

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

DECLARATION OF COVENANTS,
CONDITIONS AND RESTRICTIONS
FOR CRAFTSMAN COURT
(A Townhome Community)

THIS DECLARATION, made on the date hereinafter set forth by ARTFUL HOME DESIGNS, LLC (hereinafter referred to as “Declarant”).

WITNESSETH:

WHEREAS, Artful Home Designs, LLC is the owner of certain real property located on the northern side of Townes Street in the City of Greenville, South Carolina, which is more particularly described on Exhibit A, attached hereto and incorporated herein by reference (the “Property”),

NOW, THEREFORE, Declarant hereby declares that all of the Property described above shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of, and which shall run with the real property and be binding on all parties having the right, title or interest in the described Property or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I

DEFINITIONS

Section 1. “Assessment” means the obligation of an Owner to pay the Owner’s share of recurring expenses, reserves and non-recurring costs and expenses in circumstances expressly provided herein in accordance with the terms of this Declaration and the By-Laws.

Section 2. "Association" shall mean and refer to the CRAFTSMAN COURT OWNERS ASSOCIATION, INC., its successors and assigns.

Section 3. “Board of Directors” or “Board” means the Board of Directors of the Association selected in the manner and with such authority and duties as are provided in this Declaration and the By-Laws.

Section 4. “By-Laws” means the By-Laws of the Association, as the same may be adopted by the Association.

Section 5. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the Owners. The Common Area to be owned by the Association at the time of the conveyance of the first Lot shall be the real property shown on the plat of the Property referenced in Exhibit “A”, less the Lots shown thereon, and including any improvements located thereon.

Section 6. "Declarant" shall mean and refer to Artful Home Designs, LLC, its successors and assigns.

Section 7. "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Property, with the exception of the Common Area.

Section 8. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any Lot which is a part of the Property and the improvements located thereon, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

Section 9. “Townhome” or “Unit” shall be used interchangeably herein and mean a Lot and any building or other improvements located thereon. The term “Townhome” or “Unit” also includes a permanent nonexclusive easement appurtenant to each Townhome for ingress and egress and for utility service from and to such Townhome over and across the Common Areas, subject to the approval of the Association.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owners' Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following limitations and provisions:

(a) The right of the Association to suspend the voting rights of any Owner for failure to pay any Assessment or other amount due to the Association pursuant to this Declaration or for any infraction of its published rules and regulations;

(b) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes, subject to such conditions as may be agreed by the Owners. No such dedication or transfer shall be effective unless an instrument agreeing to such dedication or transfer signed by sixty percent (60%) of the Owners has been recorded;

(c) The right of the Association to impose regulations for the use and enjoyment of the Common Area and improvements thereon.

Section 2. Delegation of Use. Any Owner may delegate the Owner's rights of enjoyment of the Common Area and facilities to the members of the Owner's family, or to tenants or contract purchasers who reside in the Townhome.

Section 3. Title to Common Area. The Declarant hereby covenants for itself, and its successors and assigns, that it will convey fee simple title to the Common Area to the Association, free and clear of all liens and encumbrances, prior to or promptly after the conveyance of the first Lot in the Property, except utility and drainage easements and easements to governmental authorities, upon condition that such area as shall be designated "Common Area" shall be for the sole and exclusive use and benefit of Owners, as long as such area is maintained in conformity with the requirements of this Declaration at the sole expense of the Association. Notwithstanding anything herein to the contrary, after conveyance of the Common Area to the Association, Declarant shall continue to have the right to enter the Common Area to complete any necessary work thereon.

ARTICLE III

ASSOCIATION; MEMBERSHIP AND VOTING RIGHTS

Section 1. Every Owner of a Lot shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot which is subject to assessment.

Section 2. The Association shall have two classes of voting membership:

Class A: Class A members shall be all Owners, with the exception of the Declarant, and shall be entitled to one vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be members. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to any Lot.

Class B: The Class B member shall be the Declarant and shall be entitled to one (1) vote for each Lot contained in the Property, plus one (1) additional vote. The Class B membership shall cease and be converted to Class A membership either at the time the Developer ceases to own any Lot(s) or at any time prior thereto, if the Developer so elects.

Section 3. The Association shall be a non-profit corporation organized under the laws of the State of South Carolina. The Association shall be managed by a Board of three (3) Directors who need not be members of the Association. Until the first annual meeting is held, the initial Board of Directors shall be Trey Cole and two other individuals to be designated by him. The Association may increase the size of the Board up to five (5) members by a majority vote. The initial mailing address of the Board shall be: 1040 W. Washington St. Greenville, SC 29601. The Board shall be responsible for preparing the initial bylaws of the Association and distributing them to the members.

ARTICLE IV

COVENANT FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each Lot owned within the Property, hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association; (1) annual Assessments or charges, and (2) special Assessments for capital improvements and costs in excess of insurance proceeds; such Assessments to be established and collected as hereinafter provided, and to include any other amounts due to the Association by an Owner pursuant to any provision of this Declaration. All of such Assessments and special Assessments and other amounts due, together with interest,

costs, and reasonable attorneys' fees, shall be a charge on and a continuing lien upon the Lot against which each such Assessment is made. Each such Assessment, together with interest, costs and reasonable attorney's fees, shall also be the personal obligation of the person who was the Owner of such property at the time when the Assessment was due. The personal obligation for delinquent Assessments shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The Assessments levied by the Association shall be used exclusively to promote the health, security, safety and welfare of the residents in the Property and for purposes which shall include, but not be limited to, the procurement and maintenance of the blanket hazard and casualty insurance policy on the Property as required by this Declaration; for purposes necessary to the use and enjoyment of the Common Area, including, but not limited to, the cost of repairs, replacements and additions, the cost of labor, equipment, materials, management and supervision, the payment of taxes assessed against the Common Area and the procurement and maintenance of insurance related to the Common Area; the employment of managers, accountants, attorneys and other professionals and service providers to assist and represent the Association when necessary; costs of construction, reconstruction, repair or replacement in excess of insurance proceeds covering the Townhomes situated on the Property; and such other needs as may arise.

Section 3. Maximum Annual Assessment. During the calendar year in which the first conveyance of a Lot to an Owner is made, the maximum annual Assessment shall not exceed _____ per Lot.

Beginning January 1 of the calendar year immediately following the first conveyance of a Lot to an Owner:

(a) The maximum annual Assessment shall be established by the Board of Directors, shall not exceed _____ per Lot and may be increased for any calendar year thereafter by the Board of Directors by no more than twenty five percent (25%) above the preceding year's without approval by the members of the Association as provided in subsection (b) below.

(b) The maximum annual Assessment may be increased without limit by a vote of sixty (60%) percent of each class of members who are voting in person or by proxy, at a meeting duly called for this purpose.

At any time the Board of Directors may fix the annual Assessment at an amount not in excess of the maximum.

Section 4. Special Assessments for Capital Improvements. In addition to the annual Assessments authorized above, the Association may levy, in any calendar year, a special Assessment for the purpose of defraying, in whole or in part, the cost of construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such Assessment shall have the approval of fifty one (51%) percent of the votes of each class of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Sections 3 and 4 shall be sent to all members not less than thirty (30) days and not more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60%) percent of all the votes of each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 6. Uniform Rate of Assessment. Both annual and special Assessments must be fixed at a uniform rate for all Lots subject to assessment, and may be collected monthly or on such other basis as the Board of Directors may determine.

Section 7. Date of Commencement of Annual Assessments: Due Dates. The first annual Assessment shall be adjusted according to the number of months remaining in the calendar year. At least thirty (30) days in advance of each annual Assessment period, the Board of Directors shall fix the amount of the annual Assessment against each Lot and send written notice of each Assessment to every Owner subject thereto. The due dates shall be established by the Board of

Directors. The Association shall, upon demand, furnish a certificate signed by an officer of the Association setting forth whether the Assessments on a specified Lot have been paid.

Section 8. Effect of Nonpayment of Assessments or Other Amounts Due: Remedies of the Association. With respect to any Assessment or other amount due under this Declaration not paid within ten (10) days after the due date, the Board of Directors may impose a late fee of up to \$50 and, at the discretion of the Board of Directors, any such unpaid assessment shall bear interest from the due date at an annual rate of twelve percent (12%). The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the Lot, and interest, costs and reasonable attorney's fees of such action or foreclosure shall be added to the amount of such Assessment. No Owner may waive or otherwise escape liability for any of the Assessments provided for herein by non-use of the Common Area or abandonment of his Lot. In addition, Declarant and/or the officers of the Association are hereby designated as attorney-in-fact for each Owner for the purposes of executing and recording a Statement of Lien, setting forth the amount of the lien (except for interest and costs of collection, which may continue to accrue) for any Assessment or other amount not paid within thirty (30) days after the due date. Each Owner, by purchasing a Lot subject to this Declaration, irrevocably consents for itself and its heirs, successors, or assigns to the filing of a Statement of Lien by Declarant or the Association and consents to the recording and indexing of such Statement of Lien against the Owner and the Lot in the public records of Greenville County, South Carolina.

Section 9. Subordination of the Lien to Mortgages. The liens provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the Assessment lien or lien provided for in the preceding section. However, the sale or transfer of any Lot pursuant to a foreclosure of a first mortgage or any conveyance or assignment in lieu of foreclosure thereof, shall extinguish the lien of such Assessments as to the payment thereof which become due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any Assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any first mortgage.

Section 10. Exempt Property. All property dedicated to and accepted by a local public authority and all properties owned by the Association shall be exempt from Assessments.

However, no land or improvements devoted to dwelling use shall be exempt from said Assessments.

Section 11. Obligations of Declarant. Notwithstanding anything herein to the contrary, the obligations of the Declarant for payment of Assessments as provided herein shall be as follows:

(a) Until conveyance by Declarant of eighty percent (80%) of the Lots in the Property, the Declarant shall only be required to pay the amount of deficits in the operating expenses of the Association in any fiscal year; and

(b) After conveyance by the Declarant of eighty percent (80%) of the Lots in the Property, the Declarant shall pay such annual and special assessments applicable to all Lots on any Lot on which Declarant has built a Townhome for which a Certificate of Occupancy has been issued by applicable authorities, from the date of issuance of the Certificate of Occupancy.

ARTICLE V

ARCHITECTURAL CONTROL

No building, fence, wall or other structure or improvement of any kind, including landscaping and installation of plant materials, shall be commenced, erected or maintained upon the Property, nor shall any exterior addition to or change or alteration in the structure or the exterior appearance of any Unit of other improvement be made until the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing by the Board of Directors of the Association, or by an architectural committee composed of three (3) or more representatives appointed by the Board as to appearance, harmony of external design and location in relation to surrounding structures and topography and any other factors deemed relevant by the Board of Directors or the architectural committee. Nothing herein contained shall be construed to permit interference with the development of the Property by the Declarant so long as said development follows the general plan of development of the Property.

ARTICLE VI

EXTERIOR MAINTENANCE

Section 1. Association's Responsibilities. In addition to maintenance of the Common Area, the Association shall provide exterior maintenance upon each Lot which is subject to assessment hereunder, as follows: driveways and fencing. The Association also shall be responsible for care, maintenance and any necessary replacement of grass, trees, shrubs and other plant materials or landscaping approved by the Association or its architectural committee and installed on any Lot. In the event that the need for maintenance, repair, or replacement is caused through the willful or negligent act of the Owner, his family, guests, or invitees, or is caused by fire, lightning, windstorm, hail, explosion, riot, strike, civil commotion, aircrafts, vehicles, and smoke, as the foregoing are defined and explained in South Carolina Standard Fire and Extended Coverage insurance policies, the cost of such maintenance, replacement, or repairs, shall be added to and become a part of the Assessment to which such Lot is subject.

Section 2. Owners' Responsibilities. There is hereby reserved to the Association the right to unobstructed access over and upon each Lot at all reasonable times to perform maintenance as provided in this Article. Each Owner shall be responsible for insuring that such access is available.

ARTICLE VII

USE RESTRICTIONS

Section 1. Land Use and Building Type. No Lot shall be used except for residential purposes. No building shall be erected, altered, placed, or permitted to remain on any Lot other than one single-family dwelling.

Section 2. Sales and Construction Facilities of Declarant. Notwithstanding any provision in Section 1, Declarant, its agents, employees and contractors shall be permitted to maintain during the period of construction and sale of the Lots on the Property upon such portion of the Property as Declarant may choose, such facilities as may be reasonably required in the construction and sale of Lots including, but not limited to a business office, storage area, signs,

sales office, construction office, parking area and lighting and temporary parking facilities for prospective purchasers.

Section 3. No Other Business. No other business activity of any kind shall be conducted in any Lot or in the Property other than a home office, subject to the approval of the Board of Directors..

Section 4. Nuisance. No noxious or offensive activity shall be conducted upon any Lot nor shall anything be done thereon which is or may become an annoyance or nuisance.

Section 5. Animals. No animals, livestock or poultry of any kind shall be kept or maintained on any Lot or in any Unit except that one (1) dog or cat may be kept or maintained, provided they are kept indoors except when being exercised on a leash or otherwise contained at all times, and are at all times kept and controlled in compliance with applicable laws, and are not kept or maintained for commercial purposes. No animal that exceeds seventy five (75) pounds shall be kept on any Lot or in any Unit. Furthermore, no potbellied pigs, snakes, pit bulldogs, Rottweilers, Doberman pinschers, or other animals determined by the Board of Directors, in its sole discretion from time to time, to be dangerous may be brought onto or kept on the Property or in any Unit at any time. All pets shall be registered and inoculated as required by law. Pets shall not be permitted to defecate in any Common Area. Any variance from the foregoing restrictions must be approved in writing by the Board of Directors.

Section 6. Outside Antennas. No outside radio or television antennas or satellite dishes shall be erected on any Lot or Home within the Property unless and until permission for the same has been granted by the Board of Directors of the Association or its architectural control committee. In granting or denying such permission, the Board of Directors or the architectural control committee shall take into account factors such as the size, location, and appearance from the streets. Owner shall be responsible for any costs required to repair the exterior of the Unit due to the installation, maintenance or removal of the outside antenna.

Section 7. Clothes Drying. No drying or airing of any clothing or bedding shall be permitted outdoors on any Lot within the Property.

Section 8. Vehicle Maintenance. No major repairs shall be permitted upon any automobile or other vehicle, boat or equipment or machinery on any Lot, Common Area, or street at any

time. No derelict or untagged automobiles or other vehicles may be placed or kept on any Lot, Common Area or street at any time. Washing vehicles on the Lot or the street shall not be permitted. No commercial vehicles, boats, equipment or machinery shall be permitted on any Lot, Common Area, or street at any time.

Section 9. Rules and Regulations. Rules and regulations concerning the use and occupancy of the Development may be made and amended from time to time by the Board of Directors. A copy of such rules and regulations and any amendments thereto shall be furnished by or at the direction of the Board of Directors to all the Owners. Additional copies shall be available upon request to the Board of Directors.

Section 10. No Subdivision. No Unit may be subdivided into two or more Units.

Section 11. Good Condition and Repair. Each Owner shall keep and maintain the Owner's Lot and Unit and any other improvements thereon in good condition and repair, subject to the maintenance obligations of the Association. If any Unit Owner undertakes remodeling, renovation, or other repairs or replacements within the Owner's Unit, such work shall be completed in a good and workmanlike manner in a timely fashion so as to minimize noise and disturbance to other Unit Owners. The Board of Directors, at its sole discretion, is authorized to inspect any Unit provided reasonable written notice is given to Owner if there is any reason to believe that the Unit is not being kept in good condition and repair. In the event the Association incurs cost and expenses performing the obligations required of an Owner under this section or under any other provision of this Declaration, the Owner shall reimburse the Association for said expenses within thirty (30) days of demand therefore. Said expenses shall be treated by the Association as an Assessment against the Lot and collection thereof by the Association shall be enforced in the same manner.

Section 12. The Property is located in an area designated as a preservation overlay district by the City of Greenville, and all Owners are required to comply with all applicable regulations and procedures of the City and the City's Design Preservation Commission in addition to the architectural review provisions of this Declaration.

ARTICLE VIII

EASEMENTS

Section 1. Utilities Easements. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded plat and/or as stated herein. Within these easements no structure, planting, or other material shall be placed or permitted to remain which may interfere with the installation and maintenance of utilities, or which may change the direction of flow of drainage channels in the easements, or which may obstruct or retard the flow of water through drainage channels in the easements.

Section 2. Encroachments. If, as a result of the construction of improvements approved by the Association, any portion of the Common Area now or hereafter encroaches upon any Lot, or if any Lot now or hereafter encroaches upon any other Lot or upon any portion of the Common Area, or if any such encroachment shall occur hereafter as a result of settling or shifting of any building or for any other reason, there shall exist a valid easement for the encroachment and for the maintenance of the same so long as the improvement stands. The foregoing encroachments shall not be construed to be encumbrances affecting the marketability of title to any Lot.

ARTICLE IX

COVENANTS OF OWNERS AND ASSOCIATION FOR INSURANCE

(1) The Association shall also obtain a broad form public liability policy covering all common area and all damage or injury caused by the negligence of the Association or any of its agents, officers or employees in an amount of not less than One Million and No/100 Dollars (\$1,000,000.00) for each occurrence and such policies shall contain a waiver of the right of subrogation against members of the Association, its officers, agents and employees.

(2) Any Owner must, at the Owner's own expense, carry insurance for their own unit to protect against damage, liability, etc.

(3) A reconstructed or repaired Unit shall be substantially identical to the destroyed Unit, unless a change shall be approved by the Board, and shall be constructed in conformity with plans submitted to and approved by the Board prior to construction.

(4) The Association shall maintain adequate fidelity coverage against dishonest acts by officers, directors, trustees and employees, and all others who are responsible for handling funds of the Association. Such fidelity bonds shall:

- (a) Name the Association as an obligee.
- (b) Be written in an amount equal to at least 150% of the estimated annual operation expenses of the planned unit development project, including reserves.
- (c) Contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of employee or similar expression.

ARTICLE X

GENERAL PROVISIONS

Section 1. Enforcement. The Association, or any Owner, shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration.

Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Section 3. Amendment. The covenants and restrictions of this Declaration shall run with and bind the land, for a term of twenty (20) years from the date this Declaration is recorded, after which time they shall be automatically extended for successive periods of ten (10) years unless terminated by an instrument signed by not less than eighty (80%) percent of the Lot Owners. This Declaration also may be amended or terminated at any time by an instrument signed by not less than eighty (80%) percent of the Lot Owners. Any amendment must be properly recorded in the public records of Greenville County.

Section 4. Amendment of Declaration and Subdivision Plat Without Approval of Owners. Each Owner agrees that this Declaration and any subdivision plat of the Property may be

amended at any time solely by Developer without the consent of any Owner(s), so long as such amendment would not have the effect of (i) materially and adversely affecting the value and marketability of any Unit; (ii) materially and adversely affecting the means of ingress and egress to and from any Unit; (iii) change the number of votes in the Association to which an Owner is entitled; or (iv) lower the percentage of Owner(s) required to approve special Assessments or increases in annual Assessments.

Further, the Declarant, without the consent or approval of any other Owner, shall have the right to amend this Declaration to conform to the requirements of any law or governmental agency having legal jurisdiction over the Property or to qualify the Property or any Lots and improvements thereon for mortgage or improvement loans made or insured by a governmental agency, or to comply with the requirements of law or regulations of any corporation or agency belonging to, sponsored by, or under the substantial control of, the United States Government or the State of South Carolina, regarding purchase or sale of such Lots and improvements or mortgage interests therein, as well as any other law or regulation relating to the control of property, including, without limitation, ecological controls, construction standards, aesthetics, and matters affecting the public health, safety and general welfare. A letter from an official of any such corporation or agency requesting or suggesting an amendment necessary to comply with the requirements of such corporation or agency shall be sufficient evidence of the approval of such corporation or agency, provided that the changes made substantially conform to such request or suggestion

Any amendment made pursuant to this Section shall not be effective until duly recorded in the public records of Greenville County.

Section 5. Lease of Dwelling. No dwelling shall be leased for transient or hotel purposes, nor may any Owner lease less than the entire unit. Any lease must be in writing and provide that the terms of the lease and the occupancy of the Unit shall be subject in all respects to the provisions of the Declaration of Covenants, Conditions and Restrictions and Bylaws of the Association, and any failure by any lessee to comply with the terms of such documents shall be a default under the lease. No Unit may be leased for a period shorter than one (1) year. In addition, Owner must provide the Board of Directors a copy of the lease upon its execution.

Section 6. Conflicts. In the event of any irreconcilable conflict between the Declaration and the Bylaws of the Association, the provisions of this Declaration shall control. In the event of any irreconcilable conflict between this Declaration or the Bylaws of the Association and the Articles of Incorporation of the Association, the provisions of the Articles of Incorporation shall control.

Section 7. Successor Declarant. The Declarant expressly reserves the right to assign any of the duties, powers, functions and approval authority set forth herein to any successor in title or duly organized legal entity at Declarant's sole discretion.

Section 8. Notwithstanding any other provision contained in this Declaration, as long as there exists a Class B membership under this Declaration, the following actions may require prior written approval of any governmental agencies having jurisdiction over the Property:

- A. Annexation of additional properties into the subdivision;
- B. Mergers and consolidations of the Association;
- C. Mortgaging of common areas;
- D. Dedication of common areas;
- E. Dissolution of the Association;
- F. Amendment of the Declaration.

ARTICLE XI

RIGHTS OF FIRST MORTGAGEES

The following provisions, in addition to provisions set forth elsewhere in this Declaration, shall be applicable to the holders of first mortgages upon the individual Units subject to this Declaration and any amendments thereto:

Section 1. Any first mortgagee who obtains title to a Unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage will not be liable for such Unit's unpaid dues or charges which accrue prior to the acquisition of title to such Unit by the mortgagee.

Section 4. Unless at least two-thirds (2/3) of the first mortgagees (based upon one vote or each first mortgage owned) or Owners (other than the sponsor, developer or builder) of the individual Units have given their prior written approval, the Association shall not:

(a) by act or omission seek to abandon, partition, subdivide, encumber, sell or transfer the Common Area owned, directly or indirectly, by the Association for the benefit of the Units. However, the granting of easements for public utilities or for other public purposes consistent with the intended use of such common area shall not be deemed a transfer for purposes of this Section.

(b) change the method of determining the obligations, assessments, dues or other charges which may be levied against a Unit Owner;

(c) by act or omission change, waive or abandon any scheme of regulations or enforcement thereof pertaining to the architectural design or the exterior appearance of Units, the exterior maintenance of Units, the maintenance of the Common Area, or the upkeep of lawns and plantings;

(d) fail to maintain fire and extended coverage on insurable Common Areas on a current replacement cost basis in an amount not less than one hundred (100%) percent of the insurable value (based on current replacement cost); or

(e) use hazard insurance proceeds for losses to any Common Areas for other than the repair, replacement or reconstruction of such Common Areas.

Section 5. First mortgagees of Units may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against any Common Areas and may pay overdue premiums on hazard insurance policies, or secure new hazard-insurance coverage on the lapse of a policy for such Common Areas, and first mortgagees making such payments shall be owed immediate reimbursement therefor from the Association.

Section 6. No provision of this Declaration gives a Unit Owner, or any other party, priority over any rights of the first mortgagee of a Unit pursuant to its mortgage in the case of a distribution of insurance proceeds or for condemnation awards for losses to or a taking of Common Area.

Section 7. A first mortgagee, upon request, is entitled to written notification from the Association of any default in the performance by the individual Unit Owner of any obligation under the Declaration which is not cured within sixty (60) days.

Section 8. Any agreement for professional management of the Association, or any other contract providing for services of the Declarant, may not exceed three (3) years. Any such agreement must provide for termination by either party without cause and without payment of a termination fee on ninety (90) days or less written notice.

ARTICLE XII

ANNEXATION OF ADDITIONAL PROPERTIES

Section 1. Additional properties and improvements, including common area, may be annexed to the property in the manner provided in this Article. Additional properties so annexed shall be merged with the Property herein described and any other previously annexed property, and shall be subject to the provisions of this Declaration and to the Articles of Incorporation and the Bylaws of the Association.

Section 2. All properties annexed shall be contiguous to the Property herein described or to additional property previously annexed.

Section 3. Any annexation of additional property pursuant to this Article shall require the written consent of sixty percent (60%) of each class of members of the Association and shall be evidence by a written instrument recorded in the public records of Greenville County.

IN WITNESS WHEREOF, the Declarant has caused this instrument to be executed this _____ day of _____, 2010.

WITNESSES:

ARTFUL HOME DESIGNS, LLC

By: _____

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

ACKNOWLEDGMENT

I, _____, a Notary Public in and for the County and State aforesaid, certify that _____ appeared before me this day and acknowledged that he did sign, seal and as the act and deed of Artful Home Designs, LLC, deliver the within written Declaration of Covenants, Conditions and Restrictions on behalf of Artful Home Designs, LLC.

WITNESS my hand and official stamp or seal this _____ day of _____, 2008.

Notary Public for South Carolina
My Commission Expires: _____

EXHIBIT A

ALL that certain piece, parcel or lot of land, situate and lying in the County of Greenville, State of South Carolina, being shown and designated as TMS# 9-4-12.00 and TMS# 9-4-13.00 as shown on a survey for BECO Properties, LLC, prepared by Site Design, Inc., dated November 30, 2006, and recorded in the Office of the Register of Deeds for Greenville County in Plat Book 1029 at Page 12 and having according to said plat the following metes and bounds, to wit:

BEGINNING at an iron pin on the western side of Townes Street at the joint corner of the subject property and property n/f John H. Oliver, III, and running thence along the common line of subject property and the John H. Oliver, III property N 86-09-53 E 126.13 feet to an old railroad spike; thence continuing along the common line of the subject property and the property designated as TM# 9-4-19.00 N 86-53-14 W 103.66 feet to a point; thence turning and running along the rear of the subject property S 13-54-00 E 93.91 feet to an iron pin; thence turning and running S 75-23-18 E 207.48 feet to an iron pin on the Western side of Townes Street; thence turning and running along the western side of Townes Street, N 21-33-44 W 139.17 feet to an iron pin being the point of beginning.