be reversed or modified by

the Developer as long as the Developer owns any portion of the Property, or is a Class “B” Membership.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

Section 6.1 Nomination. Except when Directors are appointed or replaced by the Developer or the Board of Directors, nomination for election for the Board of Directors shall be made by a nominating committee or as specified in guidelines set forth by the Board of Directors. For purposes of the first annual meeting, the nominating committee, when created, shall consist of a chairman and at least two (2) additional Members of the Association. For purposes of any and all annual meetings other than the first annual meeting, at least one (1) member of the nominating committee shall be a Director. The nominating committee shall be appointed by the Board of Directors. Members of the nominating committee shall serve from the close of the annual meeting until the close of the next annual meeting. The nominating committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not fewer than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-Members.

Section 6.2 Election. Unless agreed to otherwise by the affirmative vote of the holders of a majority of the votes of Members present or represented at a duly called meeting at which a quorum is present, election to the Board of Directors shall be by secret ballot. At such election, the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of these Bylaws and the Declaration. At the first annual meeting after the termination of the Developer’s Class B membership, the Members shall elect five (5) Directors

to staggered terms as follows: two (2) Directors for a term of one (1) year, two (2) Directors for a term of two (2) years, and one (1) Director for a term of three (3) years; and at each annual meeting thereafter, the Members shall elect successor Directors for terms of three (3) years. The term of any Director shall be automatically extended and shall not expire until the annual meeting at which a successor for that Director is elected or appointed. The nominee(s) receiving the largest number of votes shall be elected. If no nominees are nominated pursuant to these Bylaws, the Director(s) shall be appointed by the current Board of Directors. Cumulative voting (i.e., voting more than one (1) time for any Director), is not permitted under any circumstance.

ARTICLE VII

MEETINGS OF DIRECTORS

Section 7.1 Regular Meetings. Until the end of the Developer's Class "B" Membership, and after the Developer reacquires its Class "B" Membership, regular meetings of the Board of Directors shall be held at dates, times and places and as frequently as is deemed prudent by the Developer. If the Developer does not have Class "B" Membership, regular meetings of the Board of Directors shall be held quarterly, or more frequently, and at dates, times and places determined by a majority of the Board of Directors. Without the approval of all of the Directors, no meeting shall fall upon a legal holiday. No notice shall be required for regular meetings.

Section 7.2 Special Meetings. Special Meetings of the Board of Directors shall be held when called by the President of the Association or any two (2) Directors, after not less than two (2) days notice is given, either personally, by mail, or by telephone, to each Director, unless waived in writing signed by the Director or by attendance of the meeting without objection or participation.

Section 7.3 Quorum. A majority of the number of Directors shall constitute a quorum

for the transaction of business by the Board of Directors. Every act or decision authorized by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as an act of the Board of Directors.

ARTICLE VIII

POWERS, DUTIES AND REQUIREMENTS OF THE BOARD OF DIRECTORS

Section 8.1 Powers. The Board of Directors, When Empowered, shall have the power, but not the obligation, to perform such duties as authorized by the Declaration, to include, but not be limited, to:

(a) Adopt, amend and publish the Architectural Guidelines for the Community and Regulations of the Association governing the Community, Lots, the Area of Common Responsibility, the Area of Extended Lot Owner Responsibility, and the Common Area, as well as any facilities that may be placed or constructed thereon, and the personal conduct of the Members and their guests while within the Property and to establish Assessments for the infraction thereof;

(b) Suspend the voting rights, the right to use the recreational facilities on the Common Areas, and the services provided by the Association, including without limitation architectural review services, of a Member during any period in which each Member shall be in default in the payment of any Assessment levied by the Association or for any other violation of the Declaration, the Architectural Guidelines, or the Regulations;

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

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

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

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

(g) Grant easements or waivers to or enter into licenses with Lot Owners in the Community with respect to encroachments on the Common Area and other violations of the Declaration, Architectural Guidelines and Regulations; and

(h) Delegate, in part or in whole, to any employee, agent, director, officer, contractor, manager or other appropriate entity, any power or authority given to the Board of Directors by the Declaration or these Bylaws.

Section 8.2 Duties. It shall be the responsibility of the Board of Directors to:

(a) Comply with the requirements of the Act regarding annual meetings;

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

(c) Perform such other duties as required by the Declaration, the Articles of

Incorporation or the Bylaws.

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

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

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

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

(h) Cause the Common Area to be maintained.

Section 8.3 Requirements: The Board of Directors shall not be authorized or obligated to initiate, and the Association shall not initiate, any judicial or administrative proceeding against the Developer, its employees or agents unless first approved by the

affirmative vote of the holders of not less than seventy-five percent (75%) of the votes of all of the Members of the Association. The Board may, without a vote of the Members, initiate actions or proceedings: (a) initiated to enforce the provisions of or otherwise permitted by the Declaration, these Bylaws, Architectural Guidelines, or Regulations; (b) initiated to challenge property taxation or condemnation proceedings; (c) to defend claims filed against the Association or to assert counterclaims in proceedings instituted against it. This Section 8.3 shall not be amended unless such amendment is approved by the same percentage of votes necessary to institute proceedings.

ARTICLE IX

OFFICERS AND THEIR DUTIES

Section 9.1 Enumeration of Offices. The offices of this Association shall be a President and Vice President, who shall be appointed from the then current Directors, a Secretary and a Treasurer, and such other officers as the Board of Directors may from time to time by resolution create. Compensation for the officers and the employees of the Association shall be fixed by the Board of Directors. The Board of Directors may employ a Director as an employee of the Association and may contract with and thereafter compensate that Director for the management of the Association.

Section 9.2 Appointment of Officers. All officers shall be appointed by the Board of Directors.

Section 9.3 Term. Officers of the Association shall be appointed annually by the Board of Directors, and each shall hold office for one (1) year unless such officer shall resign, be removed, or otherwise be disqualified to serve.

Section 9.4 Special Appointments. The Board of Directors may appoint such other officers, agents, or entities to perform duties on behalf of the Association. The Board of Directors shall determine, in its sole discretion, the authority, duties and compensation of such other officers, agents, or entities and the period of time such other officers, agents and entities shall perform such duties. The Board of Directors may remove such other officers, agents, or entities in its sole and absolute discretion.

Section 9.5 Resignation and Removal. Any officer may be removed from office, with or without cause, by a majority vote of the Board of Directors. Any officer may resign at any time giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 9.6 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer being replaced.

Section 9.7 Multiple Offices. The offices of Secretary and Treasurer may be held by the same person, otherwise no office may be held by the same person during the same time period. No person shall simultaneously hold more than one (1) of any of the other offices except in the case of special offices created pursuant to Section 9.4.

Section 9.8 Duties. The duties of the Officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; see that the orders and resolutions of the Board of Directors are carried out; may be authorized by the Board

of Directors to sign all contracts, leases, mortgages, promissory notes, deeds and other written instruments and shall be authorized, in addition to the Treasurer and any other authorized parties, to sign on all Association checking accounts.

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

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

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all moneys of the Association and shall disburse such funds as directed by resolution of the Board of Directors; if authorized by the Board of Directors to do so, shall sign all checks, promissory notes and other financial instruments of the Association; and keep proper books of accounts.

ARTICLE X

COMMITTEES AND ARCHITECTURAL CONTROL AUTHORITY

When Empowered, the Board of Directors by majority vote may appoint an Architectural Control Authority for the Community. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose, including the establishment of a nominating committee as contemplated herein. Compensation for committee members and for any

employees of the Association assigned to or hired by these committees shall be fixed or approved by the Board of Directors.

ARTICLE XI

BOOKS AND RECORDS

The books and records of the Association, required to be made available to the Members by the Act, shall at all times, during reasonable business hours and by appointment, be subject to inspection at the office of the Association and/or copying by a Member upon compliance with the Act. The Association may charge reasonable fees for the time and cost incurred in providing the records for inspection or copies of the books and records. In lieu of inspection and at the option of the Association, it may provide copies of the requested books and records to the Member either electronically or by paper copies, at the Member's cost.

ARTICLE XII

FUNDS AND BONDS

Section 12.1 Payments and Depositories. All monies collected by the Association shall be treated as the separate property of the Association and such monies may be applied by the said Association to the payment of any of the expenses of operating and managing the Association, or to the proper undertaking of all acts and duties imposed upon it by virtue of these Bylaws, the Articles of Incorporation and the Declaration. As Assessments are paid to the Association by any Owner of a Lot the same may be commingled with the Assessments paid to the Association by the other Owners of Lots. All funds and other assets of the Association, and any increments thereto or profits derived therefrom, or from the leasing or use of the Common Areas, shall be held for the benefit of the Members of the Association.

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

In the event the Board of Directors uses funds collected and held in the Association's reserve account(s), the Board of Directors shall have the option, in its sole discretion and without notice to the Members, to replenish (in whole or in part) or not to replenish said reserve account(s).

Section 12.2 Bonds. At the discretion of the Board of Directors, fidelity bonds may be required on all members of the Board of Directors, the officers of the Association and any other persons, employees or entities handling or responsible for the funds of the Association. The amounts of such bonds shall be determined by the Directors, but if it is determined that bonds are to be obtained, they shall be at least equal to the amounts to be handled at any point by that person or entity. Unless verification that the bonds have been provided by such person or entity is obtained by or provided for the Board of Directors, the premiums for these bonds shall be paid by the Association as a common expense.

ARTICLE XIII

CORPORATE SEAL

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

ARTICLE XIV

AMENDMENTS

Section 14.1 Amendment by Members; Correction of Clerical Errors. Except as

otherwise required herein, by the Articles of Incorporation, or by applicable law, these Bylaws may be amended by the affirmative vote of the holders of a majority of the votes of all of the Members of the Association. Without limiting the foregoing, the Association, and the Developer, and for so long as the Developer owns any portion of the Property, shall, at any time and from time to time as they see fit, have the right (but not the obligation) to cause the Bylaws to be amended to correct any clerical or scrivener's error(s) or to conform to the requirements of the Federal Housing Administration or the Veterans Administration or the Federal National Mortgage Corporation, FHLMC and such other secondary market agencies as the same may be amended from time to time. So long as the Developer has Class B Membership, the Members may not amend these Bylaws without the prior written consent of the Developer.

Section 14.2 Amendment by Developer. In addition to any other right to amend as set out herein, as long as the Developer owns any portion of the Property the Developer may amend and/or restate these Bylaws without the consent of the Owners, their mortgagees, or the Association. Subject to the Declaration and these Bylaws, every purchaser or grantee of any Lot or Common Area now and hereafter, by acceptance of a deed or other conveyance thereof, agrees that the Bylaws may be amended as provided herein.

Section 14.3 Amendment by Board of Directors. In addition to any other right to amend as set out herein, the Board of Directors may amend and/or restate these Bylaws without the consent of the Owners, their mortgagees, or the Association, in order to (1) designate, add, withdraw, or otherwise modify Neighborhoods or Neighborhood voting in the Community, or (2) add, subtract, or otherwise modify the number of Directors on the Board, provided, however, so long as Developer has Class B Membership, the Bylaws shall not be amended by the Board without the

Developer's prior written consent.

Section 14.4 Conflict with Articles or Declaration. In the case of any conflict between the Articles of Incorporation and these Bylaws or the Regulations, the Articles of Incorporation shall control; and in the case of any conflict between the Declaration, the Regulations, and these Bylaws, the Declaration shall control.

ARTICLE XV

MISCELLANEOUS

Section 15.1 In case of any conflict with the mandatory provisions of the Act, the mandatory provisions of the Act shall control.

Section 15.2 Subject to the right of the Board of Directors to set such date or to a ruling by the Internal Revenue Service, the fiscal year of the Association shall begin on the 1st day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 15.3 The Association shall indemnify an individual made a party to a proceeding because the individual is or was a Director or officer against liability incurred in the proceeding if the individual complies with the requirements of the Act and shall pay for or reimburse the reasonable expenses incurred by the Director or officer who is a party to a proceeding in advance of final disposition of the proceeding if the Director or officer complies with the terms of the Act.

Section 15.4 The Board shall interpret the terms of the By-laws and its interpretation shall be final.

IN WITNESS THEREOF, on this 9th day of March, 2012, the undersigned
Incorporator of **RIDGE TERRACE HOMEOWNERS ASSOCIATION** has hereunto set his
hand and seal.

WITNESSES:

By: Patricia Dawkins
Name: PATRICIA DAWKINS

By: Jud Smith
Name: Jud Smith

INCORPORATOR:

By: [Signature]
Name: Steven McGinnis
Title: Manager/CEO

REGULATIONS
FOR
Ridge Terrace

REVISED: March 22, 2012

INTRODUCTION

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

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

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

SCOPE OF AUTHORITY GRANTED

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

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

VARIANCES

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

DEVELOPER'S RIGHT TO OVERRIDE

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

VIOLATIONS: NOTICE, APPEAL AND REMEDIES

NOTICE OF A VIOLATION

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

APPEAL/RESPONSE TO NOTICE OF A VIOLATION

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

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

If the Lot Owner does not submit a written request for appeal of a decision of the Developer or of the Association, When Empowered, within the seven (7) days (or such other period set out in the notice) or does not correct the violation within the time specified in the notice, and if the Developer

or the Association, When Empowered, determines that Assessments for Non-compliance and/or corrective action are warranted, the Developer or the Association, When Empowered, may take corrective action at the Lot Owner's expense and the Association may levy all appropriate Assessments.

REMEDIES FOR NON-COMPLIANCE

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

GENERAL REGULATIONS

PROPERTY MAINTENANCE AND USE

USE OF PROPERTY

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

Nothing herein shall prevent the Developer or any builder of homes in Ridge Terrace

approved by Developer from using any Lot owned by Developer or such builder of homes for the purpose of carrying on business related to the development, improvement and sale of property in Ridge Terrace, including the establishment of one or more model homes; or, to the extent allowed by applicable zoning laws, a private office to be maintained in a dwelling located on any of the Lots, subject to any and all conditions established by the approval granted by the Developer or the Association, When Empowered.

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

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

LOT OWNER'S RESPONSIBILITY

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

MAINTENANCE ROAD RIGHT-OF-WAY

As further defined in the Declaration, unless designated as a Common Area or unless the

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

WINDOW TREATMENTS:

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

UNSIGHTLY OR UNKEMPT CONDITIONS:

It shall be the responsibility of each Owner to prevent the development of any unclean, unhealthy, unsightly, or unkempt conditions on their Lot, including the failure to properly install or maintain landscaping. The pursuit of hobbies or other activities, which might tend to cause disorderly, unsightly, or unkempt conditions, shall not be pursued or undertaken on any part of the Properties. No Lot or Structure on a Lot within the Properties shall be used, in whole or in part, for the storage of any property or thing that will in the sole opinion of the Developer or the Association, cause such Lot or Structure to appear to be in an unclean or untidy condition or that will be obnoxious to the eye; nor shall any substance, thing, or material be kept that will emit foul or obnoxious odors or that will cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort, or serenity of the occupants of Ridge Terrace or the surrounding property. As set out in the Declaration, all Lot Owners are responsible for the maintenance of landscaping and the removal of debris from their Lot. In addition, whether addressed in the Declaration or not, all Lot Owners shall be responsible for the maintenance of landscaping in and for the removal of debris from within the road right-of way abutting their lot.

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

GARAGE DOORS:

Garage doors are to remain closed at all times when access is not required, with the exception

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

GARBAGE AND REFUSE DISPOSAL, GARBAGE CONTAINERS:

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

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

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

or the Association, When Empowered.

Each Owner or Builder shall maintain its Lot in a neat and orderly condition throughout initial construction of a residential dwelling and not allow trash and debris from its activities to be carried by the wind or otherwise scattered within the Properties. Each Owner shall keep roadways, easements, swales, and other portions of the Properties clear of silt, construction materials and trash from its activities at all times. Trash and debris during initial construction of a residential dwelling shall be contained in a standard size dumpster or other appropriate receptacles and removed regularly from Lot and shall not be burned (except in a manner approved by the Developer or the Association, When Empowered), buried or covered on the Lot. Any Lot on which construction is in progress may be policed prior to each weekend, and during the weekend, all materials shall be neatly stacked or placed and any trash or waste materials shall be removed.

COMBUSTIBLE LIQUID:

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

BEHAVIOR

OFFENSIVE ACTIVITIES:

No immoral, improper, noxious, offensive or illegal activities (including, but not limited to vulgar, abusive or otherwise inappropriate language or gestures and indecent exposure, the inappropriateness of all of which shall be the determination of the Developer or the Association, When Empowered) shall be carried on upon any Lot, Common Area or any other portion of the Properties, nor shall anything be done tending to cause embarrassment, discomfort, annoyance, or nuisance to any of the Owners or Co-owners of other Lots in Ridge Terrace or any person using any lot or common area within the Properties, as determined by the Developer or the Association, When Empowered, in its sole discretion. There shall not be maintained any plants or animals or device or thing of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of the Properties. Without limiting the generality of the foregoing, no speaker, horn, whistle, siren, bell, amplifier or other sound device, except such devices as may be used exclusively for security purposes or as approved by the Developer or Authority, When Empowered, shall be located, installed or maintained upon the exterior of any home site unless required by law. Any siren or device for security purposes shall contain a device or system which causes it to shut off automatically. All valid laws, ordinances and regulations of all governmental agencies having jurisdiction shall be observed.

QUIET ENJOYMENT

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

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

GUNS, WEAPONS AND NOISEMAKERS:

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

VEHICLES AND PARKING

INOPERATIVE AND UNLICENSED VEHICLES, AUTOMOTIVE REPAIRS:

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

COMMERCIAL AND RECREATIONAL VEHICLES:

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

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

PASSENGER VEHICLES:

Subject to the conditions set out in the Regulations, no passenger vehicle may be parked on any portion of a Lot, specifically landscaped areas, walkway or pathway or areas other than paved

areas designed for that purpose. All passenger vehicles may be parked in garages or on driveways unless the Developer or the Association, When Empowered, determines that the number of vehicles or their type or condition is not detrimental to the good of Ridge Terrace or its residents. Parking on the street of any passenger vehicle is strictly prohibited when there is available space in the driveway or garage (use of the garage as a general storage area does not eliminate it from being an "available" parking location).

Where all available driveway and garage spaces are utilized by other vehicles, parking on the street of a passenger vehicle of a lot owner shall not be allowed if it is frequent, habitual or continuous and parking on the street of a passenger vehicle of a lot owner or of the temporary guest of a lot owner shall only be allowed if it is temporary in nature (less than six (6) hours) and in a manner or location that is neither a nuisance to any other lot owners, unsafe or hazardous to traffic or to persons within Ridge Terrace. **Units 103,104,107,111, 112 Ridge Terrace Lane are prohibited from parking on the street within 150 feet of the community's entranceway.**

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

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

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

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

CHILDREN:

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

ANIMALS AND PETS:

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

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

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

PLAYGROUNDS AND PLAYGROUND EQUIPMENT

EQUIPMENT IN COMMON AREAS:

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

BASKETBALL GOALS AND PLAYGROUND EQUIPMENT:

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