BY-LAWS

OF

SUGAR RIDGE COMMONS

DEE-2019-43689



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BY-LAWS ARTICLE I NAME AND LOCATION

The name of this organization shall be "Sugar Ridge Commons Homeowner Association, Inc." The principal office of the Association shall be located in the County of Spartanburg, State of South Carolina.

ARTICLE II DEFINITIONS

<u>Section A</u> "Association" shall mean and refer to the above named corporation, its successors and assigns.

<u>Section B.</u> "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, and such additions thereto as May hereafter be brought within the jurisdiction of the Association.

<u>Section C</u>. "Common Areas" shall mean all real property owned by the Association for common use and enjoyment of the Owners.

<u>Section D</u>. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the Common Areas.

<u>Section E.</u> "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section F. "Declarant" shall mean and refer to Applewood, LLC, its successors and Assigns. Section G. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Properties recorded in the Office of the Register of Deeds, Section H. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III

PURPOSE

Section A.

The purpose of the Association shall be to provide a collective government form of administration for the Owners of lots in a residential community known as Sugar Ridge Commons located in Boiling Springs, South Carolina; to enforce and interpret the provisions of Sugar Ridge Commons Protective Covenants and rules and regulations enacted by the Association for recreational, social, and aesthetic development and maintenance of Sugar Ridge Commons; to provide for the acquisition, construction, management, maintenance, and care of Association property, including pond, pool, common areas, and other improvements for the benefit of Owners of residences, of residential lots in Sugar Ridge Commons; to own, manage, and control the common areas and the activities of the Owners relating thereto and of all persons using the common areas and all things pertaining to and/or related thereto; to operate as a residential real estate management association, within the meaning of §528(c) of the Internal Revenue Code; to assess and collect such membership dues, fees, or assessments as shall be necessary for the purpose of acquiring, constructing, or providing management, maintenance, and care of Association properly, for the exclusive benefit of Association members; and to carry out all activities, promulgate all rules, and to have all responsibilities and purposes that are given to the Association in the Protective Covenants and in these By-Laws.

<u>Section B.</u> The Association is organized exclusively as a "Homeowners Association" within the meaning of §528(c) of the Internal Revenue Code.

<u>Section C</u>. The Association shall be solely responsible for the following matters and things within Sugar Ridge Commons; provided, however, nothing herein shall prevent the Association from contracting with or employing third parties to carry out such activities, provided all costs of the same shall be borne solely by the Association, and further provided that the acceptance of carrying out these functions by any third person or entity, including any agency of government, shall not relieve the Association of the ultimate responsibility for the same, such things being namely:

l. Maintaining, regulating use of, and improving all Common Areas, including areas which the Association holds title ownership, and easements along streets and roads, and rights-of-way, and along boundaries of the Property, which areas exist for the general benefit of all Owners.

ARTICLE III Section C. continued

Such maintenance shall include, but shall not be limited to, maintaining and regulating use of the pool, gazebo, walking trails, pond, and all other improvements, cutting grass, planting and maintenance of shrubs, trees, and other improvements, and performance of all of the tasks necessary and desirable to keep such Common Areas neat, attractive, and in order.

- 2. Establishing rules and regulations and enforce same relating to appearance of individual Lots within Sugar Ridge Commons including but not limited to, if Board of Directors of the Association deems necessary, contracting for trash and garbage pick-up, contracting for basic lawn maintenance for either common areas or Owner's property or both, maintaining of uniform street signs, property address numbers, street lights, and uniform mail boxes and receptacles.
- 3. Enforcing performance of the Protective Covenants governing Sugar Ridge Commons by the Owners. These Protective Covenants are entitled Declaration of Protective Covenants, Conditions, Restrictions and Easements of Sugar Ridge Commons and were recorded in the Office of the Register of Mesne Conveyance for Spartanburg County, South Carolina, in Deed Book 75T at Page 618 on May 9, 2002, by Applewood, LLC, "Developer" and "Declarant." Amended May 21, 2002, Deed 75V, page 128.

ARTICLE IV

MEMBERS

Each and every Owner of a residential lot or residence in Sugar Ridge Commons residential community shall, upon acquisition of ownership in a Lot, become a member of this Association, which membership shall terminate automatically when such Owner ceases to be an Owner (i.e., no longer having an ownership interest of record in a Lot). Members shall be appurtenant to and may not be separated from ownership of a Lot. Upon sale, conveyance, devise, or other transfer of any kind of or nature of any Lot, such subsequent transferee shall automatically become a member hereof and likewise the vote appurtenant to the Lot shall automatically pass to the transferee and membership of the transferor shall be immediately terminated, regardless of whether any membership certificate or voting certificate is transferred. The secretary of the Association must be notified of any such transfer by delivery of written notice thereof.

ARTICLE V

APPLICATION

All present and future owners, tenants, future tenants, agents, servants, employees, guests, invitees, and any other person using the Common Areas or occupying a residential dwelling ("Residence") upon a Lot located in Sugar Ridge Commons are hereby subject to all matters set forth in these By-Laws, and to all rules and regulations which may be promulgated by the Board of Directors on behalf of the Association, and all provisions of the Protective Covenants. A mere acquisition or rental of a residence or use of the Common Areas or any facilities of the Association shall signify that these By-Laws and all rules are accepted, ratified, and shall be complied with.

ARTICLE VI MEETING OF MEMBERS

<u>Section A. Voting.</u> Members shall be the purchase/owner of a sold lot and shall be entitled to one vote, whether owned by one or more persons or entities.

<u>Section B. Majority</u>. As used in these By-Laws, the term "Majority of Owners" shall mean fifty-two percent (52%) of the total votes appurtenant to all of the Lots of Sugar Ridge Commons owned by Owners. Unless otherwise required herein or in the Protective Covenants, the affirmative vote of a majority of owners shall be required to adopt any decision affecting the Association.

Section C. Quorum. Except as may be otherwise provided in these By-Laws or in the Protective Covenants, the presence in person or by proxy of a <u>majority</u> of Voting Owners shall constitute a Quorum. If a Quorum is not present at any meeting of the Owners, the majority of Owners present may adjourn and call a subsequent meeting at which time the quorum requirement will be reduced by one-half (1/2).

<u>Section D. Proxies.</u> At any meeting of Owners, an Owner entitled to vote may vote in person or by proxy executed in writing by the Owner or by his duly authorized attorney in-fact. No proxy shall be valid after three (3) months from the date of its execution, unless otherwise provided in the proxy.

<u>Section E. Informal Action by Members.</u> Any Action required by law to be taken at a meeting of Owners may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of the Voting Owners entitled to vote with respect to the subject matter thereof.

<u>Section F. Transfer.</u> Membership in the Association is not transferable or assignable (except as the same may be assigned by way of proper proxy). Transfer of an Owner's Lot or his interest therein in any fashion shall automatically terminate his membership in the Association and all of his voting rights therein.

ARTICLE VII BOARD OF DIRECTORS

Section A General Powers. The affairs of the Association shall be managed by its Board of Directors. The Board of Directors shall exercise authority in establishing the governing policies of the Association, and shall exercise its power and discharge its duties in good faith with a view to the best interest of the Association. The Board of Directors shall have sole authority to make all decisions concerning the Association, except that neither the Board of Directors or the Association shall be authorized to adopt any measure which would affect the rights of any mortgagee holding a mortgage upon the property or any Lot, or any Common Area or portion thereof, without such mortgagee's written consent. The Board of Directors shall have the right to establish rules and regulations regarding the cleanliness and appearance of the subdivision, the use of any Common Area and any recreational facilities, and to the extent granted by the Protective Covenants, the Lots, and to impose penalties for violation thereof.

The Board of Directors may establish committees as may be deemed necessary to assist the Directors in carrying out the mission of the Association.

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

Section C. Number and Tenure. The Board of Directors shall consist of not less than five (5) and not more than seven (7) members, as determined by the Association. In accordance with Section B above, the Nominating Committee will present a list of possible candidates to fill any required vacancies on the Board. The vote shall be by secret written ballot. Members in good standing may cast, in respect to each vacancy, one vote for each lot/dwelling owned. In the case of one dwelling occupying more than one lot, only one vote shall be allowed. Votes may be cast in person, by proxy, or by mail-in ballot. The person(s) receiving the most votes shall be elected. Cumulative voting is not permitted. In the case of seven (7) members being elected, the following stipulation will occur. Three members (3) will be elected to three-year terms; two (2) for two-year terms; and two (2) for one year term. Board members shall serve a minimum of one year for each term elected and may be reelected multiple times at the discretion of the Association membership.

ARTICLE VII continued

<u>Section D.</u> Each Director must be an Owner in good standing and current in the payment of all assessments and dues.

<u>Section E</u>. Any Director who shall cease to be an owner or who shall be delinquent in payment of any assessment shall automatically cease to be a member of the Board of Directors.

<u>Section F. Regular Meetings.</u> A regular meeting of the Board of Directors_shall be held without other notice than by these By-Laws immediately after, and at the same place as, the annual meeting of Owners. The Board of Directors may provide by resolution of the time and place for the holding of additional regular meetings of the Board of Directors without other notice than such resolution.

<u>Section G. Special Meetings.</u> Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place within Spartanburg County, South Carolina as the place for holding any special meeting of the Board called by them.

<u>Section H. Notice.</u> Notice of any special meeting of the Board of Directors shall be given ten (10) days prior thereto in writing, in person or by mail to each Director at his address as shown by the records of the Association. If mailed, such notice shall be deemed delivered when deposited in the United States mail in an envelope and properly addressed and postage prepaid.

<u>Section I. Quorum.</u> A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

<u>Section J. Manner of Acting.</u> The act of a majority of the members of the entire Board of Directors shall be necessary to pass any resolution or authorize any act of the Association unless a different vote is required herein, in the Protective Covenants, or by law.

<u>Section K. Vacancies.</u> Any vacancy occurring on the Board of Directors and any directorship to be filled by reason of an increase in the number of Directors may be filled by a majority vote of a quorum of the Board members at any regular or special meeting. A Director elected to fill a vacancy shall be elected for the un-expired term of his predecessor in office.

ARTICLE VII continued

Section L. Removal. A Director may be removed at any time by a vote of two-thirds (2/3) of all of the Board of Directors, excluding the member to be removed.

<u>Section M. Compensation.</u> Directors as such shall not receive any compensation for their services, but nothing herein contained shall be construed to preclude any Director from serving the Association in any other capacity and receiving compensation therefore.

<u>Section N. Informal Action by Directors.</u> Any action required by law to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if consent in writing, setting forth the action so taken, shall be signed by all of the Directors.

Section 0. Duties.

- 1. The Board of Directors shall have the following duties and responsibilities:
- a. Transact all Association business and prescribe the rules to the extent granted in the Protective Covenants for Sugar Ridge Commons and particular for all Common Areas and facilities therein and property thereof, and appoint such officers, clerks, agents, servants, or employees as it may deem necessary in its sole discretion in carrying out such activities, and to fix their duties and compensation.
- b. Set annual budget and determine the assessments necessary for the operation of the Common Areas.
- c. Fix, impose, and collect penalties for violations of these By-Laws and any rules adopted for the Association.
- d. Carry out all other duties and obligations imposed and exercise all rights granted to it by the Protective Covenants and by these By-Laws.

ARTICLE VIII OFFICERS AND THEIR DUTIES

<u>Section A. Election of Officers.</u> The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Association.

<u>Section B. Term of Office</u>. The officers of the Association shall be elected annually By the Board of Directors and shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise disqualified to serve.

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

<u>Section D. Resignation and Removal.</u> The Board of Directors may remove any officer from office with due process. Any officer may resign at any time giving a written notice to the Board, 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.

ARTICLE VIII continued

<u>Section E. Vacancies.</u> A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve the remainder of the term of the officer he replaces.

<u>Section F. Enumeration of Officers.</u> The officers of the Association shall be a President, Vice-President, Secretary, and treasurer. The President and Vice-President will at all times be a member of the Board of Directors. Other officers may be appointed pursuant to Section 4 of this Article.

- 1. President. The President shall be the Principal Executive Officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the Owners and of the Board of Directors. He may sign, with the Secretary or any other proper Officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws or by statute to some other Officer or Agent of the Association. He shall appoint committees as prescribed by these By-Laws or as may be prescribed by action of the Board of Directors, and shall be an ex-officion member of all committees. The President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time. Upon expiration or termination of the President's term of office, said past President shall continue to serve on the Board of Directors as Immediate Past President for a term of one(1) year as further set forth in Section F(6) of this Article VIII.
- <u>2. Vice-President</u>. In absence of the President or in the event of his inability or refusal to act, the Vice-President shall perform the duties of the President, and when so acting, shall have the powers of and be subject to all the restrictions upon the president. He shall assist the President and shall perform such other duties as from time to time may be assigned to him by the President or by the Board of Directors.
- 3. Secretary. The Secretary shall attend all meetings of the Owners and of the Board of Directors and shall keep the minutes of such meetings in one (1) or more books provided for that purpose, and shall record all votes of such meetings. The Secretary shall keep a current, accurate record of the names and addresses of all Owners, members of the Board of Directors, and Officers, showing when each was elected and the term to be served. The Secretary shall give, or cause to be given, notice of all meetings and special meetings of the Board of Directors, and shall perform such other duties as may be assigned by the President or Board of Directors. The Secretary, upon approval by the Board, may employee whatever professional secretarial and stenographic personnel or services are necessary to properly carry out the duties of the office.

ARTICLE VIII continued Section F. Enumeration of Officers continued.

4. Treasurer. The Treasurer shall have custody of the Association funds and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Association, and shall deposit all monies and other valuable effects in the name and to the credit of the Association in such depositories as may be designated by the Board of Directors. He shall disburse such funds of the Association as he may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors, at the regular meetings of the Board, or whenever they may require, an account of all his transactions as Treasurer and of the financial condition of the Association. He shall make a financial report at all regular meetings of the Board and at any other time as may be requested by the Board. He shall present an annual financial report to the Board after the close of the fiscal year listing all receipts and disbursements and make the books available for any audit that may be requested by the Board. If he is required by the Board of Directors, he shall give a bond in such sum and with such surety or sureties as shall be satisfactory to the Board for the faithful performance of the duties of his office and for the restoration to the Association, in case of his death, resignation, retirement, or removal from office, of all books, papers, vouchers, money, and other property of whatever kind in his possession or under his control belonging to the Association, and in general, perform all duties incident to the office of Treasurer and such other duties as may from time to time be assigned to him by the President or by the Board of Directors. If the Association enters into a contract with a management company to administer its financial affairs, the position of Treasurer may be consolidated with one of the other officer positions and therefore eliminated as a separate office of the Association. In such case, the Board shall designate which officer is to take over the responsibilities of chief financial officer for the Association, which responsibilities shall include the review and monitoring, on at least a monthly basis, of all financial transactions taken by the management company on behalf of the Association

5. Assistant Treasurers and Assistant Secretaries . If required by the Board of Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer or the Secretary or by the President or Board of Directors.

ARTICLE VIII continuedSection F. Enumeration of Officers.

6. Immediate Past President. Upon expiration or termination of the President's term of office, said past President shall continue to serve on the Board of Directors as Immediate Past President for a term of one (1) year. The immediate Past President, unlike the rest of the officers and members of the Board of Directors, shall not possess any voting rights on the Board of Directors, but rather shall act primarily as a consultant and advisor to the Board in order to provide continuity and stability to newly-elected Boards. Other than their non-voting status on the Board, the Immediate Past President is entitled to participate in all Board discussions, meetings, and actions as any other member and officer of the Board is, including without limitation receiving notice of all Board meetings, however the Immediate Past President shall not be counted toward any quorum requirements for Board meetings due to their non-voting status. The Immediate Past President accepts all applicable obligations and duties associated with membership on the Board as set forth in the Bylaws and the Declaration.

ARTICLE IX

ASSESSMENTS

<u>Section A.</u> <u>Each Owner of any lot in Sugar ridge Commons (hereinafter referred to as "The Property"), by acceptance of a deed therefore, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association:</u>

- 1. Annual Assessments or changes;
- 2. Special Assessments for Capital Improvements;
- 3. Assessments for the fines imposed by the Board of Directors, such assessments to be established and collected as hereinafter provided. The annual and special Assessments and fines, together with interest, cost, and reasonable attorney's fees, shall be charged against the land and shall be a continuing lien upon the Lot against which such Assessment is made. Each such Assessment, together with interest, cost, and reasonable attorney's fees, shall also be the personal obligation of the person who was the owner of such Lot at the time when the Assessment fell due. The personal obligation for delinquent Assessment shall not pass to an Owner's successors in title unless expressly assumed by them (but shall continue, unless extinguished as herein provided, as a lien against the Lot.)

<u>Section B.</u> The Assessment levied by the Association shall be exclusively to promote the recreation, health, safety, and welfare of the Owners and residents in the Property and for the improvement and maintenance of Common Areas and/or Recreational Areas.

Section C. In addition to the annual Assessments authorized, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the costs of any construction, reconstruction, repair, or replacement of a capital improvement upon the common Areas, including fixtures and personal properly related thereto, provided that any such assessment shall be approved by a vote of not less than two-thirds (2/3) of members entitled to vote at a meeting duly called for such purpose.

Article IX continued

<u>Section D.</u> Written notice of any meeting called for the purpose of taking any action under section C of this Article VIII shall be sent to all owners not less than thirty (30) days nor more than sixty (60) days prior to such a meeting. At the first such called meeting, the presence of at least 60% of all members entitled to vote, whether in person or by proxy, shall be required to constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the initial meeting. No such subsequent meeting shall be held less than sixty (60) days following the preceding meeting.

<u>Section E.</u> Both annual and special Assessments shall be fixed at a uniform rate for all lots and shall be collected on a yearly basis.

Section F. The annual Assessments provided for herein shall commence, as to all lots, on the day the owner of the lot accepted a deed for the lot. The first annual Assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Directors shall fix the amount of the annual Assessment against each Lot at least thirty (30) days in advance of each annual Assessment period. Written notice of the annual Assessment shall be sent to every Owner subject thereto. The Board of Directors shall establish the due date. The Association shall, upon demand and for a reasonable charge, furnish within five (5) days of receiving written request a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of Assessments on a Lot is binding upon the Association as of the date of Its issuance. Failure to provide such a certificate within the five (5) day period shall be deemed a waiver of any claim for Assessments previously owed.

Section G. The Board of Directors shall annually, not less than fifteen (15) days prior to the meeting of the Owners, prepare a proposed budget for the ensuing 12-month period to include such sums as it deems necessary and adequate to provide for the expense of maintaining the common Areas and such other expenses as are deemed necessary or appropriate expenses of the Association. The Board of Directors shall thereafter submit the proposed budget for the ensuing 12 months to the Owners for consideration at the annual meeting. At the annual meeting, a budget for the ensuing 12 months shall be approved by a majority of the Voting Owners entitled to vote at such meeting. The Board shall then send notice to all of the Owners of the monthly Assessment payable for the ensuing year, such notice to be provided not less than thirty (30) days prior to the date the first such Assessment becomes due; provided, however, each of the Owners shall continue to be liable for and to pay Assessments at the then current rate until notice of the new amount of Assessment is given as provided in this section.

Article IX continued

Section H. Any Assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of eighteen percent (18%) per annum or at the highest rate permitted by law, whichever is less. The Association shall have a lien, which will be established as provided in the Protective Covenants, upon each Lot for payment of all Assessments not paid within thirty (30) days of the due date, in the amount of such unpaid Assessment, together with interest thereon from the due date at the rate of eighteen percent (18%) per annum, plus late charges of administrative charges, if any, and the costs of collection thereof, including a reasonable attorney's fee. The Association may bring a legal action against the Owner personally obligated to pay the same, or foreclose the lien against his Lot. No Owner may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Areas or by abandonment of his Lot.

<u>Section I.</u> The lien of the Assessments provided for herein shall be subordinate to the lien of any first mortgage. The lien for the Assessment also shall be subordinate to any other recorded mortgage or other lien recorded prior to the time such Assessment (or installment thereof, if payable in installments) became due and payable. Sale or transfer of any Lot shall not affect the Assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such Assessment as to payments that became due prior to such sale or transfer. No sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof.

<u>Section J.</u> The Board of Directors shall have the right to assign any claim and/or lien rights of the Association for the recovery of delinquent Assessments for reasonable value.

ARTICLE X OBLIGATIONS OF OWNERS

Section A.

Each Owner is obligated to pay all yearly and special Assessments levied or imposed by the Association, for such purposes as are enumerated in the Protective Covenants and in these By-Laws. All assessments shall be paid within thirty (30) days of the due date. Written notice of the change in any assessment and the date payment is due shall be sent to each Owner at the address given by such Owner to the Secretary of the Association. Assessments may include yearly payments to a general operating reserve in a reserve fund for replacements and all other things as required or determined by the Voting Owners to be included in the budget.

Section B. The amount of Assessment levied shall be paid on or before the due date. If not paid within thirty (30) days of the due date, the amount of such assessment, plus any other charges thereon, including late charges or administrative charges (if the Board elects to implement the same), plus interest from the due date at the rate of eighteen percent (18%) per annum, and costs of collection, including reasonable attorney's fees, unless prohibited by law, shall constitute and become a lien on the Owner's Lot. Such lien right shall accrue and be enforceable as provided for in accordance with the terms and provisions of the Protective Covenants.

ARTICLE X continued

Section B. continued

The notice of lien which is to be recorded shall state the amount of such delinquent Assessments and such other charges as shall be owed, and shall designate the Lot which has been assessed, and a copy shall be mailed to the Owner thereof. Upon payment of said delinquent Assessments and charges or satisfaction thereof, if notice of lien has been recorded in the public records the Board shall, within a reasonable time, cause to be delivered to the Owner a notice in recordable form stating the satisfaction of said lien. The priority of the lien shall be as provided in the Protective Covenants.

<u>Section C.</u> The lien provided herein may be foreclosed by suit by the Board acting on behalf of the Association in like manner as a mortgage and in accordance with the provisions of the Protective Covenants, and in such event, the Association may be a bidder at the foreclosure sale. The Association, through its Board or any duly authorized agent or designee, may file notice of and foreclose such lien and also pursue any other remedy against any Owner owing money to the Association, which is available by law or in equity for the collection of debts.

<u>Section D.</u> Each Lot shall be utilized for residential purposes only. No business operations shall be permitted.

<u>Section E.</u> No Owner shall make any structural modifications or alterations to a residence, fence, or wall without first obtaining written approval of the Association Architectural Committee as provided in the Protective Covenants.

<u>Section F.</u> No occupant of a residence shall post any advertisements, posters, or signs of any kind in or on the Common Areas or on his Lot, except as shall be authorized by the Board; provided, however, this provision shall not be applicable to the Developer or third parties granted permission by the Developer during the period it is selling residential units. Provided further, that any Owner may advertise his or her Lot for sale by using a "For Sale" sign so long as such sign is attractive in its appearance and does not exceed the dimensions of two feet by three feet (2' x 3').

<u>Section G.</u> Occupants of residences must use extreme care about making noises or using musical instruments, radios, televisions, and/or amplifiers that may disturb occupants of other residences, and in the event an occupant is notified by the Board of Directors or its duly authorized agent, such occupant shall immediately cease and desist such activity.

<u>Section H.</u> Nothing contained herein shall in any way limit the power of the Association and/or the Board to issue or promulgate rules as they deem necessary or desirable for the use, occupancy, and enjoyment of Sugar Ridge Commons and the use of the Common Areas by the Owners and/or the occupants of residences. All obligations imposed by the Protective Covenants are hereby incorporated by reference as further obligations of the Owners.

<u>Section I.</u> The Board of Directors shall have the right to enter into such agreements with independent third party providers as it deems desirable to provide common services to the Owners. Such right shall include, but shall not be limited to, the right to enter into trash and garbage pick-up service contracts and contracting for basic lawn maintenance for either Common Areas or Owner's property or both with third party providers.

ARTICLE X continued

<u>Section J.</u> No Owner may cut or clear a tree of a diameter of more than four (4) inches from his or her Lot without first obtaining written approval of the Association Architectural Committee as provided in the Protective Covenants.

Section K. All mailboxes for the Lots shall be uniform.

<u>Section L.</u> Homeowners with dogs or other pets, who walk their pets in the neighborhood, are required to clean up any residue created by those pets.

ARTICLE XI MORTGAGES

The Board shall, at the request of any actual or prospective mortgagee or purchaser of a Lot, report within five (5) business days of receiving a request, the amount of any unpaid Assessments which may be due from the Owner of the Lot so mortgaged, to be mortgaged, or to be sold.

ARTICLE XII RULES AND REGULATIONS

The Board of Directors shall be and is hereby empowered to promulgate and adopt such rules from time to time and to amend and alter any rules previously promulgated and adopted as it may, in its sole discretion, determine to be necessary and desirable for the continued maintenance and upkeep, use, and enjoyment of any Common Areas, and as necessary for the overall appearance of Sugar Ridge Commons and for the health, safety, and welfare of occupants of residences. Such rules shall be binding and enforceable upon all Owners, their families, guests, invitees, and all occupants of residences.

ARTICLE XIII CONTRACTS, CHECKS, DEPOSITS, AGREEMENTS, AND FUNDS

<u>Section A.</u> The Board of Directors may authorize any Officer or Officers or Agent or Agents of the Association to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and/or the Owners (if permitted hereunder or in the Protective Covenants). Such authority may be general or confined to specific instances.

Section B. All checks, drafts, or orders for the payment of notes or other evidences of indebtedness issued in the name of the Association shall be signed by such Officer or Officers, Agent or Agents of the Association in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instrument shall be signed by the Treasurer (or duly authorized Assistant Treasurer) and by the President (or Vice-President).

Section C. All funds of the Association received by it from or on behalf of the Owners shall be deposited from time to time to the credit of the Association at such banks, insurance companies, trust companies, or other depositories as the Board may select or as the circumstances and purposes of such deposits may require; provided, however, all such accounts shall be maintained in an institution in which deposits are insured by the Federal government or an agency thereof.

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ARTICLE XIII continued

<u>Section D.</u> The Board may accept on behalf of the Association any contribution, gift, bequest, or devise for general purposes or for any of the special purposes of the Association.

-ARTICLE XIV BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors, and committees having any authority of the Board of Directors, and shall keep at its registered or principal office a record giving the names and addresses of the members entitled to vote. Any member, or his agent or attorney may inspect all books and records of the Association, for any proper purpose at any reasonable time.

ARTIVLE XV FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January and end on the last day of December.

ARTICLE XVI COMPLIANCE

These By-Laws are intended to comply with the requirements of the Protective Covenants. In the event any of these By-Laws conflict with the provisions of the Protective Covenants, the provisions of the Protective Covenants shall apply, unless variances are permitted, in which case the provisions of these By-Laws shall apply.

ARTICLE XVII AMENDMENTS TO BY-LAWS

These By-Laws may be altered, amended, or repealed and new By-Laws may be adopted by a vote of two-thirds (2/3) majority of members present at any regular or special meeting at which a quorum is present, provided that at least ten (10) days written notice is given to the Owners for any regular meeting and at least thirty (30) days written notice is given to the Owners for any special meeting and to the Board of Directors of the intention to alter, amend, or repeal or to adopt new By-Laws at such meeting.

ARTICLE XVIII MISCELLANEOUS

Section A. Rules of Order. Robert's Rules of Order shall apply in any meeting of the Board and the Association unless in conflict with these By-Laws, the Protective Covenants, or provisions of law, in which these By-Laws, the Protective Covenants, and/or applicable law shall control.

Section B. No Waiver. Failure to enforce any provision or provisions of this instrument for any period of time by the Association shall not be deemed a waiver or estoppel of the right to enforce same at any time thereafter.

Section C. Captions. The captions and headings in this instrument are for convenience only and shall not be considered as controlling in construing the provisions hereof.

Section D. Board Authorizations. All actions of the Association shall be authorized actions if approved by the Board of Directors of the Association in accordance with its By-Laws, unless the terms of the Covenants provide otherwise.

Section E. Gender, Tense, Number and Applicability Definitions. When necessary for proper construction, the masculine form of any word used herein shall include the feminine or neuter gender, and the singular, the plural and vice versa, and words used in the present tense shall include the future tense.

<u>Section F Savings Clause</u>. If any provision or provisions of this instrument are found to be ineffective or unenforceable for any reason in the final judgment of any court having jurisdiction of the subject matter hereof, the remaining provisions hereof shall remain fully enforceable and binding upon the owners, their respective heirs, successors or assigns.

Linda Vaughn McPeters
NOTARY PUBLIC
State of South Carolina
My Commission Expires 10/3/2026

ARTICLE XIX DISSOLUTION

Upon dissolution of the Association or the winding up of its affairs or other liquidation of its assets, the property and residual assets of the Association, after the payment of the debts of the Association, shall be conveyed to the Association's successor, or if there is no such successor to the Association, to the Owners, with the Owner of each Lot being allotted an equal share.

In witness whereof, we being all of the duly elected directors of the non-profit corporate association, have hereunto set our hands this day of 2019.
Currey B. Hayd herident SRC Board
Zuk. M'hll
They T. Coppand (Witt. SUNDER - witness
South Carolina
County of Spartanburg
I, the undersigned, do hereby certify that Aubrey BFloyd
Earl R McCasail Hugh E Cranford
Jeffreyw McPeters , and
each personally appeared before me this day and acknowledged the due execution of the foregoing instrument.
Witness my hand and notary seal this 10 day of Sept, 2019
Dindway Mc Peter
My commission expires:
Linda Vaughn McPeters NOTARY PUBLIC State of South Carelina

My Commission Expires 10/3/2026