ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

STATE OF SOUTH CAROLINA
YORK COUNTY

IN THE COURT OF COMMON PLEAS
CIVIL ACTION NO. 2023CP4600243

Tina Calhoun, derivatively on behalf of Riverwalk Master Association, Inc. and Riverwalk Residential Homeowner's Association, Inc.,

Plaintiff,

v.

GRH Development Resources, LLC, The Greens of Rock Hill, LLC, and William Douglas Management, LLC,

Defendants,

and

Riverwalk Master Association, Inc. and Riverwalk Residential Homeowner's Association, Inc.,

Nominal Defendants.

PLAINTIFF'S NOTICE OF MOTION AND MOTION FOR LEAVE TO FILE FOURTH AMENDED VERIFIED DERIVATIVE COMPLAINT

(Rule 15(a), SCRCP)

Plaintiff Tina Calhoun, derivatively on behalf of Riverwalk Master Association, Inc. and Riverwalk Residential Homeowner's Association, Inc., will move before this Court, at a date and time to be set by the Court, for leave to file the Fourth Amended Verified Derivative Complaint attached as **Exhibit A**.

Under Rule 15(a), SCRCP, leave to amend "shall be freely given when justice so requires." The proposed amendment adds no new party. It conforms the pleading to facts developed in discovery and to controlling South Carolina authority, and no party will be prejudiced by its allowance. This motion is based on Rule 15(a), SCRCP, the attached proposed pleading, and the record in this action. Plaintiff will submit a supporting memorandum in advance of any hearing or as the Court directs.

WHEREFORE, Plaintiff requests that the Court grant leave to file the Fourth Amended Verified Derivative Complaint attached as **Exhibit A**, deem it filed and served as of the date of the Court's order, and grant such other relief as is just and proper.

This the 6th day of July, 2026.

Respectfully submitted,

/s/ Clarence Davis

Clarence Davis
S.C. State Bar No. 1581
The Charleston Group
1501 Main Street, Suite 100
Columbia, SC 29201
Main: (803) 799-2500
Direct: (910) 466-6219
Mobile: (803) 606-6309
Fax: (803) 799-2507
cdavis@charlestongroup.com

Counsel for Plaintiff

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

Exhibit A

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

STATE OF SOUTH CAROLINA
YORK COUNTY

IN THE COURT OF COMMON PLEAS
CIVIL ACTION NO. 2023CP4600243

Tina Calhoun, derivatively on behalf of Riverwalk Master Association, Inc. and Riverwalk Residential Homeowner's Association, Inc.,
Plaintiff,

v.

GRH Development Resources, LLC, The Greens of Rock Hill, LLC, and William Douglas Management, LLC,
Defendants,
and
Riverwalk Master Association, Inc. and Riverwalk Residential Homeowner's Association, Inc.,
Nominal Defendants.

FOURTH AMENDED VERIFIED DERIVATIVE COMPLAINT

(Jury Trial Requested)

Plaintiff Tina Calhoun ("Calhoun"), derivatively on behalf of Riverwalk Master Association, Inc. and Riverwalk Residential Homeowner's Association, Inc., by and through counsel, states the following against Defendants GRH Development Resources, LLC ("GRH"), The Greens of Rock Hill, LLC ("Greens of Rock Hill"), and William Douglas Management, LLC ("William Douglas") (collectively, "Defendants"), and against Nominal Defendants Riverwalk Master Association, Inc. ("Master Association") and Riverwalk Residential Homeowner's Association, Inc. ("Residential HOA") (together, the "Associations"), joined as necessary parties on whose behalf this action is brought:

PARTIES, JURISDICTION, AND VENUE

1. Plaintiff is a resident and citizen of Rock Hill, York County, South Carolina, and was so at the time of the acts and omissions alleged herein. Plaintiff is not an infant or incompetent person.

2. Upon information and belief, GRH Development Resources, LLC ("GRH") operated illegally in South Carolina for years without authority, coming into compliance only after Plaintiff

filed suit. On January 31, 2023, GRH registered as a foreign Ohio LLC, listing 998 Riverwalk Parkway, Suite 202, Rock Hill, South Carolina 29730.

3. On October 23, 2024, GRH dissolved its foreign registration and the same day re-formed as a South Carolina domestic LLC at the same address—an immediate entity swap undertaken after litigation exposure to evade accountability, obscure prior misconduct, and manipulate corporate form to the detriment of the Associations and their members.

4. Upon information and belief, Mark S. Mather ("Mather") has at all relevant times been GRH's Controlling Principal, Registered Agent, and Managing Member, and directed or authorized these actions.

5. Upon information and belief, Defendant Greens of Rock Hill is a domestic limited liability company organized under the laws of South Carolina with a registered agent situated at 998 Riverwalk Parkway, Suite 202, Rock Hill, South Carolina, 29730, and with a principal place of business at the same address. Upon information and belief, Mather is the Controlling Principal and Registered Agent of Greens of Rock Hill. Greens of Rock Hill is the Declarant under the Master Declaration of Covenants, Conditions, Easements, and Restrictions for Riverwalk ("Master Declaration"), recorded in the York County Register of Deeds on June 3, 2011, in Book 12008, Pages 242–320. The Greens of Rock Hill is a resident of York County, South Carolina, and was so at all relevant times.

6. Upon information and belief, Defendant William Douglas is a foreign corporation organized under the laws of the State of North Carolina with a registered agent in South Carolina situated at 1722 Main St., Suite 1B, Columbia, South Carolina, 29201, and was so at all relevant times.

7. Upon information and belief, Nominal Defendant Riverwalk Master Association is a domestic nonprofit corporation organized under the laws of South Carolina with a registered agent situated at 1722 Main St., Suite 1B, Columbia, South Carolina, 29201. The Master Association is a resident of York County, South Carolina, with its principal office in Rock Hill.

8. Upon information and belief, Nominal Defendant Riverwalk Residential Homeowner's Association is a domestic nonprofit corporation organized under the laws of South Carolina with a registered agent situated at 1722 Main St., Suite 1B, Columbia, South Carolina, 29201. The Residential HOA is a resident of York County, South Carolina, with its principal office in Rock Hill.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

9. Upon information and belief, all facts alleged in this Complaint occurred in York County, South Carolina.

10. The parties and the acts and omissions alleged herein are subject to the jurisdiction of this Court, and venue is proper.

OWNER AND MASTER ASSOCIATION MEMBERSHIP

11. The Master Declaration establishes Plaintiff as an "Owner" of the Development Property and defines "Owner" as "the record owner, whether one or more Persons, of fee simple title to any portion of the Development Property." The Master Declaration further states that "[t]he term 'Owner' shall include Declarant for so long as Declarant owns any part of the Development Property" and that, "[i]f a portion of the Development Property is to be sold under a recorded contract of sale," the purchaser "shall be considered the 'Owner.'" Plaintiff purchased her Riverwalk single-family home by deed recorded in the York County Register of Deeds. As the record owner of fee simple title, Plaintiff falls squarely within the definition of "Owner" under the Master Declaration. No language in the Declaration excludes residential Owners, limits "Owner" status to Declarant, or restricts membership to commercial parcels or Corporate Members. The definition is broad, inclusive, and unambiguous.

12. Owners are automatically subject to—and protected by—the Master Declaration. Section 4(A) states: "Each Owner . . . by acceptance of a deed conveying title thereto . . . shall be subject to this Master Declaration." This provision confirms that all Owners—including Plaintiff—are bound by and entitled to the rights, protections, and enforcement mechanisms established by the Master Declaration. The Master Declaration imposes obligations, restrictions, and assessment liability directly upon Owners. The Master Association cannot impose assessments, fines, architectural restrictions, or enforcement actions upon a party who is not a Member. Yet Plaintiff has been assessed, regulated, and governed as an Owner since the date of purchase.

13. Membership in the Master Association flows directly from ownership. The Master Association is defined as Riverwalk Master Association, Inc., a South Carolina nonprofit corporation responsible for administering the Master Declaration. The Declaration defines "Member" as Class A or Class B Members of the Master Association. Component Parcels—including the residential neighborhoods—are represented through their Corporate Members, which hold voting rights on behalf of the Owners within those Component Parcels.

14. Plaintiff's Parcel is located within a Component Parcel governed by the Riverwalk Residential Property Owners Association ("RRPOA"), which is a Corporate Member of the Master Association. As a constituent Owner within RRPOA, Plaintiff is necessarily a Member of the Master Association through her Component Parcel's Corporate Member. This structure is typical of master sub-association governance and is expressly contemplated by the Master Declaration.

15. The Association's claim that Plaintiff is "not a Member" is contrary to the recorded governing documents. Any assertion that Plaintiff is not a Member of the Master Association is contradicted by:

    (a) the plain language of the Master Declaration;

    (b) the recorded deed establishing Plaintiff as a fee simple Owner;

    (c) the Association's own conduct in assessing, regulating, and enforcing restrictions against Plaintiff; and

    (d) the governance structure requiring Owners to be represented through their Component Parcel's Corporate Member.

16. The Association cannot simultaneously impose assessments, fines, architectural restrictions, and enforcement actions upon Plaintiff while denying her membership status. Such a position is legally untenable, internally inconsistent, and unsupported by the governing documents.

17. Plaintiff has standing to enforce the Master Declaration and bring derivative claims because Plaintiff is an Owner and Member of the Master Association. Plaintiff therefore possesses:

    (a) standing to enforce the Master Declaration;

    (b) standing to demand compliance with fiduciary duties;

    (c) standing to inspect books and records;

    (d) standing to challenge improper assessments and expenditures; and

    (e) standing to bring derivative claims on behalf of the Master Association.

18. The Association's attempt to deny Plaintiff's membership status appears designed to obstruct her enforcement rights and avoid accountability for governance failures, financial mismanagement, and violations of the Master Declaration.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

SINGLE BUSINESS ENTERPRISE/AMALGAMATION ALLEGATIONS

19. Upon information and belief, Mather is the Controlling Principal and Registered Agent of Greens of Rock Hill (the Declarant) and the Controlling Principal, Registered Agent, and Managing Member of GRH (the developer and builder). Mather is also the sole listed owner of Celriver Services, LLC ("Celriver"), which received self-dealing contracts from the Associations as described below.

20. Upon information and belief, throughout the relevant period, Mather exercised unified, overlapping control over GRH, Greens of Rock Hill, and the Associations' Boards of Directors through his Declarant power to appoint and remove Board members. See Master Declaration, Book 12008, Page 290 ("Declarant hereby expressly retains the right, power and authority to appoint and remove members of the Board.").

21. Upon information and belief, Mather used this overlapping control to commingle Association funds, divert Association contracts to his own entities, install unqualified and conflicted individuals in fiduciary positions, and deny Association members their governing-document and statutory rights. The entities GRH and Greens of Rock Hill functioned as instrumentalities of Mather's unified control over the Riverwalk community, and their separate corporate forms were used to perpetrate the wrongs alleged herein.

22. Upon information and belief, GRH, Greens of Rock Hill, and Celriver Services, LLC, constitute a single business enterprise subject to amalgamation. The operations of these entities are intertwined: each is controlled by Mather, who serves as their common principal and registered agent, and Association funds, contracts, and governance were directed among them without regard to corporate separateness. The blurring of these entities' legal distinctions produced bad faith, abuse, fraud, wrongdoing, and injustice—including the diversion of Association landscaping contracts to Celriver at inflated prices, the commingling of restricted Association funds, and the use of an October 2024 entity swap to evade accountability.

COMMON FACTS

Governing Structure of the Riverwalk Community

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

23. The Riverwalk community in Rock Hill, South Carolina, is governed by several recorded instruments, including: (a) the Master Declaration, Book 12008, Pages 242–320; (b) the Declaration of Covenants, Conditions, Easements and Restrictions for Riverwalk Residential, Property One ("Residential Declaration"), Book 12097, Pages 1–102; (c) the Third Supplement Declaration of Covenants, Conditions, Easements, and Restrictions for Riverwalk, Property One and Second Amendment (Phase 1G Townhomes), Book 13808, Pages 124–138; and (d) the Riverwalk Residential Homeowners Association By-Laws, Book 20907, Pages 388–401.

24. The Master Declaration and Residential Declaration impose upon the Associations and their Boards of Directors duties that include preparing and distributing annual operating and capital budgets, maintaining common property in good repair, keeping accurate financial records, making books and records available for member inspection, scheduling annual meetings, providing meeting notices, and permitting member voting. See Residential Declaration, Book 12097, §§ 3.1, 3.3, 3.6, 4.2, 6.3, 6.5, 8.4; Master Association By-Laws, Book 12008, §§ 2.1, 2.3, 2.4, 2.7, 3.16, 7.4, 9.4. These duties are reinforced by the South Carolina Nonprofit Corporation Act, including S.C. Code Ann. §§ 33-31-830 (duty of care) and 33-31-1602 (member inspection rights).

25. The Third Supplement Declaration requires the Association to provide townhome owners with specified Neighborhood Wide Services, including lawn and landscaping maintenance, exterior façade maintenance, painting and pressure washing, roof repair, deck and patio repair, irrigation maintenance, and termite treatment. See Book 13808, Pages 124–138, § 4.

26. Under the Master Declaration, the Declarant retains the power to appoint and remove Board members until the Class B Expiration Date. Book 12008, Page 290, § 19(H). The officers and directors of the Association are required to conduct Association affairs in accordance with the governing documents and the South Carolina Nonprofit Corporation Act. See Residential Declaration, Book 12097, § 3.1; Master Association By-Laws, Book 12008, § 6.1.

GRH Assumes Control Over All Riverwalk HOAs

27. Between 2017 and the Spring of 2020, Community Association Management Services ("CAMS") served as the managing agent for the Riverwalk HOAs. During CAMS's tenure, homeowners received annual budgets, financial information, and clear disclosures regarding the HOA Residential fee structure.

28. Upon information and belief, in February 2019 during CAMs tenure, Riverwalk homeowners learned that Mather, as acting Declarant, had terminated an existing third-party landscaping

contract and replaced the landscaping services with Celriver, a company owned by Mather. CAMS informed Plaintiff that homeowners were being overcharged for Celriver's services.

29. Upon information and belief, in March 2020, CAMS severed its managerial relationship with the Riverwalk HOAs. Immediately thereafter, GRH assumed and exercised full, unilateral control over the governance, operations, and financial management of all Riverwalk HOAs.

Self-Dealing Through Celriver Services

30. Upon information and belief, the aforementioned third-party landscaping company charged approximately $55,000 for Riverwalk landscaping and lawn-maintenance services. Mather's Celriver charged approximately $150,000 for similar or lesser services.

31. Although the GRH Community Manager was required to obtain competitive landscaping estimates, GRH—acting through Mather and General Manager Mike Knott—barred her from soliciting bids, a directive that ensured no competitive pricing could challenge GRH's preferred vendor.

32. Celriver's landscaping work was consistently inadequate, and GRH compounded the problem by cutting service frequency, using cheaper materials, and scaling back required maintenance. These deliberate reductions triggered a surge of homeowner complaints to the Riverwalk Residential HOA.

33. The City of Rock Hill received formal complaints from Riverwalk homeowners regarding Celriver's failure to perform lawn-maintenance services. After completing site inspections, the City determined that grass was over 18 inches tall in undeveloped areas and over 12 inches tall in some developed areas, in violation of City code. The City suspended all Riverwalk building permits and Certificates of Occupancy until GRH and Celriver complied and warned GRH of $6,000-per-day penalties for continued noncompliance.

GRH Hires a Convicted Felon in 2020

34. Upon information and belief, in May 2020, GRH hired Lisa Rollins Hill ("Hill"), a convicted federal felon, as its Controller and subsequently designated her as President of the Riverwalk HOA Board of Directors, giving her sole control over all HOA bank accounts.

35. Upon information and belief, GRH conducted no meaningful due diligence before hiring Hill—a twice convicted federal embezzler—despite her criminal history being publicly available and easily discoverable.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

36. On August 19, 2020, only months after hiring Hill, GRH received official legal notice of Hill's felony record when United States District Court Magistrate Judge David S. Cayer issued an Order of Continuing Garnishment in United States v. Lisa Rollins Hill relating to more than $800,000 Hill had previously embezzled. Mark Mather executed the Garnishee's Answer acknowledging receipt of the Writ.

37. Despite this direct knowledge, GRH retained Hill, continued to give her exclusive control over all HOA bank accounts, and imposed no financial controls, oversight, dual-signature requirements, or review mechanisms of any kind, enabling her to operate entirely unsupervised and creating the conditions that allowed the subsequent embezzlement of HOA funds.

38. GRH's decision to entrust an individual with a known and documented history of financial misconduct with fiduciary responsibility over Association assets—after receiving direct notice of her criminal record—created obvious, foreseeable, and entirely preventable risks to the Associations and constituted gross mismanagement and a breach of the duty of care.

Hill's Criminal Record and Riverwalk HOA Funds Embezzlement

39. Upon information and belief, Hill entered her role with GRH as a previously convicted federal embezzler. In 2012, she was convicted in the Western District of North Carolina for stealing more than $800,000 from a prior employer, and her conviction, restitution order, and supervision status were matters of public record and easily discoverable through routine background checks.

40. In July 2020, while still paying restitution for the 2012 conviction, the U.S. Attorney's Office filed new charges against Hill for embezzling funds from a Charlotte-based employer where she served as Controller from September 2019 to February 2020. Hill misused her access to the company's financial system and fraudulently issued herself approximately 15 company checks totaling over $22,000.

41. In June 2021, while the fraudulent check charges were pending, Hill was charged with embezzling more than $550,000 from GRH between May 2020 and January 2021. She was federally prosecuted for diverting approximately $550,000 through the Riverwalk HOA bank accounts and received a 57-month federal prison sentence, confirming her ongoing pattern of financial misconduct.

42. Hill's misconduct while serving as GRH's Controller and President of the Riverwalk HOAs also resulted in South Carolina state charges and conviction for breach of trust with fraudulent intent involving approximately $1.1 million, including funds traceable to the HOA

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

accounts. She received a consecutive five-year state prison sentence, underscoring the magnitude of her multi-jurisdictional fraud and the severe financial harm inflicted on the Associations.

43. Hill's criminal history—including multiple federal embezzlement schemes—was publicly available, widely reported, and readily identifiable through basic due diligence. GRH's failure to uncover or act upon this information before granting Hill access to HOA funds constitutes reckless indifference and a gross breach of fiduciary duty.

GRH's Refusal to Account for Missing HOA Funds

44. GRH has never acknowledged, confirmed, or substantiated the recovery or replenishment of the stolen funds and has produced no verifiable financial documentation demonstrating that the Associations' assets were ever restored.

45. GRH has refused to disclose any information regarding the stolen funds or how it arrived at its estimate of $550,000 to $1.1 million in losses. For years, GRH repeatedly assured homeowners that an 'audit' was underway, yet it concealed all meaningful information until forced to produce documents through discovery in this litigation. The documents produced failed to validate GRH's claimed loss amounts and provided no evidence that any portion of the stolen funds had been replenished.

46. The James Young CPA, P.L.L.C. (so called) audit, once produced, stated that management was responsible for the preparation and fair presentation of financial statements and noted: "Due to the Management Problems described to these pro forma financial statements, we were not able to audit the results as 1) contemporaneous records of billing and collections were not kept and 2) expenses, though incurred, were not always invoiced and paid directly by Riverwalk Residential Homeowners Association, Inc."

Unqualified Officers and Failure of Financial Controls

47. Upon information and belief, when GRH took over management from CAMS in 2020, Mark Mather, acting as Declarant, appointed individuals with no HOA governance or financial-management experience to key HOA fiduciary roles, including Treasurer and President. These appointments violated the duty of care under S.C. Code Ann. § 33-31-830 and directly contributed to the financial mismanagement described herein.

48. GRH employee Debbie McMillan was appointed as the Riverwalk HOA Treasurer in 2020 when GRH took full control over the Riverwalk HOAs. Under the Residential HOA By-Laws § 5.6, the Treasurer is charged with managing the financial affairs of the Association

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

and keeping full and accurate financial records. Upon information and belief, McMillan lacked the accounting knowledge necessary to fulfill these duties and failed to implement any financial controls over the HOA accounts.

49. Hill was appointed as the HOA President. After Hill was arrested for embezzling HOA bank account funds, Mark Mather, acting as the Declarant, replaced Hill with Ben Mather—Mark Mather's son—as the new HOA President.

50. Ben Mather admitted to Plaintiff during a May 6, 2021 phone call—and to other Riverwalk HOA members—that he had no knowledge of how to perform the duties of an HOA President. Debbie McMillan, the GRH appointed Treasurer, likewise had no prior HOA experience and lacked the financial management expertise required for the role; her professional background consisted primarily of approximately ten years working as a 'Fit Model' in the apparel industry. And Hill—the Controller and GRH appointed HOA President—was a convicted felon who had previously embezzled more than $800,000 from her former employers.

51. The foregoing misconduct caused direct and substantial harm to the Riverwalk HOA as a corporate entity, thereby supporting derivative standing under S.C. Code Ann. § 33-31-630. By appointing unqualified individuals to fiduciary positions, failing to implement basic financial controls, and entrusting HOA finances to a convicted felon with a known history of embezzlement, GRH exposed the Association to massive financial losses, regulatory and legal exposure, and long-term operational instability. These failures resulted in the misappropriation of Association funds, the inability to maintain accurate financial records, the impairment of the HOA's ability to conduct audits or prepare reliable budgets, and the erosion of the Association's financial integrity. The HOA—not individual homeowners—bears the institutional consequences of these governance failures, including diminished reserves, increased administrative and legal costs, compromised financial reporting, and the long-term degradation of the Association's ability to fulfill its corporate purpose. Such injuries are corporate harms recoverable only through a derivative action brought on behalf of the HOA.

Commingling of Funds

52. Upon information and belief, when GRH assumed control of the Riverwalk HOAs, it used a single general bank account for all Single Family and Duplex assessment funds, resulting in the commingling of Association assets. No system existed to track assessments by category, and annual Single Family assessments were mixed with both monthly and annual

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

Duplex assessments, causing Duplex maintenance funds to be diverted to unrelated HOA purposes. This commingling violated the Master Declaration and the Master Association By-Laws, which "expressly prohibit the mixing of Association cash accounts with any other accounts." See Master Association By-Laws, Book 12008, § 7.4. The resulting financial mismanagement prevented proper tracking of transactions and directly contributed to the inability of James Young CPA to conduct a formal audit of the HOA's books and records.

53. Despite this commingling, Mather openly complained to HOA members that no funds were available for necessary HOA maintenance and repairs. Riverwalk homeowners reasonably believed—and continue to believe—that their assessment fees were being used for expenses unrelated to the Riverwalk HOAs, further evidencing the misuse and diversion of Association assets.

54. These concerns were formally documented in the Townhome (Duplex Homeowners) Petition dated June 22, 2021, which stated: "It is alleged that the Riverwalk HOA and its Board of Directors have mismanaged HOA Townhome Owner fees, funds and/or annual assessments to the extent that the HOA has notified Townhome Owners that there are no funds available to perform required Townhome repairs and maintenance services when needed, or on a regular required basis. As a result, Townhome Owners lack confidence in the HOA and Board of Directors' ability to manage these funds and make true and accurate accountings to Townhome Owners."

Denial of Member Rights

55. Upon information and belief, GRH denied HOA members access to the Master Association and Residential HOA books and records. This violates S.C. Code Ann. § 33-31-1602 and is in violation of the Master Declaration, Book 12008, § 9.4, and the Residential Declaration, Book 12097, § 3.6, both of which require the Association to maintain and make available governing documents, financial records, and other books and records for member inspection upon reasonable notice.

56. GRH falsely informed HOA members that they were not members of the Riverwalk Master Association. This was corrected only during the October 2023 annual meeting of the Riverwalk Residential Homeowners Association, when William Douglas's Property Manager, Tara Webb, acknowledged that Riverwalk homeowners were indeed members of the Master Association and pay Master Association assessments through their HOA Residential membership.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

57. During GRH's management of the HOAs, GRH never produced or distributed to members a balance sheet, operating income statement, or statement of changes in financial condition for any fiscal year, as required by the Residential Declaration, Book 12097, § 6.5, and the Master Association By-Laws, Book 12008, § 7.4.

58. GRH never permitted Riverwalk HOA members to vote on Association matters, in violation of the Residential Declaration, Book 12097, § 3.3, and the Master Association By-Laws, Book 12008, §§ 2.7, 2.11.

59. Neither Mather nor the Master Association Board scheduled annual meetings with the members, provided the required meeting notices, notified members of voting results, communicated the names of Master Association Board members, or invited members to attend open Board meetings, as required by the Master Association By-Laws, Book 12008, §§ 2.3, 2.4, 2.7, 2.11, 3.3, 3.6–3.9, 3.13.

Misrepresentations Regarding Community Pools

60. In November 2018, during CAMS's management, the approved 2019 HOA budget included a pool assessment of $41,680 despite no pool being constructed. During the 2019 CAMS annual meeting, Mather promised three pools would be built. To date, only one pool and clubhouse have been completed that opened in the Summer of 2023.

61. Upon information and belief, for more than five years, GRH misrepresented to the HOA membership that one to three community pools would be built and falsely blamed the City of Rock Hill for delaying pool construction.

62. City Councilman Jim Reno directly contradicted GRH's statements. In a November 17, 2021 communication to Plaintiff Calhoun, Councilman Reno wrote: "Mr. Mather was misinforming residents that the delay of the pool was due to the City. We have also helped on other issues when there was a direct contractual obligation between the Developer (GRH) and the City which had an adverse impact on the residents."

63. GRH's repeated promises of one to three pools materially influenced both Riverwalk homeowners and potential homebuyer expectations and assessment decisions. Homebuyers—particularly those purchasing in the new development section—relied on GRH's representations, selected homes based on proximity to the promised amenity, and paid assessments that included designated pool construction funds. When the promised pools were not built, a number of homeowners ultimately sold their homes and left Riverwalk, having relied on GRH's misrepresentations to their financial and residential detriment.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

64. Although one pool was eventually constructed in 2023, GRH's years of misrepresentations and delays caused substantial and ongoing harm to the Riverwalk HOA as a corporate entity. The HOA collected and allocated assessments for amenities GRH had no intention or ability to deliver, distorting financial planning, reserve strategy, and capital allocations. The prolonged delay deprived the HOA of the timely use of funds earmarked for community improvements, reduced the Association's assessment base as frustrated homeowners left the community, and damaged the HOA's credibility and governance stability. These injuries are corporate in nature and persist regardless of the pool's eventual completion, thereby supporting derivative claims on behalf of the HOA.

Homeowner Demands and Government Complaints

65. On June 22, 2021, several homeowners hand-delivered a Townhome (Duplex) Owners' Petition to GRH requesting full disclosure of the HOA's accounting records and demanding compliance with governing document and statutory rights. GRH never responded. GRH's refusal to acknowledge or act upon this formal request impaired the Association's ability to maintain accurate financial records, fulfill its fiduciary obligations, and protect Association assets, constituting a direct corporate injury to the Riverwalk HOA.

66. On or about August 18, 2021, Riverwalk homeowners delivered a second Petition to Mather—this one signed by 248 Single Family and Duplex Owners—seeking full accounting disclosures and answers regarding multiple HOA governance violations. Neither GRH nor The Greens of Rock Hill provided any response. This continued refusal to disclose financial information or address documented violations further impaired the Association's ability to maintain accurate records, fulfill its fiduciary and statutory obligations, and safeguard Association assets, thereby causing direct corporate injury to the Riverwalk HOA.

67. Riverwalk homeowners sent formal letters to the South Carolina Attorney General's Office (September 24, 2021), the South Carolina Department of Labor, Licensing and Regulation (November 17, 2021), and the South Carolina Real Estate Commission (November 17, 2021). Each agency directed the homeowners to pursue civil remedies through legal counsel.

68. Riverwalk homeowners continued to work with the City of Rock Hill regarding their complaints. The homeowners made extensive efforts to resolve these matters short of litigation—through petitions, government complaints, and direct demands to GRH, the Declarant, and the Board—were unsuccessful.

Transfer of Defective Storm Retention Ponds

69. The Riverwalk HOA owns five storm retention ponds. Upon information and belief, these ponds were originally owned by GRH, which transferred them to the HOA, leaving homeowners responsible for their maintenance.

70. Upon information and belief, GRH cut corners in the construction and design of the Riverwalk storm retention ponds, resulting in long term structural deficiencies and regulatory noncompliance. In October 2024, the City of Rock Hill notified the Riverwalk Residential HOA that Pond One had failed its annual inspection and required immediate corrective action. The City's Inspection Report expressly stated that Pond One was constructed without a compliant anti seep collar—an essential safety and engineering component mandated by applicable construction and design standards. Following receipt of the City's findings, the Riverwalk Residential Homeowners Association informed homeowners that the City had deemed Pond One "non-compliant" and that substantial repairs were required. Rather than holding the Developer accountable for constructing a defective stormwater facility, the HOA notified homeowners that their annual assessments would be increased to fund the repairs necessitated by GRH's deficient construction.

71. Upon information and belief, the construction defects in the storm retention ponds were latent and not discoverable through ordinary inspection. Plaintiff and the homeowners did not discover, and could not reasonably have discovered, the defects until approximately January 2024, when a pond behind Luray Way suffered severe erosion and structural failure.

72. Related to the Luray Way pond failure, the Residential HOA notified homeowners that their dues would increase to cover repair costs: $13,650 for 2024 and $143,650 for 2025. The 2025 budget explicitly stated that the additional annual assessment was strictly and exclusively for "Pond One" repairs.

73. Riverwalk homeowners were charged a special assessment of $143,650 in 2025 for the sole purpose of funding Pond One repairs. After collecting these funds, GRH, acting in its capacity as Developer, represented that GRH—not the homeowners—would be solely responsible for covering all Pond One repair costs. Despite this representation, the $143,650 paid by the homeowners was never refunded. Instead, the funds were retained by the HOAs and redirected for purposes unrelated to Pond One repairs, without disclosure to or approval from the Residential HOA members.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

74. The Riverwalk governing documents require that special assessments be levied only for a stated purpose and that all funds collected be used exclusively for that purpose. By diverting the $143,650 Pond One special-assessment funds to unrelated expenses, Defendants violated the governing documents and breached their fiduciary duties under South Carolina law, which prohibit the misapplication or diversion of purpose restricted Association funds.

75. Defendants never disclosed to homeowners the defects in the storm retention ponds that they knew or should have known about.

Conduct of William Douglas Management

76. Upon information and belief, William Douglas has not adhered to the Master Declaration, Residential Declaration, or the governing By-Laws.

77. William Douglas's Property Manager, Tara Webb, initially told homeowners they were not Master Association members and had no right to inspect any HOA financial records—statements that were false.

78. Homeowners' requests for information regarding the stolen HOA funds have gone unanswered by William Douglas.

79. William Douglas has not provided the membership with information regarding Master Association and Residential HOA Board meeting invitations, notifications, or access to all Board meeting minutes.

80. Shortly after Plaintiff filed the original complaint in this action (served in late January 2023), William Douglas implemented new, aggressive enforcement actions—including unreasonable violations, heavy fines, and threats to place liens on homes—that had not been imposed before William Douglas's engagement. The timing, severity, and volume of these enforcement actions demonstrate a coordinated effort to intimidate and financially burden Riverwalk homeowners in response to their protected legal activity.

81. William Douglas's Property Manager, Tara Webb, stated that homeowners who wished to challenge violations would not be permitted a hearing, as required by the governing documents. Homeowners were denied due process.

82. William Douglas issued violation letters for parking in spaces that were legal under City of Rock Hill regulations. Homeowners complained to the City of Rock Hill and requested the City's support to mitigate the unreasonable violations.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

83. Upon information and belief, William Douglas and GRH shared portions of the violation fees collected from homeowners as confirmed by Tara Webb during an HOA meeting.

84. William Douglas has neglected its contractual responsibility to protect the interests of the HOA members and to comply with the governing documents and South Carolina laws.

Conduct of the Associations' Boards

85. Upon information and belief, Mather—through his control of the Declarant, The Greens of Rock Hill, LLC, and GRH Development Resources, LLC—exercises control over all Board decisions of both the Riverwalk Master Association and the Residential Homeowners Association.

86. The Master Association Board, under the direction and control of the Declarant, has denied membership rights to homeowners, failed to provide information regarding the Master Association, and failed to adhere to the Master Declaration, the By-Laws, and the South Carolina Nonprofit Corporation Act.

87. The Residential HOA Board, under the direction and control of the Declarant, has denied members information regarding the stolen funds, failed to comply with the governing documents, and failed to adhere to the South Carolina Nonprofit Corporation Act.

88. Defendants have acted in concert to deny homeowners their rights under the governing documents and South Carolina law, to conceal financial records, and to avoid accountability for the mismanagement of Association funds and property.

Timeliness and Continuing Wrongs

89. The acts and omissions alleged herein constitute a continuing course of wrongful conduct that persisted from at least 2019 through the present including the ongoing denial of access to books and records, the ongoing failure to provide financial statements and budgets, the ongoing failure to schedule member meetings and permit member voting, and the ongoing failure to maintain common property. Each assessment period, each denial of access, and each failure to provide required disclosures constitutes a separate and continuing breach. When a plaintiff discovered or should have discovered the facts giving rise to a claim is ordinarily a question for the jury, particularly where a defendant's repeated assurances lulled the plaintiff into believing the matter would be resolved. Here, GRH's repeated assurances of a pending "audit," together with its concealment of the embezzlement, the commingling of funds, and the pond defects, delayed and prevented discovery of the facts alleged herein.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

90. To the extent any acts or omissions alleged herein occurred before the applicable limitations period, those acts are part of a continuing course of conduct and are actionable under the continuing wrong doctrine. Additionally, Defendants actively concealed relevant facts—including the embezzlement, the commingling of funds, and the self-dealing through Celriver—such that Plaintiff could not reasonably have discovered those facts until later.

91. The actions and inactions of Defendants are the direct and proximate cause of the Associations' injuries.

DERIVATIVE ACTION ALLEGATIONS

92. Plaintiff brings this action derivatively on behalf of the Master Association and the Residential HOA under Rule 23(b)(1), SCRCP.

93. Plaintiff was a beneficial member of the Master Association and a member of the Residential HOA at the time of the acts and omissions complained of and has been continuously since. Plaintiff owns real property within the Riverwalk community and has paid all required assessments.

94. Prior to filing this action, Plaintiff and other Riverwalk homeowners made numerous demands on the Declarant and Boards of Directors to address the misconduct alleged herein. Between June 2021 and the present, Plaintiff and other homeowners hand delivered written petitions to GRH and the Boards of Directors demanding disclosure of financial records, an accounting of stolen funds, and corrective action. These petitions identified the wrongdoers, described the factual basis of the misconduct and the harm to the Associations, and requested remedial relief, thereby satisfying the elements of a pre-suit demand, and the Court may consider them even though they are not incorporated into this Complaint. Defendants refused to respond or take corrective action. A demand on the current Boards would be futile because the Boards are controlled by the Declarant, through Mather, who appointed the Board members and retains the power to appoint and remove them. See Master Declaration, Book 12008, Page 290.

95. Plaintiff will fairly and adequately represent the interests of the Associations and their members. Plaintiff has no conflicts of interest with other members. Plaintiff has actively represented the interests of Riverwalk homeowners for several years, including organizing non-HOA homeowner meetings, communicating with State, County and City government authorities, and leading the Riverwalk Legal Case Steering Committee. Plaintiff is represented by counsel experienced in complex litigation.

96. The injuries alleged herein—including the embezzlement in excess of $550,000 in Association funds, the failure to maintain common property, the transfer of defective storm retention ponds to the Riverwalk Residential Association, the diversion of Association contracts to entities controlled by Defendants at inflated prices, and the systematic denial of member rights under the governing documents—were suffered by the Associations. The Associations have failed to pursue these claims because the persons who control the Associations are the wrongdoers or their agents. Any recovery on the derivative claims belongs to the Associations for the benefit of all members.

FIRST CLAIM FOR RELIEF

Breach of Fiduciary Duty (Derivative)

Against GRH and Greens of Rock Hill

97. The preceding allegations are incorporated by reference.

98. GRH and Greens of Rock Hill, as the developer and Declarant of the Riverwalk community, and as the parties exercising managerial control over the Boards of Directors of the Master Association and Residential HOA, owed fiduciary duties to the Associations and their members. These fiduciary duties required Defendants to act in good faith, with the care an ordinarily prudent person in a like position would exercise under similar circumstances, and in compliance with the governing documents and the South Carolina Nonprofit Corporation Act. See S.C. Code Ann. § 33-31-830; Master Association By-Laws, Book 12008, § 6.1.

99. Under South Carolina law, a developer and Declarant owe fiduciary duties to a homeowners' association and its members regarding the governance and common property of the community, a duty analogous to that owed by the promoter of a corporation to its investors. These duties persist so long as the Declarant retains control over the Association's board, the development remains ongoing, and common property remains to be transferred.

100. Defendants breached their fiduciary duties by, among other things:

(a) hiring and retaining a convicted felon with a known history of embezzlement in a position of fiduciary responsibility over Association funds;

(b) failing to implement any financial controls over Association accounts;

(c) permitting the embezzlement of approximately $550,000 to $1.1 million in Association funds;

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

(d) failing to recover, replenish, or account for the stolen funds;

(e) diverting Association landscaping contracts to Mather's own entity, Celriver, at roughly triple the prior cost for inferior services;

(f) commingling Association funds;

(g) transferring defective storm retention ponds to the Associations without disclosing known or knowable construction defects;

(h) collecting $143,650 in restricted purpose special assessments for Pond One repairs and then redirecting those funds to other purposes without member authorization;

(i) denying members access to books and records;

(j) failing to produce required budgets, financial statements, and annual reports;

(k) failing to hold annual meetings or permit member voting;

(l) appointing unqualified individuals to fiduciary positions; and

101. That these breaches arose in connection with Defendants' obligations under the governing documents does not reduce them to breaches of contract. Self-dealing, concealment, and bad faith by a party owing fiduciary duties remain actionable as breaches of fiduciary duty even where the underlying relationship springs from contract.

102. Defendants' breaches were willful, wanton, and grossly negligent.

103. As a proximate result of Defendants' breaches, the Associations have suffered actual damages, including but not limited to the loss of embezzled funds, inflated costs paid to Celriver, costs of repairing defective storm retention ponds, and the diversion of restricted purpose assessment funds. The Associations are entitled to actual and punitive damages.

SECOND CLAIM FOR RELIEF

Claim for Declaratory Judgment Regarding Master Association Membership and Enforcement Rights

Against Defendants and Nominal Defendants

104. The preceding allegations are incorporated by reference.

105. An actual controversy exists regarding Plaintiff's status as an "Owner" under the Master Declaration, Plaintiff's membership in the Riverwalk Master Association, and Plaintiff's right

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

to enforce the Master Declaration and pursue derivative claims. Defendants have denied, disputed, or caused the denial of those rights by asserting that Riverwalk homeowners are not members of the Master Association and have no corresponding inspection, enforcement, or derivative rights.

106. Under the South Carolina Uniform Declaratory Judgments Act, S.C. Code Ann. §§ 15-53-20 and 15-53-30, Plaintiff is entitled to a declaration of her rights, status, and legal relations under the Master Declaration, the Residential Declaration, and the governing documents.

107. Plaintiff respectfully requests that the Court:

(a) declare that Plaintiff is an "Owner" under the Master Declaration;

(b) declare that Plaintiff is a Member of the Riverwalk Master Association;

(c) declare that Plaintiff possesses full standing to enforce the Master Declaration and pursue derivative claims; and

(d) reject any contrary assertion by Defendants as inconsistent with the governing documents and the recorded deed.

THIRD CLAIM FOR RELIEF

Conversion and Constructive Trust (Derivative)

Against GRH and Greens of Rock Hill

108. The preceding allegations are incorporated by reference.

109. The Association funds held by Defendants were the property of the Associations and their members.

110. Defendants, through Hill, converted approximately $550,000 to $1.1 million in Association funds to their own use or to the use of Hill or other third parties. GRH had actual notice of Hill's criminal history and propensity for financial misconduct yet failed to take any action to protect and safeguard Association funds, thereby enabling the conversion.

111. Additionally, Defendants collected $143,650 in special assessments designated exclusively for Pond One repairs and converted those restricted purpose funds by redirecting them to other purposes without authorization or disclosure.

112. Additionally, Defendants diverted Association funds to Celriver, an entity owned by Mather, at inflated prices for inferior services, enriching Mather at the expense of the Associations.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

113. Defendants' conversion of Association funds was willful, knowing, and without authorization or justification.

114. Plaintiff, on behalf of the Associations, seeks the imposition of a constructive trust on all improperly diverted or converted Association funds, and seeks actual and punitive damages for the conversion.

FOURTH CLAIM FOR RELIEF

Breach of Contract (Derivative)

Against GRH, Greens of Rock Hill, and William Douglas

115. The preceding allegations are incorporated by reference.

116. The Master Declaration, Residential Declaration, Third Supplement Declaration, and By-Laws constitute binding contracts among the Associations, their members, and the Declarant. The Associations are parties to and intended beneficiaries of these instruments. Plaintiff and other homeowners accepted these agreements by purchasing property within the Riverwalk community and provided valuable consideration in the form of HOA assessments.

117. Defendants breached these contracts by, among other things:

(a) failing to maintain common property in good repair;

(b) failing to provide required landscaping, exterior maintenance, and other Neighborhood Wide Services to townhome owners as specified in the Third Supplement Declaration;

(c) failing to prepare and distribute annual operating and capital budgets;

(d) failing to provide annual financial statements;

(e) denying members access to books and records;

(f) denying members voting rights;

(g) failing to hold annual meetings;

(h) commingling Association funds in violation of governing documents;

(i) failing to supervise officers and employees; and

(j) levying and collecting special assessments without required member approval or for purposes other than those stated.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

118. The Associations and their members satisfied and complied with all terms of the governing documents.

119. As a direct and proximate result of Defendants' material breaches, the Associations have suffered financial, operational, reputational, and governance harm in an amount in excess of $550,000, plus pre-judgment and post-judgment interest and attorneys' fees, with all Defendants jointly and severally liable as allowed by law.

FIFTH CLAIM FOR RELIEF

Negligent Supervision and Retention (Derivative)

Against GRH and Greens of Rock Hill

120. The preceding allegations are incorporated by reference.

121. GRH employed Hill as its Controller and placed her in a position of authority over Association funds. Greens of Rock Hill, as Declarant, exercised managerial control over the Boards and had the power and duty to oversee the individuals responsible for managing Association affairs.

122. GRH and Greens of Rock Hill knew or should have known of Hill's propensity for financial misconduct. On August 19, 2020, GRH received direct notice of Hill's federal felony conviction and her embezzlement of approximately $800,000 from a prior employer. Despite this knowledge, GRH retained Hill in her position and failed to implement any additional oversight, safeguards, or financial controls to protect Association funds.

123. GRH and Greens of Rock Hill failed to use due care in supervising Hill, McMillan, and other employees and officers responsible for Association funds and governance.

124. As a direct and proximate result of Defendants' negligent supervision and retention, Hill embezzled approximately $550,000 to $1.1 million in Association funds. The Associations are entitled to actual and punitive damages.

SIXTH CLAIM FOR RELIEF

Unjust Enrichment (Derivative, in the Alternative to Breach of Contract)

Against GRH and Greens of Rock Hill

125. The preceding allegations are incorporated by reference.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

126. In the alternative to breach of contract, Defendants have been unjustly enriched at the expense of the Associations and their members.

127. The Associations and their members conferred a benefit upon Defendants through the payment and collection of HOA assessments, which Defendants accepted and retained.

128. Defendants failed to provide the services and governance for which those assessments were collected and instead diverted Association funds to the general business and profit of entities owned and controlled by Mather, including Celriver, at inflated prices and for inferior services.

129. It would be inequitable for Defendants to retain the benefits conferred without providing the services, protections and governance for which those funds were intended.

130. The Associations are entitled to restitution of all amounts unjustly retained by Defendants.

SEVENTH CLAIM FOR RELIEF

Civil Conspiracy (Derivative)

Against GRH, Greens of Rock Hill, and William Douglas

131. The preceding allegations are incorporated by reference.

132. GRH, Greens of Rock Hill, and William Douglas combined and agreed, both tacitly and expressly, to engage in the wrongful conduct alleged herein, including:

(a) concealing Association financial records;

(b) denying members their rights under the governing documents and South Carolina law;

(c) misrepresenting members' status in the Master Association;

(d) retaliating against homeowners who asserted their rights; and

(e) diverting Association resources for the benefit of entities controlled by Mather.

133. In furtherance of this conspiracy, Defendants committed actionable torts, including breach of fiduciary duty and conversion.

134. As a direct and proximate result of this civil conspiracy, the Associations have suffered injury and damages, including the loss of Association funds, inflated contract costs, and attorneys' fees and costs. The Associations are entitled to actual and punitive damages, with Defendants jointly and severally liable.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

135. Defendants' conspiracy inflicted special and distinct damages upon the Associations, including governance paralysis, increased administrative and legal expenses required to overcome Defendants' concealment and retaliation, and additional financial losses caused by the coordinated diversion of Association resources—injuries that are separate and independent from the damages caused by the underlying torts.

EIGHTH CLAIM FOR RELIEF

Negligence in Construction and Design of Storm Retention Ponds (Derivative)

Against GRH

136. The preceding allegations are incorporated by reference.

137. GRH, as the developer and builder of the Riverwalk community, had a duty to exercise reasonable care in the design and construction of the storm retention ponds and to ensure compliance with applicable engineering, construction, and safety standards.

138. GRH breached this duty by constructing and designing the storm retention ponds in a manner that failed to comply with applicable construction and engineering standards. Upon information and belief, at least one storm retention pond was constructed without an anti-seep collar, a required safety component intended to prevent erosion and structural failure.

139. Upon information and belief, the storm retention ponds were constructed between approximately 2011 and 2017. The construction defects were latent and not discoverable through ordinary inspection. The defects were first discovered in approximately January 2024 when a pond behind Luray Way suffered severe erosion and structural failure.

140. As a direct and proximate result of GRH's negligence, a storm retention pond collapsed, requiring costly repairs. The Associations and their members have suffered actual damages, including the $143,650 special assessment for Pond One repairs and increased HOA dues.

NINTH CLAIM FOR RELIEF

Aiding and Abetting Breach of Fiduciary Duty (Derivative)

Against William Douglas Management, LLC

141. The preceding allegations are incorporated by reference.

142. GRH and Greens of Rock Hill owed fiduciary duties to the Associations, including duties of good faith, loyalty, due care, and compliance with the governing documents and the South Carolina Nonprofit Corporation Act.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

143. As alleged herein, GRH and Greens of Rock Hill breached those fiduciary duties by, among other things, permitting the embezzlement of Association funds, commingling Association assets, diverting Association contracts to self-interested entities, denying members access to records, failing to maintain common property, and misappropriating restricted-purpose assessments.

144. Upon information and belief, William Douglas Management, LLC ("William Douglas") had actual knowledge of these breaches. William Douglas was aware of the embezzlement, the lack of financial controls, the commingling of funds, the absence of required financial statements, and the ongoing violations of the governing documents.

145. Despite this knowledge, William Douglas provided substantial assistance and encouragement to GRH and Greens of Rock Hill in carrying out their breaches, including:

(a) Refusing to provide financial records to members;

(b) Issuing false statements regarding membership rights;

(c) Enforcing improper violations and fines to intimidate homeowners;

(d) Denying due-process hearings required by the governing documents;

(e) Failing to disclose information regarding the stolen funds; and

(f) Participating in or benefiting from improper fee-sharing arrangements with GRH.

146. William Douglas's conduct enabled, concealed, and perpetuated the fiduciary breaches committed by GRH and Greens of Rock Hill.

147. As a direct and proximate result of William Douglas's aiding and abetting, the Associations suffered damages including the loss of embezzled funds, inflated vendor costs, misappropriated assessments, and the costs of remediating defective common-area infrastructure.

TENTH CLAIM FOR RELIEF

Violation of S.C. Code Ann. § 27-30-130

Against GRH, Greens of Rock Hill, and William Douglas

148. The preceding allegations are incorporated by reference.

149. S.C. Code Ann. § 27-30-130 requires homeowner associations to make certain records available for inspection and copying by members, including financial records, budgets, meeting

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

minutes, governing documents, and other materials necessary for members to understand the financial and operational condition of the association.

150. The statute further requires HOAs to provide timely access to records upon reasonable request and prohibits unreasonable restrictions, delays, or denials.

151. Defendants GRH, Greens of Rock Hill, and William Douglas violated § 27-30-130 by:

(a) Refusing to provide access to financial records;

(b) Failing to produce annual budgets, balance sheets, income statements, or statements of changes in financial condition;

(c) Failing to provide meeting notices, minutes, or voting results;

(d) Falsely informing homeowners that they were not members of the Master Association;

(e) Denying access to governing documents; and

(f) Withholding information regarding the embezzlement and the status of Association funds.

152. These violations were willful, knowing, and part of a broader pattern of concealment and mismanagement.

153. As a direct and proximate result of Defendants' violations, the Associations suffered damages including financial losses, increased assessments, misappropriated funds, and the inability to detect or prevent further misconduct.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, derivatively on behalf of Riverwalk Master Association, Inc. and Riverwalk Residential Homeowner's Association, Inc., respectfully requests that the Court enter judgment in favor of the Associations and against Defendants GRH Development Resources, LLC, The Greens of Rock Hill, LLC, and William Douglas Management, LLC, and award the following relief:

A. Actual damages in an amount to be determined at trial, including but not limited to:

(a) The approximately $550,000 to $1.1 million in embezzled Association funds;

(b) Inflated contracting service amounts paid to Celriver Services, LLC;

(c) Costs associated with repairing defective storm retention ponds;

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

(d) Misappropriated restricted-purpose assessments; and

(e) All other financial losses suffered by the Associations.

B. Punitive damages for Defendants' willful, wanton, reckless, and intentional misconduct if deemed appropriate by the Court.

C. Restitution and disgorgement, including the imposition of a constructive trust over all funds wrongfully obtained, diverted, or retained by Defendants.

D. An order requiring a full forensic accounting to be paid for by all or one or more of the defendants of all Association funds from 2017 to the present, including tracing of commingled funds.

E. An order requiring Defendants to produce all records required under the governing documents and S.C. Code Ann. § 27-30-130 by a certain date.

F. An order requiring Defendants to comply with all governing documents, including financial reporting, budgeting, record keeping and member rights provisions, with this Court retaining jurisdiction of an enforcement or compel action.

G. A declaratory judgment that Plaintiff is an "Owner" under the Master Declaration, is a Member of the Riverwalk Master Association, possesses standing to enforce the Master Declaration and pursue derivative claims, and that any contrary assertion is inconsistent with the governing documents and recorded deed.

H. A court-appointed receiver.

I. Dissolution of the present Board of Directors and appointment of a temporary Board of Directors

J. Pre-judgment and post-judgment interest as allowed by law.

K. Reasonable attorney fees and costs.

L. For such other and further relief as the Court deems just and proper.

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

This the 6th day of July, 2026.

Respectfully submitted,

/s/ Clarence Davis
Clarence Davis
S.C. State Bar No. 1581
The Charleston Group
1501 Main Street, Suite 100
Columbia, SC 29201
Main: (803) 799-2500
Direct: (910) 466-6219
Mobile: (803) 606-6309
Fax: (803) 799-2507
cdavis@charlestongroup.com

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243

VERIFICATION

Tina Calhoun, first being duly sworn, deposes and says that she has read the foregoing complaint and that the same is true to her own knowledge, except as to those matters alleged therein upon information and belief, and as to those matters, she believes them to be true.

____

Tina Calhoun

Sworn to before me this 2ND day of July, 2026.

____

Notary Public for South Carolina

My commission expires: 03/27/2034

DENISE JILL DICKNITE
My Commission Expires
NOTARY
PUBLIC
March 27, 2034
SOUTH CAROLINA

ELECTRONICALLY FILED - 2026 Jul 06 9:57 AM - YORK - COMMON PLEAS - CASE#2023CP4600243