

STATE OF SOUTH CAROLINA
COUNTY OF SPARTANBURG

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Dorothy Earle, Register



**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CALIBER RIDGE**

This Declaration of Covenants, Conditions, and Restrictions is made this 25th day of November, 2014 by Liberty Property Limited Partnership, a Pennsylvania limited partnership ("Declarant").

Witnesseth that:

Declarant is the owner of certain real property located in Spartanburg County, South Carolina, which property is described on Exhibit A attached hereto and incorporated herein by reference. Declarant desires to subject such property to the provisions of this Declaration and to develop on such property an office, industrial, and warehouse development with related and attendant facilities and amenities to be known as Caliber Ridge and to provide a flexible and reasonable method for the administration, assessment and maintenance of such property; and

Now therefore, Declarant hereby declares that all of the property described in Exhibit A shall be held, transferred, leased, occupied and used subject to the following easements, restrictions, covenants, charges, liens, and conditions which are hereby imposed for the purpose of protecting the value and desirability of these lands and which restrictions, easements, charges, liens, conditions, and covenants shall touch and concern and run with the title to the real property subjected to this Declaration and which shall be binding on all parties having any right, title or interest in these described properties or any portion of them. This instrument also binds the respective heirs, devisees, fiduciary representatives, successors, successors in title and/or assigns, and shall inure to the benefit of anyone who purchases or takes any interest in real property within the lands subject to this instrument.

**ARTICLE 1
DEFINITIONS**

1.1 Definitions. When used in this Declaration, unless the context shall prohibit or require otherwise, the following words shall have all the following meanings, and all definitions shall be applicable to the singular and plural forms of any such term(s):

1.1.1 "Architectural Review Committee" shall mean and refer to the committee which shall be appointed by the Association's Board of Directors to approve exterior and structural plans and specifications, improvements, additions and changes within the Property. Until the Board appoints such a committee it may act in that capacity.

1.1.2 "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of Caliber Ridge Industrial Park Owners Association, Inc., as they may be constituted or amended from time to time.

1.1.3 "Assessment" shall have the meaning set forth in Article IV, Section 1 of this Declaration and shall include, without limitation, Base Assessments and Special Assessments.

1.1.4 "Association" shall mean and refer to Caliber Ridge Industrial Park Owners Association, Inc., a South Carolina nonprofit corporation.

1.1.5 "Board of Directors" or "Board" shall mean and refer to the Board of Directors of the Association, which is the governing body of the Association.

1.1.6 "Bylaws" shall mean and refer to those Bylaws of Caliber Ridge Industrial Park Owners Association, Inc. which govern the administration and operation of the Association, as may be amended from time to time.

1.1.7 "Common Property" shall mean and refer to any property, together with any improvements thereon, in which the Association has an ownership interest (whether in fee or by easement) or holds possessory or use rights, for the general benefit of all Lots, Owners and Occupants, including without limitation any Easement Areas.

1.1.8 "Declarant" shall mean and refer to **LIBERTY PROPERTY LIMITED PARTNERSHIP**, a Pennsylvania limited partnership, as well as any successors or assigns of Declarant to whom or which Declarant expressly has transferred any or all of its rights as Declarant hereunder, all of which rights are assignable and may be apportioned on any reasonable basis, including, without limitation, on a Lot-by-Lot basis.

1.1.9 "Declarant's Control Period" shall mean and refer to the period of time commencing on the date this Declaration is recorded in the Spartanburg County Register of Deeds Office and continuing until Declarant and Related Entities cease to own at least twenty percent (20%) of the of the total land area of the Property.

1.1.10 "Declaration" shall mean and refer to this Declaration of Covenants, Conditions and Restrictions for Caliber Ridge and all supplements or amendments to it recorded in the Spartanburg County Register of Deeds Office.

1.1.11 "Foreclosure" shall mean and refer to, without limitation, the judicial foreclosure of a Mortgage or the conveyance of secured property by a deed in lieu of foreclosure.

1.1.12 "Lot" shall mean any portion of the Property, whether improved or unimproved, which may be independently owned, conveyed, developed and used for industrial, office or other purposes consistent with this Declaration. The term shall refer to the land, if any, which is a part of the Lot as well as any improvements thereon. The term shall not include any Common Property owned in fee by the Association or property dedicated in fee to the public.

1.1.13 "Member" shall mean and refer to all those who are Members of the Association as defined in Article II of this Declaration.

1.1.14 "Mortgage," with an initial capital letter, shall mean and refer to any recorded mortgage, deed of trust, installment land sales contract and security agreement or other similar security instrument, made in good faith and for value, granting, creating or conveying a lien upon, a security interest in, or a security encumbered title to a Lot.

1.1.15 "Mortgagee," with an initial capital letter, shall mean and refer to the holder of a Mortgage.

1.1.16 "Net Acre" shall mean that portion of a Lot which does not lie within the boundaries of any public street or roadway which now or hereafter may abut any portion of the Property, nor lies within the boundary of any Common Property, including without limitation, any Easement Area, now or hereafter designated pursuant to the provisions of this Declaration.

1.1.17 "Occupant" shall mean and refer to any person lawfully occupying any portion of the Property, including, without limitation, any Owner or any agent, contractor, employee, guest, invitee, licensee, lessee, or tenant of any Owner.

1.1.18 "Owner" shall mean and refer to the owner(s) as shown on the real estate records of Spartanburg County Register of Deeds Office whether it be one or more Persons, of fee simple title to any Lot within the Property, but shall not mean any Mortgagee, his or its successors or assigns, unless and until such Mortgagee has acquired title pursuant to Foreclosure; the term "Owner" may include the Declarant, but shall not mean or refer to any lessee or tenant of an Owner. In the event that there is of record a deed granting one or more Persons a life estate in any lot or parcel of land within the Property, the Owner of such lot or parcel of land shall be the holder or holders of the life interest, regardless of who holds the fee interest. In the event that there is of record a long-term contract of sale covering any lot or parcel of land within the Property, the Owner of such lot or parcel of land shall be the purchaser under said contract and not the fee simple title holder. A long-term contract of sale shall be one where the purchaser is required to make payments for the property for a period extending beyond nine (9) months from the date of the contract and where the purchaser does not receive title to the property until such payments are made but the purchaser is given the use of said property.

1.1.19 "Person" shall mean and refer to a natural person, corporation, partnership, limited liability company, association, proprietorship, trust or any other legal entity.

1.1.20 "Property" shall mean and refer to the land shown on EXHIBIT "A", together with all improvements presently and subsequently constructed thereon.

1.1.21 "Related Entities" shall mean Liberty Property Development Corporation, a Pennsylvania corporation, and all persons, partnerships, corporations and other legal entities controlled by any person, partnership, corporation or other legal entity who or which is a beneficial owner of, or partner in or of, Declarant or Liberty Property Development Corporation and any successor or assign

1.1.22 "Supplemental Declaration" shall mean and refer to any instrument of record which subjects additional property to this Declaration in accordance with the provisions hereof.

ARTICLE 2 MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

2.1 Membership. Declarant and every Owner of a Lot shall be a Member of the Association. When more than one Person is the Owner of a Lot, all such Persons shall be Members. Membership in the Association arising by virtue of Lot ownership shall be appurtenant to and may not be separated from the ownership of such Lot.

2.2 Voting Rights. The Member or Members owning a Lot shall be entitled to cast a vote for each Lot in which the Member or Members holds an interest. Each vote shall be weighted in accordance with the percentage the total acreage of said Lot bears to the total acreage within the Property. The total votes for the entire Property shall equal one hundred (100) at all times. The Association shall have the right to suspend the voting rights of any Member for any period during which the payment of any Assessment against such Lot owned by such Member remains delinquent.

2.3 When a Lot is owned by more than one Member, the Members owning such Lot may file with the Secretary of the Association a certificate designating one Member who is authorized to cast the vote(s) allotted to such Lot or dividing the allotted votes between or among two or more Members owning such Lot. If the allotted votes are divided between or among two or more of the Members owning such Lot, the number of votes to be cast by each Member so named shall also be set forth in the certificate. Each vote shall be assigned to only one Member and no vote may be fractionalized or split among the Members owning a Lot. The certificate must be signed by all of the Members owning such Lot and once filed with the Secretary of the Association, shall be valid until revoked by a subsequent certificate. If such a certificate is not on file and more than one Member owning the same Lot attempt to cast the vote(s) assigned to such Lot in an inconsistent manner, the vote(s) of such Members shall be invalid and shall not be considered in determining the requirement for a quorum, or for any other purpose.

2.4 Governance. The Association shall be governed by a Board of Directors, which initially shall consist of three (3) members. In subsequent years the number of directors shall be determined as provided in the Bylaws of the Association.

2.5 Designation and Election of the Board of Directors. Declarant shall have the right to designate and select a majority of the persons who shall serve as members of the Board of Directors until Declarant and Related Entities cease to own at least twenty percent (20%) of the total land area of the Property. Provided, however, Declarant may at any time terminate, in whole or in part, its right to select and designate persons to serve as members of the Board of Directors by recording an instrument to such effect in the Spartanburg County Register of Deeds Office. The Members of the Association shall have the right to elect all of the members of the Board of Directors that Declarant is not entitled to select or designate. In electing such Directors, voting shall be noncumulative.

2.6 Quorum Required For any Action Authorized at Regular or Special Meetings of the Association. The quorum required for any action which is subject to a vote of the Members at an open meeting of the Association shall be as follows: The first time a meeting of the Members of the Association is called to vote on a particular action proposed to be taken by the Association, the presence at the meeting of Members or proxies entitled to cast twenty-five percent (25%) of the total vote of the membership shall constitute a quorum. If the required quorum is not present at any such meeting, a second meeting may be called subject to the giving of proper notice and there shall be no quorum requirement for such second meeting. Unless otherwise provided, any reference hereafter to "votes cast at a duly called meeting" shall be construed to be subject to the quorum requirements established by this Article, and any other requirements for such "duly called meeting" which may be established by the Bylaws of the

Association. "Proper notice" shall be deemed to be given when posted to the last known address of each Member not less than thirty (30) days prior to the date of the meeting at which any proposed action is to be considered.

2.7 Proxies. All Members of the Association may vote and transact business at any meeting of the Association by proxy authorized in writing.

2.8 Ballots by Mail. When deemed appropriate by the Board of Directors, in its sole discretion, there shall be sent with notices of regular or special meetings of the Association a statement of certain motions to be introduced for the vote of the Members and a ballot on which each Member may vote for or against the motion. Each ballot which is presented at such meeting shall be counted in calculating the quorum requirements set out in Section 2.5 of this Article II. Provided, however, such ballots shall not be counted in determining whether a quorum is present to vote upon motions not appearing on the ballot.

ARTICLE 3 PROPERTY RIGHTS IN THE COMMON PROPERTY; DESIGNATION OF THE COMMON PROPERTY

3.1 Owners' Easement of Enjoyment. Subject to the provisions of this Declaration, the rules and regulations of the Association, and subject to any fees or charges established by the Association, every Owner and Occupant shall have a right of easement of enjoyment in and to the Common Property and such easement shall be appurtenant to and shall pass with the title to every Lot.

3.2 Extent of Members' Easements. The rights and easements of enjoyment created in this Article shall be subject to the following:

3.2.1 The right of the Association to prescribe and promulgate rules and regulations for the use, enjoyment, and maintenance of the Common Property;

3.2.2 The right of the Association, in accordance with its Bylaws, to borrow money from the Declarant or any lender for the purpose of improving and/or maintaining the Common Property, and providing services authorized herein and in aid thereof to mortgage the Common Property; provided, however, any such mortgage must be approved by Declarant, during Declarant's Control Period, and by at least sixty-five percent (65%) of the votes cast, in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting; and

3.2.3 The right of the Association to take such steps as are reasonably necessary to protect the Common Property against Foreclosure; and

3.2.4 The right of the Association to suspend the rights and easements of enjoyment of any Owner or Occupant of a Lot for any period during which the payment of any Assessment against such Lot remains delinquent and for any period not to exceed sixty (60) days for any infraction of the published rules and regulations of the Association; provided, however, that no such suspension of easement rights shall impair or qualify any access, drainage or utility

easements of any Owner through the Common Property which are exercised in accordance with the rules and regulations of the Association, and provided further that no such suspension shall constitute a waiver or discharge of the Owner's(s') obligation to pay Assessments or abide by all published rules and regulations of the Association; and

3.2.5 The right of the Association to charge reasonable admission and other fees for the use of the Common Property, and any facilities located thereon; provided, however, no such charge or fee shall impair or qualify any access, drainage or utility easements of any Owner through the Common Property which are exercised in accordance with the rules and regulations of the Association; and

3.2.6 The right of the Association to dedicate, sell or transfer to any public or private utility or governmental authority, all or any portion of the Common Property, subject to the rights and easements herein established, for such purposes and upon such conditions as the Board of Directors, in its sole discretion, shall determine; and

3.2.7 The right of the Association to give, sell or otherwise convey all or any part of the Common Property, including leasehold interests, to any public or private concern for such purposes and subject to such conditions as may be agreed to by the Declarant or the Members approving such gift, sale or conveyance, as the case may be; provided, however, no such gift, sale or conveyance shall be effective unless such transfer shall be approved by Declarant, during Declarant's Control Period, and thereafter, at least sixty-five percent (65%) of the votes cast, in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance and shall set forth the purpose of the meeting; provided further, however, that if such transfer would impair or qualify any access, drainage or utility easements of any Owner through the Common Property, such transfer also must be approved by all Owners so effected.

3.2.8 The express terms of any instrument establishing or creating Easement Areas, which instruments may limit the access of Members to such areas.

3.3 Designation of the Common Property. Declarant reserves the right, in its sole discretion, to convey or cause to be conveyed from time to time additional properties to the Association, which properties may include all or any portion of the Property, and the Association shall accept any such conveyance of additional properties and thereafter such additional properties and all improvements located thereon shall be held and maintained by the Association as Common Property. The Common Property shall be conveyed to the Association subject to all restrictive covenants, limitations or conditions of record at the time of conveyance. Improvements, which may include, but shall not be limited to, retention or detention ponds, dams, rip rap and other drainage or erosion control devices, walking/jogging paths, gazebos, signage, entranceways, landscaping and irrigation systems, may be located, in the sole discretion of the Declarant, on any portion of the Common Property. The Association shall not refuse to accept any Common Property at such time as the Declarant, in its sole discretion, deems it advisable to convey such property to the Association. Declarant, during Declarant's Control Period, also shall have the right, but not the obligation, to locate improvements on any portion of the Common Property following the conveyance of such property to the Association. Any such improvements thereafter shall be held and maintained by the Association as Common Property.

3.4 Easement Areas. During Declarant's Control Period, Declarant shall have the right, in its sole discretion, to reserve or convey or cause to be reserved or conveyed to itself and to the Association as Common Property easements on, over or upon any portion of any Property owned by Declarant, or with the consent of the Owner(s) thereof, on, over or upon any portion of any other Property ("Easement Areas"), which easements shall be for the purposes and subject to the provisions hereinafter set forth. The free and unrestricted right, license and privilege, to have free and unrestricted access upon and across all Easement Areas is hereby reserved and established for Declarant and the Association, during Declarant's Control Period, and thereafter for the Association, to place, install, construct, renew, repair, replace, operate, service and maintain from time-to-time (i) pipes, lines, conduits and appurtenant equipment and facilities for the transmission of water, sanitary and storm sewage, gas, electric, telephone, communication and other utility services ("Utility Facilities"), (ii) retention or detention ponds, dams, rip rap and other drainage, erosion control or water quality devices, (iii) areas for recreational uses and pedestrian circulation, such as walking/jogging paths and gazebos, and (iv) signage, entranceways, landscaping and irrigation systems. Subject to the terms and conditions of Article V hereof, driveways and parking areas may be permitted across Easement Areas so long as such driveways and parking areas do not interfere with the reservation of rights set forth in this Section. The Declarant or the Association, their respective successors and assigns, shall have the right, from time-to-time, to dedicate or transfer all or any portion of the Utility Facilities in any Easement Area and any easement herein reserved or established on, over or upon any Easement Area to an appropriate public utility or township, municipal or county authorities, so long as each Owner, mortgagee and tenant of any affected Lot shall thereafter have the right to use such Utility Facilities in accordance with the then-prevailing rates, rules and regulations of the appropriate utility company, township or other municipal or county authorities; and each Owner, mortgagee and tenant of any affected Lot, if requested by the Association or its successors and without compensation, shall join in any deed or instrument necessary or proper to effect such dedication or transfer so long as such dedication or transfer shall be without expense to such Owner, mortgagee or tenant. Each future mortgage is and shall be subordinate to any such dedication or transfer.

3.5 Maintenance of Drainage or Erosion Control Devices. The Association shall maintain any retention or detention ponds, dams, rip rap and other drainage or erosion control devices located on the Common Property that are required to be maintained by the governmental office(s) having jurisdiction for watershed protection as directed by such governmental office(s). In the event the Association is dissolved or otherwise defaults on its obligation to maintain any such drainage or erosion control device, Declarant, for each Lot owned, hereby covenants, and each Owner for any Lot, by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay a share of the cost of the maintenance of such pond or erosion control device in proportion to the payment of Base Assessments.

ARTICLE 4 COVENANTS FOR ASSESSMENTS

4.1 Covenant for Assessments. Declarant hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in any such deed or other conveyance, shall be deemed to covenant to pay (1) to the Association: (a) Base Assessments (as hereinafter defined), (b) Special Assessments (as hereinafter defined), and (c)

all other charges levied by the Association pursuant to the terms of this Declaration, the Articles of Incorporation or Bylaws of the Association, all of such assessments and charges are herein referred to as "Assessments" and shall be fixed, established, and collected from time to time as hereinafter provided and (2) to the appropriate governmental taxing authority (a) a pro rata share of ad valorem taxes levied against the Common Property and (b) a pro rata share of assessment for public improvements to and for the benefit of the Common Property, if the Association shall default and the payment of either or both for a period of six (6) months. The foregoing covenant shall be both a continuing affirmative covenant, personal to each Owner, and a continuing covenant running with the land. When any part of the Properties is owned by two or more Persons the personal obligation for the payment of Assessments and other sums shall be the joint and several obligation of each Owner. Such personal obligation shall be binding upon each Owner's successors, assigns, heirs, devisees, and personal representatives, as the case may be. All monies collected by the Association shall be treated as the separate property of the Association. As monies for Assessments are paid to the Association by any Owner, the same may be commingled with monies paid to the Association by other Owners. Although all funds and common surplus, including other assets of the Association, and any increments thereto or profits derived therefrom shall be held for the benefit of the Association, no member of the Association shall have the right to assign, hypothecate, pledge or in any manner transfer his ownership interest therein, except as an appurtenance to a Lot. When any owner shall cease to be a member of the Association by reason of his divestment of Lot ownership, by whatever means, the Association shall not be required to account to such owner for any share of funds or assets of the Association, or which may have been paid to the Association by such Owner.

4.2 Purposes of Base Assessments. Base Assessments levied by the Association shall be used for the purpose of promoting the beneficial use and enjoyment of the Properties, which, in the discretion of the Association's Board of Directors, may include, but shall not be limited to, the acquisition, improvement and maintenance of Common Property, services and facilities devoted to this purpose and related to the ownership, use and enjoyment of Common Property, including but not limited to, the costs of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against Common Property; the maintenance of water and sewer mains in and upon Common Property; the maintenance of open spaces and streets which have not been accepted for dedication by a public authority; roadway medians and islands (including medians and islands located in dedicated rights of way in the Property); maintenance, repair and replacement of signs; the procurement and maintenance of insurance in accordance with the provisions of this Declaration; maintenance of lakes and ponds or other bodies of water located within Common Property; the maintenance of retention or detention ponds, dams, rip rap and other drainage or erosion control devices located on Common Property to be maintained by the Association; the maintenance of entrances, landscaping and lighting of Common Property, the cost of erecting, operating, maintaining and repairing any street lights erected in the rights of way of streets (whether public or private) or any other easement provided therefor within the Property; the payment of charges for garbage collection and municipal water and sewer services furnished to Common Property; the employment of attorneys, managers or accountants, and other agents to represent the Association; principal, interest and other charges payable with respect to loans made to or assumed by the Association to perform authorized functions, including, without limitation, loans financing the construction of improvements in Common Property; the

provision of adequate reserves for the replacement of capital improvements; maintenance, repair and replacement of those portions of Common Property and improvements thereon that are the responsibility of the Association, and to cover unforeseen operating contingencies or deficiencies arising from unpaid assessments or liens, as well as from emergency expenditures and other matters as authorized by the Board of Directors; and such other needs as may arise and as are determined by the Board of Directors of the Association to be Common Expenses. The Base Assessments also shall be used for carrying out the purposes of the Association as stated in its Articles of Incorporation and herein, for conducting the business and operations of the Association and for administering and enforcing the provisions of this Declaration and any Supplemental Declarations.

4.3 Fixing Base Assessments. Base Assessments shall be apportioned on a per acre basis, with each Lot being apportioned such share of the total cost as (a) the total acreage of said Lot bears to (b) the total acreage within the Property less the total acreage of any land within the Property which has been dedicated to a public authority(ies). On or before December 1 of each year following the recordation of this Declaration, the Board of Directors shall establish a budget for the following year. Based on such budget, the Board of Directors shall fix the rates of Base Assessments for each Lot. Upon adoption by the Board of the budget and rates of Base Assessments the Board shall deliver copies of same to every Owner; provided, however, that failure to deliver a copy of the budget and rates of Base Assessments shall not affect the liability of Owners for such assessments.

4.4 Special Assessments. In addition to the Base Assessments hereinabove authorized, the Association may levy Special Assessments for any one or more of the following purposes: (a) to construct or reconstruct, repair or replace capital improvements upon the Common Property, including the necessary fixtures and personal property related thereto; (b) to acquire additional Common Property; or (c) to repay any loan made to the Association to enable it to perform the duties and functions authorized herein. Any such Special Assessment before being levied must be approved by Declarant, during Declarant's Control Period, and by the Members of the Association entitled to cast at least a majority of the votes cast, in person or by proxy, at a meeting duly called for such purpose, written notice of which shall be given to all Members at least thirty (30) days in advance setting forth the purpose of the meeting. Any Special Assessment from time to time established must be levied against all Lots.

4.5 Reserve Funds. The Association may establish reserve funds from its Base Assessments to be held in reserve as a reserve for (a) major rehabilitation or major repairs, (b) emergency and other repairs required as a result of storm, fire, natural disaster, or other casualty loss, and (c) recurring periodic rehabilitation, maintenance or repair.

4.6 Assessments for Drainage, Erosion Control and Water Quality Improvements located in Easement Areas. In addition to the Base Assessments and Special Assessments authorized in this Article, the Board of Directors by unanimous action is hereby empowered to levy periodic Assessments to be used for the maintenance and/or operation of retention or detention ponds and dams (other than those located on Common Property), rip rap and other drainage, erosion control or water quality improvements located in certain Easement Areas ("Water Quality Improvements"), such Assessment being herein referred to as a "Water Quality Assessment." A Water Quality Assessment can only be levied by the Board of Directors after a determination by the Board of Directors, in its sole discretion, that the primary purpose of the

affected Easement Area is to provide drainage, erosion control and water quality for fewer than all of the Lots and that the Easement Area serves no other purpose benefitting or available to all of the Property, which purposes may include, but are not limited to, landscaped entranceways, scenic areas, parks, jogging and walking paths. The payment of any Water Quality Assessment levied by the Board of Directors shall be borne by the Owners of the Lots draining into the affected Easement Area, in proportion to the relative amount of runoff draining from such Lots into the Easement Area, as determined by the Board of Directors. Any determination by the Board of Directors that a Water Quality Assessment is appropriate shall be final and not subject to approval by either the whole body of Members or by those Members who would be subject to the Water Quality Assessment.

4.7 Estoppel Certificates. Within ten (10) business days after written demand is delivered to the Association, and upon payment of a reasonable fee therefor, the Association shall furnish to any Owner liable for Assessments hereunder a certificate in writing signed by an officer of the Association, setting forth whether such Assessments have been paid. Any lessee, purchaser or Mortgagee acquiring, in good faith for value received, an interest in such Owner's Lot, shall be entitled to rely on said certificate with respect to the matters set forth therein, such matters being conclusive as between the Association and all such subsequent parties in interest.

4.8 Effect of Non-Payment of Assessment; the Lien Remedies of the Association.

4.8.1 A late fee in an amount equal to the greater of \$250.00 or five percent (5%) of the amount past due, may be charged by the Association for any Assessment more than fifteen days past due. In addition, interest in an amount established by the Association's Board of Directors, in its sole discretion, which amount shall not exceed eighteen percent (18%) per annum, shall accrue on Assessments more than fifteen (15) days past due. Any late fee charged and all accrued interest owing with respect to past due Assessments shall be added to and become a part of such Assessments.

4.8.2 If any Assessment is not paid within thirty (30) days after the due date, the Association (or its agent in the Association's name and on its behalf) may bring an action at law against the Owner personally and there shall be added to the amount of such Assessment all costs of collection, including reasonable attorneys fees, and in the event a judgment is obtained, such judgment shall include late fees, interest and costs of collection as herein provided.

4.8.3 All Assessments, together with late fees, interest and costs of collection, as herein provided, are hereby secured by a continuing lien and charge on the Lot subject to such Assessment, which shall bind such property in the hand of the Owner(s) and such owner's(s') heirs, devisees, personal representatives, successors and assigns, as the case may be. The lien granted to the Association shall further secure such advances for taxes, and payments on account of superior mortgages, liens or encumbrances which may be required to be advanced by the Association in order to preserve and protect its lien, and the Association shall further be entitled to interest on any such advances made for such purpose at a per annum rate equal to the Wall Street Journal prime rate published on the first business day of the calendar quarter in which such advances are made plus three percent (3%) per annum. The aforesaid lien shall be superior to all other liens and charges against said Lot arising subsequent to the recordation of this Declaration, except as otherwise herein provided. All Persons who shall acquire, by whatever means, an ownership interest in any Lot, or a Mortgage encumbering any Lot, are hereby placed on notice of

the lien rights granted to the Association, and, except as otherwise herein expressly provided, shall acquire such interest expressly subject to such lien rights. The lien granted to the Association may be foreclosed in the same manner that real estate deeds of trust and mortgages with power of sale may be foreclosed in the State of South Carolina. Prior to enforcement of the lien herein granted unto the Association, the Association shall record a claim of lien in the public records of Spartanburg County which claim shall state the description of the part of the Lot encumbered thereby, the name of the record owner, the amount due and the date when due. The claim of lien shall be recordable any time after default and the lien shall continue in effect until all sums secured by said lien as herein provided have been fully paid. Such claims of lien shall include only Assessments which are due and payable when the claim of lien is recorded, plus interest, costs, late fees, attorney's fees, advances to pay taxes and prior encumbrances and interest thereon, all as above provided. Such claims of lien shall be signed and verified by an officer or agent of the Association. Upon full payment of all sums secured by such claim of lien, the same shall be satisfied of record. Neither the institution of an action at law to attempt to effect collection of any delinquent Assessment nor the entry of a judgment thereon shall be deemed to be an election by the Association which shall prevent it from contemporaneously or thereafter seeking, by the institution of a foreclosure action or proceeding, enforcement of its lien rights herein established, nor shall the institution of a foreclosure action or proceeding or the sale of any property subject to the lien herein established pursuant to such action or proceeding be deemed to be an election precluding the institution of a suit at law to collect any sum owing to the Association.

4.8.4 Subordination of the Lien for Assessments to Certain Tax Liens and to First Mortgage Liens. The lien provided for herein shall be subordinate to (a) tax liens securing taxes, assessments, and other levies by governmental and taxing authorities which are superior to this Assessment lien under applicable law and (b) the lien of any first Mortgage. Any Person acquiring title to any Lot, by virtue of any Foreclosure of a first Mortgage shall be personally liable and obligated only for Assessments as shall accrue and become due and payable for said Property subsequent to the date of acquisition of such title, and shall not be personally liable for the payment of any Assessments which were in default and delinquent at the time such Person acquired title.

4.8.5 Exempt Property. The following property shall be exempted from the Assessments, charge and lien created herein: (a) Common Property owned in fee by the Association; and (b) all property dedicated to a governmental authority, whether accepted for dedication or not, and used for open space, common area, watershed, roadway, school, fire station or park purposes. No Owner of any portion of the Properties subject to Assessments may exempt himself from liability for any Assessment levied against him or his property by waiver of the use of enjoyment of any of the Common Property, or by abandonment of his Property, or in any other way.

ARTICLE 5 ARCHITECTURAL REVIEW

5.1 Architectural Review Committee. The Architectural Review Committee shall be composed of three (3) persons, all of whom shall be appointed by the Board of Directors. The members of the Architectural Review Committee need not be Members.

5.2 Purpose. The primary purpose of these covenants and restrictions and the foremost consideration in the origin of same has been the creation of a community which is aesthetically pleasing and functionally convenient. The establishment of strict objective requirements relating to design, appearance, size and location of buildings and other structures would make it difficult to take full advantage of the individual characteristics of each Lot and of technological advances and environmental values. In order to implement the purpose of these covenants, however, the Architectural Review Committee may, but shall not be obligated to, establish and amend from time to time objective standards and guidelines for the Property or specified areas within the Property, which standards and guidelines shall be binding on the Owners and Occupants of the Property or the effected portions thereof and may include, without limitation the following:

5.2.1 Architectural Standards and Construction Specifications which may establish, define and expressly limit those standards and specifications which will be approved for the construction or alterations of Improvements within the Properties or a specified area thereof, including, but not limited to, architectural style, exterior color or finish, roofing material, restrictions and regulations to exterior mechanical equipment and roof-mounted equipment, siding material, driveway material, landscape design, and construction technique.

5.2.2 Parking Guidelines which may establish standards and specifications for adequate vehicular circulation areas, including areas for the parking of automobiles and trucks off public or private streets, and may regulate the design and paving of parking areas and minimum numbers of parking spaces to be provided within the Properties,

5.2.3 Uniform Sign Standards which may establish standard design, distribution and location criteria for all signs, as well as the maximum number, maximum area and maximum height of signs and signs which shall be prohibited within the Properties.

5.2.4 Uniform Mailbox Regulations which may define standard design criteria for all mailboxes erected within the Properties.

5.2.5 Lighting Guidelines may regulate the erection, maintenance and operation of lighting fixtures within the Properties, including but not limited to the location, size, color, design and hours of operations of such fixtures.

5.2.6 Landscape Guidelines which may establish approved standards, methods, and procedures for landscape management within the Properties.

5.2.7 Environmental Rules and Regulations which may regulate engagement in activities upon or with respect to the Properties pertaining to hazardous substances, hazardous waste or other environmental matters.

5.3 Controls. Except as otherwise provided herein to the contrary, no Improvements, as that term is hereinafter defined, shall be erected, constructed, placed or altered (by addition or deletion) in such a way as to change the exterior appearance of such Improvement, on any portion of the Properties, including any Common Property until the preliminary and final plans and specification therefor, in such form and detail as the Architectural Review Committee may require pursuant to policies and procedures from time to time adopted and promulgated by it, shall have been submitted to and approved in writing by the Architectural Review Committee in accordance with the procedures set forth below.

As used herein, "Improvements" shall mean and refer to any building or other improvement which may affect the appearance of the Properties, including, but not limited to, any building, garage, driveway, wall, fence, parking area, walkway, antenna, curbing, paving, landscaping, irrigation system, tree (including trees indigenous to the site), hedge, signage, or any temporary trailer. "Improvements" also means (i) any excavation, fill, ditch, diversion, lake, pond, dam, or berm or anything or device that alters or crosses the natural flow of any water in any natural or artificial drainage channel from, or upon, any portion of the Properties by more than six (6) inches from that existing at the time of purchase by an Owner, and (iii) any slope or embankment adjacent to or bordering on any public or private roadway.

(a) Preliminary Review - No application for a building permit or for any other approval from Spartanburg County, in their respective governmental capacity, for the construction or alteration of Improvements on the Properties, including without limitation, a special use permit, and/or commencing the construction or alterations of any Improvement on any portion of the Properties shall be submitted with respect to any Lot until the Architectural Review Committee shall have approved in writing the preliminary plans and specifications therefor submitted by the Owner contemplating such construction or alteration showing or setting forth at least the following:

- (i) Location of all structures, easements, streets and set-back lines;
- (ii) Location of all walks, flagpoles, parking areas, off-street loading areas, driveways and outside storage areas;
- (iii) Location of all landscaping features;
- (iv) Architectural building elevation drawings of each building face including without limitation materials to be used in their proper locations;
- (v) Building materials and color information and samples to be submitted if available;
- (vi) Site coverage data and calculations;
- (vii) Parking data and calculations, including base data for projected needs;
- (viii) Site Drainage plans, data and calculations;
- (ix) Description of proposed use;

The Architectural Review Committee shall review such preliminary plans and specifications and shall in writing approve, suggest modifications to, or reject such preliminary plans. Approval of the preliminary plans and specifications shall not constitute final approval of the plans but only a guide to the Owner before detailed construction drawings are prepared.

(b) Final Plan Review - No Improvement shall be erected, placed, or altered on any portion of the Properties until the Architectural Review Committee shall have approved in writing the final plans and specification therefor submitted to the Architectural

Review Committee by the Owner contemplating such construction or alteration showing or setting forth at least the following:

- (i) Location of all structures, easements, streets and set-back lines;
- (ii) Location of all walks, driveways and curb lines;
- (iii) Layout and location of all parking areas, including location and dimensions of all spaces, circulation aisles, curbs and bumpers;
- (iv) Layout and location of all off-street loading areas;
- (v) Layout and location of all outside storage areas, including identification and size of the material to be stored and location and dimension of all fencing and screening;
- (vi) All landscaping, including location height, spread, type and number of trees and shrubs and location and type of all ground cover and lawn material;
- (vii) Location, height, intensity and fixture type of all exterior lighting;
- (viii) Location, size and type of all pipes, lines, conduits and appurtenant equipment and facilities for the transmission of sanitary sewage, storm water, water, electricity, gas, telephone, steam and other utility services;
- (ix) Location, size and type of all fencing and flagpoles;
- (x) Architectural floor plans, building elevation, wall sections and details of each building;
- (xi) Building material and color information, including samples;
- (xii) Temporary construction sign design;
- (xiii) Permanent sign design;
- (xiv) Site coverage data and calculations;
- (xv) Parking data and calculations, including base data for projected needs;
- (xvi) Site drainage data and calculations, including finished contour lines and spot elevations; and
- (xvii) Detailed information regarding the property used of the site; and
- (xviii) Copies of all and any accompanying correspondence, erosion and sedimentation control plans and other plans submitted for governmental approval.

(c) The Architectural Review Committee shall review such final plans and specifications and shall in writing approve, suggest modifications to, or reject such plans.

(d) Submission of Plans and Specifications – Any Owner desire to obtain preliminary or final approval for the construction of Improvements to be located or alteration of Improvements located within the Properties shall submit to the Architectural Review Committee three (3) copies of the preliminary or final, as the case may be, plans and specifications therefor.

(e) Failure of the Architectural Review Committee to Act - If Architectural Review Committee fails to approve or to disapprove any plans and specifications submitted to it or to reject them as being inadequate within twenty (20) business days after submittal thereof, and provided no Improvement or alteration of an Improvement described in such plans and specifications violates the covenants and restrictions contained in this Declaration or in any Supplemental Declaration applicable thereto, it shall be conclusively presumed that the Architectural Review Committee has approved such plans and specifications. The Architectural Review Committee, by its failure to act, shall not be deemed to have waived, or granted any variances from any covenant or restriction contained in this Declaration or any applicable Supplemental Declaration. If any plans and specifications are not sufficiently complete or are otherwise inadequate, the Architectural Review Committee may reject them as being inadequate or may approve or disapprove part, conditionally or unconditionally, and reject the balance. If the Architectural Review Committee rejects any submission, it shall provide, on the request of the Owner making such submission, a general written statement of the reasons for rejection, shall suggest revisions that meet the Architectural Review Committee's requirements, and shall otherwise make reasonable efforts (at no cost to the Association) to aid the submitting Owner in preparing a proposal that would be acceptable to such Architectural Review Committee. Any subsequent resubmission by the Owner shall be reviewed and acted upon by the Architectural Review Committee as outlined herein, within twenty (20) business days after such resubmission.

5.4 Architectural Review. Rights of Declarant During Declarant's Control Period. Notwithstanding anything herein provided to the contrary, Declarant, during Declarant's Control Period, shall have the same power and authority as conferred on the Architectural Review Committee, the Association or its Board of Directors, to grant any approvals, consents, waivers or estoppel certificates required or allowed pursuant to the terms and provisions of this Declaration in connection with the construction of Improvements on, or the subdivision or rezoning of, any portion of the Properties. Declarant shall deliver to the Architectural Review Committee one (1) set of any plans and specifications approved by Declarant for the Association's records.

5.5 No Liability. Neither the Architectural Review Committee nor Declarant, as the case may be, shall be liable in damages to anyone submitting plans to it for approval, or to any Owner, occupant or lessee within the Properties, by reason of a mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve any plans and/or specifications, or the execution of an estoppel certificate in accordance with the provisions hereof. Every person who submits plans to the Architectural Review Committee or Declarant for approval agrees, by submission of such plans, and every Owner, occupant or lessee within the Properties agrees, by acquiring title thereto or interest therein, that he will not bring any action or suit against the Association, the members of the Architectural Review Committee or Declarant to recover such damages.

5.6 Architectural Review Fee. An architectural review fee not to exceed One Thousand Dollars (\$1,000.00), to be paid in advance, may be charged by the Architectural Review Committee or the Declarant, as the case may be, each time preliminary plans and specifications are submitted for approval in accordance herewith. Preliminary and final plans shall count as one (1) submittal for the purposes of this Section. In addition to the architectural review fee, the members of the Architectural Review Committee and Declarant, as the case may be, shall be entitled to reimbursement by an Owner for reasonable expenses incurred, in connection with the review of such Owner's plans. In the event that submitted plans are disapproved as not conforming with the provisions of this Article or with other criteria imposed by the Architectural Review Committee or by Declarant, when new or revised plans are submitted, it may be deemed to be an entirely new submittal, subject to the foregoing fee schedule. Notwithstanding anything in this Section to the contrary, the maximum architectural review fee set forth herein may be modified from time to time by the Architectural Review Committee or Declarant, as the case may be, to reflect changed circumstances such as inflation. The Architectural Review Committee or Declarant, as the case may be, also shall have the power to waive any established architectural review fee.

5.7 Estoppel Certificate. Within ten (10) business days after written demand delivered to the Association, and upon payment of a reasonable fee, the Association shall provide an estoppel certificate in form and substance satisfactory to the Association certifying that, as of the date thereof, either (a) all Improvements made or other work done on a Lot are in compliance with this Declaration and any architectural standards or guidelines applicable thereto, or (b) such Improvements or work do not so comply, in which event the certificate shall identify the non-complying Improvements or work and set forth with particularity the cause or causes of such non-compliance. Any lessee, purchaser or Mortgagee acquiring an interest in good faith for value shall be entitled to rely on said certificate with respect to the matters set forth therein, such matters being conclusive as between the Association and any such subsequent parties in interest relying on said certificate.

ARTICLE 6 LAND USE REGULATIONS

6.1 Temporary Structures; Construction Debris. No tents, trailers, vans, shacks, tanks or temporary or accessory buildings or structures shall be erected or permitted to remain within the Properties except those needed during construction, and after the completion of construction of the main structure and issuance of a certificate of occupancy, all such tents, trailers, vans, shacks, tanks, temporary and accessory, buildings or structures shall be removed promptly. Underground storage tanks shall be permitted only upon delivery to the Declarant and the Association of such environmental indemnifications as may be deemed appropriate by Declarant and the Association. At all times during the course of construction of improvements and landscaping upon any property, construction debris of all kinds (including but not limited to dirt and mud) will be removed from the Properties and adjoining property and streets, and when such construction is substantially completed, all debris, equipment and excess, surplus or remainder construction materials, of whatever nature, shall be promptly cleared and removed from the property and all adjacent property and streets.

6.2 Utilities. Whenever possible, utilities within the Properties, whether located within the Common Property or not, shall be installed and maintained underground.

6.3 Mechanical Equipment. All mechanical equipment, including roof mounted equipment, shall be enclosed or screened as required by the Architectural Review Committee.

6.4 Trash Disposal. No weeds, underbrush or other unsightly growth shall be permitted to grow or remain within the Properties, and no wastepaper, trash, refuse pile or unsightly objects shall be allowed to be placed or suffered to remain anywhere thereon. All garbage or trash containers must be kept in a clean and sanitary condition and kept in underground or placed in walled-in areas so that they shall not be visible from any adjacent properties or from any street. No portion of the Properties shall be used or maintained as a dumping ground for rubbish or junk. Trash, garbage or other waste shall not be kept except in sanitary containers.

6.5 Outside Storage. Outside storage of any materials, supplies or products shall not be permitted within any setback area, whether located in the open or whether situated within a trailer, van or other type of container, and, further, all such outside storage shall be located in such place or properly screened by a masonry wall so as not to be visible from any adjacent property or from any street.

6.6 Nuisances. No part of the Properties and no building or other improvement thereon shall be used for any purpose or in such manner which shall be a nuisance to the occupants or owners of any neighboring lands or buildings by reason of the emission from said property, or the creation thereon, of odors, gases, dust, smoke, noise, fumes, cinders, soot, glare, reflected sunlight, vibrations, radiation or waste or otherwise. The Declarant, during Declarant's Control Period, and thereafter the Architectural Review Committee, is vested with the authority to issue, amend and cancel from time to time specific performance standards for any portion of the Properties.

6.7 Hazardous Wastes, etc. During its ownership of the Properties, no Owner, its lessees, employees or agents shall engage in or allow the engagement in any conduct or activities upon or with respect to the Properties which will constitute or result in a violation of or liability under any valid federal, state, county or municipal law, ordinance or regulation which is applicable to the Properties and which pertains to hazardous substances, hazardous waste or other environmental matters. If an Owner shall breach the foregoing covenant, such Owner shall, at its sole expense: (i) perform any necessary corrective work, including (without limitation) investigation, clean-up or other remedial or responsive action, testing or monitoring; (ii) perform any other work required by federal, state or local governmental authorities, including (without limitation) preparing permit applications and other documents and providing any required financial assurances; and (iii) indemnify and hold harmless Declarant, the Association and other Owners and Occupants from any liability and claims, including reasonable costs and attorney's fees, based upon any alleged or actual breach of the covenant contained in this Section. The covenants contained in this Section shall be continuing covenants and obligations of all Owners which shall survive Owner's subsequent sale,

transfer or disposal of the property, but said covenants shall only be applicable to the actions and conduct of each Owner, its lessees, employees and agents regarding the Properties and occurring during the period of Owner's ownership of the Properties.

ARTICLE 7 FUTURE SUBDIVISION OR REZONING

Prior to subdividing or reconfiguring the boundaries of any Lot or applying with any governmental authority for the rezoning of any Lot within the Properties, an Owner must obtain the prior written consent of the Declarant or the Association, during Declarant's Control Period, and thereafter, the prior written consent of the Association. Any Owner desiring to obtain such consent shall submit to Declarant or the Association, as the case may be, a written request for the same setting forth all pertinent facts concerning the Owner's desire to subdivide or reconfigure the boundaries of a Lot or apply for the rezoning of a Lot. The Declarant or the Association, as the case may be, shall review such request and shall in writing approve, suggest modifications to, or reject the same. If Declarant or the Association, as the case may be, fails to approve or to disapprove any such request submitted to it within forty-five (45) days after submittal thereof, and provided the requested reconfiguration, subdivision or rezoning does not otherwise violate the covenants and restrictions contained in this Declaration or in any Supplemental Declaration applicable thereto, it shall be conclusively presumed that the Declarant or the Association has approved such request. Neither Declarant nor the Association, by its failure to act, shall be deemed to have waived, or granted any variances from, any covenant or restriction contained in this Declaration or any applicable Supplemental Declaration. If Declarant or the Association rejects any submission, it shall, at the request of the Owner requesting approval, provide a general written statement of the reasons for rejection, suggest revisions that meet the Association's requirements, and otherwise make reasonable efforts (at no cost to the Declarant or the Association) to aid the submitting Owner in preparing a proposal that would be acceptable. Following the recordation of any plat reconfiguring any Lot or subdividing any portion of the Properties approved by Declarant or the Association, as the case may be (a "Subdivision Plat"), each Lot shown on the previously recorded plat or plats, the boundaries of which are revised by a Subdivision Plat, shall cease to be a "Lot" as defined in this Declaration and each newly configured Lot shown on the Subdivision Plat shall be a "Lot" as defined in this Declaration. In addition, upon the recordation of a Subdivision Plat, any easements previously reserved or created which parallel the boundary lines of each Lot shall cease to exist with respect to any removed Lot line and shall be relocated to parallel any relocated Lot line; provided, however, no such easement relocation shall materially adversely effect any established or otherwise necessary rights or easements of any Owner for ingress, egress, regress, drainage or utilities servicing such Owners' Lot.

ARTICLE 8 EXTERIOR MAINTENANCE

All Lots and the exterior and interior of all buildings, paved areas, landscaping, grounds and other improvements located thereon shall be maintained by the Owner(s) thereof at all times in a safe, clean and wholesome manner and in first class condition and repair, replacements being made as necessary. If the Owner(s) of any Lot fails to so maintain any building, structure, paved area, landscaping, driveway or sidewalk, and such failure continues for a period of fifteen (15) business days after written notice from the Association to such Owner(s) (or within a longer period of time if the required work cannot reasonably be completed within fifteen (15) business days; provided that the required work is commenced within such fifteen (15) business day period and thereafter diligently pursued), the Association, its designees or employees, shall have the right to enter the Lot and perform the required maintenance, repairs or replacements, including, but not limited to, painting, guttering, repairs and replacements, the removal, hauling away and disposing of abandoned vehicles, and landscaping. The Owner of such property shall reimburse the Association for the cost of any work above required. Any nonreimbursed costs incurred by the Association in rendering such services plus a service charge of fifteen percent (15%) of such costs shall be added to and become a part of the Assessments levied against any such Lot and shall become a lien thereon to the same extent as provided in Article IV hereof. To accomplish the foregoing maintenance, the Association and its agents shall have an easement over and upon all Lots. Notwithstanding the foregoing, in the event that a Lot is not in first class condition and repair due to the occurrence of a casualty which is covered under the Owner's(s') casualty insurance policy, the time periods set forth in the foregoing provision shall apply only with regard to such work as is necessary to prevent any health or safety hazards. The restoration of the Lot and improvements to first class condition and repair shall not be required to commence until such time as the proceeds of the insurance policy have been paid or made available to the Owner or the Owner's(s') mortgagee, but in no event more than six (6) months after the occurrence of the damage or destruction, and after commencement, such restoration shall be diligently pursued to completion.

ARTICLE 9 GENERAL PROVISIONS

9.1 Duration. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Declarant, and/or the Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, in perpetuity, provided that (i) Declarant, so long as Declarant and Related Entities own at least twenty percent (20%) of the Property, or (ii) the Owners entitled to cast at least sixty-five percent (65%) of votes of the Association, may at any time and from time-to-time, by written instrument signed and acknowledged by it or them and recorded in the Office of the Register of Deeds, Spartanburg County, South Carolina, alter, amend, extend or terminate this Declaration or any part thereof. No alteration or amendment of this Declaration, however, shall in any way negate or affect a previously granted approval of development plans or building plans by Declarant or the Association. In addition, no alteration or amendment shall result in the Owner(s) of any Lot being burdened by Assessments

in excess of those herein provided or remove the right and obligation of the Association to maintain the Common Property.

No amendment purporting to terminate, revoke, limit or curtail any right herein conferred upon or inuring to the benefit of Declarant, shall be effective unless executed by Declarant. During Declarant's Control Period, no amendment of this Declaration shall be effective without the express written consent of the Declarant.

9.2 Enforcement. Enforcement of the covenants and restrictions created by this Declaration shall be by any proceeding at law or in equity and may be instituted by the Declarant, any Member, the Association, or any Owner against any person, persons, or entity, including without limitation, the Association, violating or attempting to violate or circumvent any covenant or restriction, or failing to perform any obligation created by or arising out of the covenants and restrictions created by this Declaration, either to restrain violation, obtain specific performance, or to recover damages, or, without limitation, enforce any lien created by these covenants. Failure by the Association, any Member, any Owner, or the Declarant to enforce any covenant or restriction herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right of enforcement thereunder.

9.3 Insurance. The Board of Directors may procure and maintain insurance covering the Association, its directors, officers, agents and employees and procure and maintain adequate hazard insurance on the real and personal property owned by the Association as follows:

(a) A policy of property insurance in an amount equal to the full replacement value (i.e., 100% of current "replacement cost" excluding land, foundations, excavations, streets and parking facilities) of the Common Property owned by the Association (including all building service and related equipment) with such endorsements as are deemed appropriate by the Board of Directors. Such insurance policy must protect against loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, debris removal, cost of demolition; vandalism, malicious mischief and windstorm. If coverage is available, the policy may include coverage for water damage.

(b) A comprehensive policy of public liability insurance insuring the Association in an amount not less than One Million Dollars (\$1,000,000.00) for claims for personal injury and/or property damage arising out of a single occurrence, such coverage to include protection against liability for non-owned and hired automobiles and liability for property of others, and, if available, may include coverage for water damage.

(c) The Board of Directors shall maintain fidelity coverage against dishonest acts by the Association's officers, directors, trustees and employees, and all others who are responsible for handling funds of the Association. If the Association employs a professional property management person or firm to manage the Association and to receive and disburse the monies of the Association, then such professional management person or firm shall have adequate fidelity coverage against dishonest acts and the existence of such coverage shall satisfy the requirement of this paragraph. If the Association elects to manage its own affairs and directly receive and disburse its own funds (or, if in addition to professional management, the officers or directors of the Association can and do directly receive or disburse the monies of

the Association), then the Board of Directors shall provide the coverage set forth in this paragraph.

Any such fidelity bonds shall name the Association as an obligee; shall be written in an amount equal to at least 150% of the estimated annual operating expenses of the Association, including reserves; shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to the Association.

(d) A comprehensive umbrella policy insuring the Association in an amount not less than One Million Dollars (\$1,000,000.00) for claims for personal injury and/or property damage arising out of a single occurrence, such coverage to include protection against liability for non-owned and hired automobiles and liability for property of others, and, if available, may include coverage for water damage.

(e) A professional liability policy insuring the directors and officers of the Association in an amount not less than One Million Dollars (\$1,000,000.00).

9.4 Interpretation. The Board of Directors of the Association shall have the right to determine all questions arising in connection with this declaration and to construe and interpret its provisions, and its determination, construction or interpretation shall be final and binding. In all cases, the provisions of this Declaration shall be given that interpretation or construction that will best result in the consummation of the general plan of development.

9.5 Severability. Should any covenant or restriction herein contained, or any Article, section, subsection, sentence, clause, phrase or term of this Declaration be declared to be void, invalid, illegal or unenforceable, for any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof which are hereby declared to be severable and which shall remain in full force and effect.

9.6 Authorized Action. All actions which the Association is allowed to take under this instrument shall be authorized actions of the Association if approved by the Board of Directors in a manner provided for in the Bylaws of the Association, unless the terms of this instrument provide otherwise.

9.7 Notices. Any notice required to be sent to any Member under the provisions of the Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, with the proper first class postage affixed, to the last address of the Owner registered in writing with the Association, or if no such address has been registered, to the Lot address. Notice to one of two or more co-owners or co-tenants of a Lot shall constitute notice to all co-owners. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address. Any person who becomes a Member following the first day in the calendar month in which said notice is mailed shall be deemed to have been given notice if notice was given to his predecessor in title.

9.8 No Liability. In connection with all review, acceptances, inspections, permissions, consents or required approvals by or from the Declarant, the Association or its Architectural Review Committee contemplated under this Declaration, the Declarant, the Association and any officer, director or committee member of the Association shall not be liable to an Owner or to any other person on account of any claim, liability, damage or expense suffered or incurred by or threatened against an Owner or such other person and arising out of or in any way reacting to the subject matter of any such reviews, acceptances, inspections, permissions, consents or required approvals, whether given, granted or withheld.

9.9 Invalidity. In the event that this Declaration be declared to be void, invalid, illegal, or unenforceable in its entirety, or in such a significant manner that the Association is not able to function substantially as contemplated by the terms hereof, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, and such adjudication occurs within thirty (30) years of the date of recording this Declaration, all Common Property belonging to the Association at the time of such adjudication shall revert to the Declarant, and the Declarant shall own and operate said Common Property as Trustee for use and benefit of Owners within the Properties. If said adjudication shall occur on a date more than thirty (30) years after the date of recording of this Declaration, or if the Members of the Association should vote to terminate this Declaration as provided for in Section 1 of this Article, all Common Property owned by the Association at such time shall be transferred to a Trustee appointed by the Clerk of Court of Spartanburg County, South Carolina which Trustee shall own and operate said Common Property for the use and benefit of Owners within the Properties.

9.10 Rights of Certain Mortgagees.

Any Mortgagee, upon written request given to the Association, shall be entitled to:

- (a) Inspect the books and records of the Association during normal business hours;
- (b) Receive written notice of any condemnation or casualty loss that affects a material portion of the Common Property,
- (c) Receive written notice of any Assessments or charges owed by the Owner of any Lot encumbered by the Mortgage it holds more than sixty (60) days past due; and
- (d) Receive written notice of a lapse, cancellation, or material modification of any insurance policy or fidelity bond maintained by the Association.

9.11 Easements.

(a) Easements of Encroachment. There shall be reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between each Lot and any adjacent Common Property due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a

distance of not more than three feet, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, an Owner, occupant, or the Association.

(b) Utility Easements. Declarant hereby reserves for itself and grants to the Association, easements and rights-of-way for the installation and maintenance of utilities (including cable television service) and drainage facilities as indicated on plats of the Properties, now or hereafter recorded, and over those portions of each Lot which extend from the boundary lines of each Lot for a distance equal to the greater of one-half (1/2) of the applicable building setback or twenty (20) feet. Within these easements no structures, planting or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the drainage easements, or which may obstruct or retard the flow of water through drainage channels in the easements. A non-exclusive perpetual easement is hereby established in favor of the local water supplier, electric company, and natural gas supplier across the Properties for ingress, egress, installation, reading, replacing, repairing, and maintaining utility meters and boxes. Notwithstanding anything in this Declaration to the contrary, no utilities or drainage facilities shall be installed or located on the Properties, except as approved by the Declarant or the Architectural Review Committee.

(c) Additional Easements for Repair and Maintenance. Declarant hereby reserves for itself and grants to the Association, and the designees of each access and maintenance easements upon, across, over, and under all of the Properties to the extent reasonably necessary for the purpose of replacing, repairing, and maintaining cable television systems, master television antenna systems or other devices for sending or receiving data and/or other electronic signals, security and similar systems, roads, signs, walkways, bicycles pathways, trails, ponds, wetlands, drainage systems, street lights, signage, and all utilities, including, but not limited to, water, sewers, meter boxes, telephone, gas, and electricity, and for the purpose of installing any of the foregoing on property which it owns or within easements designated for such purposes on recorded plats of the Properties. The exercise of the easements hereinabove reserved or granted shall not unreasonably interfere with the use of any Lot and, except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or Occupant.

(d) Right of Entry. The Association shall have the right, but not the obligation, to enter upon any portion of the Properties for emergency, security, and safety reasons, to perform maintenance pursuant to Article VIII hereof, and to inspect for the purpose of ensuring compliance with this Declaration, any Supplemental Declaration(s) Bylaws, and rules, which right may be exercised by any member of the Board, the Association, officers, agents, employees, and managers, and all policemen, firemen, ambulance personnel, and similar emergency personnel in the performance of their duties; provided nothing herein shall authorize any person to enter any structure without permission of the Owners unless necessary to avoid an imminent threat of personal injury or property damage. Except in an emergency situation, entry shall only be during reasonable hours and after notice to the Owner. This right of entry shall include

the right of the Association to enter upon any Lot or any other portion of the Properties to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after requested by the Board.

(e) Association's Easement to Correct Drainage. Declarant hereby grants to the Association an easement and right on, over and under any portion of the Properties to maintain and to correct drainage or surface water runoff in order to maintain reasonable standards of health, safety and appearance. Such right expressly includes the right to cut any trees, bushes or shrubbery, make any gradings of the soil, or take any other similar action reasonably necessary. After such action has been completed, the Association shall restore the affected property to its original condition to the extent practicable. The Association shall give reasonable notice of intent to take such action to all affected Owners. The exercise of the easements herein granted shall not unreasonably interfere with the use of any Lot and, except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or Occupant.

(f) Sign Easements. Declarant, during Declarant's Control Period, and the Association shall each have the right to erect within the Common Property subdivision signs and landscaping and lighting surrounding same. In addition, easements for the maintenance of subdivision signs and landscaping and lighting surrounding same are reserved as indicated on recorded plats. Declarant hereby reserves unto itself and grants, gives and conveys to the Association a perpetual, non-exclusive easement over the portions of Lots designated as "sign easements" on the plats of the Properties, now or hereafter recorded, to place, maintain, repair and replace subdivision signs and the lighting fixtures and landscaping surrounding same. The Association shall be responsible for maintaining, repairing and replacing any such signs, landscaping and lighting and the costs of such maintenance, repair and replacement shall be part of the common expenses of the Association, payable by the Owners as set out in Article IV hereof. In addition, during Declarant's Control Period, Declarant shall have the right to erect and maintain within the Common Area and on those portions of any Lot designated "sign easement" signs advertising and promoting the sale of property.

(g) Easement for Performance of Work. Declarant, during Declarant's Control Period, and the Association shall each have the free and unrestricted right, license and privilege to have free and unrestricted access upon and across the Properties and, upon reasonable notice, any building or structure thereon, for the purpose of performing any work Declarant or the Association shall have the right to perform pursuant to the provisions of this Declaration, as the same may be from time to time supplemented or amended, or pursuant to the provisions of any other reservation or easement in favor of Declarant or the Association recorded in the Office of the Register of Deeds, Spartanburg County, South Carolina.

The easements hereby granted shall run with the land in perpetuity and be binding upon all of persons and entities now owning or subsequently acquiring all or a part of the Property.

IN WITNESS WHEREOF, the Developer, Liberty Property Limited Partnership, has caused these presents to be executed in its corporate name by its officers hereto duly authorized on this 25TH day of November, 2014.

Executed and declared in the presence of:

LIBERTY PROPERTY LIMITED PARTNERSHIP
By: Liberty Property Trust, Sole General Partner

Mai Lee
Witness

By: Massie Flippin
W. Massie Flippin, CCIM
Vice President and City Manager

[Signature]
Witness

STATE OF NORTH CAROLINA)
)
COUNTY OF Mecklenburg)

PERSONALLY appeared before me Colleen B. Storm, who, on oath, says that (s)he saw the within named Liberty Property Limited Partnership by Liberty Property Trust, its sole general partner, by W. Massie Flippin, CCIM, its Vice President and City Executive sign the within instrument, and the said Partnership seal said instrument, and, as its act and deed, deliver the same and that (s)he with Michael Malta + Bryan Blythe witnessed the execution thereof.

SWORN to before me this 25TH day of November.

Notary Public of North Carolina
My commission Expires: Feb. 10, 2018

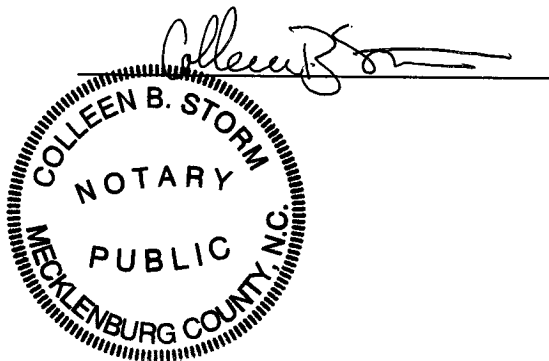


EXHIBIT A

ALL that certain piece, parcel or lot of land containing 50.43 acres, more or less, with all improvements thereon, if any, situate, lying and being on the eastern side of Old Woodruff Road in the County of Spartanburg, State of South Carolina, being shown and designated on plat of Boundary Survey for Liberty Property Limited Partnership; Liberty Property Trust, prepared by Arbor Engineering, Inc., dated January 26, 2007, recorded in the Office of the Spartanburg County Register of Deeds in Plat Book 161 at Page 137, and reference to said plat is being craved for a complete metes and bounds description.

ALSO

ALL that certain piece, parcel or lot of land situate, lying and being in the County of Spartanburg, State of South Carolina, being shown and designated as PARCEL A, containing 0.10 acres, more or less, as shown on plat entitled "Boundary Survey for Liberty Property Limited Partnership; Liberty Property Trust," dated May 17, 2007, prepared by K. W. Tollison & Associates, LLC, recorded in the Office of the Register of Deeds for Spartanburg County, South Carolina, in Plat Book 162 at Page 963, reference to said plat being craved for a complete metes and bounds description.

ALSO, INCLUDED

ALL that certain piece, parcel or tract of land containing approximately 0.11 of an acres of land, situate, lying and being in Spartanburg County, State of South Carolina, and more particularly shown and delineated as Parcel "M" on a plat prepared for Liberty Property Limited Partnership; Liberty Property Trust by K.W. Tollison & Associates, LLC, recorded in the Office of the Register of Deeds for Spartanburg County, South Carolina, in Plat Book 162 at Page 963, reference to said plat being craved for a complete metes and bounds description.

LESS, HOWEVER:

ALL that certain piece, parcel or lot of land situate, lying and being in the County of Spartanburg, State of South Carolina, being shown and designated as PARCEL K, containing 0.85 acres, more or less, as shown on plat entitled "Boundary Survey for Liberty Property Limited Partnership; Liberty Property Trust," dated May 17, 2007, prepared by K. W. Tollison & Associates, LLC, recorded in the Office of the Register of Deeds for Spartanburg County, South Carolina, in Plat Book 162 at Page 963, reference to said plat being craved for a complete metes and bounds description.

ALSO LESS:

ALL that certain piece, parcel or lot of land situate, lying and being in the County of Spartanburg, State of South Carolina, being shown and designated as PARCEL B, containing 28 square feet, more or less, as shown on plat entitled "Boundary Survey for Liberty Property

Limited Partnership; Liberty Property Trust," dated May 17, 2007, prepared by K. W. Tollison & Associates, LLC, recorded in the Office of the Register of Deeds for Spartanburg County, South Carolina, in Plat Book 162 at Page 963, reference to said plat being craved for a complete metes and bounds description.

ALSO LESS:

ALL that certain piece, parcel or lot of land situate, lying and being in the County of Spartanburg, State of South Carolina, being shown and designated as PARCEL C, containing 3.10 acres, more or less, as shown on plat entitled "Boundary Survey for Liberty Property Limited Partnership; Liberty Property Trust," dated May 17, 2007, prepared by K. W. Tollison & Associates, LLC, recorded in the Office of the Register of Deeds for Spartanburg County, South Carolina, in Plat Book 162 at Page 963, reference to said plat being craved for a complete metes and bounds description.

RECORDED IN THE OFFICE OF THE REGISTER OF DEEDS
SPARTANBURG COUNTY, SOUTH CAROLINA
ON 05/17/2007 AT 10:00 AM
BY K. W. TOLLISON & ASSOCIATES, LLC
BOOK 162 PAGE 942