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CANOE BAY AT GRAND HARBOR
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CONSOLIDATED
DECLARATION OF COVENANTS, CONDITIONS,
RESTRICTIONS, EASEMENTS, LIENS AND CHARGES
OF
CANOE BAY AT GRAND HARBOR

(INCORPORATES REVISIONS MADE
BY SUPPLEMENTAL DECLARATION)

STATE OF SOUTH CAROLINA)
COUNTY OF GREENWOOD)
DECLARATION OF COVENANTS,
CONDITIONS, RESTRICTIONS,
EASEMENTS, LIENS and CHARGES OF
CANOE BAY AT GRAND HARBOR

THIS ADMENDMENT OF DECLARATION AND SUPPLEMENTAL DECLARATION OF COVENANTS, CONDITIONS, RESTRICTIONS, EASEMENTS, LIENS AND CHARGES OF CANOE BAY AT GRAND HARBOR (the "Amendment") is made on 8th day of December, 2018, by CANOE BAY AT GRAND HARBOR, LLC, a South Carolina limited liability company (the "Declarant") and the CANOE BAY HOMEOWNERS ASSOCIATION, INC., a South Carolina non-profit corporation (the "Association").

WHEREAS, Declarant recorded that certain Declaration of Covenants, Conditions, Restrictions, Easements, Liens, and Charges of Canoe Bay at Grand Harbor in the Office of Clerk of Court for Greenwood County, (the "Official Records") in Deed **Book 1164 at Page 30** (the "Declaration"); and

WHEREAS, Declarant recorded that certain Supplemental Declaration of Covenants, Conditions, Restrictions, Easements, Liens, and Charges of Canoe Bay at Grand Harbor in the Official Records **Deed Book 866 at Page 228** (the "Supplemental Declaration"); and

WHEREAS, the Declarant has caused or will cause at Canoe Bay Homeowners Association, Inc., a corporation organized under the nonprofit corporation laws of South Carolina, to be formed for the purpose of providing a nonprofit organization to serve as the representative of the owners and residents with respect to: the administration and the enforcement of all the Covenants, Conditions, Restrictions, Easements, Liens, and Charges contained herein; all liens created hereby; the creation, operation, management and maintenance of the Common Areas, and an Limited Common Areas; the operation, management and maintenance of all charges imposed hereunder; and the promotion otherwise of the health, safety and general welfare of the owners and residents and the preservation of the values and amenities; and

WHEREAS, pursuant to Section 1, Article XV of the Supplemental Declaration, the Supplemental Declaration may be amended by a vote of two-thirds (2/3) of the Members at a duly called meeting of the Association; and

WHEREAS, pursuant to the duly called meeting of the Association on **December 8, 2018**, more than two-thirds (2/3) of the Members voted to approve amending the Declaration and Supplemental Declaration as provided in this Amendment.

NOW, THEREFORE, the Declaration and Supplemental Declaration are hereby amended and provided below.

ARTICLE I - GENERAL PROVISIONS

Section 1. Covenants to Remain in Effect. Except to the extent modified or supplemented herein, the terms and provisions of the Covenants shall remain in full force and effect and shall constitute binding restrictions on the use of all Lots within Canoe Bay.

Section 2. Owners Associations. Each Owner of a Lot within Canoe Bay, with the exception of the Developer, hereby covenants and agrees at the time of closing on the purchase of their property to:

- (a) Be a member of the Grand Harbor Property Owners Association, and the Canoe Bay Homeowners Association;
- (b) Pay to the Grand Harbor Property Owners Association a one-time working capital contribution fee of \$250.00 and the annual and special assessments as they become due; and
- (c) Pay to Canoe Bay Homeowners Association a one-time capital contribution fee of \$150.00 and the annual and special assessments as they become due.
- (d) Pay to Canoe Bay Homeowners Association \$110.00 per month for landscape maintenance, termite inspection contract, and capital improvements once the dwelling unit is completed and the title has transferred. (As of January 2018, but subject to change from time to time by the Canoe Bay Homeowners Association).
- (e) Owners of undeveloped lots shall be assessed a reduced annual assessment, until such time the completion of a dwelling unit

Section 3. Definitions. The following words and terms, when used in this Declaration or any Supplemental Declaration (unless the context clearly shall indicate otherwise) shall have the following meanings, to-wit:

- (a) "Association" shall mean and refer to the Canoe Bay Homeowners Association, Inc. a nonprofit South Carolina non-profit corporation, its successors and assigns.
- (b) "Declaration" shall mean the covenants, conditions, and restrictions and all other provisions set forth in this entire document together with any amendments or supplements hereto.
- (c) "Properties" shall mean and refer to the Existing Property described herein and additions thereto, as are subject to this Declaration or any Supplemental Declaration.
- (d) "Developer" shall mean Canoe Bay at Grand Harbor, LLC, its successors and assigns which is the Owner Developer of the Properties.
- (e) "Book of Resolutions" shall mean and refer to the document containing the Rules and Regulations applicable to the members of the Association adopted by the Board of Directors, a copy of which is attached hereto as Exhibit "B".
- (f) "Common Property" or "Common Properties" shall mean and refer to those areas of real property, current and future, if any, with any improvements thereof which are deeded to the Association and designated in the deed as "Common Property" or "Common Properties" or which are described in the Declaration. The term "Common Property" or "Common Properties" shall also include any personal property acquired by the Association if that property is designated as "Common Property" or "Common Properties." All Common Properties are to be devoted to and intended for the common use and enjoyment of the Owners of the Properties, subject to the rules and resolutions adopted by the Association.
- (g) "Lot" shall mean and refer to any improved or unimproved parcel of real property shown upon any recorded final subdivision plat of any part of the Properties with the exception of Common Properties as heretofore defined.
- (h) "Dwelling Unit" shall mean and refer to any building situated upon any Lot designated and intended for use and occupancy by a single family.
- (i) "Owner" shall mean and refer to the Owner of public record, whether one or more persons, firms, associations, corporations, or other legal entities, of the fee simple title to any Lot or Dwelling Unit, situated upon the Properties, but the term "Owner" shall not mean to refer to any lessee or tenant of the Owner.
- (j) "Member" shall mean and refer to all those Owners who are vested with a fee simple interest in a Lot or Dwelling Unit and who shall become a member of the Association upon acquiring their interest of Ownership.

- (k) "Supplementary Declaration" shall mean any declaration of covenants, conditions, and restrictions, which may be recorded by the Developer and/or the Association.
- (l) "General Plan of Development" shall mean that a plan as publicly distributed and as approved by appropriate public agencies, including local planning and zoning authorities, and governing bodies which shall represent the total general scheme and general uses of land in the properties as such may be amended from time to time subject to approval of the public agencies.
- (m) "Improvements" shall mean buildings, garages, carports, driveways, walkways, fences, parking areas, wall, patios, porches, sun decks, balconies, utilities, swimming pools, drainage facilities, hedges, plants, planted trees and shrubs, and all other structures or landscaping improvements of every kind, nature or description.
- (n) "Declarant" shall mean and refer to the Canoe Bay at Grand Harbor, LLC, a South Carolina limited liability company, its successors and assigns, or any person, firm or corporation that succeeds to the title of Declarant. Any such person, firm or corporation shall be entitled to exercise all rights and powers conferred upon the Declarant by this Declaration, Articles of Incorporation, or By-laws of the Association.
- (o) "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of the Association.
- (p) "By-laws" shall mean and refer to the Bylaws of the Association, a copy of which is attached hereto as Exhibit "C".
- (q) "Board" shall mean and refer to the Board of Directors of the Association.
- (r) "Common Expenses" shall mean and include the actual and estimated expenses of operating the Association, including any reasonable reserve, all as may be determined to be necessary and appropriate by the Board pursuant to this Declaration, the By-laws and the Articles of Incorporation.
- (s) "Committee" shall mean and refer to the Architectural Control Committee as appointed by the Declarant for architectural review within Canoe Bay at Grand Harbor.
- (t) "Building Cost" shall mean all costs associated with building a Unit, excluding Lot costs. ¹
- (u) "Common Area" shall mean all real property and personal property owned or used by the Association for the common use and enjoyment of all of the Owners.

ARTICLE II – PROPERTY DESIGNATIONS

Section 1. Existing Property. The real property which may be held, transferred, sold, conveyed, leased, and occupied, subject to these covenants, is known as Canoe Bay at Grand Harbor consisting of 48 Lots which is a portion of the Grand Harbor Subdivision of Greenwood County, South Carolina, and is more particularly described as follows, to-wit:

ALL those certain pieces, parcels or lots of land, situate, lying and being in Canoe Bay at Grand Harbor in the Grand Harbor Subdivision in Greenwood County, South Carolina shown as set forth on that certain plat prepared by Jeffrey W. Poole of David and Floyd, SCRLS# 18267, entitled "PLAT OF CANOE BAY AT GRAND HARBOR, PREPARED FOR GRAND HARBOR, GREENWOOD COUNTY, SOUTH CAROLINA," dated October 26, 2003, and revised December 3, 2003 and recorded in Plat Book 121 at Page 61 and recorded in the Office of the Clerk for Greenwood County, South Carolina and; ALL those certain pieces, parcels or lots of land, situate, lying and being in Canoe Bay at Grand Harbor in the Grand Harbor Subdivision in Greenwood County, South Carolina all other future plats showing Canoe Bay at Grand Harbor, whether recorded or not.

ARTICLE III - ANNEXATION OF ADDITIONAL PROPERTY AND DECLARATIONS

Section 1. Annexation. Declarant shall have the unilateral right, privilege, and option, from time to time at any time, to subject to the provisions of these Covenants, and the jurisdiction of the Association all or any portion of any additional real property as proposed by the Declarant. Such annexation shall be accomplished by filing in the public property records of Greenwood County, South Carolina, a Supplement Declaration annexing such property. Such Supplement Declaration shall not require the consent of voting Members but shall require the consent of the Owner of such property, if other than Declarant. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration

¹ All defined terms after Article I, Section 3(m) are defined terms from the Declaration which do not appear to be modified, supplemented or intended to be deleted by the Supplemental Declaration.

unless otherwise provided-therein. Declarant shall have the unilateral right to transfer to any other person the right, privilege, and option to annex additional property which is herein reserved to Declarant.

Section 2. Acquisition of Additional Common Area. Declarant may convey to the Association additional real estate, improved or unimproved, which upon conveyance of dedication to the Association shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of all its Members.

Section 3. Withdrawal of Property. Declarant reserves the right to amend this Declaration at any time without prior notice and without the consent of any Person, for the purpose of removing certain portions of the Property then owned by the Declarant, its affiliates, or the Association from the provisions of this Declaration to the extent originally included in error or as a result of any change whatsoever in the plans for the Properties desired to be affected by the Declarant, provided such withdrawal in not unequivocally contrary to the overall, uniform scheme of development for the Properties.

Section 4. Additional Covenants and Easements. The Declarant may unilaterally subject any portion of the Property initially or later added subject to these Covenants to additional covenants and easements, including covenants obligating the Association to maintain and insure such property on behalf of the Owners thereof and obligation such Owners to pay the costs incurred by the Association through Neighborhood Assessments. Any such additional covenants and easements shall be set forth in a Supplemental Declaration.

Section 5. Amendment. This Article II shall not be amended without the prior written consent of Declarant.

ARTICLE IV – MEMBERSHIP AND VOTING RIGHTS IN THE ASSOCIATION

Section 1. Membership. The Developer and every person or entity who is a record Owner of a fee simple or undivided interest in any Lot or Dwelling Unit, which is subject by the Covenants to assessments by the Association shall be a mandatory member of the Association. All members of the Association shall be governed by the Declaration, the By-laws, and the Book of Resolutions.

Section 2. Voting Rights. The Association shall have one (1) class of voting membership, which shall be Class A. Class A members shall be all of those owners, as defined in Article I, Section 2. Class A members shall be entitled to one vote for each lot for which they hold an interest required for membership. When more than one person holds such an interest of Ownership to become a member, all such persons shall be members and the vote for such unit shall be exercised as they shall determine among themselves and notify the Secretary of the Association in writing, but in no event shall more than one (1) vote be cast where there are co-Owners. If the co-Owners disagree as to the vote, the vote shall be divided equally among them.

ARTICLE V– PROPERTY RIGHTS

Section 1. Obligations of the Association. The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management, operation and control of the Common Properties, and shall keep the same in good, clean, attractive and sanitary condition, order and repair. The Association shall also be responsible for the operation, maintenance and repair of the irrigation system located on the Common Property and the Properties.

Section 2. Member's Easements of Enjoyment. Subject to the provisions of this Declaration and the rules and regulations of the Association, every member shall have a right and easement of enjoyment in and to his property owned in fee simple and any improvements thereon; and to the Common Properties, if any, and such easement shall be appurtenant to and shall pass with the title of the real property of the Member.

Section 3. Extent of Member's Easements. The rights and easements of enjoyment created hereby shall be subject to the following, to-wit:

- (a) The Right of the Association to establish reasonable rules and regulations governing the use of the Common elements and the conduct of its Members.
- (b) The Right of the Association to, at reasonable times, enter upon the property of the Member to do necessary maintenance and repairs.
- (c) Lake Homes shall be subject to the Joint Dock Easement Agreement (Exhibit "A").
- (d) The right of the Declarant and the association, to grant and reserve easements and right-of-way through, under, over, and across the Lots and Common Areas for the installation, maintenance, and inspection of lines and appurtenances for public and private water, electric, and other utility services, including a cable television or community antenna television system and irrigation or lawn sprinkler systems, and the right of Declarant to grant and reserve easements and right-of-ways through, under, over, and across the Common Areas for the operation and maintenance of the Common Area.
- (e) The right of the Association to levy and assess fines for an infraction of its published Rules and Regulations and/or to suspend, after notice and hearing before the Board, the voting rights and right to use of the common areas and recreational facilities by an Owner, his family, guest, invitees or tenants for a reasonable period of time; however, the right of an Owner to ingress and egress over the roads and/or parking areas shall not be suspended.
- (f) The right of the Association, in accordance with its Articles of Incorporation and By-laws, to borrow money for the purpose of improving or repairing the Common Area and to execute and deliver a mortgage on the Common Area; however, a decision to borrow money and deliver a mortgage must be assented to by the cumulative total of (2/3) of the Class A members.
- (g) The right of the declarant to place promotional signs and literature in the Common Areas, or any lot owned by Declarant;
- (h) The right of the Association to enact Rules and Regulations to govern the use of the Common Area and Limited Common Area; as approved by the cumulative total of 2/3 class A member voting in person or by proxy at a duly called meeting of the Association.

Section 4. Delegation of Use. Any member may delegate his right of enjoyment to the members of his family, tenants, and to his house guests subject to such general rules and regulations as may be established from time to time by the Association, and included within the Book of Resolutions.

Section 5. Damage or Destruction by Member. In the event any Common Properties is damaged or destroyed by a Member or any of his guests, licenses, invitees, contractors or a member of his or her family, such Member hereby authorizes the Association to replace or repair such damaged or destroyed area in a good and workmanlike manner in conformance with the original plans and specifications of the area involved, or as the area may have been modified or altered subsequently by the Association at the discretion of the Association. The association has the right to levy specific assessments against any Lot or Unit for the purpose for reimbursement to the Association to replace or repair any such damage or destroyed area of the Common Properties caused by a Member, his or her guests, licenses, invitees, contractors or family members.

Section 6. Additional Structures. Neither the Association nor any Owner shall, without the prior written approval of the Declarant erect, construct, or otherwise locate any structure or other improvement in the Common Area.²

ARTICLE VI – COVENANTS FOR ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. Every Member shall become obligated to the covenants and agrees upon recording of the deed in which they become an Owner, whether or not it is expressed in such deed to pay all annual and special assessments to the Association for each Lot, or Dwelling Unit, owned by the Member.

All such assessments, together with late charges, interest at a rate which shall be determined by the Board, and legal and other costs of collection as hereinafter provided, shall become a lien on the real property against which the assessment is

² This section is Section 4 of the Declaration and is included in this Consolidation to the extent the Supplemental Declaration did not intend to modify or delete this section.

made and shall also be a personal obligation of the Owner thereof. In the event of co-Ownership, all co-Owners shall be jointly and severally liable.

Section 2. Annual Assessments. The Association shall have the right to levy annual, special and specific assessments as provided in this Declaration and/or the Covenants. The annual assessments shall be for the purposes provided in the Covenants, paying the common expenses of the Association and to establish a reserve fund. The Board shall be responsible for preparing, or causing to be prepared, an annual budget covering the estimated common expenses of the Association for the following year, including a contribution to establish a reserve fund for maintenance, repair and replacement of those elements of the Common Properties that must be replaced or repaired on a periodic basis, and notice of the amount of the annual assessment for the following year. Each member shall also be responsible for any assessments due or levied against its Lot by the Grand Harbor Homeowners Association.

Section 3. Date of Commencement of Annual Assessments. The annual assessment shall be collected at the time an Owner closes on the purchase of their Lot. The annual assessment for any year shall be paid annually (or in two (2) installments as may be approved by the Board).

Section 4. Maximum General Assessment. Until one (1) year from the recording of this document, the annual assessment shall be two hundred dollars (\$200.00) per year per Lot without a Dwelling Unit, or four hundred dollars (\$400.00) per year per Lot with a Dwelling Unit. The annual assessment shall be payable in semi-annual installments. Each installment shall be due the first day of the first and seventh months or on such a date set as the Board shall establish. The Board shall have the right to establish a payment schedule other than semi-annual.

(a) Thereafter, for each calendar year of portion thereof, the annual assessment shall be established by the Board and may be increased annually by the Board without the approval of the Association Members in the amount not to exceed ten (10%) percent of the maximum annual assessment of the previous year.

(b) Thereafter, the maximum annual assessment may be increased above the ten (10%) percent by the vote of the cumulative total of two-thirds (2/3) of the Member votes, who vote in person or by proxy at a meeting duly called for this purpose.

(c) The Board shall, in connection with the fixing of the annual assessment, prepare, or cause to be prepared, an annual budget showing the services furnished by the Association and the cost thereof per Lot.

(d) The Board shall, in connection with the fixing of the annual assessments, include an adequate reserve fund for maintenance, repair, and replacement of those elements of the Common Area, landscaping, or irrigation that must be replaced on a periodic basis and are payable in regular installments rather than by special assessments.

Section 5. Special Assessments for Improvements and Additions. In addition to the annual assessment authorized by Section 2 hereof, the Association may levy special assessment or the purpose of defraying, the whole or in part, the cost of any unexpected repair or replacement of a described capital improvement upon the Common Properties provided that any such Special Assessment shall have the approval of the cumulative total of two-thirds (2/3) of the members.

Section 6. Notice and Quorum. Written notice of any meeting of the membership called for the purpose of determining annual or special assessments shall be sent to all Members not less than thirty (30) days nor more than forty-five (45) days in advance of the meeting. The presence of the Members or of proxies entitled to cast 51% of the votes constitutes a quorum. If the required quorum should not be present, another meeting may be called upon with (10) days' notice and a quorum shall be constituted upon the presence of 30% of the members or proxies entitled to vote.

Section 7. Effect of Non-Payment of Annual or Special Assessments. If the assessments are not paid on the date when due or within 30 days thereof, then such assessment shall become delinquent and shall, together with a late charge and such interest thereon at a rate set by the Board of Directors and costs of collection thereof as well as attorney's fees thereupon, become a charge and continuing lien on the land and all improvements thereon, in the hands of the then Owner, his heirs, devisees, personal representative, assigns and grantees.

The personal obligation of the Member for assessments shall remain his personal obligation and shall not pass as a personal obligation to his successors in title.

If the assessment is not paid within ninety (90) days after the due date, the Association may also bring an action at

law against the Member personally obligated to pay the same and/or bring an action to foreclose the lien against the real property.

No member may waive or otherwise divest himself of the obligation of the Membership Fee by the lack or failure to use any Common Property or the abandonment of his Lot or entity of Ownership.

Section 7. Subordination of the Lien to Mortgages. The lien of the assessment shall be subordinate to the lien of any first or purchase money mortgage. Sale of conveyance of any Lot or Dwelling Unit, shall not affect the membership fee lien.

Section 8. Reserve Fund Established on Initial Sale of Each Lot. At the time of the initial conveyance of each Lot from the Declarant, an owner shall deposit with the Association a sum of money equal to Two Hundred Fifty (\$250.00) Dollars, to establish a working capital fund to meet expenditures or purchase any additional equipment or services. The sums paid under this ARTICLE IV, Section 5, shall not be considered as advance payment of the General Assessment.

Section 9. Uniform Rate of Assessment. General Assessments and Special Assessments must be fixed at a uniform rate for all Lots to which the particular assessment applies excepting Declarant's unsold lots and may be collected on a monthly basis, or any other basis approved by the Board.³

ARTICLE VII – GRAND HARBOR GOLF & YACHT CLUB MEMBERSHIP REQUIREMENT

Section 1. Creation of Personal Obligation of Membership. All Owners will be required to join the GRAND Harbor GOLF & YACHT Club. Each Owner shall fulfill the Club membership requirement prior to obtaining the certificate of occupancy of their Unit.

ARTICLE VIII - ARCHITECTURAL CONTROL COMMITTEE

No building or other structure, including fences or fence like structures and walls, shall be commenced erected or maintained upon an lot nor shall any exterior addition to or change or alteration to any lot or unit (including changed the exterior paint color) be made until the plans a specifications showing the nature, kind, shape, height, materials and location of the same including but not limited to setbacks and curb cuts has been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography and the general development plan by the Architectural Control Committee ("Committee") composed of two or more representatives appointed by the declarant. Any lot landscaping or change in landscaping shall be approved by the Committee. In the event said Committee fails to approve or disapprove such change, alteration, design or location in writing within thirty (30) days after said plans and specification have been submitted to it said request shall automatically be deemed approved. The committee shall have the authority to adopt specific architectural guidelines, including but not limited to requiring that any plans be prepared and certified by a licensed architect, for the property and to charge a review fee to cover administrative and enforcement cost and a cash bond.

ARTICLE IX – PARTY WALLS

Section 1. General Rules of Law to Apply. Each wall which is built as a part of the original construction of the structures upon the Properties and placed on the dividing line between the Lots shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and or liability for property damage due to negligence of wrongful acts or omissions shall apply thereto.

Section 2. Sharing of Repair and Maintenance. The cost of reasonable repair maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.

Section 3. Destruction by Fire or other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall

³ All defined terms after Article I, Section 3(m) are defined terms from the Declaration which do not appear to be modified, supplemented or intended to be deleted by the Supplemental Declaration.

contribute to the cost of restoration thereon in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omission, and further subject to any insurance coverage provided by the Association.

Section 4. Weatherproofing. Notwithstanding any other provision of this Article, an Owner who by his negligent or willful act causes the party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.

Section 5. Right to Contribution Runs with Land. The right of any Owner to contribution from any other Owner under this Article shall be appurtenant to the land and shall be an obligation running with the land and shall pass to such Owner's successors in title.

Section 6. Structural Integrity. There shall be no impairment of the structural integrity of any party wall without the prior written consent of:

- (a) All members having any interest therein;
- (b) All mortgages of each Lot; and
- (c) The Association.

Section 7. Arbitration. In the event of any dispute arising concerning a party wall, or under the provisions of this Article, each party shall choose one arbitrator, and such arbitrators shall choose one additional arbitrator, and the decision of the majority of all the arbitrators shall be final and conclusive of the question involved.

ARTICLE X – MAINTENANCE

Section 1. Exterior Maintenance. Each Owner shall be responsible for any and all exterior maintenance, replacement, or repairs for any improvements on their lot.

Section 2. Rights of Association. In the event any Owner fails or refuses to maintain, replace or repair any exterior improvements on their Lot within thirty (30) days after receipt of written notice from the Association requesting maintenance, replacement, or repair of any exterior improvements, the Association shall have the right, but not the obligation, to enter upon the Lot to make such maintenance, replacement, or repair of such exterior improvements and the cost of the maintenance, replacement, or repair of any exterior improvements by the Association shall be levied as a specific assessment to which such Lot is subject. The exercise of the rights granted herein to the Association to enter upon any Lot is subject. The exercise of the rights granted herein to the Association to enter upon any Lot to make any maintenance, replacement or repairs of any exterior improvements shall not constitute a trespass by the Association on the Owner's Lot. Each Owner hereby grants to the Association a perpetual, non-exclusive easement of ingress and egress to their Lot for the purposes granted in this Section.

Section 3. Association's Maintenance Responsibility. The association shall be responsible for maintaining the landscaping on the Common Property and the Property excluding, however, any unimproved Lots which shall be the responsibility of the Owner of said unimproved Lot. In addition, the Association shall be responsible for maintaining, replacing and repairing the irrigation system regardless of whether the irrigation system is located on the Common Property or the Properties. Each Owner hereby grants to the Association a perpetual, non-exclusive easement for purposes of ingress and egress to their Lot to maintain, replace and repair any landscaping and irrigations system located on said Lot.

ARTICLE XI – PROTECTIVE COVENANTS

The Developer hereby imposes Productive Covenants, Restrictions, and Affirmative Obligations on the Properties as described in the office of the Clerk of Court of Greenwood County, South Carolina in Deed Book 818 at Page 13⁴, as may be amended from time to time, which shall apply to the real property described in this Declaration and the Developer hereby bargains, sells, conveys, releases, and assigns unto the Association the rights, duties, and obligation imposed hereby together with the right to proceed at law or equity to compel compliance with the terms and conditions hereof subject to the right of the Developer to exercise the same right as the Owner.

Section 1. The Board shall be required to obtain and maintain general liability and property insurance for the Common Properties and any improvements located thereon. In addition, the Board may obtain and maintain any other insurance for the Common Properties and any other insurance coverage which the Board deems reasonably necessary to protect or insure any interest of the Association.

Section 2. Owners must carry insurance for their own unit insuring their personal property and the contents of the Property, which should include extended coverage insuring its building on the lot.

Section 3. Land Use and Building Type. Without prior written approval of Declarant which may be withheld for any reason

(a) No Lot shall be used except for the private residential purposes of a single family, provided, however, that nothing herein shall prevent Declarant from using any dwelling or Unit as a model, sales office, or amenity;

(b) Not more than one Unit shall be constructed on any Lot.

Section 4. Nuisance. No noxious or offensive activity shall be carried on upon any Lot or the Common Area, nor shall anything be done thereon which may be or become an annoyance or nuisance to the other Owners.

Section 5. Animals. No animals, livestock or poultry of any kind shall be raised, kept, bred maintained on any Lot or the Common Area except that a Lot Owner shall be allowed to have no more than two common household pets. Said pets shall be kept on leashes when not confined. If a pet becomes a nuisance as defined by the Association, then the nuisance must be removed immediately upon notification by the Association.

Section 6. Outside Antennas. No outside radio, telephone, or television antennas, etc. Including satellite dishes, shall be erected on the Lot or the Common Area without the prior written approval of the Committee.

Section 7. Clothesline. No clotheslines or other devices for drying clothes, sheets, blankets, laundry or other articles shall be located outdoors upon any Lot or the Common Area.

Section 8. Signs and Decorations. Nothing shall be hung, painted, or displayed on the outside of the windows, walls or surfaces or outside of any of the units except for those installed by Declarant. The use of signs or any other means of display for any type of promotion are prohibited. Signs identifying homeowners are allowed if they conform to the standards used throughout the Grand Harbor community. The use of wreaths or similar decorations may be displayed on doors. The wreath or decoration may not cover more than 50% of the door. In addition, decorations may be displayed for the different holiday seasons, provided the decorations remain on dwelling porches or steps. These decorations must adhere to the following set-up and take down times. At these times mailboxes may also be decorated. The exception to decorating being American flags, which may be displayed at any time.

Winter Seasonal - January 1-15

Valentines - February 1-14

St Patrick's Day/Easter/Spring - March-April

Independence Day/Summer - June-July

Halloween - October

Thanksgiving - November

Christmas/Winter - Wednesday before Thanksgiving - January 15

⁴ Sections 3-20 of this Article XI are the protective covenants, restrictions, and affirmative obligations referenced XI of the Declaration.

Section 9. Temporary Structures. No structure of a temporary character shall be placed upon any Lot or the Common Area at any time provided, however, that nothing herein shall prevent a contractor from using a small temporary structure during the course of construction. The structure shall be removed from the Lot or Common Area upon completion of construction.

Section 10. Trailers Etc. No trailer, tent, bar, tree house, shed or similar outbuilding shall be placed on any Lot or the Common Area at any time either temporarily or permanently; however, storage building of a design and construction similar to the Unit may be allowed subject to the approval of the Committee, but not prior to a Unit being built.

Section 11. Commercial Vehicle. No commercial vehicle, construction vehicle or like equipment or mobile or stationary trailers of any kind shall be permitted on the Lot, Common Area or roads, except temporarily and solely for purposes of loading and unloading without prior approval of the Committee. Parking of commercial trucks, boats, buses, trailers, camping trailers, motor homes and recreation vehicles is prohibited on any Lot or Common Area, or the rights of way of any public or private street in or adjacent to the Lots or Common Area except those screened from view within an approval enclosure.

Section 12. Disabled Vehicles. No disabled vehicle, trailer, or other non-operating equipment shall be parked or placed on any Lot, Common Area, or any road within the property.

Section 13. Outdoor Recreational Equipment. Permanent outdoor recreational equipment including basketball goals shall not be installed or used on any Lot unless it has been approved by the Committee.

Section 14. Yard and Exterior Maintenance. Plants, grass, trees and improvements now or hereinafter located upon the Common Area shall be maintained by the Association and may not be removed except by permission of Declarant. An Owner shall maintain his Lot and the plants, trees and improvements thereon in accordance with the approved landscape plan and to a level as directed by the Association.

Section 15. Subdivision. No Lot shall be subdivided or its boundary line changed, except with the written consent of the Declarant.

Section 16. Fuel Tanks. No fuel tanks or similar storage receptacles may be installed, unless approved by the appropriate government authority and by the Committee.

Section 17. Unlawful Use. No immoral, improper, offensive or unlawful use may be made of the Property, or any part thereof, and all laws, ordinances and regulation of any governmental entity having jurisdiction shall be observed.

Section 18. Garbage. Garbage receptacles shall be used upon the Property only in accordance with the guidelines of the Committee or as any governmental entity may direct. If garbage receptacles are required to be placed on the road, the receptacles shall be placed on the road only the evening before the day of collection and shall be removed from the road the same day that garbage is collected.

Section 19. Mailboxes and Paper Boxes. The Association will have a standard mailbox type for each lot. They will be provided for a fee. The mailbox or paper box installed with written approval of the Committee.

Section 20. Prohibited Uses. The Association shall have the power to make such Rules and Regulations as may be necessary to carry out the intent of the Declaration and shall have the right to bring a suit at law or in equity by injunction to enforce the Rules and Regulations promulgated by it. The Association shall further have the right to levy fines or violation of such Regulations or violations of this Declaration. For each day a violation continues after notice, it shall be considered a separate violation. Any fines so levied are to be considered an assessment to be levied against the particular Owner involved, and any collections may be enforced by the Associations in the same manner as the Association is entitled to enforce collection of the other assessments. Fines may be levied against an Owner's guest, invitee or tenant and the Owner shall be jointly and severally liable with his guest, invitee or tenant for the payment of the same. In the event the Association institutes legal action for the collection of any fines. The Owner shall be responsible for payment of reasonable attorney's fees of the Association plus interest and costs of the suit.

ARTICLE XII – EASEMENTS

Section 1. Construction. A non-exclusive easement in, upon, over, under, through and across the Common Area and each Lot is reserved for the Declarant, which easements shall be for the purpose of construction, installation maintenance and repair of existing and future structures and appurtenances thereto, for ingress and egress to all Lots and for the use of all roadways, driveways, parking areas, walkways, model homes, golf courses and common area for sales promotion and exhibition.

Section 2. Utilities. A nonexclusive easement is reserved to the Declarant, utility companies, private water and sewer companies, cable television companies, private garbage collectors, and public agencies in, upon, over, under, through and across the Lots and Common Area for the purposes of installation, maintenance, repair and replacement of:

- (a) All sewer, water, power and telephone, pipes, lines, mains, conduits, poles transformers, or television facilities and any and all other equipment or machinery necessary or incidental to the proper functioning of any utilities system, whether public or private, serving the Property; or
- (b) Collection of trash and garbage; or
- (c) Any other improvements thereto including the right of ingress and egress, which easement shall be for the benefit of:

- (i) Declarant, and

- (ii) The Association in connection with the proper discharge of its responsibilities incurred under the terms of this document with respect to the Lots of Common Area.

Section 3. Encroachment Easements. During construction of a Unit, every Lot Owner shall have a nonexclusive easement over the neighboring Lot(s) for the construction and or repair of the unit. Provided, however, that said Lot Owner shall take steps to ensure that said use of neighboring Lot is minimal and each Lot Owner shall be responsible for repairing any damage and restoring the neighboring Lot to its original condition. The Association shall likewise have a nonexclusive easement for the existence, continuances, and maintenance of an encroachment of the Common Area upon any Lot now existing or which may come into existence hereinafter as a result of construction, repair, shifting, settlement or as a result of condemnation or eminent domain proceeding and said encroachment easements will also exist due to the architectural design of the Common Area or the practicality of construction of the Common Area.

Section 4. Ingress and Egress. Every Owner shall have a nonexclusive easement for ingress and egress to his Lot in, upon, over, under, through and across the Common Areas as may be reasonably required for such ingress and egress.

Section 5. Mutual Easements. Every Owner shall have a nonexclusive easement to use and maintain all pipes, wires, ducts, cables, conduits, utility lines, drainage lines, water lines, and other common facilities located on any portion of the property which serve the Lot of an individual Owner. The Association or its representative shall have the right of access to each Unit to inspect same in order to correct any conditions threatening another Unit or to correct the violation of any provision set forth in the Declaration, the By-laws or in any Rules and Regulation promulgated by the Association; provided, however, that a request for entry is made in advance and that any such entry is at a time reasonably convenient to the Owner. In case of an emergency, such right of entry shall be immediate whether the Owner is present at the time or not.

Section 6. Drainage. The Declarant, Association and Owners, shall have a nonexclusive easement in common in, upon, over, under, across and through the Lots and Common Area for surface water runoff, water runoff from the roofs, and drainage caused by natural forces and elements, grading and/or improvements located upon the Lots and Common Area. No Owner shall directly or indirectly interfere with or alter the drainage and runoff patterns and systems within the Property.

Section 7. Use of Easement. Subject to all of the other Condition, Covenants and Restrictions contained in this Declaration, each Owner shall have the right to use the portion of his Lot subject to any easement in any manner no inconsistent with the purposes for which such easement is reserved. Except as stated in the contrary in this Declaration, the Owner shall continuously maintain the area within such easement and all improvements within its boundaries, except for such improvements for which a public authority or public utility is or may become responsible for maintenance.

ARTICLE XIII – RIGHTS RESERVED TO DEVELOPER

Section 1. Model Home. Notwithstanding anything herein to the contrary, the Developer shall be permitted to use one or more lots for the construction of a model home to be used in sales and marketing of Canoe Bay at Grand Harbor.

ARTICLE XIV – AESTHETICS

Section 1. Architectural Review. The Developer has designed plans and specifications for the construction of improvements on Lots within Canoe Bay at Grand Harbor.

Section 2. Window Treatments. Each Owner of a Lot within Canoe Bay at Grand Harbor subdivision agree that all window treatments visible from outside each Dwelling Unit must be white or off-white in color.

Section 3. Banners, Signs and Decorative Artwork. Each Owner of a Lot within the Canoe Bay at Grand Harbor subdivision agrees that no banners, signs or decorative artwork shall be permitted on the exterior of any Dwelling Unit, in the windows of any Dwelling Unit, or in any other location visible from outside of any Dwelling Unit.

Section 4. Recreational Vehicles. No recreational trailer, trailer house (either with or without wheels), boat, raft, canoe, boat trailer, or other recreational vehicle, conveyance, or similar device of any description shall be kept, maintained, or allowed to remain on any Lot at any time, except in an enclosed area screened from view from the street, the golf course and neighboring property.

Section 5. Dock. Attached as Exhibit "A" is the Joint Dock Easement Agreement of Canoe Bay at Grand Harbor and is expressly incorporated herein.

ARTICLE XV – MISCELLANEOUS PROVISIONS

Section 1. Duration and Amendments. The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Association, the Developer, or the Owner of any real property subject to this Declaration, their respective legal representative, heirs, successors and assigns, for a term of twenty (20) years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless at a meeting of the Members called for such purpose, three-fourths (3/4) of the members vote to rescind the Declaration. This Declaration may be amended by two-thirds (2/3) of the members. Provided, however that no such amendment shall be effective unless made and recorded sixty (60) days in advance of the effective date of such change, and unless written notice of the proposed amendment is sent to every Owner of record and the Developer at least thirty (30) days in advance of any meeting for amendment. During the period ending three (3) years from the date these covenants are recorded, Developer may amend or add to these covenants, without the consent of the membership, to clarify or to make provision for any items for which Developer in its sole discretion considers necessary or desirable. Developer shall not, by reason of the power herein reserved, have the right to alter the amount, or method of making, annual or special assessments.

Section 2. Notices. Any notice required to be sent to any Member under the provisions of this Declaration shall be deemed to have been properly sent, and notice thereby given, when mailed, postpaid, or hand delivered to the last known address of the person who appears as Member on the records of the Association at the time of such mailing. Notice to one co-Owner of a Lot or Dwelling Unit shall constitute notice to all co-Owners. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address.

Section 3. Enforcement. Enforcement of the Covenants and Restrictions or any Supplemental Declaration shall be made by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any covenant or restriction, either to restrain violation or to recover damage, and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner or Developer to enforce any covenant or restriction herein contained for any period of time shall in no event be deemed a waiver or estoppel of the right to enforce the same thereunder. Should the Declarant or the Association seek enforcement of these Covenants and Restrictions or any

Supplemental Declaration by any proceeding at law or in equity against any person or persons violating or attempting to violate or circumvent any covenant or restriction, then the Declarant or the Association shall be entitled to recover reasonable attorney's fees.

Section 4. Severability. Should any covenant or restriction herein contained, or any Article, Section, Sub-section, sentence, clause, phrase, or term of this Declaration be declared to be void, invalid, illegal or unenforceable, or any reason, by the adjudication of any court or other tribunal having jurisdiction over the parties hereto and the subject matter hereof, such judgment shall in no way affect the other provisions hereof, which are hereby declared to be severable, and which shall remain in full force and effect.

Section 5. Electronic Communication. The Association may make use of computers, the internet, and expanding technology to facilitate community interaction and encourage participation in Association activities. For example, the Association may create and maintain a community internet or internet home page, maintain an "online" newsletter or bulletin board, and offer other technology-related services and opportunities for Owners and occupants to interact and participate in Association sponsored activities. To the extent South Carolina law permits, and unless otherwise specifically prohibited herein or in the By-laws of the Association, the Association may send notices by electronic means, hold Board or Association meetings and permit attendance and voting by electronic means, and send and collect assessment and other invoices by electronic means. If notices and voting (with authentication) are allowed by electronic means, such notices and votes shall be deemed made as if in person, via U.S. mail, physical posting, telephone, proxy, telegraph, facsimile or other traditionally accepted forms of notice communication and voting. All references to electronic deliveries and all other electronic communication shall only be allowed if authorized by the Association.

Section 6. Agreements. The Association shall be and is hereby authorized to enter into such agreements, including without limitation, management contracts, as it may deem necessary or desirable for the administration and operation of the Common Area and the Lots, if appropriate. Each Owner by acquiring a Lot agrees to be bound by the terms and condition of all such agreements entered into by the board on behalf of the Association. A copy of all such agreements shall be made available at the office of the Association for review by an Owner; however, any agreement shall provide that the Association shall have the right to terminate, without cause, the contract with the manager at any time. The right to terminate shall further provide that a penalty would not be paid by the Association on account of said termination.

Section 7. Waiver. No provision hereof shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or reaches which may have occurred.

Section 8. Gender and Number. All pronouns used herein shall be deemed to include the masculine, the feminine and non-personal entities, as well as the singular and plural wherever the context requires or permits.

Section 9. Books and Records. The books, records and papers of the Association shall at all times, during reasonable business hours, or under other reasonable circumstances, be subject to inspection by any member or by any holder, insurer or guarantor of any first mortgage. The Declaration, the Articles of Incorporation and the By-laws of the Association shall be available for inspection by any member at the principal office of the Association, Where copies may be purchased at reasonable costs. Upon request, any owner of the holder of any first mortgage on any Lot shall be entitled to a financial statement showing the statement of operations and the balance sheet of the Association for the immediately preceding fiscal year.

Section 10. Assignment. The Declarant reserves the right to assign all rights, privileges or benefits reserved in these Covenants.

Section 11. Lender's Notices and Information. Upon written request to the Association, identifying the name and address of the holder, insurer or guarantor and the Lot number or address, any such eligible mortgage holder or eligible insurer or guarantor will be entitled to timely written notice of:

(a) Any condemnation loss or casualty loss which affects a material portion of the project or any Lot on which there is a first mortgage held, insured or guaranteed by such eligible mortgage holder or eligible insurer, or guarantor as applicable;

(b) Any delinquency in the payment of assessments or charges owed by an Owner of a Lot subject to a first mortgage held, insured or guaranteed by such eligible holder or eligible insurer or guarantor which remains uncured for a period of sixty (60) days;

(c) Any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; or

(d) Any proposed action requiring consent of a specified percentage of eligible mortgage holders.

IN WITNESS WHEREOF, Declarant and Association has caused this instrument to be executed
on December 8 2018 *jc*

WITNESSES:

CANOE BAY at GRAND HARBOR, LLC.

Harold Fox 327 Arsenal
Dennis N Bay

By: *Judanne Calvelli*
Name: *Judanne Calvelli*
Title: *Secretary*

EXHIBIT

A 1 of 4 pgs

STATE OF SOUTH CAROLINA

COUNTY OF GREENWOOD

)
) JOINT DOCK EASEMENT AGREEMENT
)

10962 Bk:866 Pg:239

A unique feature of the units within Canoe Bay at Grand Harbor lakefront subdivision is that there are plans for about 14 docks to be constructed by the Developer on lots which docks can be jointly shared by two adjacent owners. The docks will be designated as to their location where the docks will join the land based on a more detailed plat generated specifically for the purpose of the placement of these aforementioned docks. It is anticipated that the shared docks will be between the owners of units 525 and 526, 527 and 528, 529 and 530, 531 and 532, 533 and 534, 535 and 536, 537 and 538, 539 and 540, 541 and 542, 543 and 544, 545 and 546, 547 and 548, 549 and 550, and 551 and 552, as shown on a plat in the possession of Grand Harbor. Specific lot numbers are subject to change.

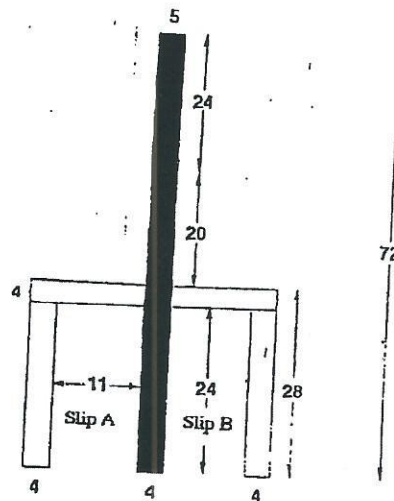
The following restrictive covenants reciprocal easements and affirmative obligations are imposed by the Developer on the lots in Canoe Bay at Grand Harbor, and by acceptance of a deed by a lot the owner, his heirs, successors and assigns, covenants and agrees to abide by and be bound by the same:

- a. The terms, conditions, covenants, easements and agreements set forth in this Joint Dock Agreement will be binding on each of the unit owners and also on their heirs, successors, assigns and legal representatives of them and are to be covenants which run with the land as to each Lot.
- b. All actions taken by a lot owner as to the use, maintenance and repair of a dock will be in accordance with the laws, rules, regulations, and/or ordinances of (a) the South Carolina Department of Health and Environmental Control, (b) Greenwood County, (c) and any other governmental entity having jurisdiction and control over docks on Lake Greenwood, (d) the Consolidated Declaration of Covenants and Restrictions for Canoe Bay, as amended, and (e) any Supplemental Declaration to Covenants for Grand Harbor.
- c. Each lot owner agrees that the part of the dock touching his/her lot is to be jointly owned by the owner of the other lot touching the dock in equal shares and each lot

owner grants, releases and assigns to the other joint lot owner the joint reciprocal use and equal access. This part of the dock is called common area for each lot owner where the lot touches the dock.

- d. Common Area - The common area of a joint dock is the walkway going down to the docks and the floating device between slips A and B. Below is a diagram showing the common area of the dock that is jointly owned. (The shaded part of the diagram is common area.)

10962 Bk:866 Ps:240



- e. All decisions involving the maintenance, repair and use of the dock (herein to include piles, piers, floats, electrical and/or water facilities and walkways that are a part of the common area) will be reduced to writing and upon the written consent of both owners of the two lots, such decisions will be binding and mandatory and repair of the dock will be shared equally by the owners of the two lots (i.e. a 50% cost to each of the two lot owners.)
- f. If there is a dispute as to whether repairs need to be done or not be done to the dock area that is shared jointly (common area), it will be agreed that a third-party arbitrator will be brought in to settle the dispute. The arbitrator must be a

qualified dock builder with no interest or relationship in the ownership of the dock. Once the arbitrator makes an inspection and comes up with his findings, the two property owners must abide by the arbitrator's decision.

- g. During the month of June of each year, or other convenient time by agreement, the owners of the two lots will (a) meet, (b) discuss the state of condition of the dock, (c) make decisions about any repairs or maintenance needed to the dock (d) make decisions regarding liability or damage, and (e) make decisions about the use of or any other issue related to the dock. The terms of Paragraph (e) above apply to any decisions made. The owners of the even numbered lots are to give notice of the meetings and be the chairperson of such meetings unless the persons at the meeting decide to the contrary.
- h. In the event of the failure of an owner to respond to the meetings and/or to fail to respond to payment of costs and expenses (after fifteen days notice of payment due) which are agreed to as provided herein, the following remedies will apply:
 - 1. The complying owner can give written notice and the defaulting owner, their guests, tenants and invitees will be prohibited from the use of the dock until there is a compliance with the terms of the Agreement.
 - 2. The complying owner may bring a suit for specific performance and/or contribution of any pro rata costs and expenses that have been agreed to as provided for herein. In the event of such a suit, the costs and expenses of the same (to include reasonable attorney's fees) to be paid to the owners instituting suit by the defaulting owner.
 - 3. Any additions to the property owner's dock must be presented to the Architectural Control Committee for approval.

Dated this 15th day of September, 2004

IN WITNESS WHEREOF, CANOE BAY AT GRAND HARBOR has hereby affixed its hand and seal on the date above stated.

(Signatures Follow on Page 4)

~~(Signatures on the following page.)~~

Witness:

Will Batson

B. J. Hansen

CANOE BAY AT GRAND HARBOR

By: W. I. M. L.

Its: Managing Director

Exhibit "B"

BOOK OF RESOLUTION

Canoe Bay at Grand Harbor

Rules and Regulations

A. General Rules and Regulations.....	2
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C. Common Areas.....	5
D. Noise Control.....	6
E. Pets.....	7
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G. Vehicles and Parking.....	9

A. General Rules and Regulations

A-1 The overriding philosophy is to establish guidelines which will permit maintenance of the current lifestyle in Canoe Bay at Grand Harbor (the "Community"), yet allow for updating and improvement of aesthetic values. The Board of Directors considers it essential that each member of the Association familiarize himself or herself with the rules, as well as all restrictions and covenants contained in the Supplemental Declaration of Covenants, Conditions, Restrictions, Easements, Liens, and Charges of Canoe Bay at Grand Harbor (the "Declaration").

A-2 These Regulations have been adapted pursuant to authority set forth in the Declaration and have the same binding effect as if they were contained in the body of the recorder Declaration.

A-3 The Association, through the Board of Directors, shall have the full authority to enforce the Rules and Regulations. Failure to cooperate and follow these Rules and Regulations may be grounds for an action to recover sums due, for damages or injunctive relief, or for all three. In addition, the rights of any owner, the owner's family, and guests to use and to enjoy the common areas may be suspended by the Board of Directors for continued violation of the Rules and Regulations. All owners, their family members, and guests will be afforded the optimum enjoyment of the Community.

A-4 Owners of Canoe Bay at Grand Harbor are invited to cooperate with the Board of Directors and the Association in enforcing the Rules and Regulations of the Community. Complaints or Reports of serious infractions are to be reported in writing, signed by the complainant. Non-signed complaints will not be looked into or considered for action. Any resident or guest refusing to follow the Rules and Regulations may result in fees, fines, or legal action, the cost of which will be the responsibility of the Canoe Bay at Grand Harbor owner.

A-5 The Association assumes no responsibility for the property owners, dependents, and guests. Furthermore, the property owners, dependents, and guests will not insured against loss or damage by the Association, and owners, dependents, and guests will not be insured against loss to them for damage they might cause to Association facilities or the Common property.

A-6 No owner or Board member has the right to contract with any third party indicating he or she is a representative of the Association unless expressly so authorized to do so by the Board of Directors.

A-7 No solicitation, petitions, or opinion surveys shall be permitted on Community property.

A-8 Abusive language, obscenity, swearing, drunkenness, threatening behavior, and similar actions will not be permitted on Community property at any time.

A-9 Each owner must furnish a copy of his or her recorded deed, current mailing address, and telephone number to the secretary of the Board of Directors and keep the secretary informed of any changes.

A-10 No owner of a dwelling shall post or permit to be posted on any part of the Community's common areas any advertisement or poster of any kind unless expressly authorized to do so by the Board of Directors.

A-11 Owners and occupants of dwellings shall exercise care to avoid making or permitting to be made, loud or objectionable noises, and in using or playing, or permitting to be used or played, musical instruments, radios, television sets, amplifiers, and any other instrument or device in such a manner as may disturb or tend to disturb owners, tenants, or occupants of other dwellings.

A-12 No use or condition of a dwelling will be permitted which will increase any rate of insurance to the Association.

A-13 Owners of dwellings shall not use or permit to be used such dwellings or the common areas in any manner which would be unduly disturbing or a nuisance to other owners of dwellings or occupants thereof, or in such manner as would be injurious to the reputation of the Canoe Bay at Grand Harbor Community.

A-14 Any agency handling the lease of an owner's dwelling must agree to abide by the Rules and Regulations and be responsible for informing the persons leasing the dwelling through the agency of any breaches of the rules and taking any and all corrective action. If an agency continues not to take corrective action against the owners' lease or refuses to cooperate with the Association in the enforcement of the Rules and Regulations, the Association may require the owner to cease using the services of that particular agency. Refusal to do so may result in fines against the owner in the amount to be determined by the Board of Directors. Any fines will become a part of the assessment against the dwelling and owner.

B. Architectural

B-1 No changes or additions to the exterior of the dwellings may be made without the approval of the Canoe Bay architectural control committee and Grand Harbor architectural control committee. Plans and specifications must be submitted in writing to the Canoe Bay architectural control committee.

B-2 Porches and balconies are not to be used for the purpose of storage of furniture, household items, or wood piles. Only conventional porch furniture and potted plants are permitted on porches and balconies.

B-3 Windows can be covered only by white or off-white drapes or interior shades/blinds and cannot be painted or covered by foil or other similar materials.

B-4 No storage of flammable or hazardous materials are permitted on a porch or balcony.

B-5 Nothing shall be hung, painted, or displayed on the outside of the windows, walls or surfaces or outside of any of the units except for those installed by Declarant. The use of signs or any other means of display for any type of promotion are prohibited. Signs identifying homeowners are allowed if they conform to the standards used throughout the Grand Harbor community. The use of wreaths or similar decorations may be displayed on doors. The wreath or decoration may not cover more than 50% of the door. In addition, decorations may be displayed for the different holiday seasons, provided the decorations remain on dwelling porches or steps. These decorations must adhere to the following set-up and take down times. At these times mailboxes may also be decorated. The exception to decorating being American flags, which may be displayed at any time.

Winter Seasonal - January 1-15th.

Valentines - February 1-14

St Patrick's Day/Easter/Spring - March-April

Independence Day - Summer June-July

Halloween - October

Thanksgiving - November

Christmas/Winter - Wednesday before Thanksgiving-January 15th.

C. Common Areas

C-1 The Association shall provide maintenance of the common areas. Glass replacement, cleaning of window, balconies, porches, and entry door walkways of dwellings and maintenance of the exterior dwelling surfaces are the responsibility of the individual owner of the dwelling, to be maintained in a manner acceptable to the Board of Directors.

C-2 Parents are responsible for proper supervision of their children and are responsible for any damage caused or incurred by their children and/or guests. Owners are responsible for the payment of the cost of repairs for all damage to Common property caused by themselves, members of their families, guests, tenants, or pets.

C-3 Common property equipment, such as irrigation systems, are to be adjusted and set only by authorized personnel, not by residents.

C-4 Each owner is liable to the Association and shall reimburse the Association for any and all expenditures made to repair and/or replace common area landscaping (i.e. trees, shrubs, plants, grass, etc.) damaged or destroyed by an owner or any occupant of the owner's dwelling.

C-5 There is to be no littering of trash or any other kinds of materials in the Common property, sidewalks, roadways, or on any other property of the Community.

D. Noise Control

Noise can be a problem any time and particularly during the Summer months when windows and doors are open. Be considerate of others and remember that your neighbors may not keep the same hours as you.

D-1 Nothing shall be done that interferes with the quiet of other residents.

D-2 Please be considerate of those living in close proximity to you and keep the noise volume as low as possible.

D-3 It is the responsibility of parents and guardians to see that their children do not necessarily disturb other residents.

D-4 Stereos, television sets, radios, musical instruments, amplifiers, party activities, and any other noise sources, including barking dogs, shall be restricted at all times to the level that does not disturb other residents and which cannot be heard outside of the dwelling.

D-5 Abusive behavior, but not limited to, the use of profanity on the part of residents toward the employees, contractors, etc., of our Association is not appropriate and will not be tolerated. Upon notification of such behavior, the Board of Directors are authorized to investigate each incident(s), which may include, but are not limited to a verbal warning, written reprimand, temporary suspension from the use of Association facilities for a period of time or exclusion from use altogether.

D-6 It is the responsibility of all owners and residents to inform their guests of the above noise control.

E. Pets

Residents who are disturbed by pets are urged to first contact the owner of the pet and if this should prove unsuccessful then the resident should contact the Animal Control Office of Greenwood County, and in writing copy the Association.

E-1 Only ordinary domestic animals such as dogs, cats, aquarium fish, and small birds may be kept as pets within the dwelling, provided they are not kept, bred, or raised for commercial purposes. Pot belly pigs, goats, monkeys, and snakes shall not be recognized as household pets.

E-2 An owner shall be held responsible and liable for any personal injury or property damage caused by their pet or pets of occupants of the owner's dwelling.

E-3 Actions may be taken against owners of pets that make loud and/or excessive noise.

E-4 An owner or other occupant is responsible to clean behind his or her dog in the Common Property or on other homeowner's property.

E-5 Dogs must not be left unattended on porches or balconies.

E-6 Cats are not permitted to roam free within the Community property or left attended outside a dwelling.

E-7 All pets must be current with vaccinations required by Greenwood County.

E-8 The Board of Directors reserves the right to expel or control any pet which becomes a nuisance in any way.

F. Trash Regulations

- F-1 All trash is required to be placed in a tightly closed bag, preferably a plastic bag, before being placed in the trash containers located in the service yards to the dwellings. This will help control pests, such as ants, cockroaches, rats, and other rodents from becoming a problem.
- F-2 Owners and residents are responsible for picking up their own trash spilled in all Common Property and for the disposal of trash in the proper containers and receptacles.
- F-3 No trash or debris is to be left in any area that is visible to others such as; walkways, decks, Common Property, balconies, porches, and parking areas.
- F-4 Large discarded items and construction materials such as; old furniture, beds, mattresses, appliances, lumber, etc., do not belong in the trash receptacles in the service yards to the dwellings. Dispose of these items properly at a junk yard or other disposal area, away from the Community Property.
- F-5 The throwing of cigarettes or other litter items onto the Community Property is not allowed.

G. Vehicles and Parking

G-1 Because parking is somewhat limited, owners are urged in consideration of other residents and guests, to use their garages whenever possible. Additionally, should the residents in any one dwelling have a total of more than two (2) cars, the Board of Directors may in its discretion, require any vehicles beyond two (2) per dwelling to be stored elsewhere than the Community property, with the cost of such storage to be the owner's expense.

G-2 Parking is allowed in designated areas only. Roadways, fire lanes, and no parking areas are not designated parking areas. Residents are responsible for their guests' parking so that the Common property and roadways are not blocked.

G-3 No motor vehicle shall be left in a condition that will constitute a fire hazard. Automobile servicing and repairs, such as oil changes, engine repairs or overhauls, draining or flushing of radiators, liquids, or any other fluids of a vehicle are specifically prohibited on the Community Common property.

G-4 The maximum speed for any vehicle shall not exceed the posted limit within the Community.

G-5 Garages shall not be used as living space, office space, or solely for storage of household items.

G-6 The Association enforces a "tag and tow" policy for violation of any of the above noted restrictions. A vehicle's owner will then be responsible to contact the towing company to pay towing charges and retrieve his or her property. This policy is strictly enforced by the Association and should be called to the attention of your family and guests. all family members, guests, and tenants should be advised of such.

EXHIBIT "C"

BY-LAWS OF CANOE BAY HOMEOWNERS ASSOCIATION, INC

ARTICLE I

NAMES AND LOCATION

The name of the corporation is Canoe Bay Homeowners Association, Inc., hereinafter referred to as the "Association". The principal office of the corporation shall be at 709 Swing About, Greenwood, South Carolina 29649, but meetings of Members and Directors may be held at such places within the State of South Carolina, County of Greenwood, as may be designated by the Board of Directors.

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to Canoe Bay Homeowners Association, Inc., a nonprofit South Carolina corporation, its successors and assigns.

Section 2. "Properties" shall mean and refer to that certain real property described in the Declaration and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Common Property" shall mean and refer to those areas of land and any improvements thereon which are deeded to the Association. The term "Common Property" shall include any personal property acquired by the Association if said property is designated as "Common Property". All common property is to be devoted to and intended for the common use and enjoyment of the owners/members of the Properties (subject to any fee schedules and operating rules adapted by the Association and may be, among others, used for sport, enhancement of value of property, engineering necessities, easements, transportation necessities, maintenance, health, general welfare, and enjoyment of any or all owners of the properties).

Section 4. "Lot" shall mean and refer to any number plot of land shown upon any recorded map of the Properties, together with the improvements thereon, with the exception of the Common Property.

Section 5. "Owners" shall mean and refer to the record owner, whether one or more persons or entities of the fee simple title to any lot which is a part of the Properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation and any lease or tenant of the owner.

Section 6. "Declarant" shall mean and refer to Canoe Bay at Grand Harbor LLC, its successors and assigns.

Section 7. "Declaration" shall mean and refer to the Supplemental Declaration of Covenants, Conditions, Restrictions, Easements, Liens, and Charges of Canoe Bay of Grand Harbor applicable to the properties recorded in Book 866 at Page 15 in the Office of the Clerk of Court for Greenwood County.

Section 8. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration and in Article III of these By-Laws.

ARTICLE III

MEMBERSHIP AND PROPERTY RIGHTS

Section 1. Membership. Every owner of a Lot which is subject to assessment shall be a member of the Association and the membership shall be appurtenant to and may not be separated from ownership of any Lot subject to assessment payable by all Lot Owners except Declarant. The voting rights of the Members shall be as provided by the Declaration.

Section 2. Property Rights. Each Member shall be entitled to the use and enjoyment of the facilities as provided in the Declaration. Any Member may delegate his rights of enjoyment of the Common Property and facilities to the member of his family, his tenants, or contract purchasers who reside on the property. Such member shall notify the secretary of the Association in writing of the name of the delegate. The rights and privileges of such a delegate are subject to suspension to the same extent as those of the member.

ARTICLE IV

MEETING AND MEMBERS

Section 1. Annual Meeting. The Board shall schedule regular annual meetings of the Association to occur during the fourth quarter of the Association's fiscal year, on such date and at such time and place as the Board shall determine. The annual meeting shall be held for the purpose of electing members of the Board of Directors and for the transaction of such other business as may be properly brought to the meeting.

Section 2. Special Meetings. Special meetings of the Members may be called at any time by the president, by the Board of Directors, or upon written request of one-fourth (1/4) of all the Members.

Section 3. Notice of Meetings. Written or electronic notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least fifteen (15) days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and in the case of a special meeting, the purpose of the meeting. Waiver by the Member in

writing of the notice required herein, signed by him before or after such meeting, shall be equivalent to the giving of such notice.

Section 4. Quorum. Except as otherwise provided by the Declaration or in these by-laws, the presence in person or by proxy at the beginning of the meeting of the Members entitled to cast at least fifty-one percent (51%) of all the votes of the Association shall constitute a quorum for the meeting of the Association. 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 the presence in person or by proxy of Members having twenty-five percent (25%) of the total votes of the Association. No such subsequent meeting shall be held more than sixty (60) days following the proceeding meeting.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon the conveyance by the Member of his Lot.

Section 6. Majority Vote. At a meeting at which a quorum is present, the vote of the majority of the Members present at the meeting, whether in person or by proxy and who are entitled to vote, shall be binding upon all Owners and Members for all purposes except where the Declaration or in these By-Laws, or by law, a higher percentage is required.

Section 7. Voting. The voting rights of the Members set forth in the Declaration are specifically incorporated by this reference.

ARTICLE V

THE ASSOCIATION

Section 1. Duties of the Association. In addition to the powers delegated to it by its Articles or in the Declaration, and without limitation the generality thereof, the Association shall have the obligation to perform each of the following duties:

- (a) Operation and Maintenance of Common Property. To operate, maintain, and otherwise manage or provide for the operation, maintenance, and management of the Common Property together with all the easements for operation and maintenance purposes and for the benefit and enjoyment of the Association or its members over and within the Common Property to keep all improvements of whatever kind and for whatever purpose from time to time located thereof in good order, condition, or repair.
- (b) Water and Other Utilities. To acquire, provide and/or pay for water and sewer, garbage disposal, electrical, telephone, gas, and other necessary utility services for the Common Property.
- (c) Taxes and Assessments. To pay all real and personal property taxes and assessments (if any) separately leveled upon or assessed against the Association and/or any property owned by the Association. Such taxes and assessments may be contested or compromised by the Association; provided, however, that they are paid or a bond insuring the payment is posted prior

to the sale or other disposition of any property to satisfy the payment of such taxes. Inasmuch as the interest of each owner in the Common Property is an interest in real property on the proportionate basis appurtenant to each Lot, the values of the interest of each owner of such Common Property shall be included in the assessment for each such Lot and as a result any assessment against such Common Property shall be of a nominal nature reflecting that the full value of the same has been included in the several assessments of the various Lots.

- (d) Insurance. To obtain from reputable insurance companies qualified to do business in the State of South Carolina, and maintain in force at all times the following policies of insurance. Hazard and liability policies and any other policies as determined by the Board of Directors of the Association.

ARTICLE VI

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of the Association shall be managed by a board of a minimum of three (3) directors who shall be Members of the Association provided; however, the directors appointed by the Declarant need not be Members of the Association.

Section 2. Term of Office. The initial members of the board of Directors shall be appointed by the Declarant and shall serve as members of the Board of Directors until either removed by the Declarant or until the Declarant's rights to appoint and remove directors terminate as provided for in the Declaration. Thereafter, at the first election of the directors by the membership, the Members shall elect one (1) director for a term of one (1) year, one (1) director for a term of two (2) years, and one (1) director for a term of three (3) years; and at each annual meeting the Members shall elect directors to fill the expiring terms for a term of two (2) years. The newly elected director's term shall commence the first day of the month following the annual meeting.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by the majority vote of the Members of the Association. In the event of death, resignation, or removal of a director, his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.

Section 4. Compensation. No director shall receive compensation for any service he may render to the Association. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5. Action Taken Without a 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 a written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE VII

NOMINATION AND ELECTION OF DIRECTORS

Section 1. **Nomination.** Nomination for election to the Board of Directors may be made by a Nomination Committee. Nominations may also be made from the floor at the annual meeting. The Nomination shall consist of a Chairman who shall be a member of the Board of Directors, and two or more Members of the Association. The Nomination Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, who serve from the close of such annual meeting until the close of the annual meeting, and such appointment shall be announced at each annual meeting.. The Nomination Committee shall make as many nominations for election to the Board of Directors as it shall, in its discretion, determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among the Members only.

Section 2. **Election.** Election of the Board of Directors shall be made by written secret ballot or by electronic means. At such election, the Members may cast in person, or by proxy or by electronic means, with respect to each vacancy, as many votes as they are entitled to exercise under the provision of the Declaration. The person receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VIII

MEETINGS OF DIRECTORS

Section 1. **Regular Meeting.** Each regular meeting of the Board of Directors may be held monthly without notice, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall on a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday. Provided, however, any action taken by it shall be valid and binding.

Section 2. **Special Meetings.** Special meetings of the Members shall be held when called by the president, by the President, or by any two (2) directors, after not less than three (3) days' notice to each director.

Section 3. **Quorum.** A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by the majority of the directors present at a duly held meeting, at which a quorum is present, shall be regarded as the act of the Board.

ARTICLE IX

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The board of Directors shall power to:

- (a) Adopt and publish rules and regulations governing the use of the Common Property and facilities and the personal conduct of the Members and their guests thereon, to establish penalties for the infraction thereof;
- (b) Suspend the voting rights and right to use of the recreational facilities of a Member during any period which such Member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period of not to exceed sixty (60) days for infraction of the published Rules and Regulations, See Exhibit "B";
- (c) exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-laws, the Articles of Incorporation, or the Declarations;
- (d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent for three (3) consecutive regular meetings of the Board of Directors;
- (e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties of;
- (f) employ attorneys to represent the Association when deemed necessary.

Section 2. Duties. It shall be the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to be present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the Members who are entitled to vote;
- (b) Supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;
- (c) As more fully provided in Article V of the Declaration, to
 - i. fix the amount of the annual assessment against each Lot subject to assessment at least thirty (30) days in advance of each annual assessment period;
 - ii. send written notice of each assessment to every owner subject thereof at least thirty (30) days in advance of each annual assessment period, and

- iii. foreclose the lien against the property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same;
- (d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate set forth whether or not any assessment had been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) procure and maintain adequate liability insurance covering the Association, its directors, officers, agents, and employees and to procure and maintain adequate hazard insurance on the real personal property owned by the Association;
- (f) cause all officers or employees having fiscal responsibilities to be bonded, as it may be deemed appropriate; and
- (g) cause the Common Property to be maintained.

ARTICLE X

OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Officers. The officers of this Association shall be a president and vice president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of directors following each annual meeting of the Members.

Section 3. Term. The officers of this Association shall be elected annually by the Board and shall hold office for one (1) year unless he shall sooner resign, or shall be removed or be otherwise disqualified to serve.

Section 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 the authority, and perform such duties as the Board may, from time to time, determine.

Section 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 written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective..

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve the remainder of the term of the officer he replaced.

Section 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 other officers except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The Duties of the officers are as follows:

President

(a) The president shall preside at all the meetings of the Board of Directors, shall see that orders and resolutions of the Board are carried out, shall sign all leases, mortgages, deeds, and other written instruments and shall co-sign all checks and promissory notes.

Vice President

(b) The vice president shall act in the place and stead of the president in the event of his absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.

Secretary

(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 of the Association and affix it on all papers requiring the seal; serve notice of meetings of the Board and of the Members ;, keep appropriate current record showing the Members of the Association together with their addresses, and shall preform such other duties as required by the Board.

Treasurer

(d) The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; shall make an annual statement of the Association books 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 regular annual meeting, and deliver a copy of each to the Members.

ARTICLE XI

INDEMNIFICATIONS

The Association shall indemnify any director or officer or former director or officer of the Association against expenses actually and necessarily incurred by him in connection with the defense of the action, suit, or proceeding in which he is made a part by reason of being or having been such director or officer, except in relation to matters as to which he shall be adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of duty.

ARTICLE XII

COMMITTEES

The Board of Directors shall appoint other committees as deemed appropriate in carrying out the purpose including a nomination committee as provided by these By-laws

ARTICLE XIII

BOOKS OF RECORDS

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member. The Declaration, the Articles of Incorporation, and the By-laws of the Association shall be available for inspection by any Member at the principal office of the Association, where the copies may be purchased at a reasonable cost.

ARTICLE XIV

ASSESSMENTS

As more fully provided in the Declaration, each Member except Declarant is obligated to pay to the Association annual and special assessments which for each lot subject to assessment which were secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of 15% per annum, and the association may bring an action at law against the owner personally obligated to pay the same or foreclosure the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Property or abandonment of his Lot.

ARTICLE XV

CORPORATE SEAL

The Association shall have a seal in circular form having within the circumference the words: Canoe Bay Association, Inc., Greenwood, South Carolina.

ARTICLE XVI

AMENDMENTS

Section 1. The By-laws may be amended, at a regular or special meeting of the Members, by a vote of the majority of a quorum of Members present in person or by proxy.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-laws, the articles shall control, and the case of any conflict between the Declaration and these By-laws, the Declaration shall control.

ARTICLE XVII

FISCAL YEAR

The fiscal year of the Association shall begin on the first day of January, and the end of the thirty-first day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

ARTICLE XVIII

DISSOLUTION

In the event of dissolution the residual assets of the organization shall be divided equally among the Members, one share per residence.

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting secretary of the Canoe Bay Homeowners Association, Inc., a south Carolina corporation and

THAT the foregoing By-laws constitute the original by-laws of Canoe Bay Homeowners Association, Inc., as duly adopted at a meeting of the Board of directors thereof, held on the 1st day of March 2019

CANOE BAY HOMEOWNERS ASSOCIATION, INC.

By:  (SEAL)
Its: Secretary