

EXHIBIT "B"
TO
DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND
RESTRICTIONS
FOR HAMMETT POND SUBDIVISION

BYLAWS OF
THE HAMMETT POND HOMEOWNERS ASSOCIATION, INC.

ARTICLE I
FORMATION

Section 1.1 Name. The name of the Association is The Hammett Pond Homeowners Association, Inc.

Section 1.2 Incorporation. The Association is a nonprofit mutual benefit corporation organized under and by virtue of the South Carolina Nonprofit Corporation Act (Title 33, Chapter 31, Code of Laws of South Carolina 1976, as amended) (the "Nonprofit Corporation Act").

ARTICLE II
DEFINITIONS

The words, phrases and terms used in these Bylaws which are defined in the Declaration of Covenants, Conditions, Easements, and Restrictions of Hammett Pond Subdivision (the "Declaration"), recorded in the Office of the Register of Deeds for Greenville County, South Carolina, to which a copy of these Bylaws is attached as Exhibit "B", shall have the meanings herein as are set forth therein, unless the context specifically requires otherwise. The terms "Owner" and "Owners" may be used interchangeably herein from time to time with the terms "Member" or "Members".

ARTICLE III
ADMINISTRATION OF CONDOMINIUM

Section 3.1 Purpose, Authority and Responsibility: The Association is organized as a nonprofit mutual benefit corporation for the purpose of providing for the management, maintenance, preservation, administration and operation of the Subdivision and its Common Areas, and for promoting the health, safety and welfare of the Owners. In addition, the Association shall have the purpose of engaging in any lawful activities incident to the foregoing purposes and for which corporations may be organized pursuant to the Nonprofit Corporation Act. Except as otherwise specifically provided in the Declaration, the Association shall be responsible for administering, operating and managing the Common Areas and all other common and mutual affairs of the Subdivision.

Section 3.2 Powers: The Association shall have the power to do all things necessary and convenient to carry out its purpose and affairs. Unless otherwise specifically provided in the Declaration, all actions taken or to be taken by the Association shall be valid when such are approved by the Board as hereinafter set forth or when taken in accordance with the terms and provisions of the Declaration or these Bylaws. The Association, its Board, officers and members shall at all times act in conformity with the Nonprofit Corporation Act, and the Declaration.

ARTICLE IV OFFICES - FISCAL YEAR

Section 4.1 Principal Office and Registered Office: The initial principal office and registered office of the Association shall be located at 104 South Main Street, Suite 700, Greenville, South Carolina 29601.

Section 4.2 Other Offices: The Association may have other offices at such other places as the Board may from time to time determine within the State of South Carolina as the affairs of the Association may require.

Section 4.3 Fiscal Year: The fiscal year of the Association shall be the calendar year.

ARTICLE V MEMBERSHIP

Section 5.1 Qualification: Membership in the Association shall be limited to the Declarant, Approved Builders and the Owners as set forth in the Declaration. Every Owner of a Lot shall automatically be a member of the Association. Membership in the Association shall be appurtenant to, shall pass with the title to, and may not be separated from Lot ownership.

Section 5.2 Membership Classifications: The Association shall have two (2) classes of voting memberships:

A. Class A Membership. The Class A Members shall be all Owners of Lots within the Subdivision, other than the Declarant and Approved Builders (as long as Class B membership exists). The Class A Members in the Subdivision shall be entitled to one (1) vote for each Lot owned. In the case of multiple ownership of a single Lot, however, those multiple Owners shall be treated collectively as one Owner.

B. Class B Membership. The Class B Member shall be Declarant and each Approved Builder that owns one or more Lots. The Class B Members shall be entitled to three (3) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership as set forth in the Declaration.

Section 5.3 Membership To Pass With Title: Membership in the Association shall inure automatically to Owners upon acquisition of fee simple title (whether encumbered or not) to any one or more Lots, and shall pass with divestiture of ownership of a Lot. The date of recordation in the Office of the Register of Deeds of Greenville County of the conveyance of a particular Lot shall govern the date of ownership of such Lot. However, for purposes of these

Bylaws in the case of death of an individual Owner, the transfer of ownership shall be deemed to have occurred on the date of death in the case of the Owner's intestacy or on the date of admission of the Owner's will to probate in the case of the Owner's testacy. Until a decedent Owner's will is admitted to probate, the Association may rely on the presumption that a deceased Owner died intestate.

Section 5.4 Place of Meetings: All meetings of the Association membership shall be held at a place in Greenville County, South Carolina designated by the Board.

Section 5.5 Annual Meetings: A meeting of the Association shall be held at least once each year. The first Annual Meeting of the Association shall be held on the date and hour designated by Declarant. Thereafter, the Annual Meeting of the Association shall be held on the second Monday in February of each year at 7:30 p.m., Eastern Standard Time. If the second Monday in February shall be a legal holiday, the Annual Meeting shall be held at the same hour on the first day following which is not a legal holiday. At such meetings, the Board shall be elected in accordance with these Bylaws, and the Members shall transact such other business as may properly come before them.

Section 5.6 Substitute Annual Meetings: If an Annual Meeting shall not be held on the day designated by these Bylaws, a Substitute Annual Meeting may be called in accordance with the provisions of Sections 5.6 and 5.7. A meeting so called shall be designated and treated for all purposes as the Annual Meeting.

Section 5.7 Special Meetings: After the first Annual Meeting of the Members, Special Meetings of the Members may be called at any time by the Chairman, by not less than twenty percent (20%) of all Owners, or by not less than fifty-one percent (51%) of the Directors. Business to be acted upon at all Special Meetings shall be confined to the subjects stated in the notice of such meeting.

Section 5.8 Notices of Meetings: Written or printed notice stating the time and place of a membership meeting, including Annual Meetings, and the purposes and items on the agenda, including the general nature of any proposed amendment to the Declaration or these Bylaws, any budget changes, and any proposal to remove a director or officer, shall be delivered not less than ten (10) nor more than thirty (30) days before the date of any such membership meeting.

Section 5.9 Sufficiency of Notices: Any notices required or otherwise given pursuant to these Bylaws shall be sufficient if given to a Member either personally or by mail to the address of the Member's Lot or to such other address as the Member may designate in writing to the Association. Notice to a resident Owner shall be deemed given upon deposit in the mail depository at such Owner's Lot. Notice given to any one tenant in common or other joint Owner of a Lot shall be deemed notice to all Owners of the subject Lot. A Member may waive any notice required before or after the date and time stated in the notice. A Member's attendance at a meeting waives objection to lack of notice unless the Member objects to the holding of the meeting or the transaction of business at the beginning of the meeting.

Section 5.10 Voting Lists: The Association shall keep and maintain a current list of all Members, current addresses, and total number of votes to which such Member is entitled. Such list shall be available to any Member for inspection and copying both before and after any meeting of the membership.

Section 5.11 Quorum: Except as otherwise provided in these Bylaws and/or the Declaration, the presence in person or by proxy of Members holding not less than fifty-one percent (51%) of the total Lot votes entitled to be cast at any meeting of the Association shall constitute a quorum at all meetings of the Members. If a quorum is not present or represented at any meeting, the Members entitled to vote thereat shall have the power to adjourn the meeting from time to time, without notice other than the announcement at the meeting, until a quorum is present or is represented. The Members at any meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

Section 5.12 Voting Rights: Each Class A Member shall be entitled to one (1) vote upon all matters coming before the Association. Each Class B Member shall be entitled to three (3) votes for each Lot owned by it upon all matters coming before the Association. If fee simple title to any Lot is owned of record by more than one person or entity, all such persons or entities shall be Members of the Association, but the vote with respect to any such jointly owned Lot shall be cast as a single undivided vote as the Owners of the Lot shall determine among themselves. In no event shall the vote which may be cast with respect to any Lot be divided among joint Owners of the Lot or cast in any manner other than as a whole, it being the intention of this Section 5.12 that there be no "splitting" of votes that may be cast by any Owner or Owners.

Section 5.13 Proxies: Members may vote either in person or by agents duly authorized by written proxy executed by the subject Member or by the Member's duly authorized attorney-in-fact. A proxy is not valid after the earlier of (a) the term stated therein or (b) the expiration of twelve (12) months from the date of its execution. Unless a proxy otherwise provides, any proxy holder may appoint in writing a substitute to act in his place. In order to be effective, all proxies must be filed with the Secretary-Treasurer or Assistant Secretary-Treasurer either during or prior to the meeting in question. A Member may not revoke a proxy given pursuant to this Section 5.13 except by written notice of revocation delivered to the Secretary-Treasurer or Assistant Secretary-Treasurer. All of the above provisions concerning voting by joint Owners shall apply to the vote cast for any one Lot by two or more proxy holders.

Section 5.14 Majority-Vote: The casting of a majority of the total Membership votes represented at a meeting at which a quorum is present, in person or by proxy, shall be binding for all purposes except where a different percentage vote is stipulated by these Bylaws, the Declaration, the Articles of Incorporation of the Association, or the Act.

Section 5.15 Actions Without Meeting: Any action which may be taken at a meeting of the Members may be taken without a meeting if consent or ratification, in writing, setting forth the action so taken or to be taken shall be signed by all of the persons who would be entitled to vote upon such action at a meeting and such consent is filed with the Secretary-Treasurer or Assistant Secretary-Treasurer and inserted in the minute book of the Association.

ARTICLE VI BOARD OR DIRECTORS

Section 6.1 General Powers: The business and affairs of the Association shall be managed by the Board as set forth hereinafter, or by such committees as the Board may establish pursuant to Article VII of these Bylaws to the extent of the powers so delegated to such committees. In no event, however, shall the Board have any power to act on behalf of the Association to elect Directors or to determine the qualifications, powers and duties, or terms of office of Directors. The Board may, however, fill vacancies in its membership for the unexpired portion of any term.

Section 6.2 Number, Term and Qualifications: The initial Board shall consist of five (5) individual Directors appointed by Declarant, of which one Director shall be appointed for a term of three (3) years, two Directors shall be appointed for a term of two (2) years, and two Director who shall be appointed for a term of one (1) year. Upon expiration of each original term, vacancies shall thereafter be filled for terms of three (3) years by vote of the Owners at the next Annual Meeting or at a Special Meeting called for such purpose. Directors may succeed themselves in office. Other than those Directors appointed by Declarant, only Owners shall be eligible to serve as Directors.

Section 6.3 Election of Directors: All elections of Directors shall be by written ballot. Persons receiving the highest number of votes in accordance with Section 5.12 of these Bylaws shall be elected. Cumulative voting is not permitted.

Section 6.4 Removal: Any Director, other than a Director appointed by Declarant, may be removed from the Board, with or without cause, by a vote of at least sixty-seven percent (67%) of the total Membership votes entitled to be cast by all Members present and entitled to vote at any meeting of the Membership at which a quorum is present, provided that the notice of the meeting must state that the question of such removal will be acted upon at the subject meeting. If any Directors are so removed, their successors as Directors may be elected by the Membership at the same meeting to fill the unexpired terms of the Directors so removed.

Section 6.5 Vacancies: A vacancy occurring in the Board may only be filled by a majority of the remaining Directors if the vacant position has less than one (1) year's remaining term. A vacancy occurring in the Board for a position having a remaining term of one (1) year or more shall be filled only by election at an Annual Meeting, or at a Special Meeting of Members called for that purpose, or by unanimous written consent of the Members without meeting. A vacancy created by an increase in the authorized number of Directors shall be filled only by election at an Annual Meeting, or at a Special Meeting of Members called for that purpose, or by unanimous written consent of the Members without meeting.

Section 6.6 Officers: The Board shall elect from among its membership a Chairman, a Vice-Chairman, a Secretary/Treasurer, and an Assistant Secretary-Treasurer at the first meeting of the Board each year, which individuals shall serve in such capacities as officers of the Board and of the Association. No Director shall simultaneously hold more than one office. Each officer

shall hold office until such officer's death, resignation, removal or until a successor is elected and qualified. The Chairman shall preside at all meetings of the Board and perform such other duties as may be set forth in these Bylaws or as directed by the Board from time to time. Prior to election of a Chairman and/or in the event that the Chairman is not present at any meeting of the Board, the Vice-Chairman shall preside.

Section 6.7 Chairman: The Chairman shall be the chief executive officer of the Association and shall preside at all meetings of the Members and of the Board. The Chairman shall see that the orders and resolutions of the Board are carried out, shall sign all written instruments regarding the Common Areas and co-sign all promissory notes of the Association, if any; and shall have all of the general powers and duties which are incident to the office of chairman, president, or chief executive officer of a corporation organized under the Nonprofit Corporation Act in the supervision and control of the management of the Association in accordance with these Bylaws.

Section 6.8 Vice-Chairman: The Vice-Chairman shall, in the absence or disability of the Chairman, perform the duties and exercise the powers of that office, and shall in addition perform such other duties and have such other powers as the Board shall prescribe.

Section 6.9 Secretary-Treasurer: The Secretary-Treasurer shall keep the minutes of all meetings of Members and of the Board, have charge of all books and papers as the Board may direct, see to the issuance of all notices from the Association or the Board to the Members, have the responsibility for the Association's funds and securities, receive and give receipts for monies due and payable to the Association from any source whatsoever, deposit all monies in the name of the Association in such banks or other depositories as the Board shall designate, keep full and accurate financial records and books of account showing all Association receipts and disbursements, prepare all required financial statements, report all Owners who are delinquent in the payment of any Assessments, co-sign promissory notes of the Association, prepare a proposed annual budget (to be approved by the Board) and the other reports to be furnished to the Members as required in the Declaration, and in general perform all duties incident to the Offices of Secretary and Treasurer of a corporation organized under the Nonprofit Corporation Act.

Section 6.10 Assistant Secretary-Treasurer: The Assistant Secretary-Treasurer shall, in the absence or disability of the Secretary-Treasurer, perform the duties and exercise the powers of that office, and shall in general perform such other duties as shall be assigned by the Chairman or the Secretary-Treasurer, respectively.

Section 6.11 Compensation: No Director shall receive any compensation from the Association for acting as such; provided, however, that each Director shall be reimbursed for reasonable out-of-pocket expenses incurred and paid by such Director on behalf of the Association, and nothing herein shall prohibit the Board, in its sole discretion, from compensating a Director for unusual and extraordinary services rendered on the basis of the value of the services rendered.

Section 6.12 Loans to Directors and Officers: No loans shall be made by the Association to its Directors or officers. The Directors who vote for or assent to the making of a loan to a Director or officer of the Association, and any Directors or officers participating in the making of such Loan, shall be individually, jointly and severally liable to the Association for the amount of such loan until the loan is repaid in full.

Section 6.13 Liability of Directors: To the fullest extent permitted by the provisions of the Nonprofit Corporation Act, each Director is hereby indemnified by the Association with respect to any liability and expense of litigation arising out of his activities as a Director. Such indemnity shall be subject to approval by the Owners only when such approval is required by the Nonprofit Corporation Act. The Association shall pay for or reimburse the reasonable expenses incurred by a Director who is a party to a proceeding on account of the Director's service as a director of the Association prior to the final disposition of the proceeding, to the fullest extent permitted by the provisions of the Nonprofit Corporation Act.

Section 6.14 Meetings of the Board:

A. Regular Meetings: Regular Meetings of the Board shall be held, without further notice, at such hour and address as may be fixed from time to time by resolution of the Board. Should any such meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

B. Special Meetings: Special Meetings shall be held when called by the Chairman, or by any Director, after not less than three (3) nor more than thirty (30) days' written notice to each Director.

C. Notices of Special Meetings: The notice provided for herein may be waived by written instrument signed by those Directors who do not receive said notice. Except to the extent otherwise required by law, the purpose of a special meeting of the Board need not be stated in the notice. Notices shall be deemed sufficient if given in accordance with Section 5.8. Attendance by a Director at a meeting shall constitute a waiver of notice of such meeting unless the Director gives a written statement at the meeting to the Chairman or other presiding officer objecting to the transaction of any business because the meeting is not lawfully called and gives such notice prior to the vote on any resolution.

D. Approved Meeting Place: All Board meetings shall be held in Greenville County, South Carolina.

E. Quorum: A majority of the Directors then holding office shall constitute a quorum for the transaction of business and every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act or decision of the Board.

F. Vote: Provided that a quorum is present for a Board meeting, all matters requiring Board approval shall be decided by a majority of those voting.

Section 6.15 Action Without Meeting: The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Board. Said written approval shall be filed with the minutes of the proceedings of the Board, whether done before or after the action so taken.

Section 6.16 Presumption of Assent: A Director who is present at a meeting of the Board at which action on any matter is taken shall be presumed to have assented to the action taken unless the Director's contrary vote is recorded or dissent is otherwise entered in the minutes of the meeting or unless such Director shall file a written dissent to such action with the person acting as the Secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 6.17 Powers and Duties: The Board shall have the authority to exercise all powers and duties of the Association necessary for the administration of the affairs of the Subdivision except such powers and duties as by law or by the Declaration may not be delegated by the Owners to the Board. The powers and duties to be exercised by the Board shall include, but shall not be limited to, the following:

A. Operation, care, upkeep and maintenance of the Common Areas and landscape easement areas to the extent such operation, care, upkeep, and maintenance is not the obligation of the Owners;

B. Determination of the funds required for operation, administration, maintenance and other affairs of the Association and collection of Assessments from the Owners, as provided in the Declaration;

C. Employment and dismissal of personnel (including without limitation the Manager) necessary for the efficient operation, maintenance, repair, and replacement of the facilities within the Common Areas;

D. Adoption of rules and regulations covering the details of the operation, maintenance, repair, replacement, use and modification of the Common Areas;

E. Opening of bank accounts on behalf of the Association and designating the signatories required therefor;

F. Obtaining insurance as required or permitted under the terms of the applicable provisions of the Declaration;

G. Keeping detailed, accurate records of the receipts and expenditures of the Association; obtaining annual independent reviews of the financial records of the Association from the Association's certified public accountant; furnishing the annual reports; and furnishing current budgets, all of which shall be kept in accordance with

generally accepted accounting practices and all of which shall be kept available for examination by all Owners or their duly authorized agents or attorneys, at convenient hours on working days;

H. Keeping a complete record of the minutes of all meetings of the Board and Membership in which minute book shall be inserted actions taken by the Board and/or Members by consent without meeting;

I. Supervising all officers, agents and employees of the Association and insuring that their duties are properly performed;

J. Enforcing, on behalf of the Association, the Assessments provided in the Declaration, including, but not limited to, the institution of civil actions to enforce payment of the Assessments as provided in the Declaration, the institution of actions to foreclose liens for such Assessments as provided in the Declaration, the imposition of charges for late payment of Assessments, and after notice and an opportunity to be heard, levying reasonable fines for violations of the Declaration, these Bylaws, and any published rules and regulations of the Association;

K. Making of repairs, additions, and improvements to or alterations or restoration of the Common Areas and landscape easement areas in accordance with the other provisions of these Bylaws and the Declaration, after damage or destruction by fire or other casualty, or as a result of a condemnation or eminent domain proceeding;

L. Enforcing by any legal means or proceeding the provisions of the Articles of Incorporation of the Association, these Bylaws, the Declaration, or any published rules and regulations governing use of the Common Areas;

M. Paying all taxes and public assessments which are or may become liens against the Common Areas and assessing the same against the Owners in the manner provided in the Declaration;

N. Hiring attorneys, accountants, and other professionals;

O. Maintaining and repairing any Lot, if such maintenance or repair is required by the Declaration or is necessary in the discretion of the Board to protect the Common Areas, landscape easement areas, or any other Lot or if the Owner of such Lot has failed or refused to perform such maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair has been delivered or mailed by the Board to said Owner, provided that the Board shall levy a Special Individual Assessment against such Owner for the costs of said maintenance or repair;

P. Entering any Lot when necessary in connection with any maintenance or construction for which the Association is responsible; provided, such entry shall be made during reasonable hours with as little inconvenience to the Owner as practicable, and any damage caused thereby shall be repaired by the Association; and entering any Lot for the

purpose of correcting or abating any condition or situation deemed by the Board to be an emergency;

Q. Signing all agreements, contracts, deeds and vouchers for payment of expenditures and other instruments in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the Chairman, the Vice-Chairman, or the Secretary-Treasurer, and countersigned by one other Director;

R. Furnishing certificates setting forth the amounts of unpaid Assessments that have been levied upon a Lot to the Owner or Mortgagee of such Lot, or a proposed purchaser or Mortgagee of such Lot, and imposing and collecting reasonable charges therefor; and

S. Exercising any other powers and duties reserved to the Association exercisable by the Board pursuant to the Declaration, the Articles of Incorporation, or these Bylaws.

Section 6.18 Independent Manager: The Board may employ or enter into a management contract with any independent individual, firm or entity it deems appropriate and in the best interest of the Association concerning the routine management and administration of the Subdivision. The Board may delegate to such Manager such duties and responsibilities in the management of the Common Areas as the Board deems appropriate; provided, however, that the Board may not delegate to the Manager the complete and total responsibilities and duties of the Association in violation of the Nonprofit Corporation Act. The Manager's contract shall be for a term not to exceed one (1) year, renewable by agreement between the Board and such Manager for successive one-year terms; provided, however, that any such contract shall provide that it is terminable by the Association, without cause, upon not less than ninety (90) days' prior written notice and without payment of any penalty, and upon such lesser time as the Board shall determine in the event of cause. The Board shall have authority to fix the reasonable compensation for the Manager. The Manager shall at all times be answerable to the Board and subject to its direction.

ARTICLE VII COMMITTEES

Section 7.1 Creation: The Board, by resolutions adopted by a majority of the number of Directors then holding office, may create such committees as it deems necessary and appropriate to aid the Board in carrying out its duties and responsibilities with respect to the management of the Subdivision. Each committee so created shall have such authorities and responsibilities as the Directors deem appropriate and as set forth in the resolution creating such committee. The Board shall elect the members of each such committee, provided that each committee shall have in its membership at least one (1) Director.

Section 7.2 Vacancy: Any vacancy occurring on a committee shall be filled by the Board at a regular or special meeting.

Section 7.3 Removal: Any member of a committee may be removed at any time with or without cause by the Board at a regular or special meeting.

Section 7.4 Minutes: Each committee shall keep regular minutes of its proceedings and report the same to the Board when required.

Section 7.5 Responsibility of Board Members: The designation of committees and the delegation thereto of authority shall not operate to relieve the Board or any Director of any responsibility or liability imposed upon it or him by law.

If action taken by a committee is not thereafter formally considered by the Board, a Director may dissent from such action by filing his written objection with the Secretary with reasonable promptness after learning of such action.

ARTICLE VIII OPERATION OF THE PROPERTY

Section 8.1 Determination of Budget and Assessments: The Board shall from time to time, and at least annually, prepare and adopt a proposed budget for the Subdivision, and determine and allocate the amount of the Annual Assessments among the Owners in the manner provided in Article V of the Declaration, all in accordance with the procedures set forth in this Article VIII of these Bylaws, but subject to any limitations set forth in Article X of the Declaration. The Common Expenses shall include, without limitation, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board pursuant to the provisions of the Declaration, such amounts as the Board deems necessary for the operation and maintenance of the Common Area, a working capital reserve for the Subdivision, a general operating reserve, a reserve to fund losses due to insurance deductibles, a reserve for repair and replacement of Common Area facilities, and such amounts as may be necessary to make up any budget or operating deficit for any prior year.

Section 8.2 Submission of Budget to Owners. Within ten (10) days after adoption of each proposed annual budget for the Subdivision, the Board shall provide a copy of the budget and any accompanying information deemed pertinent by the Board to all Members, which shall be accompanied by a notice setting a date for a meeting of the Members to consider ratification of the budget, which shall be no less than ten (10) nor more than thirty (30) days thereafter. Notwithstanding any other provisions of these Bylaws, there shall be no requirement that a quorum be present at such meeting. Notwithstanding any other provision of these Bylaws, the proposed budget shall be deemed ratified unless at the called Meeting the Members reject the budget by not less than a fifty-one (51%) percent affirmative vote of the total Lot votes entitled to vote at such meeting. In the event the proposed budget is rejected, the periodic budget last ratified shall be continued until such time as the Members ratify a subsequent budget proposed by the Board.

Section 8.3 Special Assessments. The Association, acting through the Board, may levy a Special Assessment during any calendar year for the purpose of defraying, in whole or in part,

the cost of any construction, reconstruction, repair or replacement of any capital improvement comprising or to comprise a portion of the Common Areas, including fixtures and personal property, or for any other proper Association purpose; provided, however, that any such special Assessment must be approved by the affirmative vote of not less than sixty-seven (67%) percent of the total Lot votes entitled to vote at such meeting cast in person or by proxy.

Section 8.4 Initial Assessment Collection: Declarant, as the agent of the Association, shall collect from each initial purchaser of a Lot at the time of closing of the Owner's Lot purchase from Declarant an "Initial Capital Assessment" equal to twice the Lot's projected monthly Assessment. Such funds shall not be considered an advance payment of any Assessments. Declarant will deliver the funds so collected to the Association to provide the necessary working capital for the Association, and the Association may use such funds for certain prepaid items, initial equipment and supplies, organizational expenses and other start-up costs, and for such other purposes as the Board may from time to time determine.

Section 8.5 Payment of Common Expenses: All Owners (other than Declarant for Lots not yet sold and conveyed by Declarant) shall be obligated to pay the Assessments allocable to the Owners' Lots at such time or times as are set forth in the Declaration or as determined by the Board; provided, that Approved Builders shall be subject to subject Assessment obligations as are set forth in Section 5.8 of the Declaration. No Owner shall be liable for the payment of any part of any Assessments against such Owner's Lot assessed subsequent to a sale, transfer or other conveyance by the Owner (made in accordance with the provisions of the Declaration) of such Lot. A purchaser of a Lot shall be jointly and severally liable with the seller (other than Declarant or an Approved Builder) for the payment of any Assessment levied against such Lot prior to the acquisition by the purchaser of such Lot without prejudice to the purchaser's rights to recover from the seller (other than Declarant or an Approved Builder) the amounts paid by the purchaser therefor.

Section 8.6 Collection of Assessments: The Board shall take prompt action to collect any Assessments which remain unpaid for more than thirty (30) days from the due date for payment thereof. The Board shall notify any Mortgagee of a Lot (of which it has notice) for which any Assessments remain unpaid for more than sixty (60) days from the due date for payment thereof and in any other case where the Owner of such Lot is in default with respect to the performance of any other obligation hereunder for a period in excess of sixty (60) days.

Section 8.7 Default in Payment of Assessments, Remedies: In the event of default by any Owner in paying to the Board any Assessments allocable to the Owner's Lot, such Owner shall be obligated to pay interest on such Assessments from the due date thereof at the rate of twelve percent (12%) per annum or the highest rate allowable by law, whichever is lower, together with all expenses, including reasonable attorneys' fees, incurred by the Board in any proceeding brought to collect such unpaid Assessments, and such late charges thereon as the Board may levy in accordance with the terms of the Declaration. The Board shall have the right and duty to attempt to recover such Assessments, together with interest thereon, late charges, and the expenses of the proceedings, including reasonable attorneys' fees, in an action to recover a money judgment for the same brought against such Owner, and/or by foreclosure of the lien on such Lot in like manner as a Mortgage foreclosure. In the event of the failure of an Owner to

pay any Assessment imposed hereunder for more than thirty (30) days after such Assessment shall become due, in addition to the other remedies available under the Declaration, the Board shall have the right to declare all other Assessments with respect to such Owner's Lot that are to fall due during the then current fiscal year of the Association to be immediately due and payable.

Section 8.8 Lien and Personal Obligations: All Assessments provided for in this Article, together with late charges, interest and expenses, including reasonable attorneys' fees, as provided for herein, shall be a charge on and a continuing lien upon the Lot against which the Assessment is made, which such lien shall be prior to all other liens excepting only (i) assessments, liens and charges for real estate taxes due and unpaid on the Lot and (ii) all sums unpaid on Mortgages and other liens and encumbrances duly recorded against the Lot prior to the filing with the Office of the Register of Deeds for Greenville County of a Notice of such lien. Such lien shall attach to the Lot when a notice thereof has been filed in the Office of the Register of Deeds for Greenville County in the same manner as the filing of a Mortgage, provided that such notice of lien shall not be recorded until such sums assessed remain unpaid for a period of more than thirty (30) days after the same shall become due. Such notice of lien shall also secure all Assessments against the Lot becoming due thereafter until the lien has been satisfied. The lien for unpaid Assessments shall not be affected by the sale or transfer of the Lot, except in the case of a foreclosure of a Mortgage, in which event the purchaser at foreclosure shall not be liable for any Assessments against such Lot that became due prior to the date of acquisition of title by such purchaser.

Section 8.9 Abatement and Enjoyment of Violations by Owner: The violation of any rule or regulation adopted by the Board or the breach of any provisions of the Bylaws or the Declaration, shall give the Board the right and power, in addition to any other rights set forth in the Declaration, these Bylaws or at law or in equity: (a) to enter the Lot in which or as to which such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board shall not thereby be deemed guilty in any manner of trespass; provided, however, that the Board shall be obligated to institute judicial proceedings before any item of construction can be altered or demolished; (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach at the expense of the defaulting Owner; and/or (c) after notice and opportunity to be heard, to levy reasonable fines as an Assessment against the Lot.

ARTICLE IX AMENDMENTS

The provisions of Article XII of the Declaration shall apply fully to any amendments proposed to these Bylaws to the same extent and subject to the same limitations therein as though republished herein in full. Any duly enacted amendment to these Bylaws shall be effective only upon its recordation in the Office of the Register of Deeds of Greenville County.

ARTICLE X MISCELLANEOUS

Section 10.1 Severability: Invalidation of any covenant, condition, restriction or other provisions of the Declaration or these Bylaws shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

Section 10.2 Successors Bound. The rights, privileges, duties and responsibilities set forth in the Declaration and these Bylaws, as amended from time to time, shall run with the ownership of the Property and shall be binding upon all persons who own or hereafter acquire any interest in the Property.

Section 10.3 Gender, Singular, Plural: Whenever the context so permits, the use of the singular or plural shall be interchangeable in meaning and the use of any gender shall be deemed to include all genders.

Section 10.4 Nonprofit Corporation: No part of the Association's assets or net income shall inure to the benefit of any of the Members, the officers of the Association, or the members of the Board, or any other private individual either during its existence or upon dissolution except as reasonable compensation paid or distributions made in carrying out its declared nonprofit purposes as set forth in the Articles of Incorporation of the Association and these Bylaws.

FILED FOR RECORD IN GREENVILLE
COUNTY SC R.O.D. OFFICE AT 02:35 PM
08 03 04 RECORDED IN DEED
BOOK 2101 PAGE 0878 THRU 0920
DOC # 2004070846

Judy B. Hix

**FIRST AMENDMENT TO DECLARATION OF COVENANTS,
CONDITIONS, EASEMENTS, AND RESTRICTIONS
FOR HAMMETT POND SUBDIVISION**

FILED
GREENVILLE, SC

2005 JAN 27 P 3:28

TIMOTHY L. NANNEY
REGISTER OF DEEDS

THIS FIRST AMENDMENT TO DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS, AND RESTRICTIONS FOR HAMMETT POND SUBDIVISION (the "Amendment") is hereby made, declared and established this 22^d day of December, 2004 by Martin & Harrison Homes, LLC ("Declarant"), pursuant to and in accordance with the terms and conditions of that certain Declaration of Covenants, Conditions, Easements and Restrictions for Hammett Pond Subdivision created by Declarant, dated July 30, 2004, and recorded in the Office of the Register of Deeds for Greenville County in Deed Book 2101 at page 878 (the "Declaration") for the purpose of annexing Phase Two (identified hereinafter) into the Subdivision in accordance with the Declaration. All capitalized terms used in this Amendment which are defined in the Declaration shall have the same meanings herein as are defined and set forth therein, unless expressly indicated to the contrary herein.

NOW THEREFORE, pursuant to and in accordance with Section 2.1 and Article XI of the Declaration, Declarant hereby annexes into the Property, as Phase Two, all of the property depicted, identified and set forth on that certain plat of survey entitled "Hammett Pond, Phase 2" prepared by Freeland & Associates, Inc. dated November 4, 2004 and recorded in the Office for the Register of Deeds for Greenville County in Plat Book 49 at Page 48 (the "Phase Two Plat"), and consisting of the twenty-five (25) numbered lots and all common areas depicted thereon. Declarant further subjects Phase Two of the Property, as depicted upon the Phase Two Plat, to all of the terms and provisions of the Declaration and declares that the property depicted on the Phase Two Plat shall henceforth be deemed to be a part of the "Property" and the "Subdivision" defined in the Declaration, with all references therein and herein to the "Property" and the "Subdivision" to henceforth be deemed to include the property depicted on the Phase Two Plat, and with all references therein and herein to the "Plats" to henceforth be deemed to include the Phase Two Plat. Except as expressly modified herein, all other terms and provisions of the Declaration shall remain unchanged and in full force and effect. This Amendment shall be effective upon its recording in the Office of the Register of Deeds for Greenville County.

IN WITNESS WHEREOF, this Amendment to Declaration of Covenants, Conditions, Easements, and Restrictions for Hammett Pond Subdivision has been executed and delivered by the Declarant, under seal as of the date and year first above written.

IN THE PRESENCE OF:

W. R. Martin
Don Bustinella

MARTIN & HARRISON HOMES, LLC

By:

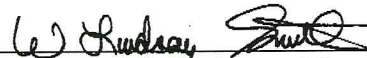
W. R. Martin
W. R. Martin, Member

8091

STATE OF SOUTH CAROLINA)
) ACKNOWLEDGEMENT
COUNTY OF GREENVILLE)

The undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that W. R. Martin, the duly authorized member of Martin & Harrison Homes, LLC, a South Carolina limited liability company, the Declarant, personally appeared before me this day and acknowledged the due execution of the foregoing instrument by him on behalf of the Declarant.

Witness my hand and seal this 22 day of December, 2004.

 [SEAL]
Notary Public for State of South Carolina
My commission expires: 8-15-07

FILED FOR RECORD IN GREENVILLE
COUNTY SC R.O.D. OFFICE AT 03:28 PM
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BOOK 2127 PAGE 1917 THRU 1918
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