

BY-LAWS  
OF  
SYCAMORE RIDGE  
ASSOCIATION OF OWNERS, INC.

ARTICLE I  
Name and Location

1. Name. The name of the corporation is Sycamore Ridge Association of Owners, Inc., hereinafter referred to as the "Association."
2. Location. The principal office of the corporation shall be located in Greenville County, South Carolina. The registered office of the Association may be, but need not be, the same as the principal office.

ARTICLE II  
Definitions

Unless otherwise provided in these By-Laws, all capitalized terms used herein shall have the same definitions as provided in the Declaration. Other terms shall have such meanings and definitions as provided herein or in the Declaration. If a conflict in definitions exists between these By-Laws and the Declaration, the Declaration shall control.

1. "Articles" means the Articles of Incorporation of the Association filed with the South Carolina Secretary of State on 4/27, 2005, as the same may be, from time to time, subsequently amended.
2. "Board" or "Board of Directors" means the Owners who, selected pursuant to these By-Laws or the Articles are vested with the management of the affairs of the Association in accordance with the Declaration, Articles of the Association, these By-Laws, and applicable law.
3. "Common Area" or "Common Areas" shall mean and include the real property and those facilities thereon, including, but not limited to, picnic areas, swimming pool, bath house, tennis courts, associated off-street parking, defined as Recreation or Common Areas in the Declaration, together with easements appurtenant, including, but not limited to, landscaping, storm drainage and utilities, subdivision street lights (leased), signs and sign structures, and other appurtenances to any of the foregoing.
4. "Declarant" means Jelks/Little, LLC, and the officers, members, directors, managers, and employees of Jelks/Little, LLC, and the predecessors in title to the interest of Jelks/Little, LLC, in the Subdivision, and the heirs, successors and assigns of any of the foregoing.

5. "Declaration" means that certain set of Restrictive and Protective Covenants for Sycamore Ridge Subdivision, and amendments thereto, as the same may be from time to time recorded in the Office of the Register of Deeds for Greenville County, including, but not limited to those recorded as follows: Deed Book 1754, page 590; Deed Book 1896, page 546; Deed Book 2010, page 1901; and Deed Book 2116, page 1426.

6. "Lot" means those numbered Lots in the Subdivision whose use is restricted to residential use as provided in the Declaration.

7. "Member" means the Owner(s) of fee simple title to a Lot, as said ownership may change from time to time.

8. "Owner" means the person or persons in whom fee simple title to any Lot or Lots is vested.

9. "Subdivision" means that certain single-family residential subdivision (including platted lots and common areas) in Greenville County, South Carolina, known as "Sycamore Ridge" as more particularly delineated on the plats of real property referenced in the Declaration.

### ARTICLE III Association of Members

1. **Members.** The Members of the Association shall be the Owners of Lots within the Subdivision.

2. **Transfer of Membership.** The membership of each Member in the Association shall be a right and obligation appurtenant to the ownership of the Lot owned by such Member and shall automatically be transferred to and vested in a successor in fee simple title to said Member/Owner, whether the successor Member/Owner acquires title by deed or by operation of law. No specific or express documentation shall be required in connection with such transfers of membership in the Association. Except as provided herein, no Member may assign, transfer, hypothecate, or otherwise alienate all or any portion of a membership and the rights and obligations of such membership nor may any party assume any of said Member's obligations hereunder.

3. **Rights of Members.** Each Member shall have the right to (a) use and enjoy, in common with all other Members and subject to the Declaration and rules and regulations adopted by the Board of Directors, the Common Areas of the Subdivision; and (b) to vote as provided in these By-Laws.

4. **Annual Meeting of Members.** The annual meeting of the Members shall be held at the principal office of the Association, or such other location within Greenville County, South Carolina, as designated by the Board of Directors, at a date and time to be set by the Board of Directors, during the month of September of each year for

the purpose of election of the Board of Directors and for the transaction of such other business as may be brought before the meeting. If the day set for the annual meeting is a legal holiday, such meeting shall be held on the next succeeding business day.

5. **Substitute Annual Meeting.** If the annual meeting is not held in the month designated by these by-laws, a substitute annual meeting may be called in accordance with the provisions of Article III, Section 7, as in the case of special meetings. A meeting so called shall be designated and treated for all purposes as the annual meeting.

6. **Special Meeting of Members.** Special meetings of the Members may be held at the principal office of the Association, or elsewhere within Greenville County, South Carolina, whenever called in writing as provided in Article III, Section 7, by the President, by any two (2) members of the Board of Directors of the Association, or by Members representing twenty percent (20%) of the membership entitled to vote.

7. **Notice of Meeting.** Notices of meetings shall be in writing, shall state the date, time and place of meeting, and shall be mailed or delivered by the Secretary to each Member of record at the Member's last known address. The notice of each meeting shall be mailed or delivered by the Secretary not less than twenty (20) days nor more than forty (40) days prior to the date set for such meeting and as to special meetings, the notice shall indicate the purpose or purposes of such special meeting.

8. **Quorum.** Unless otherwise specified in the Declaration, at any meeting of the Members, fifty percent (50%) of the Members entitled to vote, present in person or represented by proxy, shall constitute a quorum of the membership for all purposes. If a quorum is not present, the meeting may be recessed by the presiding officer at the time of such meeting who shall state the date, time and place for the meeting to be rescheduled. Such verbal statement at the meeting being recessed shall be sufficient notice of the date, time and place of the rescheduled meeting.

The Members present at a duly organized meeting, at which a quorum is initially present, may continue to transact business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

9. **Organization.** The President, or, in his or her absence, the Vice-President, shall preside over all meetings of Members and the Secretary of the Association shall act as Secretary at all meetings of the Members; provided, however, in the Secretary's absence, the President may appoint a Secretary for the meeting of the Members.

10. **Voting.** Each Lot shall entitle its Owner(s) to the right to one (1) vote on each matter submitted to a vote at a meeting of Members, except that each Lot owned by Declarant shall entitle Declarant to the right to two (2) votes on each matter submitted to a vote at a meeting of Members. If more than one (1) Owner owns a Lot, only one vote may be cast by the Owners of such Lot as Members of the Association as decided by such multiple Owners among themselves and so stated at the meeting.

The vote of a majority of the Members present at a duly called meeting of Members at which a quorum is present at the beginning of the meeting shall be the act of the Members on that matter, except as hereinafter provided.

The vote and signature on applicable documents of three-fourths (3/4) of the Membership eligible to vote, whether or not present at a meeting called for such purpose, and of a majority of the Board of Directors shall be required to amend the Association's Articles of Incorporation or By-Laws, or to change public roads within the Subdivision to private roads with or without entry gates and limitations on access.

11. **Voting by Proxy.** The vote allocated to a Member may be cast pursuant to a dated written proxy signed by the Member. A Member may not revoke a proxy except by appearing and voting at a meeting in person or by written notice delivered to the President prior to a meeting of the Association. A proxy terminates one (1) year after its date, unless it specifies a shorter term.

12. **Waiver of Notice.** Any Member may, at any time, waive notice of any meeting of Members in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member at any meeting of the Members shall constitute a waiver of notice by him of the time and place thereof, except when a Member attends a meeting for the express, limited purpose of objecting to the transaction of any business because the meeting was not lawfully called. If all the Members are present at any meeting of the Members, no notice shall be required to have been given and any business may be transacted at such meeting.

13. **Informal Action by Members.** Any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the persons who would be entitled to vote upon such action at a meeting and filed with the Secretary of the Association to be kept in the Association's minute book.

14. **Member Liability; Obligation for Assessments.** A Member is not personally liable for the acts, debts, liabilities or obligations of the Association. A Member is, however, liable for the acts, debts, liabilities or obligations of such Member set forth herein and in the Declaration.

If a Member fails to pay the annual or any special assessment set by the Board as provided herein within the specified time period for such payment, a late fee of not less than 1.5% per month shall be added to the amount due until paid. Unpaid amounts shall constitute a personal obligation of the Owner and shall also be a lien upon the Owner's Lot as provided in the Declaration and these By-Laws and enforceable as provided in the Declaration and these By-Laws.

ARTICLE IV  
Board of Directors

1. Number and Term of Office. The business and affairs of the Association shall be managed by a Board of Directors of not fewer than three (3) nor more than five (5) persons who shall be Members of the Association. The initial Board of Directors shall consist of three (3) Directors who shall serve the following initial terms, unless he or she dies, resigns, retires, is removed, or disqualified, or until his or her successor is elected and qualified at the first annual meeting to be held in September or succeeding years, depending on the length of each initial Director's initial term:

One Director-One-year term  
One Director-Two-year term  
One Director-Three-year term

Each Director shall serve until the annual meeting in the year in which his or her term expires. Each initial Director's successor and any additional subsequent Directors, after the initial Director terms stated above, shall be elected for two-year terms each.

The initial Board of Directors shall be as follows, as provided in the Articles:

James C. Shubert-One-year term  
Garland A. Nix, Jr.-Two-year term  
Bill L. Burns-Three-year term

2. Compensation. No Director shall receive compensation for any service he or she may render to the Association. However, with the prior approval of the Board, any Director may be reimbursed for actual expenses incurred in the performances of his or her duties.

3. Nomination. After each of the initial Directors selected above shall have served their respective terms as provided in these By-Laws, nominations for election to the Board for successor Directors thereafter shall be made by a committee to be formed as herein provided (the "Nominating Committee").

The Nominating Committee shall consist of a Chairman, who shall be a member of the Board, and no fewer than two (2) nor more than four (4) Members of the Association. The Nominating Committee shall be appointed by the Board prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall, in its discretion determine, but not more than the number of vacancies that are to be filled. Nominations may also be made from the floor at the annual meeting.

4. Election. Except as provided in Sections 1 and 5 of this Article IV, Directors shall be elected at the annual meeting of the Members by written ballot. At such election, the Members or their proxies may cast, with respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting shall not be allowed.

5. Removal. Any Director may be removed from the Board, with or without cause, by a majority vote of the Members. In the event of death, resignation or removal of a Director, the remaining Directors shall have the right to select his or her successor who shall serve for the unexpired term of his or her predecessor. The Members may elect a Director at any time to fill any unexpired term of his or her predecessor. The Members may elect a Director at any time to fill any vacancy not filled by the remaining Directors by special meeting duly called as provided in these By-Laws.

6. Action Without Meeting. The Board shall have the right to take any action in the absence of a meeting which they could take at a duly held meeting by obtaining the written consent of all of the Directors to the action. Any action so approved shall be filed in the corporate books and records and shall have the same effect as though taken at a meeting of the Board.

Meetings of the Board may be conducted by telephone conference call duly recorded in the minutes of the Association as to the business transacted.

7. Meetings. Meetings of the Board shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Special meetings of the Board may be called by any two (2) directors after not less than ten (10) days notice to each Director.

8. Quorum. A majority of the Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting shall be regarded as the act of the Board.

9. Chairman. A Chairman of the Board shall be elected by the Directors and shall preside over all Board meetings until the President of the Association is elected. Thereafter, the President of the Association shall serve as Chairman. In the event there is a vacancy in the office of the Presidency, the Vice-President shall serve as Chairman until a new President is elected.

10. Liability and Indemnification of Declarant and the Board. The Declarant, acting in the capacity of manager of the Subdivision prior to incorporation of the Association, and members of the Board of Directors of the Association shall not be liable to the Owners, and Owners' families, guests, and invitees, for any mistake of judgment, negligence, or otherwise except for their own individual willful misconduct as otherwise provided under South Carolina law or in the South Carolina Non-Profit Act, as amended (the "Act").

The Association shall indemnify and hold harmless the Declarant and each of the members of the Board of the Association against all contractual liability to others arising out of contracts made by the Declarant or Board on behalf of the Subdivision or Association unless any such contracts shall have been made contrary to the provisions of the Declaration, Articles, these By-Laws, South Carolina law, or, specifically, the Act. It is intended that the Declarant and members of the Board shall have no personal liability with respect to any contract made by them on behalf of the Subdivision or Association.

The indemnification provided herein shall not be deemed exclusive or any other right to which those indemnified may be entitled under any statute, by-law, agreement, vote of Members or disinterested Directors, or otherwise, both as to action in his or her stated capacity and as to action in another capacity while serving as Declarant or holding office with Declarant or the Association and shall continue as to a person who had ceased to be Declarant, or a Director, or officer, employee or agent of Declarant or the Association and shall inure to the benefit of the heirs personal representatives, guardians, and conservators of such a person.

The Association may purchase and maintain insurance on behalf of Declarant or any person who is or was a Director, officer, employee or agent of Declarant or the Association, or is or was serving at the request of the Association or Declarant as a Director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in such capacity, or arising out of his or her status as such, whether or not the Association would have the power to indemnify him or her against such liability.

The Association's indemnity of the Declarant or any person who is or was a Director, officer, employee, or agent of Declarant or another corporation, partnership, joint venture, trust or other enterprise, shall be reduced by any amounts such person may collect as indemnification (1) under any policy or insurance purchased and maintained on his or her behalf by the Association, or (b) from such other corporation, partnership, joint venture, trust or other enterprise.

Nothing contained in this Article, or elsewhere in these By-Laws, shall operate to indemnify the Declarant or any Director, officer, employee or agent of Declarant or the Association if such indemnification is for any reason contrary to any applicable state or federal law.

11. Powers and Authority of the Board of Directors. Subject to the provisions contained in the Declaration, the Articles, herein, and applicable law, the Board shall have the power and authority to exercise all of the rights and powers of the Association, including, but not limited to, the following powers:

(a) To exercise all powers and authority granted to the Board in the Declaration, Articles, or Act;

(b) To adopt rules and regulations governing the use of the Common Areas and facilities, the personal conduct of the Members and their guests thereon, and establish penalties for the infraction thereof;

(c) To suspend the voting rights and right of use of the Common Areas, including, but not limited to, the recreational facilities, of a Member during any period in which such Member shall be in default in the payment of any assessment levied by the Association upon notice to the Member of such default, and to suspend such rights, upon notice, for infraction of published rules and regulations for a period not to exceed sixty (60) days;

(d) To declare the office of a Director to be vacant in the event such Director shall be absent from three (3) consecutive regular meetings of the Board;

(e) To employ and dismiss a manager, independent contractors, agents, or employees as it deems necessary and proper, and prescribe their duties and services, fix their compensation and require of them such security or fidelity bonds as the Board may deem appropriate;

(f) To procure, maintain, and pay premiums on insurance policy(ies);

(g) To impose and receive any payments, fees, or charges for the use, rental, or operation of the Common Areas or elements other than for service provided to Members;

(h) To employ attorneys and accountants to represent the Association when deemed necessary;

(i) To grant easements for the installation and maintenance of sewerage, utilities or drainage facilities upon, over, under and across the Common Areas and upon, over, under and across the Subdivision as permitted in the Declaration, as deemed appropriate by the Board of Directors;

(j) To appoint and remove, at the pleasure of the Board, all officers of the Association, prescribe their duties and require of them such security or fidelity bond as the Board may deem appropriate;

(k) To exercise all other powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provision of these By-Laws, the Articles of Incorporation, the Declaration or applicable law;

(l) To exercise any other powers necessary and proper for the governance and operation of the Association; and



(m) To have and exercise any and all powers, rights and privileges which a corporation organized under the Non-Profit Corporation Act of the State of South Carolina by law may now or hereafter have to exercise.

12. Duties of the Board of Directors. The Board of Directors shall have the following duties:

(a) To carry out the duties of the Board set forth in the Declaration, Articles and these By-Laws;

(b) To cause the Common Areas to be maintained, repaired, and replaced, as determined by the Board of Directors in its sole discretion;

(c) To cause debris to be removed from any Lot after damage or destruction where the Owner thereof fails to begin repair or reconstruction within thirty (30) days of such damage or destruction and to obtain payments for such removal as provided in the Declaration;

(d) To keep records of its meetings and corporate affairs and present a report thereof to the Members at the annual meeting;

(e) To supervise all officers, agents, and employees of the Association;

(f) As more fully provided in the Declaration, to fix the amount of the annual assessment against each Lot at least thirty (30) days before January 1 of each year based on the projected budget for the annual assessment period;

(g) To send written notice of each assessment to every Member at least thirty (30) days in advance of the due date for each annual assessment;

(h) To assess late payment fees for past due assessments as provided in these By-Laws and to foreclose any unpaid assessments and liens resulting therefrom against any Lot for which assessments are not paid within thirty (30) days after due date and/or to bring an action against the Member personally obligated to pay the same, as the Board may elect;

(i) To issue, or have issued, for a reasonable charge, a certificate setting forth whether or not any assessment has been paid to or for the benefit of Members, the Board, or third parties requesting the same; provided, however, that if a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of such payment;

(j) To procure and maintain hazard insurance on the Common Areas and other property owned by the Association, and liability insurance insuring the Association and officers and Directors thereof as the Board deems appropriate;

(k) To cause all officers or employees, including officers and employees of professional management, having fiscal responsibilities to be bonded, as the Board may deem appropriate; and

(l) To collect assessments and enforce the payment thereof in accordance with the Declaration and these By-Laws.

## ARTICLE V Officers

1. **Officers.** The officers of the Association shall be a President, Vice-President, Secretary and Treasurer, and such other officers as the Board may from time to time by resolution create. The President and Vice-President shall at all times be members of the Board of Directors.

2. **Election of Officers.** The election of the initial set of officers shall be made by the initial Board of Directors at a special meeting called for such purpose within one (1) month after the incorporation of the Association. Thereafter, the election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

3. **Term.** Each officer of the Association shall be elected annually by the Board and each officer shall hold office for one (1) year or until his or her death, resignation, retirement, removal, disqualification, or his or her successor is elected and qualified.

4. **Special Appointments.** The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board may, from time to time, determine.

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

6. **Vacancies.** A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

7. **Multiple Offices.** The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one (1) of any of the other offices except that in the case of special offices created pursuant to Section 4 of this Article V, the same person may hold more than one of such offices.

8. Compensation. No officer shall receive any compensation from the Association for acting as such.

9. Powers and Duties of Officers.

(a) The President shall be the principal executive officer of the Association and, subject to the control of the Board, shall supervise and control the management of the Association. The President shall preside at all meetings of the Board and the Association Members shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds and other written instruments and contracts and shall co-sign all checks, promissory notes and mortgages on behalf of the Association.

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

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

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and disburse such funds as directed by the Board, shall sign all checks, promissory notes and mortgages (such checks, promissory notes, and mortgages to be co-signed by the President) of the Association, shall keep property books of account, shall cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its annual meeting and deliver a copy to each Member.

ARTICLE VI  
Books and Records

The books and records of the Association (the "Records") shall be maintained at the principal office of the Association or at such other place within Greenville County, South Carolina, as designated by the Board and such location shall be disclosed to the Members by notice or at the annual or a special meeting. The Records shall, during reasonable business hours, be subject to inspection by any Member at the location at which they are maintained. Copies may be purchased at a reasonable cost to be set from time to time by the Board of Directors.

ARTICLE VII  
Forms of Proxy and Waiver

1. Forms of Proxy. The following form of proxy shall be deemed sufficient, but any other form may be used which is sufficient at law:

Sycamore Ridge Association of Owners, Inc.  
Proxy

Know all men by these presents that the undersigned member of Sycamore Ridge Association of Owners, Inc. (the "Association") hereby constitutes and appoints \_\_\_\_\_, attorney-in-fact and proxy of the undersigned to annual and special meetings of the members of the Association at which the undersigned is not present, until the Secretary of the Association receives from the undersigned a letter or other written notice revoking this proxy and for and on behalf of the undersigned to vote as the undersigned would be entitled to vote if personally present, hereby ratifying and confirming all that said attorney-in-fact and proxy shall do in the premises, and giving and granting unto said attorney-in-fact and proxy full power of substitution and revocation for a period of one year from the date hereof.

Date: \_\_\_\_\_

\_\_\_\_\_  
Member

\_\_\_\_\_  
Witness

2. Form of Waiver of Notice. The following form of waiver of notice shall be deemed sufficient, but any other form may be used which is sufficient at law:

Sycamore Ridge Association of Owners, Inc.  
Waiver of Notice

We, the undersigned (Board or Association Members) of Sycamore Ridge Association of Owners, Inc. do hereby severally waive notice of the time, place and purpose of (the annual or a special) meeting of the (Board or Association members) of the said Association, and consent that the same be held at \_\_\_\_\_ on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ at \_\_\_\_\_ o'clock \_\_.m., and do further consent to the transaction of any and all business of any nature that may come before the meeting.

Date: \_\_\_\_\_

ARTICLE VIII  
General Provisions

1. Amendments. Except as otherwise provided herein or in the Declaration, Articles, or Act, these By-Laws may only be amended or repealed and new by-laws adopted by the affirmative vote of majority of the Board then holding office at any regular or special meeting of the Board and by a three-fourths vote of the Members of the Association eligible to vote, whether or not present at a meeting called for such purpose.

In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of a conflict between the Declaration and these By-Laws, the Declaration shall control.

2. Association Seal. A seal with the words "Sycamore Ridge Association of Owners, Inc." on it shall be the common corporate seal of the Association and shall be in the custody of the Secretary.

3. Fiscal Year. The fiscal year of the Association shall begin on the 1st day of January and end of the 31<sup>st</sup> day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

4. Rules of Order. Conduct of meetings of the Association membership and of the Board of Directors shall be governed by Robert's Rules of Order, Newly Revised, 9<sup>th</sup> Edition, or such other version of Robert's Rules as may be determined from time to time by the Board of Directors.

5. Severability. If any term, provision, or section of these By-Laws is determined to be invalid or unenforceable, in whole or in part by final order of the highest court of competent jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of any other terms, provisions, or sections of these By-Laws which, to such extent, shall be deemed severable.

Sycamore Ridge Association of Owners, Inc.  
By: Jelks/Little, LLC, Member

By:                     70 Liu, Jr                      
Its:                     Jelks/Little                    

Adopted by the Board of Directors on 4/25, 2005.

                    Bill L. Burns                      
Chairman

AMENDMENT I  
BY-LAWS  
OF  
SYCAMORE RIDGE  
ASSOCIATION OF OWNERS


This AMENDMENT further defines the Board of Directors Authority by adding Paragraph (n) under ARTICLE IV Paragraph 11. Powers and Authority of the Board of Directors as follows:

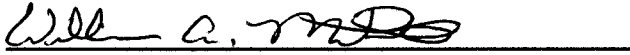
(n) To fix the amount of the annual assessment against each Lot of each year based on the projected budget for the annual assessment period, except as herein provided.

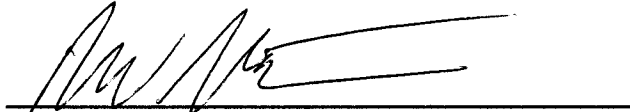
The annual assessment shall not be increased or decreased relative to the previous assessment period by more than five percent (5%) without the vote of a majority of the Members present in accordance with ARTICLE III 10 with the exception that the budget may be decreased to return it to a base level after a one time increase granted by majority vote.

The projected budget shall be for the maintenance, repair and replacement of the Common Areas as well as improvements/additions costing less than \$10,000 each. Improvements/additions costing more than \$10,000 each shall be approved by the vote of a majority of the Members present in accordance with ARTICLE III 10.

Adopted by the Board of Directors on May 24, 2010 with approval of three-fourths (3/4) of the Membership eligible to vote.

  
\_\_\_\_\_  
President

  
\_\_\_\_\_  
Vice President

  
\_\_\_\_\_  
Secretary/Treasurer