

**THIS AGREEMENT CONTAINS AN ARBITRATION AGREEMENT SUBJECT TO THE
SOUTH CAROLINA ARBITRATION ACT. 15-48-10 et. seq.
CODE OF LAWS OF SOUTH CAROLINA 1976**

**SECOND AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
FOR
CLIFFS VALLEY AND CLIFFS VALLEY NORTH**

TABLE OF CONTENTS

	Page
Article 1. Definitions	2
1.1 "Area of Common Responsibility"	2
1.2 "Articles of Incorporation" or "Articles":	2
1.3 "Association":	2
(a) "Cliffs Valley Community Association, Inc.":	3
(b) "Cliffs Valley North Community Association":	3
1.4 "Base Assessments":	3
1.5 "Benefited Assessment":	3
1.6 "Board of Directors" or "Board":	3
1.7 "Builder":	3
1.8 "By-Laws":	3
1.9 "Class 'B' Control Period":	3
1.10 "Common Area":	3
1.11 "Common Expenses":	4
1.12 "Community-Wide Standard":	4
1.13 "Covenant to Share Costs":	4
1.14 "Declarant":	4
(a) "Cliffs Valley Declarant":	4
(b) "Cliffs Valley North Declarant":	4
1.15 "Declaration":	4
(a) "Cliffs Valley Declaration"	5
(b) "Cliffs Valley North Declaration"	5
1.16 "Exclusive Common Area":	5
1.17 "Lot":	5
1.18 "Member":	5
1.19 "Mortgage":	5
1.20 "Mortgagee":	5
1.21 "Neighborhood":	5
1.22 "Neighborhood Assessments":	6
1.23 "Neighborhood Association":	6
1.24 "Neighborhood Expenses":	6
1.25 "Owner":	6
1.26 "Person":	6
1.27 "Private Amenities":	6
1.28 "Properties":	7
(a) "Cliffs Valley Property":	7
(b) "Cliffs Valley North Property":	7
1.29 "Special Assessment":	7
1.30 "Supplemental Declaration":	7
Article 2. Use Of Property And Neighborhoods	7
2.1 Common Area	7
2.2 Neighborhoods	8
(a) Creation	8
(b) Modification	8

(c) Powers of the Association Relating to Neighborhoods.....	9
2.3. Exclusive Common Area.....	9
Article 3. Membership And Voting Rights.....	10
3.1 Membership.....	10
3.2 Voting.....	10
(a) Class "A".....	10
(b) Class "B".....	10
Article 4. Association Functions.....	11
4.1 Common Area.....	11
4.2 Personal Property and Real Property for Common Use.....	11
4.3 Rules and Regulations.....	11
4.4 Enforcement.....	12
4.5 Implied Rights.....	12
4.6 Governmental Interests.....	12
4.7 Indemnification.....	12
4.8 Dedication of Common Areas.....	13
4.9 Security.....	13
4.10 Covenant(s) to Share Costs.....	13
Article 5. Maintenance.....	14
5.1 Association's Responsibility.....	14
5.2 Owners Responsibility.....	14
5.3 Neighborhood's Responsibility.....	14
5.4 Standard of Performance.....	15
5.5 Party Walls, Party Fences and Party Driveways.....	15
(a) Applicability.....	15
(b) Maintenance.....	16
(c) Damage and Destruction.....	16
Article 6. Insurance.....	16
6.1 Association Insurance.....	16
6.2 Association Policy Requirements.....	17
6.3 Owners Insurance.....	19
6.4 Damage and Destruction.....	19
6.5 Disbursement of Proceeds.....	20
6.6 Repair and Reconstruction.....	20
Article 7. No Partition.....	20
Article 8. Condemnation.....	20
Article 9. Annexation And Withdrawal Of Property.....	21
9.1 Annexation Without Approval of Membership.....	21
(a) Cliffs Valley Property:.....	21
(b) Cliffs Valley North Property:.....	21
9.2 Annexation With Approval of Membership.....	22
9.3 Withdrawal of Property.....	22
9.4 Additional Covenants and Easements.....	22
9.5 Amendment Of article 9.....	22
Article 10. Assessments.....	22
10.1 Creation of Assessments.....	22
10.2 Declarant's Obligation for Assessments.....	23

10.3	Computation of Base Assessment	24
10.4	Computation of Neighborhood Assessments.....	25
10.5	Reserve Budget and Capital Contribution.....	25
10.6	Special Assessments.....	25
10.7	Benefited Assessments.....	26
10.8	Lien for Assessments.....	26
10.9	Date of Commencement of Assessments.....	27
10.10	Failure to Assess.....	27
10.11	Capitalization of Association.....	27
10.12	Exempt Property.....	27
Article 11.	Architectural Standards.....	28
11.1	General.....	28
11.2	Architectural Review.....	28
	(a) New Construction Committee.....	28
	(b) Modifications Committee.....	29
11.3	Guidelines and Procedures.....	29
11.4	No Waiver of Future Approvals.....	30
11.5	Variance.....	30
11.6	Limitation of Liability.....	30
11.7	Enforcement.....	30
11.8	Size of Homes.....	31
	(a) Cliffs Valley Single Family.....	31
	(b) Cliffs Valley North Single Family.....	31
	(c) Neighborhoods and Multi-Family/Patio Homes (Cliffs Valley and Cliffs Valley North)	
	31	
Article 12.	Use Restrictions And Rules.....	31
12.1	Plan of Development; Applicability; Effect.....	31
12.2	Authority to Promulgate Use Restrictions and Rules.....	32
12.3	Owners' Acknowledgment.....	32
12.4	Rights of Owners.....	32
	(a) Equal Treatment.....	32
	(b) Speech.....	33
	(c) Religious and Holiday Displays.....	33
	(d) Household Composition.....	33
	(e) Activities Within Dwelling.....	33
	(f) Pets.....	33
	(g) Allocation of Burdens and Benefits.....	33
	(h) Alienation.....	34
	(i) Reasonable Rights to Develop.....	34
	(j) Abridging Existing Rights.....	34
Article 13.	Easements.....	34
13.1	Easements of Encroachment.....	34
13.2	Easements for Utilities, Etc.....	35
13.3	Easements to Serve Additional Property.....	35
13.4	Easements for Golf Balls.....	35
13.5	Easement for Emergency.....	36
13.6	Easements for Maintenance and Enforcement.....	36

13.7	Access.....	36
13.8	Trails.....	36
13.9	Easement for Cemeteries.....	37
14.1	Notice of Action.....	37
14.2	Special FHLMC Provision.....	37
14.3	No Priority.....	38
14.4	Notice to Association.....	38
14.5	Amendment by Board.....	38
14.6	Applicability of Article 14.....	39
14.7	Failure of Mortgagee to Respond.....	39
Article 15.	Declarant's Rights.....	39
Article 16.	Private Amenities.....	40
16.1	General.....	40
16.2	Rights of Access and Parking.....	40
16.3	Assessments.....	40
16.4	Limitation on Amendments.....	40
16.5	Jurisdiction and Cooperation.....	41
Article 17.	Dispute Resolution And Limitation On Litigation.....	41
17.1	Agreement to Avoid Costs of Litigation and to Limit Right to Litigate Disputes.....	41
17.2	Exempt Claims.....	41
17.3	Mandatory Procedures for All Other Claims.....	42
	(a) Notice.....	42
	(b) Negotiation.....	42
	(c) Mediation.....	42
	(d) Final and Binding Arbitration.....	43
17.4	Allocation of Costs of Resolving Claims.....	43
17.5	Enforcement of Resolution.....	44
18.1	Term.....	44
18.2	Amendment.....	44
	(a) By Declarant.....	44
	(b) By Owners.....	44
	(c) Effective Date and Validity.....	45
18.3	Severability.....	45
18.4	Perpetuities.....	45
18.5	Litigation.....	45
18.6	Cumulative Effect: Conflict.....	45
18.7	Compliance.....	46
18.8	Notice of Sale or Transfer of Title.....	46

TABLE OF EXHIBITS

<u>Exhibit</u>	<u>Subject Matter</u>
"A"	Land Submitted
"B"	Land Subject to Annexation
"C"	Initial Use Restrictions
"D"	Rules of Arbitration
"E"	By-Laws of Cliffs Valley Community Association

Inc.

SECOND AMENDED AND RESTATED
DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
FOR CLIFFS VALLEY AND CLIFFS VALLEY NORTH

Amending and Restating
The Amended and Restated Declarations Recorded:
Greenville County, S.C. Register of Deeds Book 1612, Page 1176
Henderson County, N.C. Register of Deeds Book 901, Page 469

THIS Second Amended and Restated Declaration of Covenants, Conditions and Restrictions For Cliffs Valley and Cliffs Valley North is made this 22nd day of February, 2002, by The Cliffs at Glassy, Inc. (the "Cliffs Valley Declarant"), The Cliffs at Panther Mountain, Inc. (the "Cliffs Valley North Declarant"), Cliffs Valley Community Association Inc. and The Cliffs Valley North Community Association.

W I T N E S S E T H:

WHEREAS, The Cliffs at Glassy, Inc., herein defined as the "Cliffs Valley Declarant", by prior filing of the "Amended and Restated Declaration of Covenants, Conditions and Restrictions for Cliffs Valley" dated April 1, 1995, and recorded at Deed Book 1612, Page 1176, in the Office of Register of Deeds ("ROD") for Greenville County, South Carolina (the "Cliffs Valley Declaration"), made certain property in Greenville County, South Carolina subject to said covenants; and

WHEREAS, The Cliffs at Panther Mountain, Inc., herein defined as the "Cliffs Valley North Declarant", by prior filing of the "Amended and Restated Declaration of Covenants, Conditions and Restrictions for Cliffs Valley North" dated June 24, 1996, and recorded at Deed Book 901, Page 469, in the ROD for Henderson County, North Carolina (the "Cliffs valley North Declaration"), made certain property in Henderson County, North Carolina subject to said covenants; and

WHEREAS, The Cliffs Valley Community Association, Inc., formed to manage the common elements created under the Cliffs Valley Declaration, and The Cliffs Valley North Community Association, formed to manage the common elements under the Cliffs Valley North Declaration, desire to apply to both of their Properties (as defined herein) the same covenants and to place under one association administration and the management responsibilities for the common elements of both; and

WHEREAS, this "Second Amended and Restated Declaration of Covenants, Conditions and Restrictions" (the "Declaration") is intended to impose upon all the Properties subjected to the Cliffs Valley North Declaration and the Cliffs Valley Declaration one set of mutually beneficial restrictions for the benefit of all owners of the Properties, to provide a flexible and reasonable procedure for the overall development of the Properties, and to establish a method for the administration, maintenance, preservation, use and enjoyment of the Properties as are now or may be hereafter subjected to this Declaration.

WHEREAS, The Cliffs Valley Community Association Inc., by and through its authorized officers, acting in accordance with the vote taken by ballot of the Members of the Cliffs Valley Community Association, Inc., 414 voting in favor, and 6 voting in opposition, have adopted this Declaration.

WHEREAS, The Cliffs Valley North Community Association, acting in accordance with the vote taken by ballot of the owners of those Properties subjected to the Cliffs Valley North Declaration pursuant to the Cliffs Valley North Declaration, 42 voting in favor, and 0 voting in opposition, have adopted this Declaration.

WHEREAS, the Cliffs Valley Declarant and the Cliffs Valley North Declarant, ratifying their intention that the Properties be under a single set of covenants, conditions and restrictions and that there be one association for the administration thereof, as also evidenced by that certain Affidavit of The Cliffs at Panther Mountain, Inc. recorded in the Henderson County, North Carolina ROD in Book 1034 at Page 106, do hereby execute this Declaration below to signify their consent hereto.

NOW, THEREFORE, all of the property described in Exhibit "A" and any additional property which is hereafter subjected to this Declaration by Supplemental Declaration (as defined herein) shall be held, sold, used and conveyed subject to the following easements, restrictions, covenants, and conditions, which are for the purpose of protecting the value and desirability of and which shall run with the title to the real property subjected to this Declaration. This Declaration shall be binding on all parties having any right, title, or interest in the Properties or any part thereof, their heirs, successors-in-title, and assigns, and shall inure to the benefit of each owner thereof.

Article 1. Definitions

The terms in this Declaration and in the exhibits to this Declaration shall generally be given their natural, commonly accepted definitions except as otherwise specified. Capitalized terms shall be defined as set forth below.

1.1 "Area of Common Responsibility"

The Common Area, together with those areas, if any, which by the terms of this Declaration, any Supplemental Declaration or other applicable covenants, contract, or agreement with any Neighborhood, become the responsibility of the Association.

1.2 "Articles of Incorporation" or "Articles":

The Articles of Incorporation of The Cliffs Valley Community Association, Inc., as filed with the Secretary of State of the State of South Carolina as amended from time to time.

1.3 "Association":

The Cliffs Valley Community Association, Inc., a South Carolina nonprofit corporation, which, pursuant to the vote of The Cliffs Valley Community Association, Inc. and the Cliffs Valley Association adopting this Declaration, shall manage the Common Areas, discharge the Areas of Common Responsibility and administer the Community Wide Standards applicable to the Properties to which this Declaration is subject, as are their Owners, who, as such, are Members thereof, and shall include its successors or assigns.

(a) "Cliffs Valley Community Association, Inc.":

A South Carolina nonprofit corporation, recorded in the office of the Secretary of State on the 8th day of October, 1996, formed under and pursuant to the Cliffs Valley Declaration.

(b) "Cliffs Valley North Community Association":

A North Carolina unincorporated, nonprofit association formed under and pursuant to the Cliffs Valley North Declaration, whose powers, duties and responsibilities shall, pursuant to this Declaration, be discharged by the Association.

1.4 "Base Assessments":

Assessments levied on all Lots subject to assessment under Article 10 to fund Common Expenses for the general benefit of all Lots, as more particularly described in Sections 10.1 and 10.3.

1.5 "Benefited Assessment":

An assessment levied in accordance with Section 10.7.

1.6 "Board of Directors" or "Board":

The body responsible for administration of the Association, selected as provided in the By-Laws and generally serving the same role as the board of directors under South Carolina corporate law.

1.7 "Builder":

Any Person which purchases one (1) or more Lots for the purpose of constructing improvements thereon for later sale to consumers or which purchases one or more parcels of land within the Properties for further subdivision, development, and resale in the ordinary course of such Person's business.

1.8 "By-Laws":

The By-Laws of The Cliffs Valley Community Association, Inc., attached hereto as Exhibit "E" and incorporated by reference, as they may be amended from time to time.

1.9 "Class 'B' Control Period":

The period of time during which the Class "B" Member is entitled to appoint a majority of the members of the Board of Directors, as provided in Section 3.1(b) of the By-Laws.

1.10 "Common Area":

All real and personal property which the Association now or hereafter owns, leases or otherwise holds possessory or use rights in for the use and enjoyment of the Owners. The term shall include the Exclusive Common Area, as defined below.

1.11 "Common Expenses":

The actual and estimated expenses incurred, or anticipated to be incurred, by the Association for the general benefit of all Owners, including any reasonable reserve, all as may be found to be necessary and appropriate by the Board pursuant to this Declaration, the By-Laws, and the Articles of Incorporation of the Association.

1.12 "Community-Wide Standard":

The standard of conduct, maintenance, or other activity generally prevailing throughout the Properties. Such standard may be more specifically determined by the Board of Directors and the New Construction Committee.

1.13 "Covenant to Share Costs":

Any agreement or contract between the Association and an owner or operator of property adjacent to the Properties for the allocation of expenses that benefit both the Association and the owner or operator of such property.

1.14 "Declarant":

Refers to the Cliffs Valley Declarant; and by its consent hereto, the Cliffs Valley North Declarant does hereby assign, set over and convey to the Cliffs Valley Declarant any and all rights, powers, reservations, easements, licenses, approvals, and consents, and the Cliffs Valley Declarant does hereby assume any and all duties and obligations, relating to or directly involving those Properties which were previously subject solely to the Cliffs Valley North Declaration and arising thereunder; provided further, however, if any such rights, powers reservations, easements, licenses, approvals, consents, duties or obligations relate solely to and run with any of the Properties owned by the Cliffs Valley North Declarant, the exercise or assumption thereof, as the case may be, by the Declarant shall be as "Attorney in Fact" for the Cliffs Valley North Declarant, a power-of-attorney, coupled with an interest and irrevocable.

(a) "Cliffs Valley Declarant":

Refers to the Cliffs at Glassy Inc., a South Carolina corporation, Declarant under the Cliffs Valley Declaration.

(b) "Cliffs Valley North Declarant":

Refers to The Cliffs at Panther Mountain, Inc., a North Carolina corporation, Declarant under the Cliffs Valley North Declaration.

1.15 "Declaration":

This "Second Amended and Restated Declaration of Covenants, Conditions and Restrictions."

(a) "Cliffs Valley Declaration"

Refers to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Cliffs Valley dated April 1, 1995, and recorded in the ROD for Greenville County, South Carolina at Deed Book 1612, Page 1176.

(b) "Cliffs Valley North Declaration"

Refers to the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Cliffs Valley North dated June 24, 1996, and recorded in the ROD for Henderson County, North Carolina at Deed Book 901, Page 469.

1.16 "Exclusive Common Area":

A portion of the Common Area which the Association now or hereafter owns, leases, or otherwise holds possessory or use rights in for the exclusive use or primary benefit of one (1) or more, but less than all, Neighborhoods, as more particularly described in Article 2.

1.17 "Lot":

Each numbered, platted lot, whether improved or unimproved, shown on any subdivision plat of the Properties, which is intended for development, use, and occupancy as a residence for a single family. The term shall refer to the land, if any, which is part of the Lot as well as any improvements thereon. The term shall not include Common Areas, common property of any Neighborhood Association, or property dedicated to the public.

In the case of a parcel of vacant land, which has not been platted, the parcel shall be deemed to contain the number of Lots designated for residential use on the site plan approved by the Declarant until such time as the parcel is shown on a subdivision plat.

1.18 "Member":

A Person entitled to membership in the Association.

1.19 "Mortgage":

A mortgage, a deed of trust, a deed to secure debt, security deed, and any and all other similar instruments used for the purpose of encumbering real property as security for the payment or satisfaction of an obligation.

1.20 "Mortgagee":

A beneficiary or holder of a Mortgage.

1.21 "Neighborhood":

A separately developed residential area within the Properties, whether or not governed by a Neighborhood association, in which the Owners of Lots may have common interests other than those common

to all Members of the Association. For example, and by way of illustration and not limitation, each patio home development and single-family detached housing development may each constitute a separate Neighborhood, or a Neighborhood may be comprised of more than one (1) housing type with other features in common. In addition, a parcel of land intended for development as any of the above may constitute a Neighborhood, subject to division into more than one (1) Neighborhood upon development.

Where the context permits or requires, the term Neighborhood shall also refer to the Neighborhood Committee (established in accordance with the By-Laws) or Neighborhood Association (as described in Article 2 of this Declaration) having concurrent jurisdiction over the property within the Neighborhood. Neighborhood boundaries may be established and modified as provided in Article 2 of this Declaration.

1.22 "Neighborhood Assessments":

Assessments levied against the Lots in a particular Neighborhood or Neighborhoods to fund Neighborhood Expenses, as more particularly described in Sections 10.1 and 10.4.

1.23 "Neighborhood Association":

Any owners association having concurrent jurisdiction with the Association over any part of the Properties.

1.24 "Neighborhood Expenses":

The actual and estimated expenses incurred or anticipated to be incurred by the Association for the benefit of Owners of Lots within a particular Neighborhood or Neighborhoods, which may include a reasonable reserve for capital repairs and replacements, all as may be specifically authorized from time to time by the Board of Directors and as more particularly authorized herein or in any Supplemental Declaration applicable to a particular Neighborhood.

1.25 "Owner":

One (1) or more Persons who hold the record title to any Lot, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. If a Lot is under a recorded contract of sale, and the contract specifically so provides, the purchaser (rather than the fee owner) will be considered the Owner.

1.26 "Person":

A natural person, a corporation, a partnership, a trustee, or any other legal entity.

1.27 "Private Amenities":

Certain real property and any improvements and facilities thereon located adjacent to, in the vicinity of, or within the Properties, which are privately owned and operated by Persons other than the Association for recreational, commercial and related purposes, such as the golf course and any other facility owned by The Cliffs at Glassy, Inc. Private Amenities may also include without limitation any hotel, inn, restaurant, and amphitheater.

1.28 "Properties":

Refers collectively to the properties known as Cliffs Valley Property and Cliffs Valley North Property which are more fully described in Exhibit "A", attached hereto together with such additional property as is hereafter subjected to this Declaration in accordance with Article 9 hereof.

(a) "Cliffs Valley Property":

Refers to the property described in Exhibit "A", Section A-1.

(b) "Cliffs Valley North Property":

Refers to the property described in Exhibit A, Section A-2.

1.29 "Special Assessment":

An assessment levied in accordance with Section 10.6.

1.30 "Supplemental Declaration":

An amendment or supplement to this Declaration filed pursuant to Article 9 which subjects additional property to this Declaration and/or imposes, expressly or by reference, additional restrictions and obligations on the land described therein. The terms shall also refer to an instrument filed by the Declarant pursuant to Article 2, which designates Neighborhoods.

Article 2. Use Of Property And Neighborhoods

2.1 Common Area.

Every owner shall have a right and nonexclusive easement of use, access, and enjoyment in and to the Common Area, subject to:

(a) This Declaration and any other applicable covenants, as they may be amended from time to time, and subject to any restrictions or limitations contained in any deed conveying such property to the Association;

(b) The right of the Board to adopt rules regulating the use and enjoyment of the Common Area, including rules limiting the number of guests who may use the Common Area;

(c) The right of the Board to suspend the right of an Owner to use recreational facilities, if any, within the common Area (i) for any period during which any charge against such Owner's Lot remains delinquent, and (ii) for a period not to exceed thirty (30) days for a single violation, or for a longer period in the case of any continuing violation, of the Declaration, any applicable Supplemental Declaration, the By-Laws, or rules of the Association after notice and a hearing pursuant to Section 3.3(f) of the Bylaws;

(d) The right of the Association, acting through the Board, to dedicate or transfer all or any part of the Common Area pursuant to Section 4.8;

(e) The right of the Association, acting through the Board, to mortgage, pledge, or hypothecate any or all of its real or personal property as security for money borrowed or debts incurred, subject to the approval requirements set forth in Section 14.2; and

(f) The rights of certain Owners to the exclusive use of those portions of the Common Area designated "Exclusive Common Ares," as more particularly described in a Section 2.3.

Any Owner may extend his or her right of use and enjoyment to the members of, his or her family, lessees, and social invitees, as applicable, subject to reasonable regulation by the Board and in accordance with procedures it may adopt. An Owner who leases his or her Lot shall be deemed to have assigned all such rights to the lessee of such Lot.

2.2. Neighborhoods.

(a) Creation.

The Declarant, in its sole discretion, may establish Neighborhoods within the Properties described in Exhibit "A" to this Declaration and any Supplemental Declaration. Declarant may assign property described therein or property already submitted to the Declaration to a specific Neighborhood by name, which Neighborhood may be then existing or newly created. If Neighborhoods are established, all Lots not specifically assigned to a Neighborhood shall be deemed assigned to the same Neighborhood.

The Lots within a particular Neighborhood may be subject to additional covenants and/or the Owners within the Neighborhood may be mandatory members of a Neighborhood Association in addition to the Association. However, a Neighborhood Association shall not be required except as required by law. Any Neighborhood that does not have a Neighborhood Association may have a Neighborhood Committee, as described in Section 5.3 of the By-Laws, to represent the interests of Owners of Lots in such Neighborhood.

(b) Modification.

The Declarant may unilaterally amend this Declaration or any Supplemental Declaration from time to time to establish or to re-designate Neighborhood boundaries; provided, however, two (2) or more Neighborhoods shall not be combined without the consent of Owners of a majority of the lots in the affected Neighborhoods. If Neighborhoods are established, the Owners of a majority of the total number of Lots within any Neighborhood may at any time petition the Board of Directors to divide the property comprising the Neighborhood into two (2) or more Neighborhoods. Such petition shall be in writing and shall include a plat of survey of the entire parcel that indicates the boundaries of the proposed Neighborhood(s) or otherwise identifies the Lots to be included within the proposed Neighborhood(s). Such petition shall be granted upon the filing of all required documents with the Board unless the Board of Directors denies such application in writing within thirty (30) days following its receipt thereof. The Board may deny an application only upon determination that there is no reasonable basis for distinguishing between the areas proposed to be divided into separate Neighborhoods. All applications and copies of any denials shall be filed with the books and records of the Association and shall be maintained as long as this Declaration is in effect.

(c) Powers of the Association Relating to Neighborhoods.

The Association shall have the power to veto any action taken or contemplated to be taken by any Neighborhood Association that the Board reasonably determines to be adverse to the interests of the Association or its Members or inconsistent with the Community-Wide Standard. The Association also shall have the power to require specific action to be taken by any Neighborhood Association in connection with its obligations and responsibilities hereunder or under any other covenants affecting the Properties. Without limiting the generality of the foregoing, the Association may (a) require specific maintenance or repairs or aesthetic changes to be effectuated by the Neighborhood Association, and (b) require that a proposed budget include certain items and that expenditures be made therefor.

Any action required by the Association in a written notice pursuant to the foregoing paragraph to be taken by a Neighborhood Association shall be taken within the reasonable time frame set by the Association in such written notice. If the Neighborhood Association fails to comply with the requirements set forth in such written notice, the Association shall have the right to effect such action on behalf of the Neighborhood Association. To cover the Association's administrative expenses in connection with the foregoing and to discourage failure to comply with the requirements of the Association, the Association shall assess the Lots in such Neighborhood for their pro rata share of any expenses incurred by the Association in taking such action in the manner provided in Section 10.7. Such assessments may be collected as a Benefited Assessment hereunder and shall be subject to all lien rights provided for herein.

Since a Neighborhood Committee is a committee of the Association, the Board shall have all of the power and control over any Neighborhood Committee that it has under applicable law over other committees of the Association. The authority of the Board shall include, without limitation, the power to veto any action taken or contemplated to be taken by any Neighborhood Committee and to require specific action to be taken by any Neighborhood Committee in connection with its obligations and responsibilities hereunder or under any other covenants affecting the Properties.

2.3. Exclusive Common Area.

Certain portions of the Common Area may be designated as Exclusive Common Area and reserved for the exclusive use or primary benefit of Owners and occupants of Lots within a particular Neighborhood or Neighborhoods. By way of illustration and not limitation, Exclusive Common Area may include entry features, landscaped medians and cul-de-sacs, ponds and other portions of the Common Area within a particular Neighborhood or Neighborhoods. All costs associated with maintenance, repair, replacement, and insurance of an Exclusive Common Area shall be assessed as a Neighborhood Assessment against the Owners of Lots in those Neighborhoods to which the Exclusive Common Area is assigned.

Initially, any Exclusive Common Area shall be designated as such and the exclusive use thereof shall be assigned in the deed by which the Declarant conveys the Common Area to the Association or on the plat of survey relating to such Common Area; provided, any such assignment shall not preclude the Declarant from later assigning use of the same Exclusive Common Area to additional Lots and/or Neighborhoods, so long as the Declarant has a right to subject additional property to this Declaration pursuant to Section 9.1. Thereafter, a portion of the Common Area may be assigned as Exclusive Common Area of a particular Neighborhood or Neighborhoods and Exclusive Common Area may be reassigned only upon the vote of Members holding a majority of the total votes in the Association, including a majority of the votes within the Neighborhood(s) to which the Exclusive Common Area is assigned, if applicable, and within the Cliffs Valley & Cliffs Valley North

Declaration of Covenants, Conditions and Restrictions

Page 9 of 50

NPMB1:3493.9-(CEM) 021723-00005

Neighborhood(s) to which the Exclusive Common Area is to be assigned. As long as the Declarant or the Cliffs Valley North Declarant owns any property described on Exhibits "A" or "B" for development and/or sale, any such assignment or reassignment shall also require the consent of the Declarant.

The Association may, upon approval of a majority of the members of the Neighborhood Committee or Board of Directors of the Neighborhood Association for the Neighborhoods to which certain Exclusive Common Areas are assigned, permit Owners of Lots in other Neighborhoods to use all or a portion of such Exclusive Common Areas upon payment of reasonable user fees, which fees shall be used to offset the Neighborhood Expenses attributable to such Exclusive Common Areas.

Article 3. Membership And Voting Rights

3.1 Membership.

Every Owner shall be deemed to have a membership in the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.

No Owner, whether one (1) or more Persons, shall have more than one (1) membership per Lot owned. In the event a Lot is owned by more than one (1) Person, all co-Owners shall be entitled to the privileges of membership, subject to the restrictions on voting set forth in Section 3.2 and in the By-Laws and all such co-Owners shall be jointly and severally obligated to perform the responsibilities of Owners hereunder. The membership rights and privileges of an Owner who is a natural person may be exercised by the Member or the Member's spouse. The membership rights of an Owner which is a corporation, partnership or other legal entity shall be exercised by the individual designated from time to time by the Owner in a written instrument provided to the Secretary of the Association.

3.2 Voting.

The Association shall have two (2) classes of membership, Class 'A and Class "B."

(a) Class "A".

Class "A" Members shall be all Owners except the Class "B" Member, if any. Class "A" Members shall be entitled to one (1) equal vote for each Lot in which they hold the interest required for membership under Section 3.1; there shall be only one (1) vote per Lot.

In any situation where there is more than one (1) Owner of a particular Lot, the vote for such Lot shall be exercised as such co-Owners determine among themselves and advise the Secretary to the Association in writing prior to any meeting. In the absence of such advice, the Lot's vote shall be suspended if more than one (1) Person seeks to exercise it.

(b) Class "B".

The sole Class "B" Member shall be the Declarant. The Class "B" Member shall be entitled to one (1) equal vote for each Lot that it or the Cliffs Valley North Declarant owns which is submitted to the Declaration, and such vote shall be weighted equally to the vote allocated to each Class "A" Member. The Class "B" Member shall be entitled to appoint a majority of the members of the Board of Directors during

the Class "B" Control Period, as specified in Section 3.1(b) of the By-Laws. After termination of the Class "B" Control Period, the Class "B" Member shall have a right to disapprove actions of the Board of Directors and committees as provided in Section 3.1(c) of the By-Laws. Additional rights of the Class "B" Member are specified elsewhere in the Declaration and the By-Laws.

The Class "B" membership shall terminate and become converted to Class "A" membership upon the earlier of:

- (i) two (2) years after expiration of the Class "B" Control Period pursuant to Article 3 of the By-Laws; or
- (ii) when, in its discretion, the Declarant so determines and declares in a recorded instrument.

Article 4. Association Functions

4.1 Common Area.

The Association, subject to the rights of the Owners set forth in this Declaration, shall be responsible for the exclusive management and control of the Common Area and all improvements thereon (including, without limitation, furnishings, equipment, and common landscaped areas) and shall keep it in good, clean, attractive, and sanitary condition, order, and repair, pursuant to the terms and conditions hereof and consistent with Community-Wide Standard.

4.2 Personal Property and Real Property for Common Use.

The Association, through action of its Board of Directors, may acquire, hold and dispose of tangible and intangible personal property and real property. The Declarant or its designee may convey to the Association improved or unimproved real estate located within the property described in Exhibits "A" or "B," personal property and leasehold and other property interests. Upon conveyance or dedication by the Declarant to the Association, such property shall be accepted by the Association and thereafter shall be maintained by the Association at its expense for the benefit of its Members, subject to any restrictions or limitations set forth in the deed of conveyance.

4.3 Rules and Regulations.

The Association, through its Board of Directors, may make, modify and enforce reasonable rules and regulations governing the use of the Properties, which rules and regulations shall be consistent with the rights and duties established by this Declaration. Such rules and regulations shall be binding upon all Owners, occupants, invitees, and licensees, if any until and unless overruled, cancelled, or modified at a regular or special meeting of the Association by the vote of Members holding at least sixty-seven percent (67%) of the total Class "A" votes in the Association and by the Class "B" Member, so long as such membership shall exist.

4.4 Enforcement.

The Association shall be authorized to impose sanctions for violations of this Declaration, the By-Laws, or rules and regulations. Sanctions may include reasonable monetary fines and suspension of the right to vote and to use any recreational facilities within the Common Area. In addition, the Association, through the Board, in accordance with Section 3.3(f) of the By-Laws, shall have the right to exercise self-help to cure violations and shall be entitled to suspend any services provided by the Association to any Owner or such Owner's Lot in the event that such Owner is more than thirty (30) days delinquent in paying any assessment or other charge due to the Association. The Board shall have the power to seek relief in any court for violations or to abate nuisances. Sanctions shall be imposed as provided in the By-Laws.

4.5 Implied Rights.

The Association may exercise any other right or privilege given to it expressly by this Declaration or the By-Laws. The Association may also exercise every other right or privilege reasonably implied from the existence of any right or privilege given to it herein or reasonably necessary to effectuate any such right or privilege.

4.6 Governmental Interests.

For so long as the Declarant or the Cliffs Valley North Declarant owns any property described on Exhibits "A" or "B," the Association shall permit the Declarant to designate sites within the Properties for fire, police, water and sewer facilities, parks, and other public facilities. The sites may include portions of the Common Areas and upon written notice from Declarant, the Association shall execute such documents as may be necessary to convey or dedicate property for such purposes.

4.7 Indemnification.

The Association, to the fullest extent allowed by applicable law and in accordance therewith, shall indemnify every officer, director, and committee member again any and all damages and expenses, including counsel fees, reasonably incurred by or imposed upon such officer, director, or committee member in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which he or she may be a party by reason of being or having been an officer, director, or committee member.

The officers, directors, and committee members shall not be liable for any mistake of judgment, negligent or otherwise, except for their own individual willful misfeasance, malfeasance, misconduct, or bad faith. The officers and directors shall have no personal liability with respect to any contract or other commitment made by them in good faith on behalf of the Association (except to the extent that such officers or directors may also be Members of the Association). The Association shall indemnify and forever hold each such officer, director and committee member free and harmless against any and all liability to others on account of any such contract or commitment. Any right to indemnification provided for herein shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Association shall, as a Common Expense, maintain adequate general liability and officers and directors liability insurance to fund this obligation, if such insurance is reasonably available.

4.8 Dedication of Common Areas.

The Board shall have the power to dedicate portions of the Common Areas to any local, state, or federal governmental entity, subject to such approval as may be required by Section 14.2.

4.9 Security.

The Association may, but shall not be obligated to, maintain or support certain activities within the Properties designed to make the Properties safer than they otherwise might be.

Neither the Association, the Declarant, nor any successor Declarant, nor the Cliffs Valley North Declarant shall in any way be considered insurers or guarantors of security within the Properties. Neither the Association, the Declarant, nor any successor declarant, nor the Cliffs Valley North Declarant shall be held liable for any loss or damage for failure to provide adequate security or ineffectiveness of security measures undertaken.

All Owners and occupants of any Lot, and all tenants, guests, and invitees of any Owner, acknowledge that the Association, and its Board of Directors, the Declarant, any successor declarant, and New Construction and Modifications Committees do not represent or warrant that any entry gate, patrolling of the Properties, or other security system designated by or installed according to guidelines established by the Declarant or the New Construction or Modifications Committees may not be compromised or circumvented; nor that any entry gate, patrolling of the Properties, or other security systems will prevent loss by burglary, theft, hold-up, or otherwise; nor that entry gate, patrolling of the Properties or other security systems will in all cases provide the detection or protection for which the system is designed and intended.

All Owners and occupants of any Lot, and all tenants, guests, and invitees of any Owner, acknowledge and understand that the Association, its Board of Directors, committees, Declarant, or any successor declarant are not insurers.

All Owners and occupants of any Lot and all tenants, guests, and invitees of any Owner assume all risks for loss or damage to Persons, to Lots, and to the contents of Lots and further acknowledge that the Association, its Board of Directors, committees, the Declarant, or any successor declarant have made no representations or warranties, or has any Owner, occupant, or any tenant, guest, or invitee of any Owner relied upon any representation or warranties, expressed or implied, relative to any entry gate, patrolling of the properties or other security systems recommended or installed or any security measures undertaken within the Properties.

4.10 Covenant(s) to Share Costs.

So long as the Class "B" membership exists, the Declarant may, but shall not be obligated to, execute and record various declarations, covenants, and deed restrictions which may constitute covenants running with the title to certain parcels of land outside the Properties, assigning to the owners and occupants of such parcels and their members, guests, employees, agents and invitees, as applicable, certain rights to use all or portions of the Common Areas and obligating the owners of such parcels to share in the certain costs incurred by the Association which benefit such parcels. Such Covenants to Share Costs may expand the Area

of Common Responsibility and provide remedies to the owners of such parcels for the Association's failure to perform. Upon request of the Declarant, the Association shall join in such Covenants to Share Costs. The Association shall comply with the terms of any and all such Covenants to Share Costs.

Article 5. Maintenance

5.1 Association's Responsibility.

The Association shall maintain and keep in good repair the Area of Common Responsibility, such maintenance to be funded as hereinafter provided. The Area of Common Responsibility shall include, but need not be limited to: (1) all landscaping and other flora, parks, scenic overlooks, structures, and improvements, including bike and pedestrian pathways/trails serving the Properties or situated upon the Common Area; (2) any private streets shown on any recorded plat of the Properties serving the Properties or situated upon the Common Area or a Lot; and (3) such portions of any additional property included within the Area of Common Responsibility as may be dictated by this Declaration, any Supplemental Declaration, any Covenant to Share Costs, or any covenant, contract, or agreement for maintenance thereof entered into by the Association.

The Association may maintain other property that it does not own, including, without limitation, property dedicated to the public, if the Board of Directors determines that such maintenance is necessary or desirable to maintain the Community-Wide Standard.

Except as otherwise specifically provided herein, all costs associated with maintenance, repair and replacement of the Area of Common Responsibility shall be a Common Expense to be allocated among all Lots as part of the Base Assessment; provided, however, all costs associated with maintenance, repair and replacement of Exclusive Common Area shall be a Neighborhood Expense assessed as a Neighborhood Assessment solely against the Lots within the Neighborhoods to which the Exclusive Common Area is assigned.

5.2 Owners Responsibility.

Except to the extent otherwise specifically provided above, each Owner shall maintain his or her Lot and all structures, parking areas, and other improvements on the Lot in a manner consistent with the Community Wide Standard and all applicable covenants, unless such maintenance responsibility is otherwise assumed by or assigned to the Association or a Neighborhood pursuant to any Supplemental Declaration or other declaration of covenants applicable to such Lot. In addition to any other enforcement rights available to the Association, if any Owner fails properly to perform his or her maintenance responsibility, the Association may perform such maintenance responsibilities and assess all costs incurred by the Association against the Lot and the Owner in accordance with Section 10.7. However, the Association shall afford the Owner reasonable notice and an opportunity to cure the problem prior to entry, except when entry is required due to an emergency situation.

5.3 Neighborhood's Responsibility.

Upon resolution of the Board or pursuant to additional covenants applicable to the Neighborhood, a Neighborhood may be delegated responsibility for operating, maintaining and insuring certain portions of the Area of Common Responsibility which are the responsibility of the Association within

or adjacent to such Neighborhood. This may include, without limitation, maintaining any signage, entry features, right-of-way and greenspace between the Neighborhood and adjacent public roads, private streets within the Neighborhood, and ponds within the Neighborhood, regardless of ownership and regardless of the fact that such maintenance may be performed by the Association; provided, however, all Neighborhoods which are similarly situated shall be treated the same. The costs of such operation, maintenance, and insurance shall be paid by the Owners within such Neighborhood though either Neighborhood Assessments established by the Board or assessment of the Owners within such Neighborhood by the Neighborhood Association assigned such responsibility.

Any Neighborhood having responsibility for maintenance of all or a portion of the property within such Neighborhood shall perform such maintenance responsibility in a manner consistent with the Community-Wide Standard. If any Neighborhood fails, in the opinion of the Board, to perform its maintenance responsibility as required herein and in any additional covenants, the Association may perform it and assess the costs against all Lots within such Neighborhood as provided in Section 10.7. In addition, the Association may assume such maintenance responsibility by agreement with the Neighborhood and assess the costs thereof as a Neighborhood Assessment against those Lots within the Neighborhood to which the services are provided. The provision of services in accordance with this paragraph shall not constitute discrimination within a class.

5.4 Standard of Performance.

Unless otherwise specifically provided herein or in other instrument creating and assigning such maintenance responsibility, responsibility for maintenance shall include responsibility for repair and replacement, as necessary. All maintenance shall be performed in a manner consistent with the Community-Wide Standard and all applicable covenants. Neither the Association, the Declarant, any Owner nor any Neighborhood shall be liable for any damage or injury occurring on, or arising out of the condition of, property which it does not own except to the extent that it has been negligent in the performance of its maintenance responsibilities hereunder.

5.5 Party Walls, Party Fences and Party Driveways.

(a) Applicability.

Each wall, fence or driveway built as a part of the original construction on the Lots:

- (i) any part of which is built upon or straddling the boundary line between two adjoining Lots; or
- (ii) which is built within four feet of the boundary line between adjoining Lots, has no windows or doors, and is intended to serve as a privacy wall for the benefit of the adjoining Lot; or
- (iii) which, in the reasonable determination of the Board, otherwise serves and/or separates two adjoining Lots, regardless of whether constructed wholly within the boundaries of one Lot;

shall constitute a party wall, party fence, or party driveway, respectively (herein referred to as "party structures"). The Owners of each such Lot (the "Adjoining Owners") shall own that portion of the party structure lying within the boundaries of their respective Lots and shall have an easement for use and enjoyment and, if needed, for support, in that portion, if any, of the party structure lying within the boundaries of the adjoining Lot.

(b) Maintenance.

Upon written request of either Adjoining Owner, which request is delivered to the Board with a copy to the other Adjoining Owner, and agreement of the Board that a party structure is in need of maintenance, repair or replacement, the Board shall perform the necessary maintenance, repair or replacement of the party structure on behalf of the Owners. Except as otherwise provided in subsection (c) below, all costs of such maintenance, repair or replacement shall be assessed equally to the Adjoining Owners and their Lots as a Benefited Assessment under Section 10.7.

(c) Damage and Destruction.

Each Adjoining Owner shall be responsible for maintaining a property insurance policy on that portion of any party structure lying within the boundaries of such Owner's Lot, as more particularly provided in Section 6.3., and shall be entitled to all insurance proceeds paid under such policy on account of any insured loss.

If a party structure is destroyed or damaged by fire or other casualty, the Board shall proceed promptly to repair or restore the party structure and shall assess all costs incurred against the Adjoining Owner who is responsible for insuring the party structure and against his or her Lot as a Benefited Assessment under Section 10.7. If both Adjoining Owners are responsible for insuring portions of the party structure, then such costs shall be assessed equally against the Adjoining Owners and their Lots. However, nothing herein shall prejudice the right of either Adjoining Owner to recover from the other under any rule of law regarding liability for negligent or willful acts or omissions.

Article 6. Insurance

6.1 Association Insurance.

The Association, acting through its Board or its duly authorized agent, shall obtain and continue in effect if reasonably available the following types of insurance:

(a) Blanket property insurance covering "risks of direct physical loss" on a "special form" basis (or comparable coverage by whatever name denominated) for all insurable improvements on the Common Area and on other portions of the area of Common Responsibility to the extent that it has assumed responsibility for maintenance, repair and/or replacement in the event of a casualty. In addition, the Association may, upon request of a Neighborhood, and shall, if so specified in a Supplemental Declaration applicable to the Neighborhood, obtain and continue in effect property insurance covering "risks of direct physical loss" on a "special form" basis for all insurable improvements in the Neighborhood. If "risks of direct physical loss" on a "special form" basis is not generally available at reasonable cost, then "broad form" coverage may be substituted. All property insurance policies obtained by the Association shall have policy limits sufficient to cover the full insurable replacement cost of the insured property. Costs of property

insurance obtained by the Association on behalf of a Neighborhood shall be charged to the Owners of Lots within the benefited Neighborhood as a Neighborhood Assessment;

(b) Commercial general liability policy on the Area of Common Responsibility, insuring the Association and its Members for damage or injury caused by the negligence of the Association or any of its Members, employees, agents, or contractors while acting on its behalf. If generally available at reasonable cost, the commercial general liability policy shall have a limit of at least \$1,000,000.00 per occurrence with respect to bodily injury, personal injury, and property damage;

(c) Workers compensation insurance and employers liability insurance if and to the extent required by law;

(d) Directors and officers' liability coverage;

(e) Fidelity insurance covering all persons responsible for handling Association funds in an amount determined by its best business judgment but not less than one-sixth of the annual Base Assessments on all Lots plus reserves on hand. Fidelity insurance policies shall contain a waiver of all defenses based upon the exclusion of persons serving without compensation; and

(f) Such additional insurance as the Board, in its best business judgment, determines advisable.

(g) The Association shall have no insurance responsibility for any part of property of any Private Amenity.

6.2 Association Policy Requirements.

The Association shall arrange for an annual review of the sufficiency of insurance coverage by one or more qualified persons, at least one of whom must be familiar with insurable replacement costs in the Greenville County, South Carolina and Henderson County, North Carolina, areas.

All Association policies shall provide for a certificate of insurance to be furnished to each Member insured, to the Association, and to the Neighborhood Association, if any.

Except as otherwise provided in Section 6.1 with respect to property within a Neighborhood, premiums for all insurance on the Area of Common Responsibility shall be Common Expenses and shall be included in the Base Assessment. However, premiums for insurance on Exclusive Common Areas may be included in the Neighborhood Assessment of the Neighborhoods benefited unless the Board reasonably determines that other treatment of the premiums is more appropriate.

The policies may contain a reasonable deductible and the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals the coverage required hereunder. In the event of an insured loss, the deductible shall be treated as a Common Expense or a Neighborhood Expense in the same manner as the premiums for the applicable insurance coverage. However, if the Board reasonably determines, after notice and an opportunity to be heard in accordance with Section 3.3(f) of the By-Laws, that the loss is the result of the negligence or willful conduct

of one or more Owners, their guests, invitees, or lessees, then the Board may assess the full amount of such deductible against such Owners and their Lots in accordance with Section 10.7.

(a) All insurance coverage obtained by the Board shall:

(i) Be written with a company authorized to do business in the States of North and South Carolina, as applicable to the situs of the insured property, which satisfies the requirements of the Federal National Mortgage Association, or such other secondary mortgage market agencies or federal agencies as the Board requires;

(ii) Be written in the name of the Association as trustee for the benefited parties. Policies on the Common Area shall be for the benefit of the Association and its Members. Policies secured on behalf of a Neighborhood shall be for the benefit of the Neighborhood Association, if any, the Owners of Lots within the Neighborhood, and their Mortgagees, as their interests may appear,

(iii) Not be brought into contribution with insurance purchased by individual Owners, occupants, or their Mortgagees;

(iv) Contain an inflation guard endorsement; and

(v) Include an agreed amount endorsement if the policy contains a coinsurance clause.

(b) In addition, the Board shall be required to use reasonable efforts to secure insurance policies providing the following:

(i) A waiver of subrogation as to any claims against the Association's Board, officers, employee, and its manager, the Owners and their tenants, servants, agents, and guests;

(ii) A waiver of the insurer's right to repair and reconstruct instead of paying cash;

(iii) An endorsement precluding cancellation, invalidation, suspension, or non-renewal by the insurer on account of any one or more individual Owners, or on account of any curable defect or violation without prior written demand to the Association to cure the defect or violation and allowance of a reasonable time to cure;

(iv) An endorsement excluding individual Owners' policies from consideration under any "other insurance" clause;

(v) An endorsement requiring at least 30 days prior written notice to the Association of any cancellation, substantial modification, or nonrenewal;

(vi) A cross liability provision;

(vii) Vest in the Board exclusive authority to adjust losses; provided, however, no Mortgagee having an interest in such losses may be prohibited from participating in the settlement negotiations, if any, related to the loss; and

(viii) List the Lot Owners as additional insureds under the policy.

6.3 Owners Insurance.

By virtue of taking title to a Lot, each Owner covenants and agrees with all other Owners and with the Association to carry property insurance for the full insurable replacement cost of his or her Lot, less a reasonable deductible, and liability insurance, unless either the Neighborhood in which the Lot is located or the Association carries such insurance (which they are not obligated to do hereunder).

Each Owner further covenants and agrees that in the event of damage to or destruction of structures on or comprising a Lot, the Owner shall proceed promptly to repair or to reconstruct in a manner consistent with the original construction or such other plans and specifications as are approved in accordance with Article 11 of this Declaration. Alternatively, the Owner shall clear the Lot of all debris and ruins and maintain the Lot in a neat and attractive, landscaped condition consistent with the Community-Wide Standard. The Owner shall pay any costs that are not covered by insurance proceeds.

Additional recorded covenants applicable to any Neighborhood may establish more stringent requirements regarding the standards for rebuilding or reconstructing structures on the Lots within such Neighborhood and the standards for clearing and maintaining the Lots in the event the structures are not rebuilt or reconstructed.

6.4 Damage and Destruction.

(a) Immediately after damage or destruction to all or any part of the Properties covered by insurance written in the name of the Association, the Board or its duly authorized agent shall file and adjust all insurance claims and obtain reliable and detailed estimates of the cost of repair or reconstruction. Repair, or reconstruction, as used in this paragraph, means repairing or restoring the property to substantially the condition in which it existed prior to the damage, allowing for changes or improvements necessitated by changes in applicable building codes.

(b) Any damage to or destruction of the Common Area shall be repaired or reconstructed unless Members holding at least sixty-seven percent (67%) of the total Class "A" votes in the Association and the Class "B" Member, if any, decide within sixty (60) days after the loss not to repair or reconstruct.

(c) Any damage to or destruction of the common property of any Neighborhood Association shall be repaired or reconstructed unless the Owners holding at least sixty-seven (67%) of the total vote of the Neighborhood Association decide within sixty (60) days after the damage or destruction not to repair or reconstruct.

(d) If either the insurance proceeds or reliable and detailed estimates of the cost of repair or reconstruction, or both, are not available to the Association within such 60-day period, then the period may be extended for not more than sixty (60) additional days. No Mortgagee shall have the right to participate in

the determination of whether the damage or destruction to the Common Area or common property of a Neighborhood Association shall be repaired or reconstructed.

(e) If determined in the manner described above that the damage or destruction to the Common Area or to the common property of any Neighborhood Association shall not be repaired or reconstructed and no alternative improvements are authorized, the affected property shall be cleared of all debris and ruins and thereafter shall be maintained by the Association or the Neighborhood Association, as applicable, in a neat and attractive, landscaped condition consistent with the Community-Wide Standard.

6.5 Disbursement of Proceeds.

Any insurance proceeds remaining after paying the costs of repair or reconstruction, or after such settlement as is necessary and appropriate shall be retained by and for the benefit of the Association or the Neighborhood Association, as appropriate, and placed in a capital improvements account. This is a covenant for the benefit of Mortgagees and may be enforced by the Mortgagee of any affected Lot.

6.6 Repair and Reconstruction.

If insurance proceeds are insufficient to cover the costs of repair or reconstruction, the Board of Directors shall, without a vote of the Members, levy Benefited Assessments against those Owners responsible for the premiums for the applicable insurance coverage under Section 6.1.

Article 7. No Partition

Except as is permitted in this Declaration or amendments hereto, the Common Area shall remain undivided, and no Owner nor any other Person shall bring any action for partition of the whole or any part thereof without the written consent of all Owners and Mortgagees.

Article 8. Condemnation

If any part of the Common Area shall be taken (or conveyed in lieu of and under threat of condemnation by the Board acting upon approval of Members holding at least sixty-seven percent (67%) of the total Class "A" votes in the Association and of the Declarant, as long as the Declarant or the Cliffs Valley North Declarant owns any property described in Exhibits "A" or "B") by any authority having the power of condemnation or eminent domain, each Owner, shall be entitled to notice thereof. The award made for such taking shall be payable to the Association as trustee for all Owners to be disbursed as follows:

If the taking involves a portion of the Common Area on which improvements have been constructed, then the Association shall restore or replace such improvements so taken on the remaining land included in the Common Area to the extent lands are available, unless within sixty (60) days after such taking the Declarant, so long as the Declarant or the Cliffs Valley North Declarant owns any property described in Exhibits "A" or "B" of this Declaration, and Members holding at least sixty-seven percent (67%) of the total Class "A" vote of the Association shall otherwise agree. Any such construction shall be in accordance with plans approved by the Board. If such improvements are to be repaired or restored, the provisions in Article 6 hereof regarding the disbursement of funds for the repair of casualty damage or destruction shall apply.

If the taking does not involve any improvements on the Common Area, or if there is a decision made not to repair or restore, or if there are net funds remaining after any such restoration or replacement is completed, then such award or net funds shall be disbursed to the Association and used for such purposes as the Board of Directors shall determine.

Article 9. Annexation And Withdrawal Of Property

9.1 Annexation Without Approval of Membership.

(a) Cliffs Valley Property:

The Cliffs Valley Declarant shall have the unilateral right, privilege, and option, from time to time at any time until December 31, 2004, to subject to the provisions of this Declaration and the jurisdiction of the Association all or any portion of the real property described in Exhibit "B", Section B-1. The Cliffs Valley 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 the Cliffs Valley Declarant, provided that such transferee or assignee shall be the developer of at least a portion of the real property described in Exhibit "A", Section A-1 or Exhibit "B", Section B-1, and that such transfer is memorialized in a written, recorded instrument executed by the Cliffs Valley Declarant. Nothing in this Declaration shall be construed to require the Cliffs Valley Declarant or any successor to annex or develop any of the property set forth in Exhibit "B", Section B-1 in any manner whatsoever.

Such annexation shall be accomplished by filing a Supplemental Declaration annexing such property in the ROD Office of Greenville County, South Carolina. Such Supplemental Declaration shall not require the consent of any Owner, but shall require the consent of the owner of such property, if other than the Cliffs Valley Declarant. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein.

(b) Cliffs Valley North Property:

The Cliffs Valley North Declarant shall have the unilateral right, privilege, and option, from time to time at any time until December 31, 2006, to subject to the provisions of this Declaration and the jurisdiction of the Association all or any portion of the real property described in Exhibit "B", Section B-2. The Cliffs Valley North 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 The Cliffs Valley North Declarant, provided that such transferee or assignee shall be the developer of at least a portion of the real property described in Exhibit "A", Section A-2 or Exhibit "B", Section B-2, and that such transfer is memorialized in a written, recorded instrument executed by the Cliffs Valley North Declarant. Nothing in this Declaration shall be construed to require the Cliffs Valley North Declarant or any successor to annex or develop any of the property set forth in Exhibit "B", Section B-2 in any manner whatsoever.

Such annexation shall be accomplished by filing a Supplemental Declaration annexing such property in the ROD Office of Henderson County, North Carolina. Such Supplemental Declaration shall not require the consent of any Owner, but shall require the consent of the owner of such property, if other than the Cliffs Valley North Declarant. Any such annexation shall be effective upon the filing for record of such Supplemental Declaration unless otherwise provided therein.

9.2 Annexation With Approval of Membership.

Subject to the consent of the owner thereof, the Association may annex real property other than that described on Exhibit "B," and following the expiration of the right in Section 9.1, any property described on Exhibit "B," (Section B-1 and Section B-2) to the provisions of this Declaration and the jurisdiction of the Association. Such annexation shall require the affirmative vote of Members holding a majority of the votes of the Association represented at a meeting duly called for such purpose and the consent of the Declarant, so long as Declarant owns property subject to this Declaration or which may become subject to this Declaration in accordance with Section 9.1.

Annexation shall be accomplished by filing a Supplemental Declaration describing the property being annexed in the public records of Greenville County, South Carolina or Henderson County, North Carolina, as applicable to the property being annexed. Any such Supplemental Declaration shall be signed by the President and the Secretary of the Association, and by the owner of the property being annexed. Any such annexation shall be effective upon filing unless otherwise provided therein.

9.3 Withdrawal of Property.

The Declarant reserves the right to amend this Declaration unilaterally at any time so long as it holds an unexpired option to annex property pursuant to this Article, without prior notice and without the consent of any Person, for the purpose of removing certain portions of the Properties then owned by the Declarant, the Cliffs Valley North Declarant or any affiliate of either or both of them or by the Association from the provisions of this Declaration, to the extent originally included in error or as a result of any changes whatsoever in the plans for the Properties desired to be effected by the Declarant, provided such withdrawal is not unequivocally contrary to the overall, uniform scheme of development for the Properties.

9.4 Additional Covenants and Easements.

The Declarant may unilaterally subject any portion of the property submitted to this Declaration initially or by Supplemental Declaration to additional covenants and easements, including covenants obligating the Association to maintain and insure such property on behalf of the Owners and obligating such Owners to pay the costs incurred by the Association through Neighborhood Assessments. Such additional covenants and easements shall be set forth in a Supplemental Declaration filed either concurrent with or after the annexation of the subject property and shall require the written consent of the owners of such property, if other than the Declarant.

9.5 Amendment Of article 9.

This Article 9 shall not be amended without the prior written consent of Declarant so long as the Declarant or the Cliffs Valley North Declarant owns any property described in Exhibits "A" or "B."

Article 10. Assessments

10.1 Creation of Assessments.

There are hereby created assessments for Association expenses as may from time to time specifically be authorized by the Board of Directors, to be commenced at the time and in the manner set forth in Section 10.9. There shall be four (4) types of assessments: (a) Base Assessments to fund Common

Expenses for the general benefit of all Lots; (b) Neighborhood Assessments for Neighborhood Expenses benefiting only Lots within a particular Neighborhood or Neighborhoods; (c) Special Assessments as described in Section 10.6; and (d) Benefited Assessments as described in Section 10.7. Each Owner, by acceptance of a deed or recorded contract of sale for any portion of the Properties, is deemed to covenant and agree to pay these assessments.

All assessments, together with interest at a rate to be set by the Board (not to exceed the highest rate allowed by South Carolina and North Carolina law) as computed from the date the delinquency first occurs, late charges, costs, and reasonable attorneys fees, shall be a charge on the land and shall be a continuing lien upon each Lot against which the assessment is made until paid, as more particularly provided in Section 10.8. Each such assessment, together with interest, late charges, costs, and reasonable attorneys fees, also shall be the personal obligation of the Person who was the Owner of such Lot at the time the assessment arose. In the event of a transfer of title to a Lot, the grantee shall be jointly and severally liable for such portion thereof as may be due and payable at the time of conveyance. However, no first Mortgagee who obtains title to a Lot pursuant to the remedies provided in the Mortgage shall be liable for unpaid assessments that accrued prior to such acquisition of title.

The Association shall, upon demand at any time, furnish to any Owner liable for any type of assessment a certificate in writing signed by an officer of the Association setting forth whether such assessment has been paid as to any particular Lot. Such certificate shall be conclusive evidence of payment of the Association of such assessment therein stated to have been paid. The Association may require the advance payment of a reasonable processing fee for the issuance of such certificate.

Assessments shall be paid in such manner and on such dates as may be fixed by the Board of Directors. If the Board so elects, assessments may be paid in installments. Unless the Board otherwise provides, the Base Assessment and any, Neighborhood Assessment shall be due and payable in advance on the first day of each fiscal year. If any Owner is delinquent in paying any assessments or other charges levied on his or her Lot, the Board may require any unpaid installments of all outstanding assessments to be paid in full immediately.

No Owner may waive or otherwise exempt himself or herself from liability for the assessments, including, by way of illustration and not limitation, by non-use of Common Area or abandonment of the Lot. The obligation to pay assessments is a separate and independent covenant on the part of each Owner. No diminution or abatement of assessment or set-off shall be claimed or allowed by reason of any alleged failure of the Association or Board to take some action or perform some function required to be taken or performed by the Association or Board under this Declaration or the By-Laws, or for inconvenience or discomfort arising from the making of repairs or improvements which are the responsibility of the Association, or from any action taken to comply with any law, ordinance, or with any order or directive of any municipal or other governmental authority.

10.2 Declarant's Obligation for Assessments.

The Declarant shall pay assessments on all Lots owned by Declarant which are subject to assessments as set forth in Section 10.9, if any. The Declarant shall pay on the same basis as any other Owner in accordance with this Article 10.

The Association is specifically authorized to enter into subsidy contracts or contracts for "in kind" contribution of services, materials, or a combination of services and materials with the Declarant or other entities for the payment of some portion of the Common Expenses.

10.3 Computation of Base Assessment.

It shall be the duty of the Board, at least ninety (90) days before the beginning of each fiscal year, to prepare a budget covering the estimated Common Expenses of the Association during the coming year. The budget shall include a capital contribution establishing a reserve and in accordance with a budget separately prepared as provided in Section 10.5.

The Base Assessment shall be levied equally against all Lots and shall be set at a level that is reasonably expected to produce total income for the Association equal to the total budgeted Common Expenses, including reserves. The Base Assessment may be increased each year without the approval of the Members by 10% per annum simple interest on a cumulative basis, excluding any capital contributions required to be paid in any one year. For instance, if the Base Assessment in year 1 is \$100, it may be increased to \$110 in year 2. If, instead, the Base Assessment in year 2 remains the same as year 1 at \$100, the Base Assessment for year 3 may be increased to \$120 without a vote of the Members. If the proposed budget would result in a Base Assessment increase exceeding 10% per annum, simple interest on a cumulative basis as aforesaid, the proposed budget and Base Assessment must be approved by a majority of the Members voting in person or by written ballot, at or for which a quorum is present or voting by ballot, as the case may be. In setting the Base Assessment, the Board shall take into account the number of Lots subject to assessment under Section 10.9 on the first day of the fiscal year for which the budget is prepared and the number of Lots reasonably anticipated to become subject to assessment during the fiscal year. In determining the level of assessments, the Board, in its discretion, may consider other sources of funds available to the Association, including any amounts due from any party pursuant to a Covenant to Share Costs.

So long as the Declarant has the right unilaterally to annex additional property pursuant to Article 9 hereof, the Declarant may elect on an annual basis, but shall not be obligated, to reduce the resulting Base Assessment for any fiscal year by payment of a subsidy (in addition to any amounts paid by Declarant under Section 10.2), which may be either a contribution, an advance against future assessments due from the Declarant, or a loan, in the Declarant's discretion. Any such subsidy shall be conspicuously disclosed as a line item in the Common Expense budget and shall be made known to the membership. The payment of such subsidy in any year shall under no circumstances obligate the Declarant to continue payment of such subsidy in future year, unless otherwise provided in a written agreement between the Association and the Declarant.

The Board shall cause a copy of the budget and notice of the amount of the Base Assessment to be levied against each Lot for the following year to be delivered to each Owner at least thirty (30) days prior to the beginning of the fiscal year for which it is to be effective. Such budget and assessment shall become effective unless disapproved at a meeting by Members holding at least sixty-seven percent (67%) of the total votes in the Association and by the Class "B" Member, if such exists. There shall be no obligation to call a meeting for the purpose of considering the budget except on petition of the Members as provided for special meetings in Section 2.4 of the By-Laws, which petition must be presented to the Board within ten (10) days after the deliver of the notice of assessments.

Notwithstanding the foregoing, however, in the event the proposed budget is disapproved or the Board fails for any reason to determine the budget for any year, then and until such time as a budget shall have been determined, the budget in effect for the immediately preceding year shall continue for the current year.

10.4 Computation of Neighborhood Assessments.

It shall be the duty of the Board, at least ninety (90) days before the beginning of each fiscal year, to prepare a separate budget covering the estimated Neighborhood expenses to be incurred by the Association for each Neighborhood on whose behalf Neighborhood Expenses are expected to be incurred during the coming year. Such budget shall include a capital contribution establishing a reserve fund for repair and replacement for capital items maintained as a Neighborhood Expense, if any, within the Neighborhood. Neighborhood Expenses shall be allocated equally among all Lots within the Neighborhood benefited thereby and levied as a Neighborhood Assessment unless otherwise specified in the Supplemental Declaration applicable to such Neighborhood or if so directed by the Neighborhood in writing to the Board of Directors.

The Board shall cause a copy of such budget and notice of the amount of the Neighborhood Assessment to be levied on each Lot in the Neighborhood for the coming year to be delivered to each Owner of a Lot in the Neighborhood at least thirty (30) days prior to the beginning of the fiscal year. Such budget and assessment shall become effective unless disapproved by a majority vote of the Owners of Lots in the Neighborhood to which the Neighborhood Assessment applies. However, there shall be no obligation to call a meeting for the purpose of considering the budget except on petition of Owners of at least ten percent (10%) of the Lots in such Neighborhood.

In the event the proposed budget for any Neighborhood is disapproved or the board fails for any reason to determine the budget for any year, then and until such time as a budget shall have been determined, the budget in effect for the immediately preceding year shall continue for the current year.

10.5 Reserve Budget and Capital Contribution.

The Board of Directors shall annually prepare reserve budgets for both general and Neighborhood purposes, which take into account the number and nature of replaceable assets, the expected life of each asset, and the expected repair or replacement cost. The Board shall set the required capital contribution in an amount sufficient to permit meeting the projected needs of the Association, as shown on the budget, with respect both to amount and timing by annual Base Assessments or Neighborhood Assessments, as appropriate, over the period of the budget. The capital contribution required, if any, shall be fixed by the Board and included within and distributed with the applicable budget and notice of assessments, as provided in Sections 10.3 and 10.4.

10.6 Special Assessments.

In addition to other assessments authorized hereunder, the Association may levy Special Assessments from time to time to cover unbudgeted expenses or expenses in excess of those budgeted. Such Special Assessment may be levied against the entire membership, if such Special Assessment is for Common Expenses, or against the Lots within any Neighborhood if such Special Assessment is for Neighborhood Expenses. Except as otherwise specifically provided in this Declaration, any Special Assessment shall have the affirmative vote or written consent of Members holding at least a majority of the total votes allocated to

Lots which will be subject to such Special Assessment, and the affirmative vote or written consent of the Class "B" Member, if such exists.

Special Assessments shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

10.7 Benefited Assessments.

The Board shall have the power to specifically assess expenses of the Association against Lots (a) receiving benefits, items, or services not provided to all Lots Within a Neighborhood or within the Properties that are incurred upon request of the Owner of a Lot for specific items or services relating to the Lot or (b) that are incurred as a consequence of the conduct of a particular Owner or Owners, occupants of such Owners' Units or their licensees, invitees, or guests. The Association may also levy a Benefited Assessment against any Lot or Neighborhood to reimburse the Association for costs incurred in bringing the Lot or Neighborhood into compliance with the provisions of the Declaration, any applicable Supplemental Declaration, the Articles, the By-Laws, and the Association rules and regulations. Such Benefited Assessments may be levied upon the vote of the Board after notice to the Owner or Neighborhood, as applicable, and an opportunity for a hearing.

10.8 Lien for Assessments.

The Association shall have a lien against each Lot to secure payment of delinquent assessments, as well as interest, late charges (subject to the limitations of applicable law), and costs of collection (including attorneys fees). Such lien shall be prior and superior to all other liens, except (a) the liens of all taxes, bonds, assessments, and other levies which by law would be superior, and (b) the lien or charge of any first Mortgage of record (meaning any recorded Mortgage with first priority over other Mortgages) made in good faith and for value. Such lien, when delinquent, may be enforced by suit, judgment, and judicial or nonjudicial foreclosure in accordance with the law of the situs of the property.

The Association, acting on behalf of the Owners, shall have the power to bid for the Lot at the foreclosure sale and to acquire, hold, lease, mortgage, and convey the Lot. During the period in which a Lot is owned by the Association following foreclosure: (a) no right of vote shall be exercised on its behalf; (b) no assessment shall be levied on it; and (c) each other Lot shall be charged, in addition to its usual assessment, its equal pro rata share of the assessment that would have been charged such Lot had it not been acquired by the Association as a result of foreclosure. Suit to recover a money judgment for unpaid Common Expenses and attorneys fees shall be maintainable without foreclosing or waiving the lien securing the same.

The sale or transfer of any Lot shall not affect the assessment lien or relieve such Lot from the lien for any assessments thereafter becoming due. However, the sale or transfer of any Lot pursuant to judicial or nonjudicial foreclosure of a first Mortgage shall extinguish the lien as to any installments of such assessments that became due prior to such sale or transfer. Where the Mortgagee holding a first Mortgage of record or other purchaser of a Lot obtains title pursuant to judicial or nonjudicial foreclosure of the Mortgage, it shall not be personally liable for the share of the Common Expenses or assessments by the Association chargeable to such Lot which became due prior to such acquisition of title. Such unpaid share of Common Expenses or assessments shall be deemed to be Common Expenses collectible from Owners of all Lots subject to assessment under Section 10.9, including such acquirer, its successors and assigns.

10.9 Date of Commencement of Assessments.

The obligation to pay the assessments provided for herein shall commence as to a Lot on the first day of the month following: (a) the month in which the Lot is made subject to this Declaration, or (b) the month in which the Board first determines a budget and levies assessments pursuant to this Article, whichever is later. The first annual Base Assessment and Neighborhood Assessment, if any, levied on each Lot shall be adjusted according to the number of months remaining in the fiscal year at the time assessments commence on the Lot.

10.10 Failure to Assess.

The omission or failure of the Board to fix the assessment amounts or rates or to deliver or mail to each Owner an assessment notice shall not be deemed a waiver, modification, or a release of any Owner from the obligation to pay assessments. In such event, each Owner shall continue to pay Base Assessments and Neighborhood Assessments on the same basis as for the last year for which an assessment was made, if any, until a new assessment is made, at which time any shortfalls in Collections may be assessed retroactively by the Association.

10.11 Capitalization of Association.

Upon acquisition of record title to a Lot by the first Owner thereof other than the Declarant or a Builder, a contribution shall be made by or on behalf of the purchaser to the working capital of the Association in an amount equal to one-sixth (1/6) of the annual Base Assessment per Lot for that year as determined by the Board. This amount shall be in addition to, not in lieu of, the annual Base Assessment levied on the Lot and shall not be considered an advance payment of any portion thereof. This amount shall be deposited into the purchase and sales escrow and disbursed therefrom to the Association for use in covering operating expenses and other expenses incurred by the Association pursuant to the terms of this Declaration and the By-Laws.

10.12 Exempt Property.

The following property shall be exempt from payment of Base Assessments, Neighborhood Assessments, Special Assessments, and Benefited Assessments:

- (a) All Common Area;
- (b) All property dedicated to and accepted by any governmental authority or public utility, including without limitation public schools, public streets, and public parks, if any; and
- (c) Property owned by an Neighborhood Association for the common use and enjoyment of its members, or owned by the members of a Neighborhood Association as tenants-in-common.

Article 11. Architectural Standards

11.1 General.

No structure shall be placed, erected, or installed upon any Lot, and no construction or modification (including staking, clearing, excavation, grading and other site work, exterior alteration or modification of existing improvements, and planting or removal of plants, trees, or shrubs) shall take place except in strict compliance with this Article, until the requirements below have been fully met, and approval of the appropriate committee has been obtained pursuant to Section 11.2.

Nothing contained herein shall be construed to limit the right of an Owner to remodel the interior of his or her Lot or to paint the interior of his or her Lot any color desired. However, modifications or alterations to the interior of screened porches, patios, and similar portions of a Lot visible from outside the Lot shall be subject to approval. No permission or approval shall be required to repaint the exterior of a structure in accordance with the originally approved color scheme or to rebuild in accordance with originally approved plans and specifications.

All dwellings constructed on any portion of the Properties shall be designed by and built in accordance with the plans and specifications of a licensed architect or other qualified building designer.

This Article shall not apply to the activities of the Declarant nor to construction or improvements or modifications to the Common Area by or on behalf of the Association.

This Article may not be amended without the Declarant's written consent so long as the Declarant or the Cliffs Valley North Declarant owns any land subject to this Declaration or subject to annexation to this Declaration.

11.2 Architectural Review.

Responsibility for administration of the Design Guidelines, as defined below, and review of all applications for construction and modifications under this Article shall be handled by two (2) committees, as described in subsections (a) and (b) of this Section. The members of the committees need not be Members of the Association or representatives of Members, and may, but need not, include architects, engineers or similar professionals, whose compensation, if any, shall be established from time to time by the Board of Directors. The Board of Directors may establish reasonable fees to be charged by the committees on behalf of the Association for review of applications hereunder and may require such fees to be paid in full prior to review of any application.

(a) New Construction Committee.

The New Construction Committee (NCC) shall consist of at least three (3), but not more than five (5), Persons and shall have exclusive jurisdiction over all original construction on any portion of the Properties. Until December 31, 2003, the Declarant retains the right to appoint all members of the New Construction Committee who shall serve at the discretion of the Declarant. There shall be no surrender of this right prior to that time except in a written instrument in recordable form executed by Declarant. Upon the expiration of such right, the Board of Directors may, at its option, appoint members of the NCC, who shall serve and may be removed at the Board's discretion, or combine the NCC and Modifications Committee into a

single architectural review committee which shall assume all rights and responsibilities for both committees under this Article.

(b) Modifications Committee.

The Board of Directors may establish a Modifications Committee (MC) to consist of at least three (3) and no more than five (5) persons, all of whom shall be appointed by, and shall serve at the discretion of, the Board of Directors. Member of the MC may include architects or similar professionals who are not members of the Association. The MC, if established, shall have jurisdiction over modifications, additions, or alterations made on or to existing structures on Lots or containing Lots and the open space, if any, appurtenant thereto. Notwithstanding the above, the NCC shall have the right to veto any action taken by the MC that the NCC determines, in its sole discretion, to be inconsistent with the guidelines promulgated by the NCC.

11.3 Guidelines and Procedures.

(a) The Declarant shall prepare the initial design and development guidelines and application and review procedures (the "Design Guidelines"), which shall be applicable to all construction activities within the Properties. The Design Guidelines may contain general provisions applicable to all of the Properties as well as specific provisions which vary from one portion of the Properties to another depending upon the location, unique characteristics, and intended use of such portion of the Properties.

The NCC, acting on behalf of the Board of Directors, shall adopt such Design Guidelines at its initial organizational meeting and, thereafter, shall have sole and full authority to amend them from time to time.

The NCC shall make the Design Guidelines available to Owners and Builders who seek to engage in development of or construction upon all or any portion of the Properties and all such Persons shall conduct their activities in strict accordance with such Design Guidelines. Any amendments of the Design Guidelines adopted from time to time by the New Construction Committee in accordance with this Section shall apply to construction and modifications commenced after the date of such amendment only and shall not apply to require modifications to or removal of structures previously approved by the NCC or MC once the approved construction or modification has commenced.

The MC may promulgate detailed application and review procedures and design standards governing its area of responsibility and practice. Any such standards shall be consistent with those set forth in the Design Guidelines and shall be subject to review and approval by the NCC.

(b) Plans and specifications showing the nature, kind, shape, color, size, materials, and location of all proposed construction and modifications shall be submitted to the appropriate committee for review and approval (or disapproval). In addition, information concerning, without limitation, irrigation systems, drainage, lighting, fences, outdoor pools, and any other special features of such proposed construction or modification, as applicable, shall be submitted.

In the event that the NCC or MC fails to approve or to disapprove any application within thirty (30) days after submission of all information and materials reasonably requested, the application shall be deemed approved. However, no approval, whether expressly granted or deemed granted pursuant to

the foregoing, shall be inconsistent with the Design Guidelines unless a variance has been granted in writing by the NCC pursuant to Section 11.5.

11.4 No Waiver of Future Approvals.

The approval of either the NCC or MC of any proposals or plans and specifications or drawings for any work done or proposed, or in connection with any other matter requiring the approval and consent of such committee, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters subsequently or additionally submitted for approval or consent.

11.5 Variance.

The NCC may authorize variances from compliance with any of its guidelines and procedures when circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations require, but only in accordance with duly adopted rules and regulations. Such variances may be granted, however, only when unique circumstances dictate, and no variance shall (a) be effective unless in writing; (b) be contrary to the restrictions set forth in this Declaration; or (c) estop the NCC from denying a variance in other circumstances. For purposes of this Section, the inability to obtain approval of any governmental agency, the issuance of any permit, or the terms of any financing shall not be considered a hardship warranting a variance.

11.6 Limitation of Liability.

Review and approval of any application pursuant to this Article is made on the basis of aesthetic considerations only and neither the NCC nor the MC shall bear any responsibility for ensuring the structural integrity or soundness of approved construction or modifications, nor for ensuring compliance with building codes and other governmental requirements. Neither the Declarant, the Association, the Board of Directors, any committee, or member of any of the foregoing shall be held liable for any injury, damages, or loss arising out of the manner or quality of approved construction on or modifications to any Lot.

11.7 Enforcement.

Any construction, alteration, or other work done in violation of this Article shall be deemed to be nonconforming. Upon written request from the Board, Owners shall, at their own cost and expense, bring such construction, alteration or other work into conformity with this Article to the satisfaction of the Board or remove such construction, alteration, or other work and shall restore the land to substantially the same condition as existed prior to the construction, alteration or other work. Should an Owner fail to remove and restore as required hereunder, the Association shall have the right to enter the property, remove the violation, and restore the property to substantially the same condition as existed prior to the construction, alteration or other work. All costs, together with the interest at the maximum rate then allowed by law, may be assessed against the benefited Lot and collected as a Benefited Assessment pursuant to Section 10.7.

Any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Article and the Design Guidelines may be excluded by the Board from the Properties, subject to the notice and hearing procedures contained in the By-Laws. In such event,

neither the Association, its officers, nor directors shall be held liable to any Person for exercising the rights granted by this paragraph.

In addition to the foregoing, the Board of Directors shall have the authority and standing, on behalf of the Association, to pursue all legal and equitable remedies available to enforce the provisions of this Article and the decisions of the NCC and MC.

11.8 Size of Homes.

The NCC reserves the right to establish minimum size requirements for all dwellings constructed on any portion of the Properties. The NCC, in its sole discretion, may increase or decrease the minimum size requirements for future phases of the Properties. The minimum standards for the property platted prior to the date of this Declaration are as follows:

(a) Cliffs Valley Single Family.

All one-level dwellings or residences are to have no fewer than 1,800 square feet of heated floor space. All two-story homes shall have a minimum of 1,200 square feet of heated floor space on the main level and 800 square feet of heated floor space on the second level. All residences shall be required to have a two car attached garage, unless otherwise approved in writing by the NCC.

(b) Cliffs Valley North Single Family.

All one-level dwellings or residences are to have no fewer than 2,000 square feet of heated floor space. All two-story homes shall have a minimum of 1,200 square feet of heated floor space on the main level and 800 square feet of heated floor space on the second level. All residences shall be required to have a two car attached garage, unless otherwise approved in writing by the NCC.

(c) Neighborhoods and Multi-Family/Patio Homes (Cliffs Valley and Cliffs Valley North)

All dwellings shall be of minimum square footage and a size and design style as approved by the NCC on a case-by-case basis.

Article 12. Use Restrictions And Rules

12.1 Plan of Development; Applicability; Effect.

Declarant has established a general plan of development for the Properties under this Declaration in order to protect all Owners' quality of life and collective interests, the aesthetics and environment within the Properties, and the vitality of and sense of community within the Properties, all subject to the Board's and the Members' ability to respond to changes in circumstances, conditions, needs, and desires within the community. The Properties are subject to Design Guidelines as set forth in Article XI and other restrictions governing land development, architectural control, individual conduct and uses of or actions upon the Properties. This Declaration, including the initial Use Restrictions attached hereto as Exhibit "C" and incorporated by this reference, and the rules and resolutions adopted by the Board or the Members establish affirmative and negative covenants, easements, and restrictions on the Properties.

All provisions of this Declaration and any rules shall apply to all Owners, occupants, tenants, guests and invitees of any Lot. Any lease on any Lot shall provide that the lessee and all occupants of the leased Lot shall be bound by the terms of this Declaration, the By-Laws, and the rules of the Association.

12.2 Authority to Promulgate Use Restrictions and Rules.

(a) Subject to the terms of this Article and in accordance with its duty of care and undivided loyalty to the Association and its Members, the Board may adopt rules which modify, cancel, limit, create exceptions to, or expand the initial Use Restrictions set forth on Exhibit "C." The Board shall send notice by mail to all Owners concerning any such proposed action at least five (5) business days prior to the Board meeting at which such action is to be considered. Members shall have a reasonable opportunity to be heard at a Board meeting prior to such action being taken.

Any such rules shall become effective unless disapproved at a meeting by Members holding at least sixty-seven percent (67%) of the total Class "A" votes and by the Class "B" Member, if any. The Board shall have no obligation to call a meeting of the Members to consider disapproval except upon petition of the Members as required for special meetings in By-Laws, Section 2.4.

(b) Alternatively, the Members, at a meeting duly called for such purpose as provided in By-Laws, Section 2.4, may adopt rules which modify, cancel, limit, create exceptions to, or expand the Use Restrictions and previously adopted rules by a vote of Members holding sixty-seven percent (67%) of the total Class "A" votes and the approval of the Class "B" Member, if any.

(c) At least 30 days prior to the effective date of any action under subsections (a) or (b) of this Section, the Board shall send a copy of the rule to each Owner. The Association shall provide, without cost, a copy of the Use Restrictions and rules then in effect to any requesting Member or Mortgagee.

12.3 Owners' Acknowledgment.

All Owners and occupants of Lots are given notice that use of their Lots is limited by the Use Restrictions as they may be amended, expanded and otherwise modified hereunder. Each Owner, by acceptance of a deed, acknowledges and agrees that the use and enjoyment and marketability of his or her Lot can be affected by this provision and that the Use Restrictions and rules may change from time to time.

12.4 Rights of Owners.

Except as may be specifically set forth in this Declaration (either initially or by amendment), including Exhibit "C" attached hereto, neither the Board nor the Members may adopt any rule in violation of the following provisions:

(a) Equal Treatment.

Similarly situated Owners and occupants shall be treated similarly.

(b) Speech.

The rights of Owner and occupants to display on their Lot political signs and symbols of the kinds normally displayed in or outside of residences located in single-family residential neighborhoods in individually owned property shall not be abridged, except that the Association may adopt reasonable time, place, and manner restrictions for the purpose of minimizing damage and disturbance to other Owners and occupants.

(c) Religious and Holiday Displays.

The rights of Owners and occupants to display religious and holiday signs, symbols, and decorations inside structures on their Lots of the kinds normally displayed in residences located in single-family residential neighborhoods shall not be abridged, except that the Association may adopted reasonable time, place, and manner restrictions for the purpose of minimizing damage and disturbance to other Owners and occupants.

(d) Household Composition.

No rule shall interfere with the freedom of occupants of Lots to determine the composition of their households, except that the Association shall have the power to require that all occupants be members of a single housekeeping unit and to limit the total number of occupants permitted in each Lot on the basis of the size and facilities of the Lot and its fair use of the Common Area.

(e) Activities Within Dwelling.

No rule shall interfere with the activities carried on within the confines of dwellings on the Lots, except that the Association may prohibit activities not normally associated with property restricted to residential use, and it may restrict or prohibit any activities that create monetary costs for the Association or other Owners, that create danger to the health or safety of occupants of other Lots, that generate excessive noise or traffic, that create unsightly conditions visible outside the Lot, that block the views from other Lots, or that create an unreasonable source of annoyance.

(f) Pets.

The Association may adopt reasonable rules designed to minimize damage and disturbance to other Owners and occupants, including rules requiring damage deposits, waste removal, leash controls, noise controls, pet occupancy limits based on size and facilities of the Lot and fair share use of the Common Area; provided, however, any rule prohibiting the keeping of ordinary household pets shall apply prospectively only and shall not require the removal of any pet which was being kept on the Properties prior to the adoption of such rule. Nothing in this provision shall prevent the Association from requiring removal of any animal that presents an actual threat to the health or safety of residents or from requiring abatement of any nuisance or unreasonable source of annoyance. No Owner shall be permitted to raise, breed or keep animals, livestock or poultry of any kind for commercial or business purposes.

(g) Allocation of Burdens and Benefits.

No rule shall affect the allocation of financial burdens among the various Lots or rights to use the Common Area to the detriment of any Owner over that Owner's objection expressed in

writing to the Association. Nothing in this provision shall prevent the Association from changing the Common Area available, from designating Exclusive Common Area, from adopting generally applicable rules for use of Common Area, or from denying use privileges to those who abuse the Common Area, violate rules or this Declaration, or fail to pay assessments. This provision does not affect the right to increase the amount of assessments as provided in Article 10.

(h) Alienation.

No rule shall prohibit leasing or transfer of any Lot, or require consent of the Association or Board for leasing or transfer of any Lot for any period greater than two months; provided, the Association or the Board may require a minimum lease term of up to 12 months. The Association may require that Owners use lease forms approved by the Association, but shall not impose any fee on the lease or transfer of any Lot greater than an amount reasonably based on the costs to the Association of its costs to administer that lease or transfer.

(i) Reasonable Rights to Develop.

No rule or action by the Association or Board shall unreasonably impede the Declarant's right to develop in accordance with the recorded development plats for the Properties or otherwise.

(j) Abridging Existing Rights.

Any rule that would require Owners to dispose of personal property being kept on the Properties shall apply prospectively only and shall not require the removal of any property which was being kept on the Properties prior to the adoption of such rule and which was in compliance with all rules in force at such time.

The limitations in this Section 12.4 shall apply to rules only; they shall not apply to amendments to this Declaration adopted in accordance with Section 18.2.

Article 13. Easements

13.1 Easements of Encroachment.

There shall be reciprocal appurtenant easements of encroachment, and for maintenance and use of any permitted encroachment, between each Lot and any adjacent Common Area and between adjacent Lots due to the unintentional placement or settling or shifting of the improvements constructed, reconstructed, or altered thereon (in accordance with the terms of these restrictions) to a distance of not more than three (3) feet, as measured from any point on the common boundary along a line perpendicular to such boundary. However, in no event shall an easement for encroachment exist if such encroachment occurred due to willful and knowing conduct on the part of, or with the knowledge and consent of, an Owner, occupant, or the Association.

13.2 Easements for Utilities, Etc.

There are hereby reserved unto Declarant, so long as the Declarant or the Cliffs Valley North Declarant owns any property described on Exhibit "A" or "B," of this Declaration, the Association, and the designees of each (which may include, without limitation, Greenville County, South Carolina, Henderson County, North Carolina and any utility company) access and maintenance easements upon, across, over, and under all of the Properties to the extent reasonably necessary for the purpose of replacing, repairing, and maintaining cable television systems, master television antenna systems, security and similar systems, road, walkways, bicycle pathways, lakes, ponds, wetlands, drainage systems, street lights, signage, and all utilities, including, but not limited to, water, sewers, meter boxes, telephone, gas, and electricity, and for the purpose of installing any of the foregoing on property which it owns or within easements designated for such purposes on recorded plats of the Properties. Notwithstanding anything to the contrary herein, this easement shall not entitle the holders to construct or install any of the foregoing systems, facilities, or utilities over, under or through any existing dwelling on a Lot, and any damage to a Lot resulting from the exercise of this easement shall promptly be repaired by, and at the expense of, the Person exercising the easement. The exercise of this easement shall not unreasonably interfere with the use of any Lot and, except in an emergency, entry onto any Lot shall be made only after reasonable notice to the Owner or occupant.

Without limiting the generality of the foregoing, there are hereby reserved for the water supplier, electric company, and natural gas supplier easements across all the Common Area for ingress, egress, installation, reading, replacing, repairing, and maintaining utility meters and boxes. However, the exercise of this easement shall not extend to permitting entry into the dwelling on any Lot. Notwithstanding anything to the contrary contained in this Section, no sewers, electrical lines, water lines, or other utilities may be installed or relocated on the Properties, except as may be approved by the Association's Board of Directors or as provided by Declarant.

13.3 Easements to Serve Additional Property.

The Declarant and its duly authorized agents, representatives, and employees, as well as its successors, assigns, licensees, and mortgagees, shall have and hereby reserves an easement over the Common Area for the purposes of enjoyment, use, access, and development of the real property described in Exhibit "B" attached hereto and incorporated herein, whether or not such property is made subject to this Declaration. This easement includes, but is not limited to, a right of ingress and egress over the Common Area for construction of roads and for connecting and installing utilities on such property. Declarant agrees that it and its successors or assigns shall be responsible for any damage caused to the Common Area as a result of vehicular traffic connected with development of the real property described in Exhibit "B."

13.4 Easements for Golf Balls.

Every Lot, the Common Area, and the common property of any Neighborhood are burdened with an easement permitting golf balls unintentionally to come upon the Lots, Common Area, or common property immediately adjacent to the golf course and for golfers at reasonable time and in a reasonable manner to come upon the exterior portions of a Lot, Common Area; or common property to retrieve errant golf balls. However, if any Lot is fenced or walled, the golfer will seek the Owner's permission before entry. The existence of this easement shall not relieve golfers of liability for damage caused by errant golf balls. Under no circumstances shall the Association or the Declarant be held liable for any damage or injury resulting from errant golf balls or the exercise of this easement.

13.5 Easement for Emergency.

The Association shall have the right, but not the obligation, and a perpetual easement is hereby granted to the Association, to enter upon any Lot for emergency, security, and safety reasons. The Association's rights may be exercised by the Association's Board of Directors, officers, agents, employees, managers, and all police officers, fire fighters, ambulance personnel, and similar emergency personnel in the performance of their respective duties. Except in an emergency situation, entry shall be only during reasonable hours and after notice to the Owner. This right of entry shall include the right of the Association to enter upon any Lot to cure any condition which may increase the possibility of a fire or other hazard in the event an Owner fails or refuses to cure the condition within a reasonable time after requested by the Board, but shall not authorize entry into any dwelling without permission of the Owner, except by emergency personnel acting in their official capacities.

13.6 Easements for Maintenance and Enforcement.

The Association shall have the right, but not the obligation, and a perpetual easement is hereby granted to the Association, to enter upon any portions of the Properties, including any Lot, (a) to perform its maintenance responsibilities pursuant to Article 5, and (b) to inspect for the purpose of ensuring compliance with this Declaration, any Supplemental Declaration, By-Laws, and rules and regulations. The Association's rights may be exercised by the Association's Board of Directors, officers, agents, employees, and managers, in the performance of their respective duties. Except in an emergency situation, entry into a Lot shall be only during reasonable hours and after notice to and permission from the Owner thereof. This easement shall be exercised with a minimum of interference to the quiet enjoyment to Owners' property, reasonable steps shall be taken to protect such property, and damage shall be repaired by the Person causing the damage at its sole expense.

The Association or its duly authorized agent shall also have the power to enter a Lot to abate or remove, using such force as may be reasonably necessary, any structure, thing or condition which violates the Declaration, the By-Laws, or the rules and regulations. All costs of self-help, including reasonable attorneys fees, shall be assessed against the violating Owner and shall be collected as provided herein for the collection of assessments.

13.7 Access.

All Lots within the Properties shall have a non-exclusive, perpetual easement for pedestrian and vehicular ingress and egress over all roads, which are now, or hereafter designated as Common Areas by the Declaration or any Supplemental Declaration. Said easement shall be effective as to each road or any portion only after the construction thereof is complete.

13.8 Trails.

The Declarant reserves for itself, its successors and assigns, and the Association, the right to designate certain areas of the Properties, including the Common Areas, to be used as recreational bike, pedestrian and/or equestrian pathways and trails ("trail system"). The trail system shall not interfere with or inhibit the residential purposes of the Properties.

The Declarant reserves for itself, the Association, and the members, guests, invitees and licensees of any of the Private Amenities, a nonexclusive, perpetual easement of ingress and egress over the trail system and such portions of the Common Areas which are necessary to travel to and from the trail system.

13.9 Easement for Cemeteries.

The Declarant reserves for itself, the Association, the relatives of any deceased person in any cemetery that is located within the boundaries of the Properties, and persons seeking access to any such cemeteries for academic or historical purposes, a nonexclusive, perpetual easement of ingress and egress over such portions of the Common Areas which are necessary to travel to and from such cemeteries.

Article 14. Mortgage Provisions

The following provisions are for the benefit of holders, insurers and guarantors of first Mortgages on Lots in the Properties. The provisions of this Article apply to both this Declaration and to the By-Laws, notwithstanding any other provisions contained therein.

14.1 Notice of Action.

An institutional holder, insurer, or guarantor of a first Mortgage who provides written request to the Association (such request to state the name and address of such holder, insurer, or guarantor and the street address of the Lot to which its Mortgage relates, thereby becoming an "Eligible Holder"), will be entitled to timely written notice of:

(a) Any condemnation loss or any casualty loss which affects a material portion of the Properties or which affects any Lot on which there is a first Mortgage held, insured, or guaranteed by such Eligible Holder;

(b) Any delinquency in the payment of assessments or charges owed by a Lot subject to the Mortgage of such Eligible Holder, where such delinquency has continued for a period of sixty (60) days, or any other violation of the Declaration or By-Laws relating to such Lot or the Owner or occupant which is not cured within sixty (60) days. Notwithstanding this provision, any holder of a first Mortgage is entitled to written notice upon request from the Association of any default in the performance by an Owner of a Lot of any obligation under the Declaration or By-Laws, which is not cured within sixty (60) days;

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

(d) Any, proposed action that would require the consent of a specified percentage of Eligible Holders.

14.2 Special FHLMC Provision.

So long as required by the Federal Home Loan Mortgage Corporation, the following provisions apply in addition to and not in lieu of the foregoing. Unless at least sixty-seven percent (67%) of

the first Mortgagees or Members holding at least sixty-seven percent (67%) of the total Association vote consent, the Association shall not:

(a) By act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer all or any portion of the real property comprising the Common Area which the Association owns, directly or indirectly (the granting of easements for public utilities or other similar purposes consistent with the intended use of the Common Area shall not be deemed a transfer within the meaning of this subsection);

(b) Change the method of determining the obligations, assessments, dues, or other charges which may be levied against an Owner of a Lot (a decision, including contracts, by the Board or provisions of any declaration subsequently recorded on any portion of the Properties regarding assessments for Neighborhoods or other similar areas shall not be subject to this provision where such decision or subsequent declaration is otherwise authorized by this Declaration);

(c) By act or omission waive or abandon any scheme of regulations or enforcement pertaining to architectural design, exterior appearance or maintenance of Lots and the Common Area (the issuance and amendment of architectural standards, procedures, rules and regulations, or use restrictions shall not constitute a change, waiver, or abandonment within the meaning of this provision);

(d) Fail to maintain insurance, as required by this Declaration; or

(e) Use hazard insurance proceeds for any Common Area losses for other than the repair, replacement, or reconstruction of such property.

First Mortgagees may, jointly or singly, pay taxes or other charges which are in default and which may or have become a charge against the Common Area and may pay overdue premiums on property insurance policies or secure new property insurance coverage upon the lapse of an Association policy, and first Mortgagees making such payments shall be entitled to immediate reimbursement from the Association.

14.3 No Priority.

No provision of this Declaration or the By-Laws gives or shall be construed as giving any Owner or other party priority over any rights of the first Mortgagee of any Lot in the case of distribution to such Owner of insurance proceeds or condemnation awards for losses to or a taking of the Common Area.

14.4 Notice to Association.

Upon request, each Owner shall be obligated to furnish to the Association the name and address of the holder of any Mortgage encumbering such Owner's Lot.

14.5 Amendment by Board.

Should the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation subsequently delete any of its respective requirements that necessitate the provisions of this Article or make any such requirements less stringent, the Board, without approval of the Owners, may record an amendment to this Article to reflect such changes.

14.6 Applicability of Article 14.

Nothing contained in this Article shall be construed to reduce the percentage vote that must otherwise be obtained under the Declaration, By-Laws, or South Carolina law for any of the acts set out in this Article.

14.7 Failure of Mortgagee to Respond.

Any Mortgagee who receives a written request from the Board to respond to or consent to any action shall be deemed to have approved such action if the Association does not receive a written response from the Mortgagee within thirty (30) days of the date of the Association's request, provided such request is delivered to the Mortgagee by certified or registered mail, return receipt requested.

Article 15. Declarant's Rights

Any or all or the special rights and obligations of the Declarant set forth in this Declaration or the By-Laws may be transferred to other persons, provided that the transfer shall not reduce an obligation nor enlarge a right beyond that contained in this Declaration or in the By-Laws, as applicable. Furthermore, no such transfer shall be effective unless it is in a written instrument signed by the Declarant and duly recorded in the public records of Greenville County, South Carolina and Henderson County, North Carolina. Nothing in this Declaration shall be construed to require the Declarant or any successor to develop any of the property set forth in Exhibit "B" in any manner whatsoever.

Notwithstanding any provisions contained in this Declaration to the contrary, so long as construction and initial sales of Lots shall continue, it shall be expressly permissible for the Declarant and Builders authorized by Declarant to maintain and carry on upon portions of the Common Area such facilities and activities as, in the sole opinion of the Declarant, may be reasonably required, convenient, or incidental to the construction or sale of such Lots, including, but not limited to, business offices, signs, model units, sales offices, and rental units. The Declarant and Builders authorized by Declarant shall have easements for access to and use of such facilities. The right to maintain and carry on such facilities and activities shall include specifically, without limitation, the right to use Lots owned by the Declarant and any clubhouse, community center, or other facility which may be owned by the Association, as models, sales offices, or rental units.

In addition, notwithstanding any contrary provision of this Declaration, the By-Laws, or any Association rules, the Declarant shall have the right to replat or revise the recorded plats relating to any portion of the Properties without the consent of any Person other than the owners) of the property the boundaries of which are altered.

So long as the Declarant continues to have rights under this Article, no person shall record any declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument affecting any portion of the Properties without Declarant's review and written consent. Any attempted recordation without compliance herewith shall result in such declaration of covenants, conditions and restrictions, or declaration of condominium or similar instrument being void and of no force and effect unless subsequently approved by written consent signed by the Declarant and recorded in the public records.

This Article may not be amended without the express written consent of the Declarant. However, the rights contained in this Article shall terminate upon the earlier of (a) twenty (20) years from the date this

Declaration is recorded, or (b) upon recording by Declarant of a written statement that all sales activity has ceased.

Article 16. Private Amenities

16.1 General.

Access to and use of any Private Amenity is strictly subject to the rules and procedures of the respective owners and operators of the Private Amenity, and to any contracts entered into by such Private Amenity, and no Person gains any ownership interest in any Private Amenity or any right to enter or to use any Private Amenity by virtue of membership in the Association or ownership or occupancy of Lot. Rights to use each Private Amenity will be granted only to such persons, and on such terms and conditions, as determined by such Private Amenity. All Persons, including all Owners, are hereby advised that no representations or warranties, either written or oral, have been or are made by the Declarant or any other Person with regard to the nature or size of the improvements, or to the continuing ownership or operation, of the Private Amenities. No purported representation or warranty, written or oral, with regard to any Private Amenity shall ever be effective without an amendment hereto executed or joined into by the Declarant and such Private Amenity.

16.2 Rights of Access and Parking.

The owners and operators of the Private Amenities, and the members (regardless of whether such members are Owners hereunder), guests, invitees, employees, agents, contractors, and designees of each shall at all times have a right and nonexclusive easement of access and use over all roadways located within the Properties reasonably necessary to travel to and from the Private Amenities and over those portions of the Properties (whether Common Area or otherwise) reasonably necessary to the operation, maintenance, repair and replacement of the Private Amenities. Without limiting the generality of the foregoing, members, guests, and invitees of any Private Amenity and permitted members of the public shall have the right to park their vehicles on the roadways located within the Properties at reasonable times before, during, and after golf tournaments and other similar functions.

16.3 Assessments.

No Private Amenity shall be obligated to pay to the Association any assessments as described in Article 10 hereof. However, each Private Amenity may be obligated to contribute funds to the Association for maintenance of portions of the Area of Common Responsibility in accordance with a Covenant to Share Costs.

16.4 Limitation on Amendments.

In recognition of the fact that the provisions of this Article are for the benefit of the Private Amenities, no amendment to this Article, and no amendment in derogation of this Article of any other provisions of this Declaration, may be made without the prior written approval of the owner or operator of the affected Private Amenity. The foregoing shall not apply, however, to amendments made by the Declarant.

16.5 Jurisdiction and Cooperation.

It is Declarant's intention that the Association and the owners and operators of the Private Amenities cooperate to the maximum extent possible in the operation of the Properties and the Private Amenities. Each shall reasonably assist the other in upholding the Community-Wide Standard as pertains to maintenance of the Area of Common Responsibility. The Association shall have no power to promulgate rules and regulations affecting activities in or use of any Private Amenity without prior written consent of such Private Amenity.

Article 17. Dispute Resolution And Limitation On Litigation

17.1 Agreement to Avoid Costs of Litigation and to Limit Right to Litigate Disputes.

The Association, Declarant, the Cliffs Valley North Declarant, all Persons subject to this Declaration, and any Person not otherwise subject to this Declaration who agrees to submit to this Article (collectively, "Bound Parties") agree to encourage the amicable resolution of disputes involving the Properties, and to avoid the emotional and financial costs of litigation if at all possible. Accordingly, each Bound Party covenants and agrees that all claims, grievances or disputes between such Bound Party and any other Bound Party involving the Properties, including, without limitation, claims, grievances or disputes arising out of or relating to the interpretation, application or enforcement of this Declaration, the By-Laws, the Association rules, or the Articles (collectively "Claim"), except for those Claims authorized in Section 17.2, shall be resolved using the procedures set forth in Section 17.3 in lieu of filing suit in any court or initiating proceedings before any administrative tribunal seeking redress or resolution, of such Claim.

17.2 Exempt Claims.

The following Claims ("Exempt Claims") shall be exempt from the provisions of Section 17.3:

(a) any suit by the Association against any Bound Party to enforce the provisions of Article 10 (Assessments);

(b) any suit by the Association to obtain a temporary restraining order (or equivalent emergency equitable relief) and such other ancillary relief as the court may deem necessary in order to maintain the status quo and preserve the Association's ability to enforce the provisions of Article 11 (Architectural Standards) and Article 12 (Use Restrictions and Rules);

(c) any suit between Owners (other than Declarant) seeking redress on the basis of a Claim which would constitute a cause of action under federal law, or the laws of the State of South Carolina or the State of North Carolina, as applicable, in the absence of a claim based on the Declaration, By-Laws, Articles or rules of the Association, if the amount in controversy exceeds \$5,000.00; and

(d) any suit by the Association in which similar or identical claims, are asserted against more than one Bound Party.

Any Bound Party having an Exempt Claim may submit it to the alternative dispute resolution procedures set forth in Section 17.3. but there shall be no obligation to do so. The submission of an Exempt

Claim involving the Association to the alternative dispute resolution procedures of Section 17.3 shall require the approval of the Association.

17.3 Mandatory Procedures for All Other Claims.

All Claims other than Exempt Claims shall be resolved using the following procedures:

(a) Notice.

Any Bound Party having a Claim ("Claimant") against any other Bound Party ("Respondent"), other than an Exempt Claim, shall notify each Respondent in writing of the Claim (the "Notice"), stating plainly and concisely:

- (1) the nature of the Claim, including date, time, location, persons involved, and Respondent's role in the Claim;
- (2) the basis of the Claim (i.e., the provisions of this Declaration, the By-Laws, the Articles or rules or other authority out of which the Claim arises);
- (3) what Claimant wants Respondent to do or not do to resolve the Claim; and
- (4) that Claimant wishes to resolve the Claim by mutual agreement with Respondent and is willing to meet in person with Respondent at a mutually agreeable time and place to discuss in good faith ways to resolve the Claim.

(b) Negotiation.

- (1) Each Claimant and Respondent (the "Parties") shall make every reasonable effort to meet in person and confer for the purpose of resolving the Claim by good faith negotiation.
- (2) Upon receipt of a written request from any Party, accompanied by a copy of the Notice, the Board may appoint a representative to assist the Parties in resolving the dispute by negotiation, if in its discretion it believes its efforts will be beneficial to the Parties and to the welfare of the community.

(c) Mediation.

- (1) If the Parties do not resolve the Claim through negotiation within thirty (30) days of the date of the Notice (or within such other period as may be agreed upon by the Parties) ("Termination of Negotiations"), Claimant shall have thirty (30) additional days within which to submit the Claim to mediation under the auspices of any Greenville County dispute resolution center or such other independent agency providing similar services upon which the Parties may mutually agree.
- (2) If Claimant does not submit the Claim to mediation within thirty (30) days after Termination of Negotiations, Claimant shall be deemed to have waived the Claim, and Respondent shall be released and discharged from any and all liability to Claimant on account of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings.

(3) If the Parties do not settle the Claim within thirty (30) days after submission of the matter to the mediation process, or within such time as determined reasonable or appropriate by the mediator, the mediator shall issue a notice of termination of the mediation proceedings ("Termination of Mediation"). The Termination of Mediation notice shall set forth when and where the Parties met, that the Parties are at an impasse, and the date that mediation was terminated.

(4) Each Party shall, within five (5) days of the Termination of Mediation, make a written offer of settlement in an effort to resolve the Claim. The Claimant shall make a final written settlement demand ("Settlement Demand") to the Respondent. The Respondent shall make a final written settlement offer ("Settlement Offer") to the Claimant. If the Claimant fails to make a Settlement Demand, Claimant's original Notice shall constitute the Settlement Demand. If the Respondent fails to make a Settlement Offer, Respondent shall be deemed to have made a "zero" or "take nothing" Settlement Offer.

(d) Final and Binding Arbitration.

(1) If the Parties do not agree in writing to accept either the Settlement Demand, the Settlement Offer, or otherwise resolve the Claim within fifteen (15) days of the Termination of Mediation, the Claimant shall have fifteen (15) additional days to submit the Claim to arbitration in accordance with the Rules of Arbitration contained in Exhibit "D" or the Claim shall be deemed abandoned, and Respondent shall be released and discharged from any and all liability to Claimant arising out of such Claim; provided, nothing herein shall release or discharge Respondent from any liability to Persons not a Party to the foregoing proceedings.

(2) This subsection (d) is an agreement of the Bound Parties to arbitrate all Claims except Exempt Claims and is specifically enforceable under the applicable arbitration laws of the State of South Carolina. The arbitration award (the "Award") shall be final and binding, and judgment may be entered upon it in any court of competent jurisdiction to the fullest extent permitted under the laws of the State of South Carolina.

17.4 Allocation of Costs of Resolving Claims.

(a) Each Party shall bear its own costs incurred prior to and during the proceedings described in Section 17.3(a), (b) and (c), including the fees of its attorney or other representative. Each Party shall share equally all charges rendered by the mediators) pursuant to Section 17.3(c).

(b) Each Party shall bear its own costs (including the fees of its attorney or other representative) incurred after the Termination of Mediation under Section 17.3(c) and shall share equally in the costs of conducting the arbitration proceeding (collectively, "Post Mediation Costs"), except as otherwise provided in subsection 17.4(c).

(c) Any Award, which is equal to or more favorable to Claimant than Claimant's Settlement Demand, shall add such Claimant's Post Mediation Costs to the Award, such Costs to be borne equally by all Respondents. Any Award which is equal to or less favorable to Claimant than Respondent's Settlement Offer to that Claimant shall also award to such Respondent its Post Mediation Costs, such Costs to be borne by all such Claimants.

17.5 Enforcement of Resolution.

If the Parties agree to resolve any Claim through negotiation or mediation in accordance with Section 17.3. and any Party thereafter fails to abide by the terms of such agreement, or if the Parties agree to accept the Award following arbitration and any Party thereafter fails to comply with such Award, then any other Party may file suit or initiate administrative proceedings to enforce such agreement or Award without the need to again comply with the procedures set forth in Section 17.3. In such event, the Party taking action to enforce the agreement or Award shall be entitled to recover from the non-complying Party (or if more than one non-complying Party, from all such Parties pro rata) all costs incurred in enforcing such agreement or Award, including, without limitation, attorneys fees and court costs.

Article 18. General Provisions

18.1 Term.

The covenants and restrictions of this Declaration shall run with and bind the Properties and shall inure to the benefit of and shall be enforceable by the Association or the Owner of any Properties, their respective legal representatives, heirs, successors, and assigns, for a term of thirty (30) years from the date this Declaration is recorded. After such time the covenants and restrictions shall be automatically extended for successive periods of ten (10) years, unless an instrument in writing, signed by a majority of the then Owners, has been recorded within the year preceding the beginning of each successive period of ten (10) years, agreeing to change said covenants and restrictions, in whole or in part, or to terminate the same, in which case this Declaration shall be modified or terminated as specified therein.

18.2 Amendment.

(a) By Declarant.

The Declarant may unilaterally amend this Declaration if such amendment is (i) necessary to bring any provision into compliance with any applicable governmental statutes, rule, regulation, or judicial determination; (ii) necessary to enable any reputable title insurance company to issue title insurance coverage on the Lots; (iii) required by an institutional or governmental lender or purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots; (iv) necessary to enable any governmental agency or reputable private insurance company to insure or guarantee mortgage loans on the Lots; or (v) otherwise necessary to satisfy the requirements of any governmental agency. However, any such amendment shall not adversely affect the title to any Lot unless the Owner shall consent thereto in writing. So long as the Declarant still owns property described in Exhibits "A" or "B" for development as part of the Properties, it may unilaterally amend this Declaration for any other purpose, provided the amendment has no material adverse effect upon any substantive right of any Owner unless such affected Owner shall consent thereto in writing.

(b) By Owners.

Except as otherwise specifically provided herein, this Declaration may be amended only by the affirmative vote or written consent, or any combination thereof, of Members holding at least

sixty-seven percent (67%) of the total votes in the Association, and the consent of the Declarant, so long as the Declarant has an option to subject additional property to this Declaration pursuant to Section 9.1. In addition, the approval requirements set forth in Article 14 hereof shall be met, if applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

(c) Effective Date and Validity.

To be effective, any amendment must be recorded in both the ROD Office of Greenville County, South Carolina and the ROD of Henderson County, North Carolina.

If an Owner consents to any amendment to this Declaration or the By-Laws, it will be conclusively presumed that such Owner has the authority so to consent, and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may remove, revoke, or modify any right or privilege of the Declarant without the written consent of the Declarant or the assignee of such right or privilege.

18.3 Severability.

Invalidation of any provision or portion of a provision of this Declaration by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

18.4 Perpetuities.

If any of the covenants, conditions, restrictions, or other provisions of this Declaration shall be unlawful, void, or voidable for violation of the rule against perpetuities, then such provisions shall continue only until twenty-one (21) years after the death of the last survivor of the now living descendants of Elizabeth II, Queen of England.

18.5 Litigation.

Except as otherwise specifically provided below, no judicial or administrative proceeding shall be commenced or prosecuted by the Association unless approved by a vote of Owners holding seventy-five percent (75%) of the total votes of the Association. This Section shall not apply, however, to (a) actions brought by the Association to enforce the provisions of this Declaration (including, without limitation, the foreclosure of liens); (b) the imposition and collection of assessments as provided in Article 10; (c) proceedings involving challenges to ad valorem taxation; or (d) counterclaims brought by the Association in proceedings instituted against it. This Section shall not be amended unless such amendment is approved by the percentage of votes, and pursuant to the same procedures, necessary to institute proceedings as provided above.

18.6 Cumulative Effect: Conflict.

The covenants, restrictions, and provisions of this Declaration shall be cumulative with those of any Neighborhood, and the Association may, but shall not be required to enforce the covenants, conditions, and provisions of any Neighborhood; provided, however, in the event of conflict between or among such

covenants and restrictions, and provisions of any articles of incorporation, by-laws, rules and regulations, policies, or practices adopted or carried out pursuant thereto, those of any Neighborhood shall be subject and subordinate to those of the Association. The foregoing priorities shall apply, but are not limited to, the liens of assessments created in favor of the Association.

18.7 Compliance.

Every Owner and occupant of any Lot shall comply with all lawful provision of this Declaration, the By-Laws, and the rules and regulations of the Association. Failure to comply shall be grounds for action to recover sums due, for a damages or injunctive relief, or for any other remedy available at law or in equity, maintainable by the Association or, in a proper case, by any aggrieved Lot Owner(s). In addition, the Association may avail itself of any and all remedies provided in this Declaration or the By-Laws.

18.8 Notice of Sate or Transfer of Title.

In the event that any Owner desires to sell or otherwise transfer title to his or her Lot, such Owner shall give the Board of Directors at least seven (7) days prior written notice of the name and address of the purchaser or transferee, the date of such transfer of title, and such other information as the Board of Directors may reasonably require. The transferor shall continue to be jointly and severally responsible with the transferee to all obligations of the Owner of the Lot coming due prior to the date upon which such notice is received by the Board of Directors including assessment obligations, notwithstanding the transfer of title to the Lot.

Each transferee of a Lot shall, within seven (7) days of taking title to a Lot, confirm that the information previously provided by the transferor is complete and accurate.

IN WITNESS WHEREOF, the undersigned parties hereby consent to the amendment to the Original Declarations and to the adoption of the foregoing Declaration and the exhibits attached hereto this 22nd day of February, 2002.

[Signature Pages Follow]

WITNESSES:

THE CLIFFS AT GLASSY, INC.
a South Carolina corporation

By: _____
James B. Anthony, President

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within The Cliffs at Glassy, Inc., a South Carolina corporation, by James B. Anthony, its President, sign, seal and as its act and deed, deliver the within written instrument and that (s)he with the other witness witnessed the execution thereof.

SWORN TO before me
this 22nd day of February, 2002.

Notary Public for the State of South Carolina

My commission expires: 12/9/06

WITNESSES:

THE CLIFFS AT PANTHER MOUNTAIN, INC.
a North Carolina corporation

By: _____
James B. Anthony, President

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within The Cliffs at Panther Mountain, Inc., a North Carolina corporation, by James B. Anthony, its President, sign, seal and as its act and deed, deliver the within written instrument and that (s)he with the other witness witnessed the execution thereof.

SWORN TO before me
this 22nd day of February, 2002.

Notary Public for the State of South Carolina

My commission expires: 12/9/06

WITNESSES:

CLIFFS VALLEY COMMUNITY
ASSOCIATION, INC., a South Carolina
corporation.

By: _____
Don Brown, President

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within The Cliffs Valley Community Association, Inc., a South Carolina corporation, by Don Brown, its President, sign, seal and as its act and deed, deliver the within written instrument and that (s)he with the other witness witnessed the execution thereof.

SWORN TO before me
this 22nd day of February, 2002.

Notary Public for the State of South Carolina

My commission expires: 12/9/06

WITNESSES:

CLIFFS VALLEY NORTH COMMUNITY ASSOCIATION

By: _____
James B. Anthony, President

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

PERSONALLY appeared before me the undersigned witness who made oath that (s)he saw the within Cliffs Valley North Community Association, a North Carolina unincorporated, non-profit association, by James B. Anthony, its President, sign, seal and as its act and deed, deliver the within written instrument and that (s)he with the other witness witnessed the execution thereof.

SWORN TO before me
this 22nd day of February, 2002.

Notary Public for the State of South Carolina

My commission expires: 12/9/06

EXHIBIT "A"

Section: A-1

Land Submitted

All those certain tracts or parcels of land and described on those certain plats recorded in the Office of the ROD for Greenville County, South Carolina as follows:

THE CLIFFS VALLEY	PLAT BOOK	PAGE
The Cliffs Valley	28-A	41
Cliffs Valley, Phase I, Section A As revised	28-B 29-A	19 30
Cliffs Valley, Phase I, Section B As revised	28-B 28-B	18 64
Cliffs Valley, Phase I, Section C	28-B	74
Cliffs Valley, Phase I, Section D	29-A	69
Cliffs Valley, Phase I, Cliffs Valley Cottages	28-B	17

Section: A-2

All those certain tracts or parcels of land identified and described on those certain plats recorded in the Office of the ROD for Greenville County, South Carolina as follows:

THE CLIFFS AT PANTHER MOUNTAIN, INC. DBA CLIFFS VALLEY NORTH

Plats recorded at Slide Numbers 497, 498, 499 and 500 in the Office of the Henderson County, North Carolina, Register of Deeds.

EXHIBIT "B"

Section: B-1

Land Subject to Annexation

All that certain piece, parcel or lot of land lying, being and situated north of the City of Greenville, South Carolina, Greenville County, and being bounded on the north by the boundary of the states of North Carolina and South Carolina, on the south by South Carolina Highway 11, on the east by Old Highway 25 and in the west by US Highway 25, including all real property located within a one mile distance of the perimeter boundaries of the property so described.

Section: B-2

Land Subject to Annexation

All that certain piece, parcel, or lot of land lying, being and situated north of the City of Greenville, South Carolina, and south of the city of Hendersonville, North Carolina, and being bounded on the north by Bob's Creek Road, on the south by Beaver Dam Road, on the east by City of Greenville property and on the west by U.S. Highway 25 including all real property located within a one mile distance of the perimeter boundaries of the property so described.

EXHIBIT "C"

Initial Use Restrictions

(a) General. The Properties shall be used only for residential, recreational, and related purposes (which may include, without limitation, offices for any property manager retained by the Association or business offices for the Declarant or the Association consistent with the Declaration and any Supplemental Declaration.) Any Supplemental Declaration or additional covenants imposed on the property within any Neighborhood may impose stricter standards than those contained herein and the Association shall have standing and the power to enforce such standards.

(b) Restricted Activities. The following activities are prohibited within the Properties unless expressly authorized by, and then subject to such conditions as may be imposed by, the Board:

(i) Parking of commercial vehicles, recreational vehicles, trailers, mobile homes, boats or other watercraft, or other oversized vehicles, stored vehicles or inoperable vehicles in places other than enclosed garages or such other portions of the Lot screened so that they are not visible from neighboring Lots, streets, or property located adjacent to the Lot;

(ii) Capturing, trapping or killing of wildlife within the Properties, except in circumstances posing an imminent threat to the safety of persons using the Properties;

(iii) Raising, breeding or keeping of animals, livestock, or poultry of any kind, except that a reasonable number of dogs, cats, or other usual and common household pets may be permitted in a Lot. All dogs shall at all times whenever they are outside a Lot be confined on a leash held by a responsible person. Those pets which are permitted to roam free, or, in the sole discretion of the Board, make objectionable noise, endanger the health or safety of, or constitute a nuisance or inconvenience to the occupants of other Lots shall be removed upon the request of the Board. If the pet owner fails to honor such request, the Board may remove the pet;

(iv) Obstruction or re-channeling of drainage flows after location and installation of drainage swells, storm sewers, or storm drains, except that the Declarant and the Association shall have such right, provided; the exercise of such right shall not materially diminish the value of or unreasonably interfere with the use of any Lot without the Owner's consent;

(v) Subdivision of a Lot into two or more Lots after a subdivision plat including such Lot has been approved and filed, or changing the boundary lines of any Lot, except that the Declarant and Builders, with Declarant's consent, shall be permitted to subdivide or change the boundary lines of Lots which they own;

(vi) Operation of a timesharing, fraction-sharing, or similar program whereby the right to exclusive use of the Lot rotates among participants in the program on a fixed or floating time schedule over a period or years, except that Declarant and its assigns may operate such a program with respect to Lots which it owns;

(vii) Any business, trade, garages sale, moving sale, rummage sale, or similar activity, except that an Owner or occupant residing in a Lot may conduct business activities within the Lot so long as: (a) the existence or operation of the business activity is not apparent or detectable by sight, sound, or smell from outside the Lot; (b) the business activity conforms to all zoning requirements for the Properties; (c) the business activity does not involve regular visitation of the Lot by clients, customers, suppliers, or other business invitees or door-to-door solicitation of residents of the Properties; and (d) the business activity is consistent with the residential character of the Properties and does not constitute a nuisance, or a hazardous or offensive use, or threaten the security or safety of other residents of the Properties, as may be determined in the sole discretion of the Board. This subsection shall not apply to any activity conducted by the Declarant, a Builder approved by the Declarant of any assignee of the Declarant with respect to its development and sale of the Properties or its use of any Lots that it owns within the Properties, including the operation of a timeshare or similar program;

(viii) Any construction, erection, modification, or placement, permanently or temporarily, on the outside portions of the Lot whether such portion is improved or unimproved except as provided in Article 9 of the Declaration; and

(ix) Erection of signs within the Properties except as provided in Article 11 of the Declaration. The Board may restrict the size, color, lettering and placement of signs. This restriction shall not apply to signs erected by the Declarant.

EXHIBIT "D"

Rules of Arbitration

(1) Claimant shall submit a Claim to arbitration under these Rules by giving written notice to all other Parties stating plainly and concisely the nature of the Claim, the remedy sought and Claimant's desire to submit the Claim to arbitration ("Arbitration Notice").

(2) Each Party shall select an arbitrator ("Party Appointed Arbitrator"). The Parties are encouraged to select an arbitrator who has experience in the real estate industry and who is familiar with the arbitration of real estate related disputes. The Party Appointed Arbitrators shall, by unanimous agreement, select one (1) or two (2) neutral arbitrators ("Neutral (s)") so that the total arbitration panel ("Panel") has an odd number of arbitrators. If any Party fails to appoint a Party Appointed Arbitrator within twenty (20) days from the date of the Arbitration Notice, the remaining arbitrators shall conduct the proceedings, selecting a Neutral in place of any missing Party Appointed Arbitrator. The Neutral arbitrators shall select a chairperson ("Chair").

(3) If the Panel is not selected under Rule 2 within forty-five (45) days from the date of the Arbitration Notice, or if the Parties earlier agree, Claimant may notify the South Carolina chapter of the Community Associations Institute ("CAI"), which shall appoint one (1) Neutral ("Appointed Neutral"), notifying the Appointed Neutral and all Parties in writing of such appointment. The Appointed Neutral shall be experienced in the arbitration of real estate related disputes or knowledgeable of real estate issues as determined by the South Carolina Chapter of CAI. The Appointed Neutral shall thereafter be the sole arbitrator ("Arbitrator"), and any Party Appointed Arbitrators or their designees shall have no further duties involving the arbitration proceedings.

(4) No person may serve as a Neutral in any arbitration under these Rules in which that person has any financial or personal interest in the result of the arbitration. Any person designated as a Neutral shall immediately disclose in writing to all Parties any circumstance likely to affect impartiality, including any bias or financial or personal interest in the outcome of the arbitration ("Bias Disclosure"). If any Party objects to the service of any Neutral after receipt of that Neutral's Bias Disclosure, such Neutral shall be replaced in the same manner in which that Neutral was selected.

(5) The Arbitrator or Chair, as the case may be ("Arbitrator") shall fix the date, time and place for the hearing. The place of the hearing shall be within the Properties unless otherwise agreed by the Parties.

(6) Any Party may be represented by an attorney or other authorized representative throughout the arbitration proceedings.

(7) All persons who, in the judgment of the Arbitrator, have a direct interest in the arbitration are entitled to attend hearings.

(8) There shall be no stenographic record of the proceedings.

(9) The hearing shall be conducted in whatever the Arbitrator's judgment, most fairly and expeditiously permit the full presentation of the evidence and arguments of the Parties.

(10) The Parties may offer such evidence as is relevant and material to the Claim, and shall produce such additional evidence as the Arbitrator may deem necessary to an understanding and determination of the Claim. The Arbitrator shall be the sole judge of the relevance and materiality of any evidence offered, and conformity to the legal rules of evidence shall not be necessary. The Arbitrator shall be authorized, but not required, to administer oaths to witnesses.

(11) The Arbitrator shall declare the hearings closed when satisfied the record is complete.

(12) There will be no post-hearing briefs.

(13) The Award shall be rendered immediately following the close of the hearing, if possible, and no later than fourteen (14) days from the close of the hearing, unless otherwise agreed by the Parties. The Award shall be in writing, shall be signed by the Arbitrator and acknowledged before a notary public. If the Arbitrator believes an opinion is necessary, it shall be in summary form.

(14) If there is more than (1) arbitrator, all decisions of the Panel and the Award shall be by majority vote.

(15) Each Party agrees to accept as legal delivery of the Award the deposit of a true copy in the mail addressed to that Party or its attorney the address communicated to the Arbitrator at the hearing.

EXHIBIT "E"
BY-LAWS
OF
THE CLIFFS VALLEY COMMUNITY ASSOCIATION, INC.

TABLE OF CONTENTS

Page

1. NAME, PRINCIPAL OFFICE, AND DEFINITIONS

1.1. Name 1

1.2. Principal Office 1

1.3. Definitions 1

2. ASSOCIATION: MEMBERSHIP, MEETINGS, QUORUM, VOTING, PROXIES

2.1. Membership 1

2.2. Place of Meetings 1

2.3. Annual Meetings 1

2.4. Special Meetings 1

2.5. Notice of Meetings 1

2.6. Waiver of Notice 2

2.7. Adjournment of Meetings 2

2.8. Voting 2

2.9. Proxies 2

2.10. Majority 2

2.11. Quorum 2

2.12. Conduct of Meetings 3

2.13. Action Without a Meeting 3

3. BOARD OF DIRECTORS: NUMBER, MEETINGS

3.1 Composition and Selection

(a) Governing Body; Composition 3

(b) Directors During Class "B" Control Period 3

(c) Right To Disapprove Actions 3

(d) Number of Directors 4

(e) Nomination of Directors 4

(f) Election and Term of Office 4

(g) Removal of Directors and Vacancies 5

3.2 Meetings

(a) Organizational Meetings 5

(b) Regular Meetings 6

(c) Special Meetings 6

(d) Waiver of Notice 6

(e) Quorum of Board of Directors 6

(f) Compensation 6

(g) Conduct of Meetings 7

(h) Open Meetings 7

(i)	Action Without a Formal Meeting	7
(j)	Conference Call Meetings.....	7
3.3	<u>Powers and Duties.</u>	
(a)	Powers.....	7
(b)	Management.....	8
(c)	Accounts and Reports	9
(d)	Borrowing	10
(e)	Rights of the Association	10
(f)	Enforcement.....	10
4.	OFFICERS	
4.1.	Officers	11
4.2.	Election, Term of Office, and Vacancies	11
4.3.	Removal	11
4.4.	Powers and Duties	11
4.5.	Resignation	12
4.6.	Agreements, Contracts, Deeds, Leases, Checks, Etc	12
4.7.	Compensation	12
5.	COMMITTEES	
5.1.	General.....	12
5.2.	Covenants Committee.....	12
5.3.	Neighborhood Commit	12
6.	MISCELLANEOUS	
6.1.	Fiscal Year	13
6.2.	Parliamentary Rules.....	13
6.3.	Conflicts.....	13
6.4.	Books and Records	13
6.5.	Notices	13
6.6.	Amendment.....	14

BY-LAWS
OF
THE CLIFFS VALLEY COMMUNITY ASSOCIATION, INC.

Article 1.
Name, Principal Office, and Definitions

1.1 Name. The name of the Association shall be The Cliffs Valley Community Association, Inc. (hereinafter the "Association").

1.2 Principal Office. The principal office of the Association shall be located in Greenville County, South Carolina. The Association may have such other offices, either within or outside the State of South Carolina, as the Board may determine or as the affairs of the Association may require.

1.3 Definitions. The words used in these By-Laws shall be given their normal, commonly understood meanings. Capitalized terms shall have the same meaning as set forth in that Declaration of Covenants, Conditions, and Restrictions for Cliffs Valley (said Declaration, as amended, renewed, or extended from time to time, is hereinafter called the "Declaration"), unless the context indicates otherwise.

Article 2.
Association: Membership. Meetings. Quorum. Voting. Proxies

2.1 Membership. The Association shall have two (2) classes of membership, Class "A" and Class "B", as more fully set forth in the Declaration, the terms of which pertaining to membership are specifically incorporated herein by reference.

2.2 Place of Meetings. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board either within the Properties or as convenient thereto as possible and practical.

2.3 Annual Meetings. The first meeting of the Association, whether a regular or special meeting, shall be held within one (1) year from the date of incorporation of the Association. Subsequent regular annual meetings shall be set by the Board so as to occur at least fifteen (15) days before, but not more than sixty (60) days after, the close of the Association's fiscal year on a date and at a time set by the Board of directors.

2.4 Special Meetings. The President of the Association may call special meetings. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Board or upon a petition signed in accordance with Section 33-31-702(a)(2) of the Code of Laws of South Carolina (1976, as amended) by Members holding at least five percent (5%) of the Class "A" votes of the Association.

2.5 Notice of Meetings. Written or printed notice stating the day, and hour of any meeting of the Members shall be delivered, either personally or by mail, to each Member entitled to vote at such meeting, not

less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when required by law or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his or her address as it appears on the records of the Association, with postage thereon prepaid.

2.6 Waiver of Notice. Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at any meeting by a Member in person or by proxy shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted unless an objection on the basis of lack of proper notice is raised before the business is put to a vote.

2.7 Adjournment of Meetings. If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called. At the reconvened meeting, if a quorum is present, any business that might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings in Section 2.5.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum.

2.8 Voting. The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

2.9 Proxies. At all meetings of the Members, Members may vote in person or by proxy. Each proxy shall be in writing, dated, signed and filed with the Secretary of the Association prior to the meeting for which it is to be effective. Proxies may be delivered to the Secretary by personal delivery, United States mail or telecopy to any director or the Association's management agent. Except as otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two (2) or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail or if dated as of the same date, both shall be deemed invalid. No proxy shall be valid more than eleven (11) months after its execution unless otherwise provided in the proxy. Every proxy shall be revocable and shall automatically cease upon conveyance of the Member's Lot.

2.10 Majority. As used in these By-Laws, the term "majority" shall mean those votes, owners, or other group as the context may indicate totaling more than fifty percent (50%) of the total number.

2.11 Quorum. Except as otherwise provided in these By-laws or in the Declaration, the presence in person or by proxy of Members holding at least thirty percent (30%) of the total vote of the Association shall constitute a quorum at all meetings of the Association; provided, if a quorum is not present at any meeting when initially called, then the meeting may be adjourned and reconvened within thirty (30) days after the date originally called and the quorum requirement upon such reconvening shall be reduced to twenty percent (20%) of the total vote of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

2.12 Conduct of Meetings. The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting.

2.13 Action Without A Meeting. Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if written consent setting forth the action so taken is signed by all of the Members entitled to vote with respect to the subject matter thereof, and any such consent shall have the same force and effect as a unanimous vote of the Members.

Article 3.

Board of Directors: Number, Powers, Meetings

3.1 Composition and Selection.

(a) **Governing Composition.** The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) vote. Except with respect to directors appointed by the Class "B" Member, the directors shall be Members or spouses of such Members; provided, however, no person and his or her spouse may serve on the Board at the same time. In the case of a Member that is not a natural person, the person designated in writing to the Secretary of the Association as the representative of such Member shall be eligible to serve as a director.

(b) **Directors During Class "B" Control Period.** Subject to the provisions of Section 3.1(f), the directors shall be selected by the Class "B" Member acting in its sole discretion and shall serve at the pleasure of the Class "B" Member until the first to occur of the following:

(i) when three hundred fifty (350) Lots have been submitted to the terms and provisions of the Declaration and have been conveyed to Persons other than the Declarant or Builders;

(ii) December 31, 2003; or

(iii) when, in its discretion, the Declarant so determines.

(c) **Right To Disapprove Actions.** So long as the Class "B" membership exists, the Class "B" Member shall have a right to disapprove actions of the Board and any committee, as is more fully provided in this Section. This right shall be exercisable only by the Class "B" Member, its successors, and assigns who specifically take this power in a recorded instrument. The right to disapprove shall be as follows:

No action, policy or program authorized by the Board or any committee shall become effective, nor shall any action, policy, or program be implemented until and unless:

(i) The Class "B" Member shall have been given written notice of all meetings and proposed actions approved at meetings of the Association, the Board or any committee thereof by certified mail, return receipt requested, or by personal delivery at the address it has registered with the Secretary of the Association, as it may change from time to time, which notice complies with the requirements for Board meetings set forth in Sections 3.2(b), 3.2(c), and 3.2(d) and which notice shall, except in the case of the regular meetings held pursuant to the By-Laws, set forth in reasonable particularity the agenda to be followed at said meeting; and

(ii) The Class "B" Member shall be given the opportunity at any such meeting to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program to be implemented by the Board, any committee thereof, or the Association. The Class "B" Member, its representatives or agents may make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee and/or the Board. The Class "B" Member shall have and is hereby granted a right to disapprove any such action, policy, or program authorized by the Association, the Board or any committee thereof if Board, committee, or Association approval is necessary for such action. This right may be exercised by the Class "B" Member, its representatives, or agents at any time within ten (10) days following the meeting held pursuant to the terms and provisions hereof. This right to disapprove may be used to block proposed actions but shall not extend to the requiring of any action or counteraction on behalf of any committee, or the Board or the Association. The Class "B" Member shall not use its right to disapprove to reduce the level of services which the Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations.

(d) **Number of Directors.** The number of directors in the Association shall be no less than three (3) or more than seven (7), as provided in Section 3.1(f). The initial Board shall consist of three (3) members as identified in the Articles of Incorporation.

(e) **Nomination of Directors.** Except with respect to directors selected by the Class "B" Member, nominations for election to the Board may be made by a Nominating Committee. The Nominating Committee shall, if established, consist of a chairman, who shall be a member of the Board of Directors, and three (3) or more Members of the Association, with at least one (1) representative from each Neighborhood, if Neighborhoods are established. The Nominating Committee shall be appointed by the Board not less than thirty (30) days prior to each annual meeting of the Members to serve a term of one (1) year or until their successors are appointed, and such appointment shall be announced at each such annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled. In the event Neighborhoods are established, the Nominating Committee shall nominate separate slates for the directors to be elected at large by all Members, and for the directors to be elected by and from each Neighborhood. Nominations for each slate shall also be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

(f) **Election and Term of Office.** Notwithstanding any other provision in these By-Laws:

(i) Within thirty (30) days after the time Class "A" Members, other than the Declarant or a Builder, own five hundred (500) Lots subject to the Declaration or whenever the Class "B" Member earlier determines, the Board shall be increased to five (5) directors. The Association shall call a special meeting at which Class "A" Members shall elect two (2) of the five (5) directors, who shall serve as at-large directors and shall be elected for a term of two (2) years or until the happening of the event described in Section 3.1(f)(ii) below, whichever is shorter. If such directors' terms expire prior to the happening of the event described in Section 3.1(f)(ii) below, successors shall be elected for a like term. The remaining three (3) directors shall be appointees of the Class "B" Member.

(ii) Within thirty (30) days after termination of the Class "B" Control Period, the Association shall call a special meeting at which Class "A" Members shall elect three (3) of the five (5) directors, who shall serve as at-large directors and shall serve until the first annual meeting following the termination of the Class "B" Control Period. If such annual meeting occurs within thirty (30) days after termination of the Class "B" Control Period, this Section 3.1(f)(ii) shall not apply and directors shall be elected in accordance with Section 3.1(f)(iii) below. The remaining two (2) directors shall be appointees of the Class "B" Member.

(iii) At the first annual meeting of the membership after the termination of the Class "B" Control Period, the directors shall be elected at large by the Class "A" and Class "B" Members. Three (3) directors shall be elected for a term of two (2) years and the remaining directors shall be elected for a term of one (1) year. Setting the initial term for each such director shall be in the sole discretion of the Nominating Committee. At the expiration of the initial term of office of each member of the Board and at each annual meeting thereafter, a successor shall be elected to serve for a term of two (2) years.

Each Member shall be entitled to cast one (1) vote with respect to each vacancy to be filled from each slate on which such Member is entitled to vote. There shall be no cumulative voting. The candidates receiving the most votes shall be elected. The directors elected by the Members shall hold office until their respective successors have been elected by the Association. Directors may be elected to serve any number of consecutive terms.

(g) Removal of Directors and Vacancies. Any director elected by the Class "A" Members may be removed, with or without cause, by the vote of Members holding a majority of the votes entitled to be cast for the election of such director, but shall not be subject to removal by the Class "B" Member acting alone. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall then and there be elected by the Members entitled to elect the director so removed to fill the vacancy for the remainder of the term of such director.

Any director, with the exception of those directors appointed in the sole discretion of the Class "B" Member, who has three (3) consecutive unexcused absences from Board meetings or who is delinquent in the payment of any assessment or other charge due the Association for more than thirty (30) days may be removed by a majority of the directors present at a regular or special meeting at which a quorum is present, and a successor may be appointed by the Board to fill the vacancy for the remainder of the term. In the event of the death, disability, or resignation of a director, a vacancy may be declared by the Board, and it may appoint a successor. If applicable, any director appointed by the Board shall be selected from the Neighborhood represented by the director who vacated the position and shall serve for the remainder of the term of such director.

3.2 Meetings.

(a) **Organizational Meetings.** The Board shall hold its first meeting within ten (10) days after each annual meeting of the membership.

(b) **Regular Meetings.** Regular meetings of the Board may be held at such time and place as shall be determined from time to time by resolution of the Board, but at least one (1) such meeting shall be held during each quarter.

Notice of the time and place of regular meetings shall be communicated to directors not less than four (4) days prior to the meeting; provided, however, notice of a meeting need not be given to any director who has signed a waiver of notice or a written consent to holding of the meeting. Notice of the regular schedule shall constitute notice of such meetings.

(c) **Special Meetings.** Special meetings of the Board shall be held when called by written notice signed by the President of the Association or by a majority of the directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one (1) of the following methods: (a) personal delivery; (b) first class mail, postage prepaid; (c) telephone communication, including telecopy, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director; or (d) telegram, charges prepaid. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, or telegraph shall be delivered, telephoned, or given to the telegraph company at least seventy-two (72) hours before the time set for the meeting.

(d) **Waiver of Notice.** The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present, and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

(e) **Quorum of Board of Directors.** At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, a majority of the directors who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than ten (10) days from the date the original meeting was called. At the reconvened meeting, if a quorum is present, any business that might have been transacted at the meeting originally called may be transacted without further notice.

(f) **Compensation.** No director shall receive any compensation from the Association for acting as such unless approved by Members holding a majority of the total votes of the Association at a

regular or special meeting of the Association; provided any director may be reimbursed for expenses authorized by the Board to be incurred on behalf of the Association.

Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested director.

(g) **Conduct of Meetings.** The President shall preside over all meetings of the Board of Directors, and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board and all transactions and proceedings occurring at such meetings.

(h) **Open Meetings.** Subject to the provisions of Section 3.2(i) , all meetings of the Board shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board and reconvene in executive session, excluding Members, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, etc.

(i) **Action Without a Formal Meeting.** Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors, and such consent shall have the same force and effect as a unanimous vote.

(j) **Conference Call Meetings.** A member or members of the Board may participate in a meeting of the Board by means of conference telephone or similar communications equipment, as long as all persons participating in the meeting can hear each other. Such participation shall constitute presence in person at such meeting.

3.3 **Powers and Duties.**

(a) **Powers.** The Board shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the-Association's affairs and, as provided by law, may do or cause to be done all acts and things as are not by the Declaration, Articles, or these By-Laws directed to be done and exercised exclusively by the Members or the membership generally.

The Board may delegate to one (1) of its members the authority to act on behalf of the Board on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties otherwise imposed, the Board shall have the power to establish policies relating to, and shall be responsible for performing or causing to be performed, the following, in way of explanation, but not limitation:

(i) preparation and adoption, in accordance with Article 10 of the Declaration, of budgets in which there shall be established the contribution of each Owner to the expenses of the Association;

(ii) making assessments to defray the Common Expenses and Neighborhood Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments, if any, of the annual assessment;

(iii) providing for the operation, care, upkeep, and maintenance of the Area of Common Responsibility;

(iv) designating, hiring, and dismissing the personnel necessary for the operations of the Association and providing for the compensation of such personnel and for the purchase of equipment, supplies, and materials to be used by such personnel in the performance of their duties;

(v) collecting the assessments, depositing the proceeds thereof in a bank depository, which it shall approve, and using the proceeds to operate the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;

(vi) making and amending rules and regulations;

(vii) opening of bank accounts on behalf of the Association and designating the signatories required;

(viii) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Area in accordance with the other provisions of the Declaration and these By-Laws after damage or destruction by fire or other casualty;

(ix) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules and regulations of the Association and bringing any proceedings that may be instituted on behalf of or against the Owners concerning the Association;

(x) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration, and paying the premium cost thereof;

(xi) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;

(xii) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(xiii) making available to any prospective purchaser of a Lot, any Owner of a Lot, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage on any Lot, current copies of the Declaration, the Articles of Incorporation, the By-Laws, rules and regulations and all other books, records, and financial statements of the Association;

(xiv) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Properties: and

(xv) assisting in the resolution of disputes between Owners and others without litigation, as set forth in the Declaration.

(b) Management. The Board may employ for the Association a professional management agent or agents at a compensation established by the Board to perform such duties and services as the Board shall authorize. The Declarant, or an affiliate of the Declarant, may be employed as managing agent or manager.

Any management contract executed on behalf of the Association during the Class "B" Control Period must contain a right of termination exercisable by either party without penalty at any time, with or without cause, upon not more than ninety (90) days notice to the other party.

(c) Accounts and Reports. The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

(i) accrual accounting, as defined by generally accepted accounting principles, shall be employed;

(ii) accounting and controls should conform to generally accepted accounting principles;

(iii) cash accounts of the Association shall not be commingled with any other accounts;

(iv) no remuneration shall be accepted by the managing agent from vendors, independent contractors, or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Association;

(v) any financial or other interest that the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;

(vi) commencing at the end of the month in which the first Lot is sold and closed, financial reports shall be prepared for the Association at least quarterly containing:

(A) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(B) a statement reflecting all cash receipts and disbursements for the preceding period;

(C) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(D) a balance sheet as of the last day of the preceding period; and

(E) a delinquency report listing all Owners who are delinquent in paying any assessments at the time of the report and describing the status of any action to collect such assessments which remain delinquent; and

(vii) an annual report consisting of at least the following shall be made available to all Members within one hundred twenty (120) days after the close of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year. The annual report referred to above shall be prepared on an audited or reviewed basis, as determined by the Board, by an independent public accountant; provided, however, upon written request of any holder, guarantor or insurer of any first Mortgage on a Lot, the Association shall provide an audited financial statement. During the Class "B" Control Period, the annual report shall include certified financial statements.

(d) **Borrowing.** The Association, acting through the Board of Directors, shall have the power to borrow money for the purpose of maintenance, repair or restoration of the Area of Common Responsibility without the approval of the Members of the Association. The Board shall also have the power to borrow money for other purposes; provided, the Board shall obtain Member approval in the same manner provided in Section 10.6 of the Declaration for Special Assessments in the event that the proposed borrowing is for the purpose of modifying, improving, or adding amenities and the total amount of such borrowing exceeds or would exceed five percent (5%) of the budgeted gross expenses of the Association for that fiscal year. Notwithstanding anything to the contrary contained in the Declaration, these By-Laws, or the Articles of Incorporation, during the Class "B" Control Period, no Mortgage lien shall be placed on any portion of the Common Area without the affirmative vote or written consent, or any combination thereof, of Members holding at least a majority of the total votes in the Association.

(e) **Rights of the Association.** With respect to the Area of Common Responsibility, and in accordance with the Articles of Incorporation and the Declaration, the Association shall have the right to contract with any person for the performance of various duties and functions. Without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or Neighborhood and other owners or residents associations, both within and without the Properties.

Any contract, lease or other agreement (including any management contract) entered into by the Association with a third party must require such third party to maintain adequate liability and worker's compensation insurance, if applicable, as determined in the sole discretion of the Board.

(f) **Enforcement.** The Board shall have the power to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, and to suspend an Owner's right to vote or any person's right to use the Common Area for violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the Association to limit ingress and egress to or from a Lot. In the event that any occupant, guest or invitee of a Lot violates the Declaration, By-Laws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant with notice to the Owner; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the

Association. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

(i) Notice. Prior to imposition of any sanction hereunder, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than ten (10) days within which the alleged violator may present a written request to the Covenants Committee, if any, or Board for a hearing; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of the notice. If a timely challenge is not made, the sanction stated in the notice may be imposed by the Board.

The Board or the Covenants Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

(ii) Hearing. If a hearing is requested within the allotted ten (10) day period, the hearing shall be held in executive session affording the alleged violator a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, together with a statement of the date and manner of delivery, is entered by the officer, director, or agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed.

(iii) Appeal. Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, a written notice of appeal must be received by the manager, President, or Secretary of the Association within thirty (30) days after the hearing date.

(iv) Additional Enforcement Rights. Notwithstanding anything to the contrary in the By-Laws, the Association, acting through the Board, may elect to enforce any provision of the Declaration, these By-Laws, or the rules and regulations of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs thereof, including reasonable attorneys fees actually incurred.

Article 4. **Officers**

4.1 Officers. The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, to be elected from among the members of the Board. The Board may appoint such other officers, including one (1) or more Assistant Secretaries and one (1) or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

4.2 Election, Term of Office, and Vacancies. The officers of the Association shall be elected annually by the Board at the first meeting of the Board following each annual meeting of the Members, as set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board for the unexpired portion of the term.

4.3 Removal. Any officer may be removed by the Board with or without cause.

4.4 Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

4.5 Resignation. Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the 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.

4.6 Agreements Contracts, Deeds, Leases, Checks, Etc. All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

4.7 Compensation. Compensation of officers shall be subject to the same limitations as compensation of directors under Section 3.2(f)

Article 5. **Committees**

5.1 General. Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution of the Board. Each committee shall operate in accordance with the terms of the resolution of the Board designating the committee or with rules adopted by the Board of Directors.

5.2 Covenants Committee. In addition to any other committees that may be established by the Board pursuant to Section 5.1, the Board may appoint a Covenants Committee consisting of at least five (5) and no more than seven (7) Members. Acting in accordance with the provisions of the Declaration, these By-Laws, and resolutions the Board may adopt the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Section 3.3(f).

5.3 Neighborhood Committees. In addition to any other committees appointed as provided above, each Neighborhood which has no formal organizational structure or association may elect a Neighborhood Committee to determine the nature and extent of services, if any, to be provided to the Neighborhood by the Association in addition to those provided to all Members of the Association in accordance with the Declaration. A Neighborhood Committee may advise the Board on any issue, but shall

not have the authority to bind the Board of Directors. Neighborhood Committees, if created, shall consist of three (3) to five (5) members as determined by a majority vote of the Owners within the Neighborhood.

Upon written petition signed by Owners of a majority of the Lots within any Neighborhood, the Board shall call for an election of a Neighborhood Committee for such Neighborhood no later than 60 days from receipt of such petition. Election of a Neighborhood Committee may be held by mail-in ballot sent out by the Board for the initial election and after the initial election by the Neighborhood Committee. Each Owner shall have the number of votes assigned to his or her Lots in the Declaration. Committee members nominated in such manner shall be appointed by the Board for a term of one (1) year and until their successors are appointed. Any director elected to the Board from a Neighborhood shall be an ex officio member of the Committee.

The Owners of Lots within the Neighborhood holding at least a majority of the total votes in the Neighborhood shall constitute a quorum at any meeting of the Neighborhood. In the conduct of its duties and responsibilities, each Neighborhood Committee shall abide by the procedures and requirements applicable to the Board set forth in Sections 3.2(a) through and including 3.2(j); provided, however, the term "Member" shall refer to the Owners of Lots within the Neighborhood and the term "directors" or "Board" shall refer to the members of the Neighborhood Committee. Each Neighborhood Committee shall elect a chairman from among its members who shall preside at its meetings and who shall be responsible for transmitting any and all communications to the Board of Directors.

Article 6. **Miscellaneous**

6.1 Fiscal Year. The fiscal year of the Association shall be the calendar year unless otherwise established by resolution of the Board of Directors.

6.2 Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with South Carolina law, the Articles of Incorporation, the Declaration, or these By-Laws.

6.3 Conflicts. If there are conflicts between the provisions of South Carolina law, the Articles of Incorporation, the Declaration, and these By-Laws, then the provisions of South Carolina law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

6.4 Books and Records.

(a) Inspection by Members and Mortgagees. The Declaration, By-Laws, and Articles of Incorporation, any amendments to the foregoing, the rules and regulations of the Association, the annual report, and the minutes of meetings of the Members, the Board, and committees shall be made available, at the office of the Association or at such other place within the Properties as the Board shall prescribe, for inspection by any holder, insurer or guarantor of a first Mortgage on a Lot, by any Member of the Association, or by the duly appointed representative of any of the foregoing at any reasonable time and for a purpose reasonably related to his or her interest in the Lot.

(b) Rules for Inspection. The Board shall establish reasonable rules with respect to:

- (i) notice to be given to the custodian of the records;
- (ii) hours and days of the week when such an inspection may be made; and
- (iii) payment of the cost of reproducing copies of documents requested.

(c) **Inspection by Directors.** Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Association in furtherance of such director's duties as a director.

6.5 Notices. Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:

- (a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or, if no such address has been designated, at the address of the Lot of such Member; or
- (b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address as shall be designated by notice in writing to the Members pursuant to this Section.

6.6 Amendment.

(a) **By Declarant** The Declarant may unilaterally amend these By-Laws at any time and from time to time if such amendment is (i) necessary to bring any provision hereof into compliance with any applicable government statutes, rule or regulation, or judicial determination; (ii) necessary to enable any reputable title insurance company to issue title insurance coverage on the Lots; (iii) required by an institutional or governmental lender of purchaser of mortgage loans, including, for example, the Federal National Mortgage Association or Federal Home Loan Mortgage Corporation, to enable such lender or purchaser to make or purchase mortgage loans on the Lots; or (iv) necessary to enable any governmental agency or reputable private insurance company to guarantee or insure mortgage loans on the Lots; provided, however, any such amendment shall not adversely affect the title to any Lot unless the Owner shall consent thereto in writing. So long as it still owns property described in Exhibits "A" or "B" of the Declaration for development as part of the Properties, the Declarant may unilaterally amend these By-Laws for any other purpose, provided the amendment has no material adverse effect upon any substantive right of any Owner, unless the affected Owner shall consent thereto in writing.

(b) **By Owners** Except as otherwise specifically provided herein these By-Laws may be amended only upon a resolution duly adopted by the Board and approved by the affirmative vote or written consent, or any combination thereof, of Members holding sixty-seven percent (67%) of the total votes in the Association, including sixty-seven percent (67%) of the votes held by Members other than the Declarant, and the consent of the Class "B" Member, so long as such membership exists. In addition, the approval requirements set forth in Article 14 of the Declaration shall be met, if applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment to be effective must be

recorded in both the ROD Office of Greenville County, South Carolina and the ROD of Henderson County, North Carolina.

If an Owner consents to any amendment to the Declaration or these By-Laws, it will be conclusively presumed that such Owner has the authority to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege.

AMENDMENT
TO
SECOND AMENDED AND RESTATED DECLARATION OF COVENANTS,
CONDITIONS, AND RESTRICTIONS FOR CLIFFS VALLEY AND CLIFFS VALLEY
NORTH

Recorded in Book 1990 at Page 1621

WHEREAS, reference is made to that certain Second Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Cliffs Valley and Cliffs Valley North recorded in Book 1990 at Page 1621 in the Office of the Register of Deeds for Greenville County, South Carolina (the "**Declaration**");

WHEREAS, Section 18.2(b) of the Declaration provides that the Declaration may be amended upon the affirmative vote or written consent of sixty-seven (67%) percent of the total votes of the members of The Cliffs Valley Community Association, Inc. (the "**Association**") and the consent of Cliffs at Glassy, Inc.;

WHEREAS, the Bylaws of the Association are attached to the Declaration as Exhibit "E" thereto (the "**Bylaws**");

WHEREAS, Section 6.6(b) of the Bylaws provides that the Bylaws may be amended only upon a resolution duly adopted by the board of directors and approved by affirmative vote or written consent of the members holding sixty-seven (67%) percent of the vote and the consent of Cliffs at Glassy, Inc.; and

WHEREAS, the Association has resolved to amend the Bylaws as set forth herein, and has obtained the vote and/or written consent of the members holding sixty-seven (67%) percent of the vote and the consent of Cliffs at Glassy, Inc. in accordance with the Bylaws and the Declaration, as evidenced by the Board resolution set forth on Exhibit "A" attached hereto and incorporated herein and the certificate of the Secretary of the Association set forth on Exhibit "B" attached hereto and incorporated herein.

NOW, THEREFORE, the Declaration and the Bylaws are hereby amended as set forth on Exhibit "C" attached hereto and incorporated herein.

Except as set forth on Exhibit "C" or as necessary to give effect to the express intent set forth therein, all terms and provisions of the Declaration and the Bylaws shall remain unchanged and in full force and effect.

[SIGNATURE PAGE TO FOLLOW]



2011009139

AMEND/REST
7 PGS

Book:DE 2384

Page:152-158

February 07, 2011 04:16:27 PM

Rec:\$13.00

Cnty Tax:\$0.00

State Tax:\$0.00

FILED IN GREENVILLE COUNTY, SC

IN WITNESS WHEREOF, the Association has executed this amendment to the Declaration and Bylaws as of July 19, 2010.

Signed, Sealed and Delivered
In the Presence Of:

CLIFFS VALLEY COMMUNITY
ASSOCIATION, INC.

Melanie B. Timblin
(Witness 1)
Melanie B. Timblin
(Witness 2)

By: *Donna Mullins*
Name: *Donna Mullins*
Title: *President*

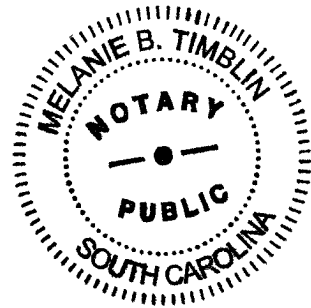
STATE OF SOUTH CAROLINA)
)
COUNTY OF Greenville)

ACKNOWLEDGMENT

I, *Melanie B. Timblin*, a Notary Public in and for the County and State aforesaid, hereby certify that *Donna Mullins*, the duly authorized *President* of Cliffs Valley Community Association, Inc., appeared before me this day and acknowledged the execution of the foregoing instrument on its behalf.

Witness my hand and official stamp or seal this *19th* day of *July*, 2010.

Melanie B. Timblin
Signature of Notary Public
My Commission Expires: *7-10-17*



Consented to by Cliffs at Glassy, Inc.

Signed, Sealed and Delivered
In the Presence of:

CLIFFS AT GLASSY, INC.

K. Clark
(Witness 1)
A. Wilson
(Witness 2)

By: [Signature]
Name: James B. Anthony
Title: President

STATE OF SOUTH CAROLINA)
COUNTY OF Pickens)

ACKNOWLEDGMENT

I, Nancy Bray Goldsmith, a Notary Public in and for the County and State aforesaid, hereby certify that James B. Anthony, the duly authorized President of Cliffs at Glassy, Inc., appeared before me this day and acknowledged the execution of the foregoing instrument on its behalf.

Witness my hand and official stamp or seal this 2nd day of June, 2010.

Nancy Bray Goldsmith
Signature of Notary Public
My Commission Expires: 11/29/2015

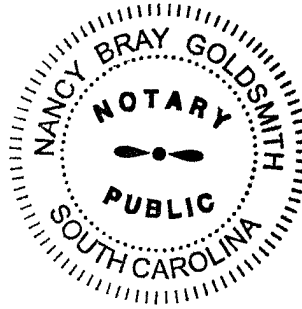


EXHIBIT "A"**RESOLUTION OF BOARD OF DIRECTORS OF THE CLIFFS VALLEY
COMMUNITY ASSOCIATION, INC.**

The undersigned, being first duly sworn, deposes and says that the following is a true and accurate copy of the resolutions adopted at a meeting duly called and conducted on July 31, 2009, in accordance with the requirements of the By-Laws, with a quorum present and voting throughout.

WHEREAS, the Board of Directors of The Cliffs Valley Community Association, Inc. (the "Association") has determined that it is in the best interest of the Association to increase the term of a director elected to the Association's Board of Directors from two to three years; to amend the Bylaws of the Association to provide that the Bylaws may be amended by Members holding fifty-one percent of the total votes in the Association, and to amend the appointment of the Nominating Committee by the Board not less than thirty (30 days) after each annual meeting of the Members;

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves the amendment to the By-Laws attached as Exhibit C to the Amendment to Second Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Cliffs Valley and Cliffs Valley North (the "By-Law Amendment") and recommends that such By-Law Amendment be approved by the Members of the Association as required by Section 6.6(b) of the By-Laws;

FURTHER RESOLVED, that the officers of the Association are each authorized and directed to take all necessary and appropriate action to obtain Member approval of the By-Law Amendment, including calling special meetings of the members, or circulating minutes of action to the Members and recording the By-Law Amendment in the Register of Deeds Office of Greenville County, South Carolina and the Register of Deeds Office of Henderson County, North Carolina.

January 17, 2010

Donna Mullinax

Donna Mullinax, President

Gary B. Klinger

Gary B. Klinger, Secretary

EXHIBIT "B"

CERTIFICATE OF SECRETARY AS TO CONSENTS OF MEMBERS

I, Gary B. Klinger, as the duly authorized Secretary of The Cliffs Valley Community Association, Inc. (the "Association"), hereby certify that (i) the Association adopted the Resolutions attached to this Amendment as Exhibit "A" at a duly called meeting of the Association's Board of Directors held on July 31, 2009, at which a quorum was duly present and voting in accordance with the articles of incorporation and bylaws of the Association, and (ii) the adoption of such Resolutions was approved by written consent of at least sixty-seven (67%) percent of the members of the Association as required by the bylaws.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of January 17, 2010.

GARY B. Klinger
Print Name: Gary B. Klinger
Title: Secretary

SWORN TO before me this 17th day of January 17, 2010.

Courtney A. Stone
Notary Public for South Carolina

My Commission Expires: 08-26-2020

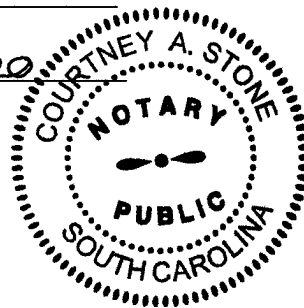


EXHIBIT "C"

Amendment to By-Laws

1. Article 3 of the By-Laws of The Cliffs Valley Community Association, Inc. (the "Association") shall be amended to delete Section 3.1(f) in its entirety and replace it with the following Section 3.1(f):

“(f) Election and Term of Office. Notwithstanding any other provision in these By-Laws, the Board of Directors shall be elected by the Members. For the Association’s annual meeting in January 2010 and for the four (4) Board positions that will be expiring immediately before the January 2010 annual meeting, two directors will be elected for a three (3) year term and two directors will be elected for a two (2) year term. The two directors receiving the most votes shall serve the three year term. The other two directors receiving the third and fourth highest number of votes will serve for two (2) years. Beginning with the Association’s annual meeting in January 2011, the directors shall be elected for a term of three (3) years at each annual meeting upon the expiration of the term of a director. Each Member shall be entitled to cast one (1) vote with respect to each vacancy to be filled from each slate on which such Member is entitled to vote. There shall be no cumulative voting. The candidates receiving the most votes shall be elected. The directors elected by the Members shall hold office until their respective successors have been elected by the Association. Directors may be elected to serve any number of consecutive terms.”

2. Article 6.6(b) of the Bylaws of the Association shall be amended to delete Section 6.6(b) in its entirety and replace it with the following Section 6.6(b):

“(b) By Owners. Except as otherwise specifically provided herein these By-Laws may be amended only upon a resolution duly adopted by the Board and approved by the affirmative vote or written consent, or any combination thereof, of Members holding fifty-one percent (51%) of the total votes in the Association. In addition, the approval requirements set forth in Article 14 of the Declaration shall be met, if applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. Any amendment to be effective must be recorded in both the ROD Office of Greenville County, South Carolina and the ROD of Henderson County, North Carolina.

If an Owner consents to any amendment to the Declaration or these By-Laws, it will be conclusively presumed that such Owner has the authority to consent and no contrary provision in any Mortgage or contract between the Owner and a third party will affect the validity of such amendment.

No amendment may remove, revoke, or modify any right or privilege of Declarant without the written consent of Declarant or the assignee of such right or privilege.”

3. Article 3.1(e) of the Bylaws of the Association shall be amended to delete 3.1(e) in its entirety and replace it with the following section 3.1(e):

“i) Nomination of Directors. Except with respect to directors selected by the Class “B” Member, nominations for election to the Board may be made by a Nominating Committee. The Nominating Committee shall, if established, consist of a chairman, who shall be a member of the Board of Directors, and three (3) or more Members of the Association, with at least one (1) representative from each Neighborhood, if Neighborhoods are established. The Nominating Committee shall be appointed by the Board not less than thirty (30) days after each annual meeting of the Members to serve a term of one (1) year or until their successors are appointed, and such appointment shall be communicated to all property owners. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled. In the event Neighborhoods are established, the Nominating Committee shall nominate separate slates for the directors to be elected at large by all Members, and for the directors to be elected by and from each Neighborhood. Nominations for each slate shall also be permitted from the floor. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

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February 07, 2011 04:16:27 PM

Timothy J. Conway



Timothy J. Hanney

STATE OF SOUTH CAROLINA)
)
 COUNTY OF GREENVILLE) AMENDMENT OF DECLARATION OF
) CONDITIONS, COVENANTS AND RESTRICTIONS
) OF CLIFFS VALLEY SUBDIVISION

This Third Amendment of the Declaration of Conditions, Covenants and Restrictions of Cliffs Valley Subdivision (hereinafter "Amendment") is entered into to be effective as of the 21st day of May, 2018, by CLIFFS VALLEY COMMUNITY ASSOCIATION, INC. (hereinafter "Association").

WITNESSETH:

WHEREAS, the Declaration of Conditions, Covenants and Restrictions of Cliffs Valley Subdivision, recorded in the Office of the Register of Deeds for Greenville County (the "ROD") in Book 1990 at Page 1621 (the "Declaration"), made certain properties in Greenville County, South Carolina subject to the Declaration; and

WHEREAS, the Conditions, Covenants and Restrictions provides expressly in Article 12.2 the Board's authority to adopt rules which modify, cancel, limit, create exceptions to, or expand the Use Restrictions set forth in Exhibit "C" to the Declaration; and

WHEREAS, the following modifications to the initial Use Restrictions have been adopted by the Board and these modifications have not been disapproved by at least sixty-seven percent (67%) of the Association's members.

NOW, THEREFORE, Exhibit C, "Initial Use Restrictions," of the Declaration of Conditions, Covenants and Restrictions for Cliffs Valley Subdivision are hereby amended and from henceforth shall read as follows:

(a) General: The Properties shall be used only for single family residential, recreational, and related purposes (which may include, without limitation, offices for any property manager retained by the Association or business offices for the Declarant or the Association consistent with the Declaration and any Supplemental Declaration). Any Supplemental Declaration or additional covenants imposed on the property within any Neighborhood may impose stricter standards than those contained herein and the Association shall have standing and the power to enforce such standards.

(b) Restricted Activities

(x) Construction of a structure on a Lot other than one (1) detached single-family dwelling and one accessory building, which may include a detached private garage, servant's quarters, guest house or pool house, provided a single structure may incorporate all of said uses

and provided such dwelling or accessory building does not overcrowd the Lot and is not used for any activity normally conducted as a business. Such accessory building may not be constructed prior to the construction of the main building. A guest suite or like facility may be included as part of the main dwelling or accessory building, but said suite may not be rented or leased except as part of the entire premises including the main dwelling.

(xi) Launching and flying any hobby aircraft such as Remote Control planes, drones or similar devices from any Common Area within the Community as defined in Section 1.10 of the Declarations.

IN WITNESS WHEREOF, the Association has executed this amendment to the Declaration of Conditions, Covenants and Restrictions of Cliffs Valley Subdivision this 21st day of May, 2018.

Signed, Sealed and Delivered
In the Presence Of:

CLIFFS VALLEY COMMUNITY
ASSOCIATION, INC.

R.D. Medgone
Witness #1

By: Burr Pugh
Burr Pugh
(Print Name)
President, POA
(Title)

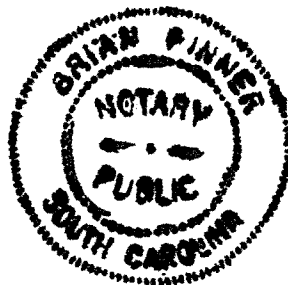
Matthew Whitman
Witness #2

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

ACKNOWLEDGEMENT

I, A Notary Public for South Carolina, do hereby certify that the above named, Burr Pugh, personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

WITNESS my hand and seal this 21st day of May, 2018.



Brian Pinner
Notary Public for South Carolina
My Commission Expires: 1/10/2024

BRIAN PINNER
Notary Public, State of South Carolina
My Commission Expires 1/10/2024

AMENDMENT
TO
BY-LAWS FOR
CLIFFS VALLEY AND CLIFFS VALLEY NORTH

Recorded in Book 1990 at Page 1621

WHEREAS, reference is made to that certain Second Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Cliffs Valley and Cliffs Valley North recorded in Book 1990 at Page 1621 in the Office of the Register of Deeds for Greenville County, South Carolina (the "**Declaration**");

WHEREAS, the By-Laws of the Association are attached to the Declaration as Exhibit "E" thereto, as amended by that certain Amendment to Second Amended and Restated Declaration of Covenants, Conditions, and Restrictions for Cliffs Valley and Cliffs Valley North recorded in Book DE 2384 at Page 152 in the Office of the Register of Deeds for Greenville County, South Carolina (the "**By-Laws**");

WHEREAS, the By-Laws do not currently permit electronic communications as an acceptable form of official communication with members of the Association; and

WHEREAS, the Association has resolved to amend the By-Laws as set forth herein, and has obtained the vote and/or written consent of the members holding fifty-one percent (51%) of the vote in accordance with the By-Laws and the Declaration, as evidenced by the Board resolution set forth on Exhibit "A" attached hereto and incorporated herein and the certificate of the Secretary of the Association set forth on Exhibit "B" attached hereto and incorporated herein.

NOW, THEREFORE, the By-Laws are hereby amended as set forth on Exhibit "C" attached hereto and incorporated herein.

Except as set forth on Exhibit "C" or as necessary to give effect to the express intent set forth therein, all terms and provisions of the By-Laws shall remain unchanged and in full force and effect.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Association has executed this amendment to the By-Laws as of December 20, 2018.

Signed, Sealed and Delivered
In the Presence Of:

CLIFFS VALLEY COMMUNITY
ASSOCIATION, INC.

Matthew Wilson
(Witness 1)

By: Burr Pugh
Name: Burr Pugh
Title: President

[Signature]
(Witness 2)

STATE OF SOUTH CAROLINA)
)
COUNTY OF GREENVILLE)

ACKNOWLEDGMENT

I, Nathaniel Prewitt, a Notary Public in and for the County and State aforesaid, hereby certify that Burr Pugh, the duly authorized President of Cliffs Valley Community Association, Inc., appeared before me this day and acknowledged the execution of the foregoing instrument on its behalf.

Witness my hand and official stamp or seal this 20 day of December, 2018.

[Signature]
Signature of Notary Public

My Commission Expires: July 19, 2026

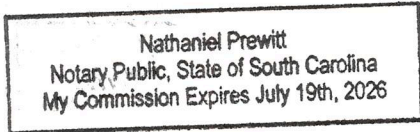


EXHIBIT "A"

RESOLUTION OF THE BOARD OF DIRECTORS

OF THE CLIFFS VALLEY COMMUNITY ASSOCIATION, INC.

The undersigned, being first duly sworn, deposes and says that the following is a true and accurate copy of the resolutions adopted at a meeting duly called and conducted on May 29, 2018, in accordance with the requirements of the By-Laws of The Cliffs Valley Community Association, Inc. (the "By-Laws"), with a quorum present and voting throughout.

WHEREAS, the Board of Directors of The Cliffs Valley Community Association, Inc. (the "Association") has determined that it is in the best interest of the Association to amend the By-Laws to permit electronic communications as an acceptable form of official communication with Members of the Association

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby approves the amendment to the By-Laws attached as Exhibit C to the Amendment to By-Laws for Cliffs Valley and Cliffs Valley North (the "By-Law Amendment") and recommends that such By-Law Amendment be approved by the Members of the Association as required by Section 6.6(b) of the By-Laws;

FURTHER RESOLVED, that the officers of the Association are each authorized and directed to take all necessary and appropriate action to obtain Member approval of the By-Law Amendment, including calling special meetings of the members, or circulating minutes of action to the Members and recording the By-Law Amendment in the Register of Deeds Office of Greenville County, South Carolina and the Register of Deeds Office of Henderson County, North Carolina.

May 29, 2018

Burr Pugh
Burr Pugh, President

Katharine M. Reed
Katharine M. Reed, Secretary

EXHIBIT "B"

CERTIFICATE OF SECRETARY AS TO CONSENTS OF MEMBERS

I, Katharine Roed as the duly authorized Secretary of The Cliffs Valley Community Association, Inc. (the "Association"), hereby certify that (i) the Board of Directors of the Association adopted the Resolutions attached to this Amendment as Exhibit "A" at a duly called meeting of the Association's Board of Directors held on May 29, 2018, at which meeting a quorum was duly present and voting in accordance with the articles of incorporation and By-Laws of the Association, and (ii) the adoption of such Resolutions was approved by written consent of at least fifty-one percent (51%) of the members of the Association as required by the By-Laws of the Association .

IN WITNESS WHEREOF, the undersigned has executed and delivered this Certificate as of December 20, 2018.

Katharine Roed
Print Name: Katharine Roed
Title: Secretary

SWORN TO before me this 20 day of December, 2018.

Nathaniel Prewitt
Notary Public for South Carolina
My Commission Expires: July 19, 2026

Nathaniel Prewitt
Notary Public, State of South Carolina
My Commission Expires July 19th, 2026

EXHIBIT "C"

Amendment to By-Laws

1. Article 2 of the By-Laws of The Cliffs Valley Community Association, Inc. (the "Association") shall be amended to delete 2.5 in its entirety and replace it with the following Section 2.5:

"2.5 Notice of Meetings. Written or printed notice stating the day, and hour of any meeting of the Members shall be delivered, either personally, by postal mail, by electronic communication, i.e. email, or by any other generally accepted electronic means of communications, to each Member entitled to vote at such meeting, not less than ten (10) nor more than fifty (50) days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when required by law or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his or her address as it appears on the records of the Association, with postage thereon prepaid. If sent by electronic communication to the Member at his or her email or other electronic address as it appears in the records of the Association, as such is described above, the notice shall be deemed delivered when delivery confirmation is received by the sender."

2. Article 2 of the By-Laws of the Association shall be amended to delete Section 2.9 in its entirety and replace it with the following Section 2.9:

"2.9 Proxies. At all meetings of the Members, Members may vote in person or by proxy. Each proxy shall be in writing, dated, signed and filed with the Secretary of the Association prior to the meeting for which it is to be effective. Proxies may be delivered to the Secretary by personal delivery, by United States mail, by telecopy, or as a scanned document sent via email or any other generally accepted electronic means of communication, including, but not limited to, electronic agent and/or website platforms, to any director or the Association's management agent. Except as otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two (2) or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail or if dated as of the same date, both shall be deemed invalid. No proxy shall be valid more than eleven (11) months after its execution unless otherwise provided in the proxy. Every proxy shall be revocable and shall automatically cease upon conveyance of the Member's Lot."

3. Article 2 of the By-Laws of the Association shall be amended by adding the following sentence immediately after the last sentence in Section 2.13:

"Electronic signatures and/or electronic transmission by a Member of a consent shall meet the requirements of a written consent under this Section 2.13."

4. Article 3 of the By-Laws of the Association shall be amended to delete Section 3.2(c) in its entirety and replace it with the following section 3.2(c):

“(c) **Special Meetings.** Special meetings of the Board shall be held when called by written notice signed by the President of the Association or by a majority of the directors. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The notice shall be given to each director by one (1) of the following methods: (a) personal delivery; (b) first class mail, postage prepaid; (c) telephone communication, including telecopy, either directly to the director or to a person at the director’s office or home who would reasonably be expected to communicate such notice promptly to the director; (d) telegram, charges prepaid; or (e) via electronic communication. All such notices shall be given at the director’s telephone number or sent to the director’s address, email address or other electronic address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery, telephone, telegraph or electronic communication shall be delivered, telephoned, given to the telegraph company or via electronic transmission at least seventy-two (72) hours before the time set for the meeting.”

5. Article 3 of the By-Laws of the Association shall be amended by adding the following sentence immediately after the last sentence in Section 3.2(i):

“Electronic signatures and/or electronic transmission by a director of a consent shall meet the requirements of a written consent under this Section 3.2(i).”

6. Article 6 of the By-Laws of the Association shall be amended to delete Section 6.5 in its entirety and replace it with the following Section 6.5:

“**6.5 Notices.** Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally, sent by United States Mail, first class postage prepaid, or sent via electronic communication with delivery confirmation received by the sender:

(a) if to a Member, at the address, email address or other electronic address, which the Member has designated in writing and filed with the Secretary, or if no such address, email address or other electronic address has been designated, at the address of the Lot of such Member; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address, email address, or other electronic address as shall be designated by notice in writing to the Members pursuant to this Section.”

7. Article 6 of the By-Laws of the Association shall be amended by adding the following sentence immediately after the last sentence in Section 6.6(b):

“Electronic signatures and/or electronic transmission by a director or Member of a consent shall meet the requirements of a written consent under this Section 6.6.”

Policies and Procedures – Living at the Valley

Updated: September, 2018

ALARMS	1
COMMUNICATION	1
CONTRACTOR HOURS	2
DOG PARK & LEASH REQUIREMENTS	2
DRAINAGE	2
DRIVING	2
DRONES.....	2
EMERGENCY & URGENT COMMUNICATIONS.....	3
ENTRY & EXIT PROCEDURES.....	3
FIRE DEPARTMENT.....	4
FIRE SAFETY.....	4
FIREWORKS	5
LIGHTING	5
HUNTING & SHOOTING.....	5
INTERSECTION LANDSCAPING.....	5
MEMORIALS.....	5
NOISE ABATEMENT	5
OVERNIGHT PARKING.....	5
ROAD USAGE.....	5
STORM DAMAGE TO VEGETATION	5
TREE REMOVAL	6
VACANT LOT CLEANING.....	6
WEEDS & KUDZU.....	6
WILDLIFE.....	6

ALARMS

If the Main Gate security is notified of an alarm being activated in a resident's home, or if security is notified by phone, the officer(s) will respond in the following manner:

1. When only one (1) officer is on duty:
 - a. Officer will call the Fire and/or Sheriff's department and report the alarm.
 - b. Officer will greet and assist fire and/or police when they arrive and provide a house key if holding it for the resident.
2. When two (2) officers are on duty:
 - a. Officer will call the Fire and/or Sheriff's department and report the alarm.
 - b. Second officer will go to the residence to "observe and report" to the Main Gate any pertinent information.
 - c. If the alarm activated is a fire alarm, officer will "walk around" the house and observe. If the alarm activated is a motion, glass breakage, or security alarm, officer will "observe from a distance."
 - d. Second officer will greet and assist fire and/or police when they arrive and provide a house key if holding it for the resident.
 - e. Officer will not enter the house to judge the nature of the incident. (Exception: "Good Samaritan" assistance permissible in the event of an active fire or medical emergency.)
 - f. Officer will assist fire and/or police personnel when they arrive.

ARCHITECTURAL REVIEW BOARD

The Architectural Review Board (ARB) is a standing committee of the POA. It exists to review all proposed new construction and external changes to existing homes at Cliffs Valley and to encourage site-compatible design and high-quality architectural construction appropriate with the surroundings and conditions indigenous to the Valley Development area.

The process to be followed when building a new home or making external renovations to an existing home is clearly defined in the Cliffs Valley Design Guidelines, which can be found on valleyconnections.org, the POA website. The process includes either an Application for New Construction or a streamlined Application for exterior renovations. Both Preliminary and Final submissions are to be presented to the ARB, which meets on the first and third Wednesday of each month. Removal of trees or major landscaping renovations also require ARB approval, in accordance with established policy.

COMMUNICATION

The Communications Committee provides a wealth of information about the activities and policies that are an integral part of living in the Cliffs Valley, including:

- Welcome packets for new residents
- Email announcements for important community and emergency issues
- A hard copy community directory published annually and distributed to residents.

To further explore the goings-on in the Valley, you are invited to logon to **Valleyconnections.org**, the POA website. A temporary user name and password is provided in your packet.

Valleyconnections.org is run by residents of the Valley and is distinct from the Cliffs member website (Cliffsliving.com). It the most efficient means to explore what we, the Valley property owners, have to offer one another and it is an easy means by which the POA Board and owners can communicate. A summary of much of what the site contains follows:

- The ability to send emails to the board and committee members
- A searchable online resident directory
- Photo albums and videos of community events
- Information on social groups and clubs
- Material about community support efforts

The website also includes a Message Board, which will enable you to ask for recommendations on local vendors and services, announce upcoming events and generally communicate with your new friends and neighbors.

CONTRACTOR HOURS

The maximum hours allowed for construction personnel, general contractors, home and property maintenance services will be from 7:00 am to 7:00 pm, Monday through Friday, and 8:00 am to 5:00 pm on Saturday. No contractor will be permitted on Sundays or national holidays. An exception will be made in case of household emergency. Any deviation from these hours needs prior approval of the ARB.

DOG PARK & LEASH REQUIREMENTS

Dogs shall be on a leash at all times except for designated hours in the area known as the “Dog Park”. This area is located on TerryCreek Road just north of the soccer field. The dog park is open from 6am to 9pm with designated off-leash hours:

7:00am to 9:30am

3:00pm to 7:00pm

Persons may exercise/train their dogs off-leash during non off-leash hours but must immediately leash their dog when residents pass the perimeter roads or wish to use the facility, including walking dogs on leash. Use of the dog park is at your own risk and dog owners are responsible and liable for the actions of their dogs at all times. Dog owners must remain in the area, have their dog in sight and a leash in hand at all times so they may quickly leash and remove their dog from the area as needed. Dogs must wear valid rabies and registration tags and have current vaccinations. Off leash dogs must be under voice control of their owners at all times. Female dogs in heat, sick dogs and puppies less than 4 months old are not allowed at the dog park. No infants and children under 5 years old are allowed in the area during off leash hours. Dogs showing aggression should be leashed and removed from the area immediately. At all times, it is the owners responsibility to clean up after their dog, either at the dog park or when walking their dog in the community. Bags and a receptacle are provided at the Dog Park and Nature Center areas. In other areas of the community, it is still the owner’s responsibility to clean up when walking their dog on a leash.

DRAINAGE

An Owner who alters the original state of a Lot is responsible for ensuring that natural drainage patterns are preserved or that modified patterns do not adversely affect neighboring properties or the Common Area. Any change in natural drainage that might affect neighboring Lots requires prior approval by the Architectural Review Board. Any change in natural drainage that might affect the Common Area, especially roads, requires approval by the Board of Directors or its authorized representative.

Where the Owner of a vacant lot fails to comply with these standards, the Property Manager shall attempt to contact the Owner and arrange for an immediate resolution. If the Owner fails to rectify the situation within ten (10) days of notice, the Property Manager will arrange for a resolution at the Owner’s expense.

Where an emergency condition exists that, in the sole judgment of the Property Manager, does not allow for prior notice to the Owner, the Property Manager shall arrange for an appropriate resolution at the Owner’s expense.

DRIVING

The roads in the community are inherently dangerous: hilly, winding, narrow, sidewalk-free and unlit. Joggers, bikers and walkers often use the roads within the community. To protect them and other residents, it is important that speed limits be observed. Signs are clearly posted showing speed limits on roads within the community, but if you are unsure of the speed limit, remember that nowhere in the Valley is there a speed limit that exceeds 25 mph. Speed Limits are radar enforced, and the registered owners of vehicles exceeding the limit are subject to written warning and fines. For safety reasons and out of courtesy to the above, vehicles should slow below posted speed limits when approaching or passing pedestrians and bikers.

DRONES

Drones may not be launched or landed on POA property. The drone owner is fully responsible for all liability associated with use of their drone within the community.

EMERGENCY & URGENT COMMUNICATIONS

In the event of an emergency or urgent situation, such as a wildfire, icy roadways or downed trees blocking roadways, residents may be notified via an automated calling system. When activated the system will automatically call residents at the first phone # listed in the Resident Database. This is usually, but not always, the resident's landline. Residents also are encouraged to monitor their email for messages from the POA for timely information on the situation. In addition to the automated calling system, Security also may use Molly Mail to provide information to residents; therefore also check this resource. Since the efficacy of our automated calling system depends upon up-to-date data, please notify the POA at cliffsvalley@nhe-inc.com of any changes to your profile, particularly telephone numbers.

ENTRY & EXIT PROCEDURES

The purpose of these procedures is to control access to our community so that residents can enjoy a reasonable level of security. This security is enhanced by cameras located at the Terry Creek and North gates. The intent is to provide positive exit and entry control while not unduly inconveniencing residents and visitors.

Main Gate: There is no free access entry through the Main gate. Visitors (contractors, service providers and guests) must be logged in with a Security Officer. Residents can enter by using an access card or, or may be let in by the Security Officer. Resident entry with a clicker or card is through the right hand gate. There is free exit via a rollover in-ground sensor which will open the gate when a vehicle approaches the gate.

Terry Creek Gate: There is no free access entry through the Terry Creek gate. Entry is through the use of access cards and clickers. There is free exit via a rollover in-ground sensor which will open the gate when a vehicle approaches the gate. The call button may also be used to call Security, who can open the gates remotely.

North & Foxboro Gates: Entry through these gates is through the use of access cards and clickers. The call button or phone may also be used to call Security, who can open the gates remotely. There is free exit via a rollover in-ground sensor which will open the gate when a vehicle approaches the gate.

Procedures:

Resident Procedures: Residents and non-resident property owners can enter all gates through the use of access cards or clickers. All gates allow free exit via a rollover in-ground sensor which will open the gate when a vehicle approaches the gate. Access devices (cards and clickers) can be purchased and are limited to one per registered vehicle. **Access cards and clickers shall be used only by authorized individuals in registered vehicles and are not to be given to guests, service providers or contractors.** Note that owners' remote entrance clickers/cards maybe be deactivated by the POA for dispersing clickers/cards to unauthorized individuals and/or for carrying a balance with the POA over 60 days.

Guest Procedures: Residents must email (cliffsvalleysecurity@gmail.com) at least one day in advance or phone (864-836-4411) the Main gate to advise of guest arrival and departure dates. Temporary hangtags will be issued to guests entering through the Main gate to cover the duration of their stay. If requested by the resident, guests may be issued temporary access cards that will allow for unrestricted entry and exit through all gates. Access card requests must be made 3 business days before guest arrival. These cards must be returned to Security (Main gate) at the end of the guest's stay. Residents will be held responsible for unreturned cards. Visitors may also be "buzzed in" through the remote gates (see instructions below). In the event visitors are "buzzed in," the resident must call or email the Main gate with the name/date/and time of entry.. If the guest is here for an extended stay, then a hangtag or temporary access card should be obtained from the Main gate at the earliest convenience.

When a visitor arrives at one of the gates and requests entry to visit a resident and there has been no prior notification, and the individual is not on the resident's "permanent" guest/contractor list, the security officer will call the resident. If the officer is unable to contact the resident after calling all the resident's listed phone numbers, he or she will leave a message. The visitor will be denied access until the resident confirms his/her authorization to Security.

Security may require very large vehicles to enter and exit via the Terry Creek gate. Commercial vehicles exiting through the Main gate are subject to inspection of their contents by Security,

Procedures for "Permanently" Authorized Visitors: Some service providers with multiple clients in the community (e.g. housecleaners, lawn maintenance firms, trash collection firms) may qualify for annual passes. In addition, for guests and other service providers who will be visiting a resident repeatedly, residents and property owners may send

a once-a-year letter to Security naming these frequent guests and service providers. Security will keep the letters on file and issue a temporary hangtag to the visitor whenever entry is needed. Without an annual pass or standing letter on file, residents must email or phone the Main gate to advise of the visitor's arrival date.

Employee Procedures: The Cliffs employees will be allowed entry via a current windshield decal. Cliffs employees must have a windshield decal. In unique instances, some employees may be issued access cards for remote gate entry and exit. The Safety and Security Committee will monitor and approve the issuance of any employee access cards.

"Buzz In/Out" Procedures: Residents have the ability to allow individuals to enter through the Terry Creek and Foxboro gates. An individual requesting entry through one of these gates may place a call to the resident through the keypad located at the gate. The individual must call the number listed in the directory by following the printed instructions on the screen. Once reached by phone, the resident pushes "9" on their keypad and hangs up. The entry gate will then open. When using this procedure, residents must call the Main gate to advise the Security officer of the entry.

Resident Vehicles:

To better serve the community, all residents must register all their motorized vehicles with Security. It is the resident's responsibility to keep Security informed of vehicle disposals, vehicle additions and current license plates, and to stop at the Main Gate with any newly acquired vehicle so that Security can affix a decal to the vehicle.

FIRE DEPARTMENT

Valley residents living in South Carolina are serviced by the Glassy Mountain Fire Department and in North Carolina by the Green River Fire Department. In the case of an emergency, after calling 911, if possible, please notify Valley Security at (864) 836-4411 and provide details regarding the emergency. **IT IS IMPORTANT TO CALL 911 FIRST AND NOT SECURITY; OTHERWISE RESPONSE MIGHT BE DELAYED.**

You should consider leaving a key to your home with a neighbor or with Valley Security. In addition, KNOX Boxes are available through the Glassy Mountain Fire Department.

FIRE SAFETY

Open fires and campfires: All open fires and campfires are prohibited because of the danger of igniting a wild fire.

Fire Pits & Wood Burning Fireplaces: Although fire pits and outdoor fireplaces are safer than open fires, there is still a potential for sparking a larger fire. Therefore, residents must comply with the following:

- Permanent fire pits and outdoor fireplaces must be approved by the ARB.
- Do NOT start a fire if burning conditions are reported to be "HIGH". To determine if burning conditions are considered "HIGH", call Forestry Services at 800-986-5299.
- Do not burn trash, leaves, paper, cardboard, plywood or twigs. Avoid using soft woods such as pine or cedar which are more likely than hardwoods to throw off sparks.
- Do not overload the pit or fireplace which may result in a large fire which is difficult to control.
- Do not use flammable fluids such as gasoline, alcohol, diesel fuel, kerosene and lighter fluid to light or relight fires.
- Establish a six-foot safety zone with no combustible materials within that area.
- A responsible adult must be present at all times and an active fire pit or fireplace should never be left unattended.
- Keep a fire extinguisher and garden hose available.
- If anything goes wrong call 911 directly. After calling 911, please notify Security.
- To safely extinguish the fire, follow these steps:
 - Allow wood to burn completely to ash, if possible.
 - Pour ample amounts of water on the fire to drown all embers, not just the red ones.
 - Pour until hissing sound stops.
 - Scrape the sticks and logs to remove any embers.
 - Stir and make sure everything is wet and cold to touch. If it is too hot to touch, it is too hot to leave.

*Note: At gatherings where a common fire pit or outdoor fireplace is utilized (Stonehouse and Corbin Mountain Pavilion), a responsible adult must be assigned to adhere to the above instructions.

FIREWORKS

Personal use of fireworks in the Valley is strictly prohibited.

LIGHTING

Exterior lighting may only be permitted to continuously remain on from dusk until 11 pm. No exterior lighting may continuously remain on from 11 pm until daylight. The only permitted exception is low voltage lighting at the driveway entrance to a home. Additional information on the types of exterior lighting that are allowed can be found in the Cliffs Valley Design and Construction Guidelines.

Holiday lighting in good taste is permitted. Lights cannot be displayed prior to Thanksgiving and must be removed by January 31 of the following year.

HUNTING & SHOOTING

Firing of all type of guns in the Valley is strictly prohibited.

Capturing, trapping or killing of wildlife within the Properties, except in circumstances posing an imminent threat to the safety of a person using the Properties, is prohibited. Hunting within the Valley is strictly prohibited. Exception would be hunters hired by the Community Association for the elimination of pests such as feral pigs.

INTERSECTION LANDSCAPING

The Landscape Committee provides landscaping at intersections as the budget permits. In recognition that some residents may want to move more quickly than the budget allows, neighborhood residents may seek approval from the Landscape Committee to plant a common intersection with low maintenance and drought tolerant plans.

MEMORIALS

A Memorial planting will be permitted IF the Landscape Committee has approved the location and type of plant. No mementoes, plaques, or markers will be allowed on Community Association property. Maintenance and arrangements for plantings are the responsibility of the donor.

NOISE ABATEMENT

In consideration of our neighbors, the association encourages all residents to be cognizant of the noise level of their activities. This would include but is not limited to, use of outdoor speakers and/or sound equipment by residents and construction crews, loud and/or large gatherings, and unmuffled vehicles. Any complaints of excessive noise levels should be made to the Property Manager.

OVERNIGHT PARKING

Overnight parking is not allowed in any common areas. Parking of commercial vehicles, recreational vehicles, motor homes, trailers, mobile homes, boats or other watercraft or other oversized vehicles, stored vehicles or inoperable vehicles in places other than enclosed garages or other portions of the lot screened so that they are not visible is prohibited by the covenants.

ROAD USAGE

Valley road usage is intended for vehicles and pedestrians. Drivers should be very cognizant of pedestrian traffic. Bikers and walkers are permitted with the understanding that they should use extreme caution on hilly, curvy roads as they may not be seen by vehicular traffic. The roads in our community, with respect to cyclist and bikers, are for the exclusive use of Valley residents and their accompanied guests. Roller blades and roller skates are NOT permitted above the level of the clubhouse and Wellness Center.

STORM DAMAGE TO VEGETATION

It is the responsibility of the Landscape Committee and contractors to clear all roads and common areas of fallen trees and debris following a storm. Fallen trees or debris from a storm on private property should be collected and removed by the property owner at his or her expense. Fallen trees and debris become an issue that needs to be corrected when it is a hazard or an eyesore. It is classified as an eyesore when a resident complains about the condition. Clean up should be accomplished in a timely fashion.

TREE REMOVAL

No tree measuring five inches (5") or more in diameter at a point two feet (2') above ground level, any native deciduous flowering trees or shrubs, or any evergreens may be removed without the written approval of the ARB, unless located within twenty feet (20') of a building. Exception would include damaged trees, or trees which must be removed because of any emergency. The ARB should be notified after the emergency removal.

The cutting of the forest canopy is STRICTLY PROHIBITED unless approved by the ARB. Tree removal and topping is STRICTLY PROHIBITED within fifty feet (50') of a lake or the golf course.

VACANT LOT CLEANING

Before any vacant lot vegetation cleaning can begin, a Vacant Lot Cleaning Permit must be completed with an approved copy being placed on file with the ARB Administrator. The Vacant Lot Cleaning Permit must be posted on a wooden post clearly visible from the road. Please refer to the documents portion on the website to obtain a copy of the Lot Cleaning Guidelines and the Permit, or you may contact the Property Manager.

WEEDS & KUDZU

Dense or uncultivated, herbaceous and/or woody growth in or within the platted areas which is over 18 inches high creates a nuisance due to unsightliness and serves as a breeding ground for mosquitoes, a refuge for vermin infestation and/or creates a fire or traffic hazard. Owners of vacant lots are responsible for control of these weeds. This is especially critical for properties bordering improved lots. Owners of vacant lots that are not in close proximity to one or more improved lots are still responsible for ensuring that no condition exists that could create a fire or traffic hazard. When the owner of a vacant lot fails to comply with these standards, the Property Manager will attempt to contact the owner and arrange for an immediate resolution. If the owner fails to rectify the situation within 10 days of the notice, the Property Manager will arrange for a resolution at the owner's expense. Where an emergency condition exists, the sole judgment of the Property Manager allows for resolution without prior notification.

Kudzu of any size or magnitude is NEVER acceptable within the community. Should Kudzu be present on POA common property, the POA will take immediate action to control and eradicate it utilizing professional certified contractors who will only utilize currently approved industry methods for the application of herbicides which will minimize the damage to native beneficial vegetation, have no impact on water bodies or sources, while maximizing the eradication of the Kudzu. Should Kudzu be present on a property owner's property, the property owner will likewise institute treatment of the infected area in the same manner. If the property owner desires or refuses to act on his or her own, the POA will arrange for treatment at the owner's expense.

Owners of improved lots are responsible for maintaining their property in accordance with the Cliffs Valley Construction and Design Guidelines and the Community Association's policy governing Landscaping of Lots.

Wildlife

We are very fortunate to be able to live in such a beautiful mountain setting. As residents, we want to ensure that we do the right things to respect and maintain this unique environment. An important part of this relationship is learning to live in harmony with the diverse wildlife that live with us in our community. A major part of this responsibility is being able to co-exist with the local black bears. Their population has been increasing in the Upstate and, consequently, we are having more and more encounters in the Valley.

Simply seeing a bear is not cause for alarm and should be viewed as a unique experience as they are one of the last thriving large carnivores in North America. Importantly, no one has ever been injured by a black bear in South Carolina in its recorded history. Most bear problems in residential areas are temporary and usually occur in the spring and summer months between the time the bears emerge from their dens and when the summer foods such as berries ripen. During this period, bears will travel widely in search of food. Additionally, breeding season occurs from June to August and male bears tend to roam farther than in search of mates. During this same time, young males are dispersing to new territories and often wander into residential areas.

Bears have a natural fear of people and will avoid them unless repeatedly tempted by food. Bears naturally investigate food odors and are attracted to almost any foodstuff. Once a bear receives a "reward" of any residential food, it will return to the same area several times, even after food is removed, to search around the general area for similar foods. The solution to most bear problems is to remove the food attraction before conflicts occur. In South Carolina, it is illegal to entice bears by any means. Further, the law states that you must remove any food attractants if and when

bears are coming onto your property.

These wildlife requirements have been approved by the Cliffs Valley POA Board of Directors and it is the responsibility of all residents to ensure that they followed:

1. **Do Not Feed The Wildlife** - Feeding bears is illegal in the state of South Carolina. This is just asking for trouble as it habituates the animals as to where their next meal is coming from. Additionally, it is unnecessary to feed songbirds as they have survived in our forests for hundreds of years without our help. Bird feeders invariably attract other animals including damaging rodents (raccoons, squirrels, rats) and bears.
2. **Contain Your Household Waste** - Animals recognize our garbage as a free meal. Be sure your garbage is in a closed container and place it at street side just prior to collection. Do not put the container out unprotected overnight or allow it to overflow. Also, keep charcoal and gas grills clean as animals love the fat that accumulates in them.
3. **Safely Store Foodstuffs** - When not in use, keep garage doors and other home entry points closed to prevent animals from foraging for food. Store pet food where it is not accessible to other animals.

Willful disregard of these requirements by any property owner will result in further enforcement by the Cliffs Valley POA and/or the South Carolina Department of Natural Resources including fines, if warranted.

Here is a link to a SC DNR publication entitled A Homeowner's Guide to Living with Bears:

<http://www.dnr.sc.gov/wildlife/bear/08Bearbrochure.pdf>. Please do not call SC DNR just because you see a bear; they are being overburdened with calls. If you have a significant bear encounter at your residence, please notify Cliffs Valley Safety & Security who will investigate and contact SC DNR if required. By working together we can help protect our wildlife and our community.



**Cliffs Valley
Community Association**

**DESIGN AND CONSTRUCTION
GUIDELINES**

REVISED FEBRUARY, 2019

Note: This edition of the
Guidelines supersedes all
previous versions regardless
of format.

TABLE OF CONTENTS

(1) Opening Letter to the Owner.....	3
(2) Summary of the Process.....	4
(3) Development Philosophy	6
(4) Intent of the Guidelines	6
(5) Purpose of Standards and Guidelines.....	6
(6) Function of the Architectural Review Board	7
(7) Basis of Authority	7
(8) General Comments.....	8
(9) Design	9
(10) Size.....	9
(11) Building Setbacks	9
(12) Single Family Lots – All Sections.....	9
(13) Roofs	10
(14) Colors	11
(15) Materials, Surfaces and Driveways.....	11
(16) Garages.....	12
(17) Overnight Parking.....	12
(18) Appurtenances.....	12
(19) Block Retaining Walls (Professionally-Engineered Walls).....	13
(20) Landscape Development Design & Construction	13
(21) Temporary Structures.....	15
(22) Trees.....	16
(23) Sewage	16
(24) Storage Tanks, Fuel & Water.....	17
(25) Trash.....	17
(26) Exterior Lighting.....	17
(27) Fences/Guard Rails	17
(28) Pools & Spas	18
(29) Signage.....	18
(30) Mailboxes.....	18
(31) Antennas.....	18
(32) Solar Systems, Active & Passive.....	18
(33) Fire Protection Recommendations	19
(34) Standby Generators	19
(35) Water Courses	18
(36) Special Restrictions.....	19
(37) Review Process – Mission Statement	19
(38) Preliminary Review.....	20
(39) Final Review	21
(40) General Regulations	22
(41) Site Grading	23
(42) Construction Guidelines.....	24
(43) Right-Of-Way Restrictions	26
(44) Miscellaneous.....	27
(45) Existing Home Improvement Review.....	27
(46) Existing Home Construction Guidelines.....	27
(47) Vacant Lot Clearing Guidelines.....	29
(48) “The Root of the Problem”	30

INDEX OF TOPICS

Antennas.....	18
Appurtenances.....	13
Basis of Authority	7
Block Retaining Walls (Professionally-Engineered Walls).....	13
Colors	11
Construction Guidelines.....	24
Design	9
Development Philosophy	6
Existing Home Construction Guidelines.....	27
Existing Home Improvement Review	27
Exterior Lighting.....	17
Fences/Guard Rails	17
Final Review	21
Fire Protection Recommendations	19
Function of the Architectural Review Board	7
Garages.....	12
General Comments.....	8
General Regulations	22
Intent of the Guidelines.....	6
Landscape Development Design & Construction	13
Mailboxes.....	18
Materials, Surfaces and Driveways.....	11
Miscellaneous.....	27
Opening Letter to the Owner.....	3
Overnight Parking.....	12
Pools & Spas	18
Preliminary Review.....	20
Purpose of Standards and Guidelines.....	6
Review Process – Mission Statement	19
Right-Of-Way Restrictions	26
Roofs	10
Setbacks	9
Sewage	16
Signage.....	18
Single Family Lots – All Sections.....	9
Site Grading	23
Size.....	9
Solar Systems, Active & Passive... ..	18
Special Restrictions.....	19
Standby Generators.....	19
Storage Tanks, Fuel & Water.....	17
Summary of the Process.....	4
Temporary Structures.....	15
“The Root of the Problem”	30
Trash.....	17
Trees.....	16
Vacant Lot Clearing Guidelines.....	29
Water Courses	19

THE CLIFFS VALLEY

Dear Property Owner:

These guidelines provide the intent and stated purpose of our design and architectural standards and are intended to serve as your guide in the process of planning a new home. While this document can prove to be a helpful tool in planning homes at The Cliffs Valley, it can neither provide every answer nor guarantee ideal solutions for every situation. As questions arise concerning your building plans, the members of the ARB and the associated professionals will be happy to offer suggestions and guidance. We encourage you to participate when possible in all presentations to the board as they are made by your Architect, Designer or Contractor.

Environmentally sensitive design can only be achieved through a careful, well thought-out response to your particular lot, and the vegetation and topography of the building site. One of our objectives is to assist you in this site-compatibility planning effort so as to maintain the development philosophy noted on page 6 of the guidelines.

We hope you, your Architect, Designer and Contractor will find the guidelines beneficial and we encourage your questions and comments. If we may be of assistance in understanding and adapting to the design, construction and site-compatibility regulations, please do not hesitate to contact us early in the process.

Sincerely,

The Cliffs Valley Community Association (CVCA)

Cliffs Valley
Architectural Review Board

SUMMARY OF THE PROCESS
(Refer to Review Process – Mission Statement, pg. 19)

PRELIMINARY APPROVAL

Please Read the Design and Construction Guidelines.

- (a) Contact licensed surveyor to prepare lot boundary, tree and topographical survey.
- (b) Determine preliminary home design; establish proposed location of home and driveway on the lot, including proper setbacks.
- (c) Develop home design and preliminary schematic floor plans and exterior elevations.
- (d) Submit two copies of the preliminary submittal package to the Association Manager, The Cliffs Valley Community Association (CVCA) Office c/o NHE, Inc., 5 Legacy Park Road, Suite A, Greenville, SC 29607, phone # 864-467-1600. The preliminary submittal package must include the following: (a) site plan (2 copies); (b) architectural schematics (2 copies); (c) copy of the Construction Permit Application (Application Package); (d) check for \$550 for Review Fee.

Note: Any incomplete submittal will not be accepted for further action.

- (e) Schedule a time for preliminary meeting (contact Association Manager). Submittals must be made no less than ten (10) calendar days prior to meeting date.
- (f) **After** ARB preliminary approval, stake the lot indicating the house location, centerline of drives, and trees to be removed. (Refer to pg. 15, Trees and pg. 20 of the Application package).
- (g) Submit survey with proposed location of house and septic system to the State Environmental Department for inspection and approval.

FINAL APPROVAL

- (h) Incorporate any changes and address preliminary review suggestions or modifications and submit the following final review package to the Association Manager for Final Review: (a) Exterior colors and roofing material on ARB Color Board only; (b) Final architectural drawings including a set of ½ size drawings, and site plans; (c) Final Construction Permit Application; (d) Check for Construction Compliance Bond; (e) Check for Cliffs Valley Road Usage Fee; (f) Check for Landscape Bond, if landscaping is the responsibility of the owner; (g) Signed Construction Agreement (All forms and schedule of fees found in Application Package), Proof of Signed Contract with Licensed Contractor and homeowner's signature on Construction Agreement.

Note: Any incomplete submittal will not be accepted for further action.

- (i) Schedule site inspection (site walk) with Contractor, Owner (Optional) and ARB at the time of Submissions for Final Review. Submittal must be made no less than ten (10) calendar days prior to desired meeting date.
- (j) Secure County building permit.
- (k) Install required construction site amenities – dumpster (required after framing has begun), wire backed silt fence and erosion control measures, builder’s sign, temporary sanitary facilities. Call the Association Manager when complete.
- (l) Secure Construction Authorization Permit from the ARB issued at completion of Site Walk.
- (m) Commence construction.
- (n) A preliminary landscape plan must be submitted to the ARB for approval no later than six (6) months after date on Construction Authorization Permit. Landscaping must be complete no later than six (6) months after Certificate of Occupancy (CO) has been issued. Fines will be assessed for failure to comply.
- (o) Inform ARB of project completion for Final Compliance Letter and for refund of funds (if any) from the Construction Compliance Bond. Prior to issuance of Final Compliance Letter, an on-site inspection will be performed to assure conformance of previously approved materials and colors and review of any tree removal (see pg. 15). Check will be refunded to the party who originally posted the Compliance Bond.

DEVELOPMENT PHILOSOPHY

The Cliffs Valley is a planned golf, lake and mountain community designed to be well integrated with the terrain and climate. The design objective is to blend the development into its natural setting rather than contrast or compete with it.

One of any community's strongest statements is the architectural quality of its homes. The degree to which The Cliffs Valley integrates with its blended rural atmosphere is therefore dependent on the design and setting of each home. The architectural review process has been established to help ensure that each home makes a contribution to this design objective and is site-compatible when employing these guidelines.

A mountain / lake design theme will be prevalent throughout many of the homes at The Cliffs Valley. Although all sites and homes will vary somewhat, a common set of design elements and theme compatibility should be carried throughout. The developer has established additional guidelines for specific neighborhoods within The Cliffs Valley Community (e.g.) Stone Creek Design Guidelines.

INTENT OF THE GUIDELINES

The Cliffs Valley is dedicated to preserving a unique and ecologically sensitive community. The architectural design and construction philosophy of the Development is that homes be unobtrusive and compatible in form and color and thus complement their natural setting.

PURPOSE OF STANDARDS AND GUIDELINES

It is the purpose of these Guidelines to promote excellence in architectural design and construction in a compatible character appropriate to the surroundings and the special conditions of climate and other environmental factors indigenous to The Cliffs Valley.

The guidelines are expressly intended to protect and enhance the property values of all owners throughout The Cliffs Valley, and the review procedures are intended to provide a systematic and uniform review for site compatibility and construction design elements, with materials and colors requiring Architectural Review Board approval. The ARB retains full authority to enforce and/or amend these Guidelines as it deems appropriate.

FUNCTION OF THE ARCHITECTURAL REVIEW BOARD

The Cliffs Valley Architectural Review Board is granted the power of establishing design guidelines through Article XI, Section 11.2 of the Master Declaration. The Master Declaration is a recorded and binding instrument as stated on the Deed to your property.

The Architectural Review Board (ARB) is set up for the purpose of maintaining site compatibility while enhancing the development. The Board's composition of members was determined by the Developer who has elected to delegate full responsibility of Architectural Review to The Cliffs Valley Community Association. The Architectural Review Board has been set up as specified in Article XI, Section 11.2 of the Declaration of Covenants and Restrictions (pg. 28-31) of Cliffs Valley.

The approval of the Board relates to the harmony and compatibility of external design and site conditions and placement optimization. The Board does not assume liability for either structural design or impact to a neighbor's property during construction. Architectural Review Board approvals, and the subsequent issuance of The Cliffs Valley Construction Authorization Permit, are just some of the initial steps toward construction of a home.

The State Department of Health and Environmental Control and County have jurisdiction over certain elements of the building process at The Cliffs Valley. The Owner and his Architect/Designer and Contractor are solely responsible for compliance with these rules and regulations.

BASIS OF AUTHORITY

The Design Guidelines derive their authority from the Master Declaration of Covenants, Conditions and Restrictions for The Cliffs Valley. The Guidelines are meant to clarify and add greater detail to the Covenants.

Any work done in violation of these Guidelines and Article XI of the CCRs is nonconforming. With a written request from the ARB, the Owner, at his sole cost and expense, shall bring any and all such work into conformance. If the Owner chooses not to correct such issues, the ARB can enjoin the property for corrective action, at Owner's expense.

The ARB, acting on behalf of the Board of Directors, shall pursue all legal and equitable remedies to enforce the provisions of Article X and XI, including, but not limited to, placing a lien on a Lot for Payment of delinquent fines and assessments. Such fines may include fines imposed by the ARB for violations as stated on the Schedule of Fines ("Benefited Assessments"), or costs related to any and all corrective actions undertaken and/or required. Additionally, legal and equitable remedies may include issuance of "**cease-and-desist order**" as issued by the Court.

GENERAL COMMENTS

The unique topography and natural setting found on nearly every building lot at The Cliffs Valley demands special attention to home design and site compatibility integration. Therefore, to ensure a satisfactory experience in planning and building a home, it is strongly recommended that both a licensed Architect and a Landscape Designer be involved in the process. Contractors, however qualified, can't always offer design services, which include expertise in site planning, superior architectural appearance and conformity, and quality of detail. It is unlikely that plans for modular, pre-cut, catalogue, or building supply stock plans, including most plans found in house-plan magazines and catalogues, will meet the above criteria and their use is discouraged. In addition to their possible lack of architectural appeal, the generic nature of most of these plans rarely suits site-compatibility appropriately, and modifying a site to fit a preconceived plan may be grounds for rejection.

Every site and home presents a unique opportunity. Good professional design assistance will almost certainly add more in value to your home, and the community at large, than its up-front cost.

The Cliffs Valley ARB does not suggest or recommend the capability of any one contractor (builder), except said Contractor must be licensed in the state of South Carolina or North Carolina as dictated by the state in which the building site is located. The Cliffs Valley ARB does not recommend or take responsibility for any of the terms and conditions of any arrangements between the property owner and Contractor selected for construction on the home, notwithstanding the approvals that are necessary from The Cliffs Valley ARB. The ARB does, however, recommend that:

- (a) The property owner establish a contract with the Contractor defining the terms and conditions for construction of the home on the owner's property, as well as seeking advice of counsel in the preparation of the contract.
- (b) The property owner should seek the counsel of an insurance agent to protect all interests adequately and to cover the home during construction prior to completion, so the property owner will be adequately covered for all types of contingencies and/or liabilities.

Please remember that no clearing of any type can be commenced without having received Final Approval from the ARB. The ARB encourages your participation in the process, and urges you to engage qualified professionals in the survey, architectural, construction and landscape disciplines.

DESIGN

The architectural design concept for The Cliffs Valley is that home structures should be site-compatible and unobtrusive in form and color, thus complementing its natural setting. No particular period styled, foreign or geographic influences, or historical approaches are specially endorsed or encouraged. If one style is seen to be the dominant style desired, it would be the mountain/lake style of that region. Many of the styles which have been historically popular such as Georgian, Federal, Southern Colonial, Neoclassical, etc. may not adapt well to sites in The Cliffs Valley, nor do the more modern imitators which reflect a suburban tract look and may be subjectively rejected as incompatible. Note: See Stone Creek Guidelines for additional requirements.

SIZE

The Covenants stipulate the minimum square footage that may be contained in a residence built on a lot. The minimum size of the residence may be regulated by the ARB. Building heights shall be determined by the ARB based upon lot location, tree cover, neighboring homes and other factors affecting the site compatibility. **Homes shall not exceed two (2) stories above a basement, and in any case shall not exceed 2 ½ stories above natural grade.** In addition, while maximum building sizes may not be specifically established in your Deed or recorded Covenants, the Board may, at its discretion, disapprove a submittal that is inappropriate or incompatible for the site due to size or other considerations. The Board may disapprove any submittal, which crowds the site and/or is out of context with other structures in the area.

No home shall be erected, altered, placed or permitted to remain on any lot other than a single family independent dwelling not exceeding two (2) stories in height above the basement, with a minimum requirement of at least a two (2) car attached garage (via roof structure) of no fewer than 576 square feet. A residence shall contain a minimum of 2,000 square feet of heated living space; however, at the ARB's sole discretion, due to specific site conditions or other design considerations, the ARB may allow for some portion of decks, porches or other unheated and/or non-air-conditioned exterior elements to be credited toward the calculation of the 2,000 square foot minimum. Garages, greenhouses or similar areas, such as unfinished basements or cellars, shall not be considered floor space in meeting the above requirements. No carports are permitted. Only interior heated space in areas that are eight feet (8') or higher will be considered in this calculation, except by the special variance exception as mentioned above. (See Garage section for more information, pg.12).

BUILDING SETBACKS

The buildable area of every lot must be delineated to determine the portion of the lot upon which the house may be constructed. This area is specified by the easements and setbacks as recorded on the subdivision plat or in the legal description of the lot. In the absence of setbacks specified on subdivision plat and/or covenants, the typical setbacks required by the ARB are:

SINGLE FAMILY LOTS – ALL SECTIONS

Front or Side Yard – twenty five feet (25')

Rear or Side Yard – adjoining a golf course – thirty feet (30')

Rear yard – thirty feet (30')

Adjoining a lake – all lots – building site including septic drain fields – fifty feet (50') from the Lake Setback Reference Point. The Lake Setback Reference Point must be determined by Surveyor and recorded on an as-built survey of improvements.

Abutting the Watershed – all lots – In the year 2000, The Cliffs Valley ARB in cooperation with the Greenville Water Systems established a "0" setback on property adjoining the watershed. Also there is a no exception restriction that no construction related equipment and/or materials cross over the property line dividing watershed property and homeowner's property. The ARB requires that a surveyor establish this property line and place steel stakes showing a minimum of 36" above ground every 10' along the property line. Under no circumstances is any part of the building process allowed to cross the line. Legal penalties will be imposed by Greenville Water Authority if this line is crossed. The ARB will periodically inspect properties under construction for violations.

Valley Villas – all lots – front ten feet (10'), side fifteen feet (15') and rear twenty-five feet (25').

The setbacks outlined above are for a typical building site. Larger, as well as irregular sites, may suggest to the Board that these setbacks are altered. Variances may be permitted by the ARB to save prominent trees, minimize disruption to unusual topographic features, to accommodate an irregularly shaped lot or when the ARB determines in its sole discretion, that a variance is otherwise appropriate to the site. All such determinations are final and binding upon all concerned.

A variance from said building setback lines may be given by the ARB to a lot owner upon submission of extraordinary circumstances by said lot owner. Such extraordinary circumstances may include unusual topography, lot shape, frontages and potential views. The location of large trees and similar natural materials will be taken into consideration. The ARB reserves the right to control absolutely the precise location of any residential structure or appurtenance affecting all lots.

At the discretion of the ARB an owner may be required to file a variance with other authorities having proper jurisdiction and obtain written consent from adjoining property owners.

ROOFS

Roof pitches for major roof areas are required to be a minimum of 5/12 and a maximum of 14/12 for functional aesthetic reasons. The aesthetic appearance of a residence roof-scape depends greatly upon the articulation of the siding, roofing, details, fenestration, walls and fences. Walls, fences and screens should be used to provide privacy, to enclose service areas, HVAC units, and standby generators, and to reduce the scale of large masses. Details at the soffit, fascia, base, corner, windows, and decks should have common elements that help unify the appearance.

Roofing materials shall be wood shakes, wood shingles, engineered cementitious aggregate products, composite slate, fiberglass shingles or genuine slate. If fiberglass, the shingles shall be of an "Architectural" grade and have at least a thirty (30) year warranty. Roof vents and accessories should be located away from the front elevation and painted to match the roof color.

ALL wood or gas burning fireplaces or stoves MUST have a masonry clad chimney per the following. Chimneys must be veneered with brick, stone, textured genuine stucco or a combination of these products and MUST be of darker tones. Any flue from a gas burning FURNACE that is part of the house HVAC system or vents from gas water heaters or kitchen range/stove hoods/vents can have a metal vent

pipe, provided it is painted to match the roof, has the approved cap, and is located away from the street view if possible.

Metal roofs will be considered on a case-by-case basis. Metal roof materials for accent and porch roofs are subject to ARB approval concerning finish, color and seam type.

COLORS

All exterior materials and colors should complement and be compatible with the surrounding environment. Color samples for new construction and recoloring of existing buildings shall be submitted to the Board for Approval in advance of painting or staining. All exterior materials shall have an LRV (light reflective value) of LESS THAN THIRTY-NINE (39). Genuine stucco surfaces must be textured and should be of the darker tones. NO WHITE TRIM IS PERMITTED.

MATERIALS AND SURFACES

The use of high-quality exterior siding materials should incorporate a balance of some of these materials: engineered wood-like aggregate products, natural wood horizontal or vertical board and batten siding, cedar shakes, genuine textured stucco and stone. The use of less than highest quality materials is strongly discouraged and may be grounds for rejection.

The use of plywood siding is not permitted except for use on underside of soffit.

Vinyl siding, vinyl windows and vinyl soffits are not permitted.

Aluminum fascia is not permitted.

Brick, red in color and unpainted, is not permitted.

Log homes or log cabins are not permitted.

No concrete blocks may be exposed. No raw concrete surfaces and/or parging (pargeting) are allowed.

Poured concrete retaining walls should utilize the same or similar masonry finish as the home.

No unpainted sheet metal may be exposed.

All deck and porch supports must be a minimum of 8" by 8". (Stone Creek is 10" by 10")

All brick, genuine textured stucco or stone MUST terminate at an inside corner.

The use of wood lattice is discouraged but any use of it must meet ARB approval.

All foundation elements, chimneys, and floor framing shall be supported from grade. Visually unsupported cantilevers are not permitted.

All driveways and parking areas must be paved with asphalt, pavers or concrete unless another material is approved by the ARB. (STONE CREEK: Must use natural stone, masonry or concrete pavers in the darker color ranges, imprinted stained concrete or exposed aggregate stained concrete; OR use asphalt with at least a twenty foot (20') apron, starting from edge of road, comprised of one of the preceding materials. Use of non-colored concrete is strongly discouraged but if approved by the ARB, must include the aforementioned apron.) All play equipment, gazebos, pergolas, outbuildings, outdoor fireplaces/firepits (**must be gas burning, wood burning not allowed**), etc. and similar type structures require review and written approval from the ARB. Structures shall be placed so that they are unobtrusive and within setback lines and placed so as to minimize visibility from any street, lake or golf course.

Outside clotheslines are not permitted.

Unless approved by the ARB, no decorative features such as greenhouses, sculptures, birdbaths, birdhouses, fountains, water features or other decorative embellishments that are visible from any street, golf course or lake shall be permitted.

Each family dwelling unit must have permanent electric service supplied by Duke Power Company/ Blue Ridge Electric or its successor normally supplying electric service to Cliffs Valley. If a permanent standby generator is included, it must be located so that it is NOT visible from the street and must be well screened from all other views.

Exterior floodlights must use baffled or hooded fixtures to minimize direct visual access. **All exterior lighting, excluding solar lighting highlighting walkways and driveways, must be off by 11pm. Motion-activated security lighting must be limited to a 10-minute duration.**

All window air conditioning units (if any) must be screened from roads and also from neighboring lots. All compressor units shall be ground mounted. Compressor units shall be screened by approved fencing or planting.

GARAGES

Every home must have a minimum of a two car garage of at least five hundred seventy-six (576) square feet. The garage must be attached, via roof structure, unless otherwise approved by the ARB, and must be of similar construction and appearance as the home. No carports are allowed. Each family dwelling unit must have sufficient enclosed garage space for any and all family cars. Garage doors must be located so as not to face the street, unless by ARB variance. In selected neighborhoods and for selected lots, this requirement may not apply.

OVERNIGHT PARKING

Overnight parking is not allowed in any common areas. Parking of commercial, recreational vehicles, motor homes, mobile homes, boats or other watercraft or other oversized vehicles, stored vehicles or inoperable vehicles in places other than enclosed garages or other portions of the lot screened so that they are not visible is prohibited by the covenants.

APPURTENANCES

The proposed building of a deck or bridge into or across any natural or man-made water body or wetland area must receive prior approval from the ARB. Exterior lighting requires ARB approval, and must be installed so as not to disturb either neighbors or nearby traffic. The construction of game and play structures as well as swimming pools are considered improvements and must be submitted to the ARB. Tennis Courts on lots are not allowed. Each home is required to have a typical mailbox, the design, color, construction and installation of which is required to conform to The Cliffs Valley Guidelines for Mailboxes (Application Package). The mailbox color is SHERWIN WILLIAMS - Resilience Exterior Acrylic Latex, HUNT CLUB #6468, Semi Gloss.

BLOCK RETAINING WALLS

Molded block retaining walls, properly called Segmental Retaining Walls (SRWs), are gravity retaining walls that rely primarily on their mass (weight) for stability. Also referred to as Mechanically Stabilized Earth Walls (MSEWs), or perhaps more commonly known as landscape walls or keystone walls, the systems consist of precast concrete masonry blocks which are placed without the use of mortar (dry stacked).

If desired for use, such requests shall be reviewed by the ARB and approved on an individual basis only. SRWs should not be visible from the street or neighboring properties. In exceptional cases where the wall might be visible, a variance must be requested, which may require a landscape plan submittal showing heavy evergreen plantings to adequately screen the wall. Additionally, such walls may require staining to a darker color than provided by the manufacturer.

LANDSCAPE DEVELOPMENT, DESIGN & CONSTRUCTION

Preliminary landscape plans must be submitted to the ARB via the property manager for review within six (6) months of date on the Construction Authorization Permit and all landscaping must be completed within six (6) months after the CO has been issued. If landscaping is the responsibility of someone other than the builder, a separate bond must be posted which will only be refunded upon completion of the approved landscaping.

The preliminary landscape plan should incorporate plantings of size and quantity which, at maturity, existed naturally at the home site prior to construction. All foundation walls and retaining walls should be adequately screened. Large areas of sod, pine straw/mulch are discouraged. Rock, gravel or pebble stones are not acceptable mulching materials. Pathways and terraces for outdoor living areas are encouraged with natural, unobtrusive materials that are enhanced by the planned landscaping. Stone steps, dry creek beds and mulched paths in a serpentine pattern that minimize disturbance with the appropriate plantings to provide screening, beauty and erosion control are highly desirable. Erosion control should be at the forefront of the designers mind when planning for the site.

Except for the area within twenty feet (20') of the house or driving areas, no living tree with a diameter of five inches (5") or more, or any flowering shrub, dead or alive, shall be cut without prior consent of the ARB. Trimming trees is allowed up to the canopy.

Each property Owner is responsible for maintaining the condition of structures and landscaping. The POA has the authority to correct poorly maintained landscaped areas at the Owner's expense.

Planning considerations:

Care should be taken in the selection of plants and flowers for size, tolerance of environment (temperature, sunlight exposure, wind, animals, altitude, etc. There is a great difference across the Valley from one area to the next) and drought resistance. Native varieties are always the most likely to survive.

In planning the landscape there are several factors which should be paramount:

- Elevation: what will work at the Valley floor may not work near the North Gate.

- Wind: some sites are protected and some are not. For example, Lorepetulum will do nicely at 1100 feet but will not survive a cold wind at 2000 feet.

- Erosion Control: some sites are easy and others are very demanding. Early planning can alleviate nightmares later on, and it is much easier to do it right when under construction. The owner should play an active role with the builder and landscape planner to assure erosion control is in place from day one. Water must be directed away from foundations but NOT be directed onto neighboring properties in such a way that will disturb its natural state. Roof run-off must be managed in such a way that it will not add to erosion on the site. Exiting water may require river/rock type management to reduce its speed and reduce erosion. Drains in selected places with appropriate terracing/retaining walls can add greatly to site stability. Recent experience shows that too often there are erosion issues near the road due to the natural or new grade. Landscape plans will now require either river rock, dry creek beds or plantings (that won't hinder line of site for traffic) that will control water flow near any sloping area where erosion might occur so that water is retained on the property or for very demanding sites minimizes the amount of water going to the road. For those sites, all efforts should be made to divert water from the road or otherwise as required driveways that might empty excessive water onto the street will need to provide controls with whatever means required by the ARB.

- Invasive Species: are not allowed. While they may seem attractive early on to "fill in a space quickly" you and your neighbors will soon hate them. Avoid at all costs invasive species such as English Ivy.

- Irrigation: while a small lawn is fine, a massive lawn is inconsistent with water conservation and a mountain setting. Drip systems are encouraged where possible (tax credit is available in South Carolina for drip systems) because of their efficient use of water.

- Soil Type: while most sites are largely clay that is not totally true. Check to make sure your chosen plant material will prosper in the soil type you have. And make sure the planting depth is appropriate for the soil type.

- Tree Protection: during construction the trees near the home that are to be saved must be protected from excess stress. For example, compaction from even a small tractor or pick-up parking several times under a tree can compact the roots area and cause death later. Also protecting from excess soil being mounded against the base which cuts off oxygen to the roots, again causing stress, which can kill later. When in question, local arborists should be consulted to assist the owner in saving critical trees.

- Line of Sight of Driver: plantings must not impede the line of sight of drivers in any direction

- Mulch: pine straw or hardwood mulches are the normal mulches. Pine straw is slippery on a bank. Aged pine straw is extremely flammable. We strongly discourage its use against the house. Double ground should not be used on steep banks because it will wash away; single ground is best on steep

areas. All disturbed areas must be mulched as part of the landscape plan.

Other:

-Water features are allowed where they are well designed and maintained and must be approved by ARB.

-Statues/yard artwork must be approved by the ARB when seen from the road.

-The use of defoliant on large areas is expressly prohibited.

Sample conditions placed on an approved landscape plan:

1. Approval of the plan does not allow any removal of trees beyond what the ARB approved at the site walk.
2. Plantings near the roadway must not block line of sight of on-coming traffic in either direction at plants maturity.
3. Mulching of all disturbed areas is required.
4. Heating/Air Conditioning units and/or generators must be hidden from neighbors/roadways upon installation of plants.
5. Any fences/retaining walls must have previous ARB approval.
6. Attention to erosion control is critical during landscaping. We seem to get at least one 4+ inch rain every year. Experience shows that controlling erosion now will eliminate major headaches in the future. Any drains that empty above a road must take water all the way to the road via underground piping or through large gravel/rock. Drains emptying below a roadway must empty below any area that might create erosion impact on the road. Driveways that might empty excessive water onto the street will create controls as outlined by the ARB for that particular drive.
7. Any exterior lighting must meet design and construction guidelines. Exterior lighting must be on a control (on-off switch, motion detector or timer) that will turn it off after no later than 11 pm.
8. Fire prevention: aged pine straw is extremely flammable. We would strongly discourage its use against the house. Also, the following plants are particularly flammable and should be avoided against the house: Arborvitae, Hollies, Junipers, Wax Myrtle, and Yaupon.
9. Any fire pit must be propane burning only.

TEMPORARY STRUCTURES

No structure of a temporary nature shall be placed upon any portion of The Cliffs Valley at any time for any reason. Temporary shelters, including mobile homes, trailers, recreational vehicles, and tents, may not be used as temporary or permanent residences or be permitted to remain on any portion of The Cliffs Valley. Trailers for contractors, builders or others normally placed at construction sites are permitted only after specific approval in writing by the ARB and only for its need during constructions. Basements or partially complete houses are considered temporary and may not be inhabited.

Viewing stands built for the purpose of selling a vacant lot must be approved by the ARB prior to installation. This may be applied for using the *Vacant Lot Cleaning Permit* as lot cleaning usually occurs at or near the same time. Stands should be located so they are not highly visible from the road. It shall be constructed of treated lumber and shall be built "To Code" for safety, including concrete post foundations, the staircase, the railings and the pickets. The stand should have a floor height of no more than ten feet (10') from the leading edge (where the staircase attaches) and a deck no greater than fifty square feet (50'). Stands must be kept in a good state of repair and appearance.

TREES

Any tree removal and/or topping shall be done only with The Cliffs Valley ARB approval. Tree topping is strictly prohibited. The cutting of the forest canopy is **STRICTLY PROHIBITED** unless approved by the ARB. Tree removal, topping and/or pruning is **STRICTLY PROHIBITED** within fifty feet (50') of a lake or the golf course.

Trees in the construction zone not approved for removal must be protected by a barrier fence (**orange snow fence**) around the drip area of the tree(s). Absolutely no grading, fill dirt, stored materials or heavy equipment allowed in the drip area. All utility trenches in the root zone of a tree must be hand dug.

No tree measuring five inches (5") or more in diameter at a point two feet (2') above ground level, any flowering trees or shrubs, or any evergreens may be removed without the written approval of the ARB, unless located within twenty feet (20') of a building, or within the right-of-way of driveways and walkways. Exception would include damaged trees, or trees which must be removed because of any emergency. Should a lot owner remove any tree or vegetation as herein provided without the above-described written approval, said lot owner shall be liable for damages which may include fines and/or legal action.

A survey showing all trees five inches (5") or more in diameter for an area thirty feet (30') around the footprint of the building and to include the numbering of the trees for identification and a corresponding "Tree Legend" must be submitted for the Preliminary Review. The survey must show trees of twelve inches (12") or larger in diameter for the entire building site and should cross out the trees that are going to be removed. The ARB will perform a site walk prior to construction to verify location, condition, and trees tagged for removal.

For trees removed or destroyed without ARB approval, the ARB may, at Owner's expense, enter the property and install trees of a trunk caliper totaling three (3) new to every one (1) destroyed or removed. For example, the loss of a twelve inch (12") caliper tree shall be mitigated, at a minimum, by the planting of nine (9) four inch (4") caliper trees (ref. pg. 4, item F). The ARB may also impose fines for unauthorized removal or destruction of trees. Tree topping is strictly prohibited.

SEWAGE

Prior to the occupancy of any family dwelling unit, proper and suitable provisions shall be made for the disposal of sewage by means of a septic system, and no sewage shall be emptied or discharged into any creek, lake or shoreline thereof, or upon the open ground. No sewage disposal system shall be used unless such system is designed, located, constructed and maintained in accordance with the requirements,

standards and recommendations of the State Board of Health or its successor governmental authority. Each septic system shall be maintained in good condition so that its use and existence shall not constitute a nuisance to any other lot owner. Approval of such system shall be obtained from the health authority having jurisdiction. In the event that the Developer, its successors or assigns, provides a public sewage disposal system available to the subdivision's lots, any lot owner whose lot has such service available shall be required to hook up to said system on the terms generally arranged for said system. Every family dwelling unit shall have permanent plumbing and running water and a permanent sewage disposal system. No temporary plumbing, water, or sewage systems are allowed. No private wells may be drilled or maintained on any residential lot.

Builders will be required to install a permanent marker to indicate the access cap to the septic tank so that its location is obvious for future cleanouts. During construction rebar can be used and upon completion a concrete marker will identify the location.

STORAGE TANKS

Fuel storage receptacles may not be exposed to view and must be buried and installed in accordance with all applicable guidelines and regulations.

Water storage tanks used for irrigation purposes may be above ground but must be properly screened, not visible from the street, be compatible with the house design and **MUST** be approved by the ARB.

TRASH

Each lot Owner shall provide sanitary containers for garbage, and all garbage receptacles, tools and equipment for use by the lot owner or otherwise shall be placed in a fenced enclosure to shield same from general visibility from roads and neighboring properties. Trash, garbage and other waste shall be kept in said sanitary containers. No trash, garbage, construction debris or other unsightly or offensive material shall be placed upon any portion of The Cliffs Valley, except as temporary and incidental to bona fide improvements of said area.

Animal-proof trash receptacles are mandatory and should be screened by planting, berming or a fencing element and must not be visible from the road.

EXTERIOR LIGHTING

All exterior lighting, if desired, must be **“down lighting”** and be approved by the ARB. Down lighting is required to reduce glare. Exterior light fixtures on homes should be of baffled or hooded design and conservative in number. Colored lights are prohibited. **All exterior lighting, excluding solar lighting highlighting walkways and driveways, must be off by 11pm. Motion-activated security lighting must be limited to a 10-minute duration.**

FENCES/GUARD RAILS

Fences are generally discouraged but will be considered on a case-by-case basis. The ARB reserves the right to deny or modify any fence request, based on several factors, including but not limited

to visibility and impact on neighboring lots. All fences must be approved by the ARB before installation. Under no circumstances will fences be approved for property along the golf course.

The ARB regulates the appearance of guard rail systems but not their effectiveness for hazard reduction. A licensed Professional Engineer (PE) should be used if the installation is needed due to hazardous driveway or parking drop-off conditions. They should be constructed of treated square wood posts (minimum 6" x 6") and treated rectangular wood rails (minimum 4" thick x 8" wide) and should utilize galvanized steel bolts, nuts and washers. The color and appearance of the materials specified shall be approved by the ARB.

POOLS & SPAS

No aboveground pools or inflatable bubble covers will be allowed. Pools and enclosures should relate architecturally to the home and other structures in their materials and detailing. Pools abutting a golf course or lake are not permitted.

SIGNAGE

All signage is restricted within the community. All signs will be a standardized design approved by the ARB. Prohibited signs will be removed and discarded (Application Package). No builder sign may be placed facing the golf course. House number signs (see Application Package) are allowed, where the mail box is on the opposite side of the road, to properly identify the property.

MAILBOXES

Mailboxes and their installation must conform to a standard design and dimension (see Application Package). The mailbox must be mounted so that the face of the mailbox is fifteen-eighteen inches (15-18") off the edge of the pavement. The mailbox green color is SHERWIN WILLIAMS - Resilience Exterior Acrylic Latex, HUNT CLUB #6468, Semi Gloss. The gold paint for lettering and logo can be purchased from Hobby Lobby, Lowe's, or Home Depot.

The following are sign making companies in the area, which have experience in producing signs and/or mailboxes for the Cliffs Communities:

Gimme A Sign (864) 232-2525

Eihl, Stephanie (828) 388-3399

ANTENNAS

All utilities, wires, cables, antennas and the like, of any kind (such as telephone, electrical, television, radio, and citizen band radios) must be placed underground except as may be expressly permitted and approved in writing by the ARB. Satellite dishes shall not exceed thirty six inches (36") in diameter and must be placed as unobtrusively as possible.

SOLAR SYSTEMS

Solar systems for both Hot Water Heating and Supplementary Power Generation are allowed but require ARB written approval. If Solar Panels are considered for new construction, house placement and

roof design should be considered so that panels are facing South or Southwest but are NOT visible from the road. Panels need to be mounted so as to be in the same plane as the roof and are NOT elevated more than four inches (4") above the surface of the roof. Systems that appear to be the same as roof shingles are encouraged. Homeowners/builders are encouraged to consult with the ARB before considering or installing any type of Solar Systems as each installation will be considered on a "case by case" basis. Solar Systems considered for existing homes must also be brought before the ARB for their review and approval.

FIRE PROTECTION RECOMMENDATIONS

The ARB recommends that the property owner install a Knox Box rapid entry system for fire personnel. For additional information, please contact the appropriate fire service and your Builder. More information on the Knox Box website (www.knoxbox.com).

The ARB recommends the installation of a water fire sprinkler system during the construction of the home. For additional information, please contact your Architect and/or Builder.

STANDBY GENERATORS

Permanently installed standby generators are allowed but must not be visible from the road and must be well screened from all other views. Location of any generators **MUST BE SHOWN** on preliminary drawings submitted.

WATER COURSES

The proposed building of a deck or bridge into or across any natural or man-made body or wet-land area must receive prior written approval from the ARB.

No lake shall be constructed, nor shall the course of any stream be changed, nor any culverts installed in any stream without prior written approval of ARB. Waterways: The owner of lots fronting on a lake, stream, or other waterway, or on an open-space area, separating the lot from such waterway, will not be permitted to erect or maintain a private dock, dam, or similar structure on such waterway unless required permits are obtained from the ARB.

SPECIAL RESTRICTIONS

Special Restrictions are in effect for all lots abutting a lake or golf course. For those lots only, the following special restrictions apply:

- (a) The landscaping pattern of that portion of any residential lot within fifty feet (50') of the lot line bordering a golf course shall be in general conformity with the overall landscaping pattern for the course fairway area established by the golf course architect and communicated to the lot owner by Developer and/or the ARB.
- (b) Tree removal and/or topping is strictly prohibited within fifty feet (50') of a lake or the golf course. Any tree removal, topping and/or pruning shall be done only with The Cliffs Valley ARB approval.

REVIEW PROCESS – MISSION STATEMENT

The Architectural Review Board exists to review all buildings proposed for construction at The Cliffs Valley and to encourage high quality architectural construction and site-compatible design which is appropriate with the surroundings and special conditions indigenous to the Valley Development area.

This review process has been set up to establish a systematic procedure for review of proposed construction. Required drawings and submittal forms must receive Preliminary Approval. A site inspection with any proposed site improvements noted and the home staked out with tree removal plans provided will be conducted after Final Approval has been granted.

The ARB may disapprove any proposed construction on purely aesthetic or site incompatibility grounds, where, in its sole judgment, such action is required to protect natural beauty and attractiveness of the site and/or the improvement modifications or residence are deemed to be incompatible with the general architecture or environment of the community.

The ARB staff will preview every project at the Preliminary and Final review stages, review the lot as staked out, and review the submission of acceptable final working drawings, specifications, preliminary landscaping plan, and color samples. The final project shall not be presented to the Board for review until a complete Preliminary submittal package has been presented and approved. The ARB has thirty (30) days to respond to each submittal. Construction must begin within twelve (12) months of approval authorization; after such time re-submittal is required along with the associated fees (Application Package).

No site clearing, material deliveries, or construction may begin without first obtaining final approval from the ARB and a Construction Authorization Permit has been issued. It is incumbent upon the property owner to request and obtain a schedule date for your Review process with the ARB. All State and County Building Department rules and regulations must be followed as well with appropriate necessary permits obtained.

The Board generally meets the first and third Wednesday of every month, or more often if the case load dictates. Submittals must be received at the ARB office no later than ten (10) calendar days prior to the meeting. The ARB office is located at The Cliffs Valley Community Association Office, c/o NHE, Inc., 5 Legacy Park Drive, Suite A, Greenville, SC, 29607. Tel. # 864-467-1600. Please review the Summary of the Process section (pg. 4). Incomplete submittals will not be accepted and no action will be taken until a complete submittal package is presented along with the required bond fees.

PRELIMINARY REVIEW

As early as possible the Owner and Architect/Designer should prepare and submit two sets of preliminary schematic drawings reflecting the general form, spatial relations, materials, articulation, setting, and circulation drive pattern. The intent of the Preliminary Review is to discuss the project, and review the intended architectural style and site plan. Regardless of what form of presentation is used; all preliminary submittals must contain the following:

Site Plan: A site plan shall be presented at a minimum of 1"= 20' scale or larger, depicting the site data gathered. When dealing with large sites, multiple scales may be used to best clearly represent what work is being done. The proposed structure setting should be reflected on a copy of the tree and topographical survey, prepared by a Licensed Land Surveyor, showing the types and location of trees greater than five inches (5") in diameter, measured at a point two feet (2') above the ground, as well as property lines, easements, setbacks, contour lines, and other homes and driveways on adjoining lots, and site access. Any rock out-cropping or any other special or irreplaceable features are to be identified for protection. Soil erosion protection and silt control measures must be included on the plan. The site plan must include proposed finish floor elevation relative to the existing grade elevation.

The site plan should also include the proposed location of the septic system. Driveways should not impede drainage, and the owner is required to (at his expense) install culvert pipe (corrugated metal) measuring a minimum of fifteen inches in diameter and twenty feet in length so that any driveway does not impede drainage.

Floor Plans: Schematic and preliminary in nature; floor plans at 1/4"= 1' scale, representing the layout of spaces for all levels of the proposed building. The plan must include the calculation of the square footage of heated space.

Elevations: Schematic and preliminary in nature; drawings shall be 1/4" = 1' scale, representing the view of all exterior sides of the proposed structure. Wood, stucco and/or masonry elements of all exterior walls shall be accurately and specifically depicted or designated.

Landscape Plan: May be presented but is not required until six (6) months after commencement of construction, when it is mandatory. However, any preliminary designs may be desirable and helpful during preliminary review.

Preliminary Review Form: The ARB will either grant Preliminary Approval or provide reasons for objection of the submittal, and normally will offer suggestions addressing objectionable or compliance issues. If the preliminary drawings are substantially changed, either by request of the Board or desire of the owner, they must be resubmitted and receive Preliminary Approval before proceeding for Final Approval. A Preliminary Approval is valid for twelve (12) months from date of initial approval.

A check for the amount as outlined in the Schedule of Fees section (Application Package) must be presented at the time of package submittal to CVCA office. If the landscaping is the responsibility of someone other than the builder, **a separate bond must be posted by the homeowner at this time.**

FINAL REVIEW

The final construction documents are prepared incorporating any and all departures and alterations from the preliminary review plans.

Final Stake Out: The stakeout of the property must be done in accordance with the "SITE INSPECTION CHECK LIST". (See Application Package, pg. 20). No trees over five inches (5") in diameter, measured at two feet (2') above ground level may be removed at any time without prior Board approval. Orange protective fencing encompassing the drip area shall be used to prevent injury to trees not approved for removal and to avoid any potential damage from construction equipment. Final determination of septic drain field should be complete and staked.

Final Site Plan: Update the Preliminary Site Plan to incorporate all changes or modifications, with the proposed drive and mailbox locations. All trees that you are planning on removing must be crossed out on the tree survey legend as well as on the site design.

Color Samples: Proposed colors of all exterior materials including siding, trim, brick, roofing, stone, genuine textured stucco and lattice shall be submitted or actual samples of materials intended for use may be required. The samples must be mounted on an ARB Color Board (Application Package). These sample submissions are most important to both the owner and the Board in evaluating the appearance of the house as color chips often vary greatly from actual applications on surface materials. Actual samples of genuine textured stucco ARE REQUIRED and actual samples of other materials may be requested prior to “Final Approval”.

Foundation and Framing Plan: Plans at ¼” scale, showing locations and sizes of foundation and framing elements and how they relate to nearby trees, rock outcroppings or other topographical features are required.

Floor Plans: Floor plans shall be drawn at ¼” scale, containing all information necessary for construction. Electrical plan must be included for interior and exterior with these submitted plans.

Elevations: Drawn at ¼” scale, elevations shall accurately represent the view of all sides of the house including final grading elevations. Floor elevations must be delineated and existing and proposed grade levels must be shown. All exterior component material must be defined for specific material type and colors are also required in the plan submission.

Landscape Plans: Drawn 1”= 20’ (min.) scale must convey a scaled representation of all planting material, identified as to size, common name, and variety. Plans shall also show the location of landscaping lighting with fixture catalogue cuts, sprinkler head locations and patterns, walks, fences, pools, decks, patios, play structures and mailboxes. Plans must also show how roof runoff water and driveway runoff will be collected and controlled. Adequate plant screening shall be provided for HVAC units, standby generators, service yards, trash enclosures, antennas, and electric meters. The contractor shall be responsible for locating existing utilities before excavating. The proposed landscape budget shall be disclosed; the landscape allowance generally equals 3-8% of total construction budget depending on topography and existing vegetation.

Final Review Form: If the Committee fails to grant Final Approval of the project, it will suggest corrective action for re-submittal. If the Committee grants Final Approval, a Cliffs Valley Construction Authorization Permit will be issued after the “Site Walk”. If corrections are required, **two (2) sets of corrected working drawings must be presented to obtain the approval form plus one set of half-size drawings to be used by our “Quadrant Leaders” who do routine site inspections during the building process.**

GENERAL REGULATIONS

All Contractors (and owner-builders) of residences at The Cliffs Valley must be licensed by the State of South Carolina or North Carolina as dictated by the State in which the building site is located. At a minimum, a state residential builder’s license is required.

Construction of the residence must be completed within twenty-four (24) months after receiving the “Authorization to Build”. Any project not completed within twenty four (24) months shall incur and pay an additional Road Impact Fee. (see App. Pkg, Schedule of Fees) Landscaping must be completed six (6) months after the CO has been received.

Access to the development is controlled. All incoming vehicles must be registered with security for identification and pass. Construction workers are allowed access to and from the construction site only and are strictly forbidden from riding about the development. Vehicles may be periodically searched to protect all contractors from theft of material and equipment.

The maximum hours allowed for construction personnel will be from 7:00 a.m. to 7:00 p.m., Monday through Friday and 8:00 a.m. to 5:00 p.m. on Saturday. No residential construction work will be performed on Sundays or national holidays. The ARB, at its sole discretion, may grant “Exceptions” for working hours due to special circumstances but only with Security’s full knowledge.

The conduct of all workmen is the responsibility of the General Contractor. Workmen are not allowed to ride about or use development facilities. Loud cars and speeding (speed limit is no greater than twenty five (25) mph in all Cliffs Communities) are not permitted in the development facilities. All construction vehicles must be parked on the construction site and not on the pavement. Loud music from radios, the use of profanity and disturbing property owners or guests will not be permitted at any time.

All construction vehicles are ultimately the responsibility of the builder and must be parked off the road with all tires off the road. A \$50 parking fine will be assessed if not in compliance. Subsequent offenses, whether from the same or a different subcontractor, will incur a \$100 fine. Both traffic lanes must be **completely** open at all times. If the ARB approves the parking of vehicles on the shoulder of road, the Contractor is responsible for placing standard ORANGE reflective traffic cones with a minimum height of twenty eight inches (28”) on the road so that drivers traveling in either direction on the road are adequately warned. The cones are to be provided by Contractor. Our intention is to avoid creating traffic hazards around construction zones.

Contractors must have the Owner or Architect submit all proposals for exterior changes prior to implementation. The Covenants grant the ARB power to employ workers to correct any exterior changes made without approval or to employ persons to clean up an unacceptable lot. These charges will be deducted from the Construction Compliance Bond.

The ARB, at its sole discretion, may bar or restrict any Contractor, builder or subcontractor from (a) entering any Cliffs Community and/or (b) constructing or building any building or improvement in any Cliffs Community.

The above regulations are designed to enhance The Cliffs Valley overall appearance for our residents and visitors. Repeated violation of these regulations could result in the suspension of the building approval for a given residence until corrective action has been taken by the Contractor. Additionally, a Contractor who repeatedly violates either the letter or “spirit” of these guidelines may be required to post a larger construction deposit or, in the extreme, be prohibited from working at The Cliffs Valley Community Development.

SITE GRADING

Site grading shall be kept to a minimum and drainage systems shall be designed for minimum impact or alteration of natural drainage systems. Flooding from large storms is sometimes a temporary problem in some areas; thus particular attention must be paid when grading to avoid standing water.

Retaining walls, which require ARB approval, may be used to reduce areas needing grading. Retaining and foundation walls should become an extension of the basic architectural design and material composition of the home. Walls should be constructed of natural rocks/boulders or should utilize the same or similar masonry finish as the home to complement the home's exterior. All retaining walls over forty eight inches (48") high must be professionally engineered, and the engineered drawings must be submitted with the preliminary package.

Sedimentation and erosion control measures must be employed during the construction process as required by the state. Please see Application Package included herein. Surface drainage must be collected or contained on-site and shall not impact adjacent properties. Erosion control outfall and distribution should be considered with the site plan drawing and handled with landscape quality detail.

CONSTRUCTION GUIDELINES

Before Construction:

After completing the review process, and receiving final approval of the stake-out and obtaining construction documents, and receiving a Building Approval from the Architectural Review Board, several steps must be followed before any lot clearing, material deliveries, or construction may begin.

Soil erosion control and silt control measures (noted on the site plan) must be installed in accordance with the approved plan. Silt control is especially important in this community due to its proximity with lakes and streams as well as other sensitive water systems and ecologically sensitive vegetation.

Every job site must contain an approved sign identifying the Contractor. All signs shall be constructed and erected as specified in the Application Package. No other signs shall be placed at the job site. Individual Contractor signs must be approved by the Board before being placed at the job site. The job sign shall be erected no closer than fifteen feet (15') to the edge of the street and must be in place with the Permits posted on the rear of the Contractors sign before clearing or construction may begin or materials be delivered. At no time shall a sign or permit be nailed to any tree. No additional subcontractor signs shall be displayed on any construction site. Signs are not to be erected before Construction Authorization Permit is issued.

An ARB Construction Authorization Permit must be obtained for all new construction or modifications prior to commencement of construction. Also, the Contractor must submit a completed Application Package for new construction and improvements. The receipt of this Permit does not preclude the necessity of also obtaining a County Building Permit. Both are required for construction along with any additional permits that may be required from other state, county or local agencies.

In summary, the following steps shall be completed before construction may begin:

- Receive approval of Final Review by completing and submitting the necessary plans, forms, and funds. See paragraph above and/or Summary of the Process on p. 4.
- Erect approved job site sign.

- Obtain County Building Permit.
- Post Building Permits at job site.
- Place a commercial dumpster, (required after framing has begun) and portable toilet on job site.
- Install all appropriate and designated soil erosion, silt control and mud control measures.
- Provide adequate space to park vehicles on site at all times.

During Construction:

All construction at The Cliffs Valley will be under frequent observation by the Architectural Review Board. Periodic field inspections will be conducted by the Board members or Quadrant Leaders on every residence under construction.

Each construction site is required to have a **job toilet** for the use of workers. It must be placed at least twenty-five feet (25') from the street in an inconspicuous location with the door facing away from the street and neighboring homes.

Fires are not permitted on residential construction sites under any circumstances. Care should be taken when loading trucks hauling trash so as not to have it spill over while in transit. Contractors shall be held responsible for trash and debris falling from construction vehicles.

It is important that all sites be maintained in a clean and tidy manner. All construction materials must be kept within the property lines maintaining a clear street right-of-way. Access to the site should be limited to the proposed driveway location. Access over/through adjoining properties is expressly prohibited. Any restoration of damage to adjoining properties shall be the sole responsibility of contractor or builder. The storage of materials should be in an inconspicuous area on the site and should be neat and orderly. The use of adjoining properties for access or storage of any material, without the written permission of the adjacent owner, is prohibited. Temporary structures are not permitted.

Site cleanliness shall at all times be maintained at an acceptable level. If not so maintained, the ARB will issue a "Stop Work" order. An approved commercial dumpster shall be placed on each job site and shall be dumped when necessary. At the end of each workday, materials must be stored neatly and all trash placed in the dumpster. No trash shall be strewn about the lot or piled openly. The dumping of excess/waste or washout concrete or gravel on adjacent properties or road shoulders is expressly prohibited. As untidy sites present a negative image to visitors and property owners, this requirement shall be strictly enforced. Should the ARB determine, in its sole discretion, that a site is not being maintained properly, it may undertake to have it maintained properly and will deduct the cost from the Construction Compliance Bond.

Maintain soil erosion and silt control measures. Prevent mud or gravel from entering roadways. Remove mud from roadways frequently. Fines may result if these requirements are not met.

Temporary utilities should be installed in a neat manner. The temporary power pole must be

installed plumb and will not be allowed for the placement of signs. A temporary water hookup may be provided.

As explained in foregoing detail, residential construction sites must contain the following:

1. Commercial dumpster
2. Job Toilet
3. Temporary utilities
4. Job sign (with permits)
5. "No Trespassing" signs on all entrances of construction structures on the property (see attached sample of suggested signage on page 23 of the Application Package).
6. Silt control, erosion control

After Construction:

When the Construction of a residence has been completed, the Owner and the Contractor must contact the ARB. The construction of the residence shall be completed and the landscaping shall be installed conforming to the plans previously approved by the ARB. Any unauthorized changes must be corrected before Construction Compliance Bond can be released.

Upon completion of construction and landscaping, all building debris must be removed from the site and the surrounding area. The construction site sign and the temporary power pole must be removed. At this time, the Contractor should notify the ARB that he is ready for Final Inspection.

As a checklist, the following items shall be completed prior to issuance of Final Compliance Letter:

1. Complete construction.
2. Remove construction debris.
3. Remove temporary facilities, utilities and signs.
4. Install landscaping, mailbox and house number sign (if desired).
5. Install a permanent marker directly above the access riser or lid of the septic tank.
6. Notify ARB for Final Inspection.

RIGHT-OF-WAY RESTRICTIONS

The right-of-way consists of the road adjacent to your property, and the strip of land on each side of the road that lies between the edge of the road and the property line. A property owner does not own any portion of the right-of-way. The Cliffs Valley owns the right-of-way, and it (or its successor or The Cliffs Valley Community Association) has the responsibility of maintaining it.

Owners may not build or place any structure in the right-of-way, remove any trees or other vegetation from the right-of-way, or undertake any projects in the right-of-way that would affect drainage, safety, or aesthetic without obtaining prior written notice from the ARB. Proceeding with a project in the right-of-way without written approval will incur the peril of having to restore the right-of-way to its original condition at Owner's expense.

If an Owner proceeds with a project in the right-of-way after obtaining approval, (such as planting

grass on the shoulder of the road, or installing a curb across a driveway entrance). Owner will be solely responsible for all maintenance and damage associated with that project.

MISCELLANEOUS

Any clearing, grading, or building without approval of the ARB will result in suspension of work and denial of Contractor and/or subcontractor access to project.

EXISTING HOME IMPROVEMENT REVIEW

As stated in the Covenants, no site preparation, excavation, changes in grade, landscaping or initial construction, erection, alteration or installation of any improvements, including, but not limited to, dwellings, commercial units, outbuildings, driveways, fences, walls, signs, television antennas, clotheslines, mailboxes, post lamps, recreational or playground equipment and other structures, shall be undertaken upon any residential lot, residential site, or any other lot or parcel or property until the project details and/or landscaping changes have been submitted to the Architectural Review Board and expressly approved in writing. Plans submitted for construction of initial improvements upon the lot or parcel must contain details of any driveway(s) serving the lot or parcel to be improved including such driveway(s) intersection with the roads in the Development.

When submitting for review and approval of proposed improvements, presentations must include but may not be limited to the following:

Material and Color Samples: Samples are required when changing colors or materials but are not required if existing colors and materials are being matched.

Site Plan: A plan with dimensions of the property must be submitted showing the location(s) of the proposed improvements.

Drawings: Sufficient plans and elevations shall be submitted to adequately define and explain the improvement of modification. Drawings representing the existing structure(s) must also be submitted.

Completed Improvement Review Form: The improvement review form will be submitted along with a set of plans for review along with the plan review fee.

After reviewing the project, the Board will either suggest changes or grant Final Approval. As with new construction, a set of the drawings and the Construction Compliance Bond must be submitted prior to obtaining a Construction Authorization Permit. As specified in the construction guidelines, The Cliffs Valley ARB and County Permits must be displayed before site clearing, material delivery, or construction may begin.

EXISTING HOME CONSTRUCTION GUIDELINES

The primary purpose of the Covenants and Guidelines is to foster the creation of a community which is aesthetically pleasing and functionally convenient for all residents and visitors. These restrictions, governing proposed homes, homes under construction, and existing homes require every

home to be maintained in a manner conforming to these Guidelines.

Improvements: No alterations, including painting or staining, unless using original colors, affecting the exterior appearance of any building, structure or landscape shall be made without prior approval of the ARB. A request for approval must be submitted to the ARB including a completed Improvement Review Form, all drawings necessary to define the proposed improvement, color samples, and site stake-out.

Landscape: Every property owner is responsible for preventing the development of any unclean, unsightly, or unkempt conditions of building or yards which shall reduce the beauty of the neighborhood as a whole or the specified area. In formal landscaped areas, bed and lawn areas must be maintained. In natural areas, weed growth must be controlled. The use of defoliant over large areas is expressly prohibited. Any proposed changes in landscaping such as fences, water features, water gardens, lighting, game structures, drives, walks, landscaped structures and statuary must be approved by the ARB.

Mailboxes and Signage: The only signs that are approved are signage for house identification numbers, home security systems, invisible fences and contractors signs approved by the ARB. Signs for the purpose of renting or selling of a property are prohibited. Single family homes may be identified only by graphics included on a mailbox and a house identification number, if desired.

Exterior Lighting: All exterior lighting, if desired, must be “down lighting” and must be approved by the ARB. Down lighting is required to reduce glare. Exterior light fixtures on homes should be of baffled or hooded design and conservative in number. Colored lights are prohibited. **All exterior lighting, excluding solar lighting highlighting walkways and driveways, must be off by 11pm. Motion-activated security lighting must be limited to a 10-minute duration.**

**Cliffs Valley Community Association
Architectural Review Board**

Guidelines for Partial Cleaning of Vacant Lots

NOTE: These guidelines are solely for The Cliffs Valley. All other Cliffs Communities have unique guidelines for lot cleaning.

Tree and Vegetation Removal Guidelines:

The Cliffs Valley ARB Design and Construction Guidelines prohibit the cutting of any native deciduous and evergreen tree over five inches (5") in diameter measured twenty four inches (24") above ground level. The cutting of any dogwood or other flowering small trees or shrubs is strictly prohibited (i.e. native flowering shrubs such as mountain laurel, rhododendron, azalea, oak leaf hydrangea, maple leaf viburnum etc.).

Vacant Lot Cleaning Guidelines:

- Before any vacant lot vegetation cleaning, a **Vacant Lot Cleaning Permit** must be completed with an approved copy being placed on file with the ARB Administrator. **The Vacant Lot Cleaning Permit must be posted on a wooden post clearly visible from the road.**
- The cutting of native mountain laurel, azalea, small and large leafed rhododendron, and small flowering trees in the under story is not allowed.
- No clearing allowed within setbacks for The Cliffs Valley.
- Paths may be cut to view points or viewing stands which approximate the location of a future house. These paths should not exceed six feet (6') in width and under no circumstances can the Tree and Vegetation Removal Guidelines referenced above be ignored. Viewing stands must be submitted in advance for ARB approval.
- Use of large mechanical equipment can only be used where expressly approved by the ARB on lots with little slope and no erosion concerns. Prior ARB approval is required. Heavy equipment disturbs the soil and encourages generation of junk pioneer trees from airborne seeds. The use of hand held tools or weed trimmers is encouraged.
- Cleaning or re-cutting of previously cleared "junk" trees may require chemical treatment before cutting established or re-grown junk trees. If the junk trees are cut they will propagate through the remaining roots at a ratio of five (5) to one (1). These trees should be basal treated several weeks before cutting to kill the tree and the roots with a suitable basal treatment such as Pathfinder II.
- Tree topping is not allowed. **ARB approval is required prior to any tree topping.**
- Trees may be limbed up to fifty percent (50%) of their height.

NOTE: Previously cleared lots should be considered in the same way as one that has never been cleared.

Enforcement:

Non-permitted cleaning of lots or ignoring the guidelines defined in the permit will result in a written warning, discussions with the parties involved, and re-certification of the vendor for a first offense. A second offense will result in a fine of \$1,000. Third and repeat offenses will result in prohibiting the vendor and vendor's employee access to the community for the start of new projects for six (6) months. If fines are not received in the office within thirty (30) days from notice, vendor will not be allowed access into the community and a lien will be placed on the property until paid in full. For trees and/or shrubs removed or destroyed without approval, the ARB may, at Owner's expense, enter the property and install trees totaling three new to everyone destroyed or removed

THE ROOT OF THE PROBLEM

Trees; one of our greatest natural resources. When in their glory trees provide us with precious shade, beautify our property and a home for wildlife. Although they have the capacity to live hundreds of years there are certain incidences which can reduce their life span significantly. One of the most common complaints I hear from new homeowners is, "All the trees around my house are dying and we only built a few years ago." Construction of new homes is one of the largest stressors for tree stands. There are certain measures both you and your contactor can take to protect them during the building process which will ensure a lifetime of optimum tree health.

My first suggestion if you are building a home on a wooded lot, is to research a qualified arborist in your area prior to clearing and grading. An arborist's main goal is to maximize the health and longevity of the trees in their care. Be careful looking up tree service companies in the phone book or through a search engine on line because anyone with a chain saw can call themselves a tree worker which could cause more damage to your property than good. Look for someone who is National Arborist Association (NAA) or International Society of Arborists (ISA) certified, licensed, bonded and insured so you will be protected if anything goes awry. A quick way to locate an ISA arborist in your area is to visit their website, www.isa-arbor.com. Arborists will inventory your existing tree stand and determine which are worth saving for age, aesthetics and energy efficiency for your future home. Once those trees are identified, the implementation of tree preservation practices can be forwarded to your architect, contractor and builder.

The next step is to put up a tree protection zone between your trees and your construction workers. Unfortunately, just a sign or a silt fence will not suffice because it can easily be taken down, washed away or simply ignored. Your best bet is to put a sign on a six foot (6') chain link fence imposing fines for tampering with the fence or if anyone enters the tree protected zone. Fines, sounds a bit extreme doesn't it? Just think about it though. After your home is built and the tree starts to fail in a few years, you are going to have to pay for the removal. If the tree is located in close proximity of your home it can pose a threat to the safety of your family and possessions. Depending on its size it can cost upwards of thousands of dollars to remove hazardous tree then you will be left with a big hole in your landscape and wallet.

Tree protection zones are put in place for several important reasons. First and foremost is to protect the roots. Roots provide structural support for the large mass of the canopy and serves in precious nutrient and water acquisition. Most experts say the spread of the roots are calculated by 2 to 3 times the height of the canopy but there is a more accurate equation that can be used. The critical root radius is located by taking the diameter of the trunk at breast height, then multiplying it by a factor determined by the age of the tree. Younger trees factors are measured by 0.5ft./in. and as they age, the factor increases by .5ft./in. to the maximum of mature trees on the verge of decline being 2.0ft./in. Here is an example.

There is a mature tree with no signs of decline you want to preserve which measures a 14in. diameter at breast height.
So... $14'' \times 1.5\text{ft./in.} = 21\text{ft.}$

Wow, twenty one (21') feet measured out from the trunk in each direction. By outlining the tree protection zones and putting up signs you are able to guide your builder to areas designated to park their vehicles, wash out equipment, and drive heavy machinery.

Without the protection of a fence, heavy machinery can do significant damage to tree preservation areas. Just the sheer weight of excavators, vehicles and foot traffic can cause compaction of the soil. When soil becomes compacted it reduces the ability of valuable air, water and nutrient exchange which occurs in the pore space causing roots to suffocate. It becomes the consistency of cement and cannot be penetrated by the roots that extend outwards to support the large mass of the canopy.

Fencing also protects roots from physical damage of vehicles. During clearing and grading, machinery can be backed into a tree which damaging the trunk or branches. Wounds would occur and the tree would automatically expend limited energy by compartmentalizing the affected area to being the "healing" process. Digging out the foundation of a house can sever roots at critical points which can affect the stability by no longer being secure in the ground causing a dangerous situation.

Manipulating the grade around trees must be done with great care. If the grade is reduced the organic matter infused top soil is removed and the nutrient depleted fallow soil below is now exposed. Topsoil (Horizon O), is the layer which is visible and we walk on. It normally consists of decaying leaf litter, sticks, animal droppings and vegetative parts of plants which all contribute to the dark brown organic matter rich material that feeds plants. When the grade is elevated, soil can be pushed around the base of the tree onto the root flare where the largest concentration of feeder (fibrous) roots is located. Air and water are unable to penetrate the thick layer of soil causing the tree to suffocate. When a tree gets stressed by too much fill, it will send out epicormic growth trying to compensate for the suffocation below. These shoots are easy to identify because they grow straight up from latent or intermodal buds giving the tree a look like someone just scared it.

Landscape maintenance can begin even before your house is built! Mulching and fertilizing in the preservation area greatly increases survival rate. The mulch retains water and continues to add precious organic matter to the soil as it decomposes. Fertilizer can also provide trees the extra boost needed to battle through the new changes in their environment. Target prune any die back, diseased or pest infested limbs in the canopy also. If there is not ample rainfall during construction, provide irrigation to your trees. The least amount of energy expended the better chances your trees will endure.

Remember, this is your property and investment. Builders are earning money because you hired them. Stay attentive and adamant about builders not violating your tree preservation areas. By staying vigilant for a few months while your home is being constructed, you will be rewarded with a stand of beautiful trees for a lifetime.

Tina M. Furmanek



Cliffs Valley Community Association

Application Package

February, 2019

Cliffs Valley Architectural Review Board
c/o NHE, Inc.
5 Legacy Park Road, Suite A
Greenville, South Carolina 29607
864-467-1600 Office 864-467-1655 Facsimile

Preliminary Approval

- 1) Please read the Architectural and Construction Guidelines, revised February, 2019.
- 2) Contact licensed surveyor to prepare lot boundary, setback, tree, and topographical survey.
- 3) Determine preliminary home design; meet with architect or designer to establish proposed location of home and driveway on the lot.
- 4) Develop home design of conceptual designs (sketch stage only) of floor plans and elevations.
- 5) Submit two copies of the preliminary submittal package to the Cliffs Valley Association office at 5 Legacy Park Road, Suite A, Greenville, SC 29607. Phone number is (864) 467-1600. The preliminary submittal package must include the following:

Site Plan Submittals: 2 copies of the following:

- Scale of 1" = 20' 0"**.
- Property lines with dimensions and bearings.
- Tree survey showing all existing mature trees, indicating tree numbers and species, which are within fifty feet (50') of the building or between the building and the road. Any trees that are being removed should be crossed out on the tree survey legend as well as on the site design.**
- Dwelling to be indicated as exterior wall with entry area and stairs delineated and deck lines shown and noted.
- Building accurately located from property lines.
- Location, dimension and material for sidewalk and driveways (and other significant site improvement).
- Existing contours (2'0" contour interval minimum).
- Proposed contours (2'0" contour interval minimum), or sufficient spot grades to indicate the finish grades of the site.
- Finished Floor Elevations (FFE) noted.
- Proposed finished spot grades at each corner of house and proposed drainage patterns showing how surface drainage is to be handled. This shall include any erosion control devices to be used (e.g.; silt fence, check dams, etc.). Each lot owner is required to route storm water runoff in a manner that is consistent with the natural drainage patterns which existed prior to construction and away from adjoining properties.
- Setback limits shown.
- Limits of construction activity (no grading, traffic, construction, or storage of materials will be permitted beyond these limits).
- Exterior lighting location and type.
- Location of HVAC unit, standby generators, utility meter, and trash enclosure with type of screening noted.
- Septic tank and drain field location per the governing state agency.
- Construction Dumpster and toilet location.

Architectural Plan Submittals: 2 copies of the following:

- Floor plans at minimum scale of $\frac{1}{4}'' = 1'0''$.
 - a) Room use labeled.
 - b) All walls shown.
 - c) All windows shown.
 - d) All fixtures, cabinets, and appliances shown as required to elevate exterior windows location.
 - e) Plans fully dimensioned.
- Elevations at a minimum scale $\frac{1}{4}'' = 1'0''$ for all exterior elevations (all elevations show detail).
 - a) Show how building related to finished grade levels.
 - b) Indicate and depict the proposed building material on all elevations.
 - c) Indicate overall height from finished floor elevation to highest ridge of roof.
- Roof plans at a minimum scale of $\frac{1}{8}'' = 1'0''$.
- Sections and details at $\frac{3}{4}'' = 1'0''$.
 - a) Typical wall section from footing to roof.

- b) Typical handrail detail.
 - c) Typical column detail.
 - d) Typical fence or screening detail.
 - Schedules (if not indicated on plans).
 - a) Exterior windows and doors.
 - b) Exterior electrical plans only with catalog cuts of exterior fixtures.
 - Samples:
 - a) Submit manufacturer's sample chips or brochures of actual appearance and colors of the proposed exterior material. Actual sample panel required for genuine textured stucco.
 - b) An authentic sample of roofing material.
 - c) Complete The Cliff's Valley ARB color board for exterior siding, trim, window and door, and shutter colors, and foundation material and color.
- 6) Submit a copy of the Preliminary Review Form.
- 7) Submit a check for \$1,000 for Review Fee.

Note: Any incomplete submittal will not be accepted for further action.

- 8) Reserve scheduled time for preliminary meeting (contact Association Manager). Submittals must be made no less than ten (10) calendar days prior to meeting date.
- 9) **After** ARB preliminary approval (or suggested modifications), stake the lot indicating the house location, septic field, driveway, trees to be removed, and applicable setback lines (by surveyor). Please see enclosed checklist for site walk preparation.
- 10) Submit a survey with proposed location of house and septic system to local permit authority for inspection and approval.
- 11) Site inspection with Builder, Owner, and ARB (contact Association Manager) will be scheduled after Final Review approval.

Final Approval

12) Incorporate any changes or modifications and submit the following final review package to the The Cliffs Valley ARB (contact Association Manager) for Final Review:

- Exterior colors and roofing material on submittal form only.
- Final construction documents and site plans (2 copies).
- Final Review Form.
- Check for Construction Compliance Bond (see fee schedule page 12).
- Check for Road Usage Fee (see fee schedule page 12).
- Signed Construction Agreement.

Note: Any incomplete submittal will not be accepted for further action.

13) Reserve scheduled time for final meeting with the ARB (contact Association Manager). Submittal must be made no less than ten (10) calendar days prior to desired meeting date. Upon receiving ARB final approval, 2 sets of ½ size architectural plans must be provided (11”x 17”).

14) Contract with state licensed builder (if not already done).

15) Secure county building permit.

16) Install requirements for job site: Dumpster, silt fence, and other erosion control measures, builder’s sign, and temporary sanitary facilities. Call the Association Manager when complete.

17) Secure Construction Authorization Permit from the Association Office.

18) Commence construction.

19) If the foundation is located within fifteen feet (15’) of any setback line, an “as-built” survey must be completed (and submitted to the ARB) by licensed surveyor to verify building foundation location and building setbacks. Only the foundation needs to be surveyed at this time.

20) A preliminary landscape plan must be submitted to the ARB for approval no later than six (6) months after date on the Construction Authorization Permit. Landscaping must be complete no later than six (6) months after completion of home. Release of amounts remaining in Construction Compliance Bond is conditional upon completion of approved landscaping. If it is determined that the property owner will control the landscaping phase of the construction, an additional bond of \$2,500 must be paid by the property owner to the ARB within 10 days of the submission of the landscaping plan. This bond will be refunded upon satisfactory completion of the landscaping phase.

Landscape Plan Submittals: 2 copies of the following (MUST BE SUBMITTED WITHIN SIX (6) MONTHS OF CONSTRUCTION START):

- ❑ 1” = 20’ scale.
- ❑ Locations and number of proposed plant materials.
- ❑ Type and limit of grassed area.
- ❑ Plant list with botanical or common name, quantity, size, and special planting specifications.

21) Inform ARB (contact Association Manager) of project completion for Final Compliance Letter and refund (if any) of Construction Compliance Bond. Prior to issuance of Final Compliance Letter, an onsite inspection will be performed to assure conformance of previously approved design, material, colors, and landscaping.

Utility Information

Cable TV:	DIRECTV	800-675-8668
	DIRECTV by Ron (Mauldin)	800-859-0440
	DISH Network	800-333-3474
	Charter Spectrum	855-587-7328
	ATT U-verse	800-288-2020

Electricity:	Blue Ridge Electric Co.	800-240-3400
	3751 Highway 11	
	Travelers Rest, SC 29690	
	Duke Power	864-242-3261
	325 W. McBee Avenue Greenville, SC 29601	

Water:	Greenville Water System	864-241-6000
	407 West Broad Street	
	Greenville, SC 29601	
	Cliffs Valley North	864-895-1719
	Blue Ridge Rural Water Co. 2241 Fews Chapel Road Greer, SC 29651	

Gas:	Blossman Gas	864-269-3441
	Buchanan Gas	864-834-5227
	Freeman Gas, Greenville	864-269-1990

Telephone/Internet:	Bell South SC	864-780-2355
	Bell South NC	828-780-2355
	Bell South - either state	800-336-0014
	Charter Spectrum (go to POA website, click on Resources/Document Library/Internet Initiative	855-587-7328
	ATT U-verse (limited locations)	800-288-2020

CONSTRUCTION PERMIT APPLICATION

Owner's Name: _____ Date: _____

Mailing Address: _____
(No PO Box, please.)

Phone: _____
Home Office Mobile Fax

Lot Number: _____ Section: _____ Community: _____

1. Site Plan

A. Set backs

	Line Setbacks	Building Setbacks
Back Side	_____	_____
Right Side	_____	_____
Left Side	_____	_____
Street Side	_____	_____

B. Attach a copy of your plan with the following items noted and drawn: Dimensions of lot, location and dimensions of house and outbuildings, location of driveway, location of septic tank and drain lines, and location of any underground tanks.

Site Plan Approved _____ Date _____

2. Septic Tank

A. Attach a copy of your Septic Permit issued by the appropriate county authority. Be sure to show location of septic tank and drain lines on site plan.

B. Septic tank Contractor _____

Septic tank Approved _____ Date _____

3. Clearing

A. Specify number, size and species of any trees to be removed that measure 5 inches (5") in diameter at a level of two feet (2') above existing grade and are not located in the building site or driveway. All trees to be removed should also be clearly marked on the site plan.

Species	Size	Quantity
_____	_____	_____
_____	_____	_____
_____	_____	_____

B. Clearing Contractor _____

Clearing Approved _____ Date _____

Any additional trees to be removed after construction must be pre-approved by the ARB.

4. House

A. **Submit a complete set of plans.** *(See application requirements and checklist)*

**B. Square Footages --
Heated and Cooled –**

Main Level	Sq. Ft.
Upper Level	Sq. Ft.
Other	Sq. Ft.
Total	Sq. Ft.

Under Roof –

Covered Porches	Sq. Ft.
Garage & Breezeway	Sq. Ft.
Other	Sq. Ft.
Total	Sq. Ft.

C. Exterior Siding –

Material	Manufacturer	Color	LRV
Material	Manufacturer	Color	LRV
Material	Manufacturer	Color	LRV
Material	Manufacturer	Color	LRV
Material	Manufacturer	Color	LRV

D. Exterior Trim and Accents –

Material	Manufacturer	Color	LRV
Material	Manufacturer	Color	LRV
Window	Manufacturer	Color	LRV
Front Door Material		Color	LRV
Shutter Material		Color	LRV
Gutter Material		Color	LRV
Porch Columns Material		Color	LRV
Porch Railings Material		Color	LRV

E. **Mortar –**

Material _____ Manufacturer _____ Color _____

F. **Foundation –**

Material _____ Manufacturer _____ Color _____

Material _____ Manufacturer _____ Color _____

Material _____ Manufacturer _____ Color _____

G. **Roof Composition –**

Material _____ Manufacturer _____ Color _____

Material _____ Manufacturer _____ Color _____

Material _____ Manufacturer _____ Color _____

H. **Driveway Material –**

Material _____ Manufacturer _____ Color _____

Material _____ Manufacturer _____ Color _____

5. **Color Board**

Complete attached ARB Color Board including all exterior finishes and samples if required. Include the LRV (must be less than 39) for all finishes.

6. **General Contractor**

Builder's Name _____ Company _____

Address _____

Office Phone _____ Mobile _____

Fax Number _____ Email _____

Job Superintendent _____ Mobile _____

Projected Construction Start Date -- _____

Projected Completion Date -- _____

House Approved _____ Date _____

**ALL EXTERIOR MATERIALS AND COLOR CHANGES MUST BE
PRE-APPROVED BY ARB.**

ARB COLOR BOARD

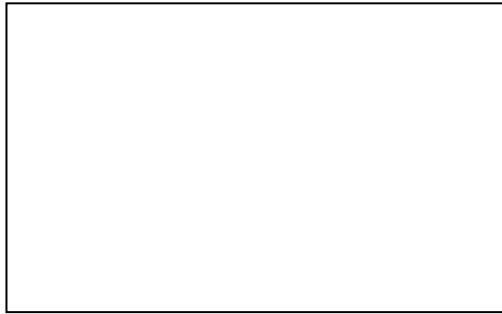
THE CLIFFS VALLEY
ARCHITECTURAL REVIEW BOARD

Owner: _____

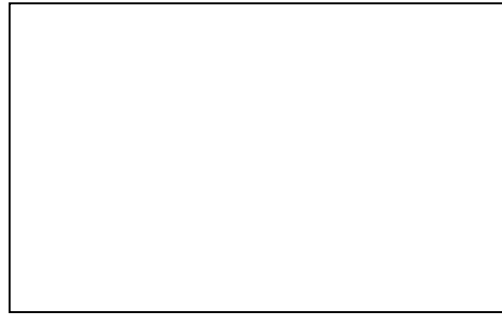
Lot Number: _____ Section: _____

Contractor: _____

*** Color: Should be a LRV (Light Reflective Value) of LESS THAN THIRTY-NINE (39). ***



Paint Field Color (including LRV)



Paint Trim Color (including LRV)



Paint Accent Color (including LRV)



Roofing Material Sample

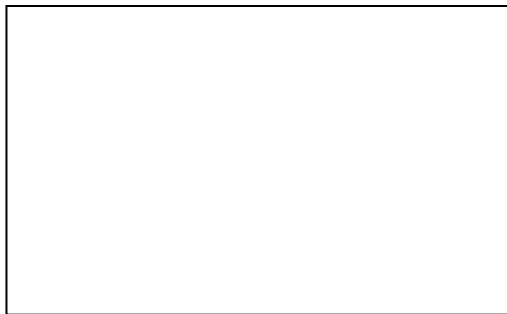
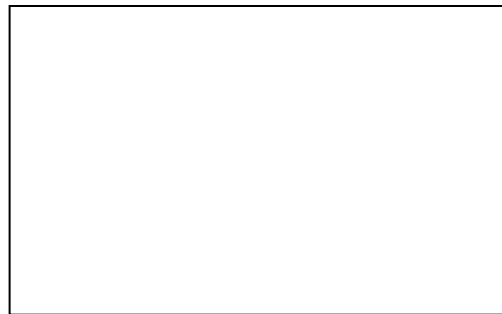


Photo or Color Copy or
Description of Stone Material
Manufacturer, Mix and Color



Actual samples must be provided if using genuine textured stucco.

APPLICATION CHECKLIST

OWNER: _____

LOT: _____ SECTION: _____

BUILDER: _____

- Site Plan:** Scale 1" = 20'
- Erosion Control Plan**
- Tree Survey:** Existing trees more than 5 inches (5") in diameter within fifty feet (50') of the building or between the building and the road. Trees to be removed must be crossed out on the tree survey legend.
- Architectural Plans**
 - Floor Plans:** Scale 1/4" = 1'
 - Elevations:** Scale: 1/4" = 1'
 - Roof Plan:** Scale 1/4" = 1'
 - Sections:** Scale 3/4 " = 1'
 - Schedules** (if not indicated on plans)
- Samples:**
 - Siding material**
 - Roofing material**
 - Stucco, genuine textured**
 - ARB Color Board** (Form Enclosed)
- Landscape Plan:** Scale 1" = 20'0"
- Septic Tank Permit** (issued by the County Sanitarian)
- ARB Construction Permit** (enclosed)
- Construction Agreement Form** (enclosed)
- Construction Compliance Deposit** (see fee schedule page 12)
- Road Usage Fee** (see fee schedule page 12)
- Review Fee** (\$1,000)
- Authorization for Construction Certificate** (ARB will issue upon completion of final site walk.)

CONSTRUCTION AGREEMENT

The Cliffs Valley
Architectural Review Board

CONTRACTOR INFORMATION

NAME _____

ADDRESS _____

PHONE _____ LICENSE # _____

CONSTRUCTION LOCATION

ADDRESS _____

OWNER _____

JOB SUPERINTENDENT _____

PHONE # _____

Have you built any homes at The Cliffs Valley prior to this application? YES NO

AGREEMENT

1. Owner and Contractor have read and agree to the terms and provisions of The Cliffs Valley CCR's and the Design and Construction Guidelines. Failure to comply may result in fines.
2. The project will be completed as described by the drawings and specifications approved by the Board.
3. The construction site will be maintained in a clean manner, an approved job sign will be installed, a commercial dumpster and job toilet shall be placed in conformance with ARB Guidelines.
4. Contractor is responsible for the conduct of all workers performing services on this project at all times working at his direction.
5. All workers and vehicles are subject to search to help prevent theft of materials and equipment.
6. Any fines imposed by the ARB must be paid within ten (10) days.
7. Any restorative, corrective, enforcement or maintenance efforts expended by ARB on behalf of Contractor shall be payable from the Construction Compliance Bond.
8. Other than Building Contractor sign, all or other signs on the home site or displayed in the house in such a manner as to be visible from the street are prohibited.
9. Prior to tree removal, clearing or beginning construction of the building, compliance with setback lines and conformance with pre-approved tree removal plan must be verified to the ARB by a registered land surveyor at Owner's expense.
10. Any changes from the originally submitted plans and specifications affecting the exterior of the home or the site submitted must be approved in writing by the ARB prior to action.
11. Drainage (including road ditches and culvert pipe beneath the construction access road) is to be approved by The Cliffs Valley ARB.
12. Silt fences and erosion control measures shall be installed by lot owner at his expense prior to any clearing.
13. No burning is permitted on the site.

14. Any change from approved outside colors and/or outside lighting is to be approved by The Cliffs Valley ARB in writing.
15. Stumps, wood or other materials shall not be dumped on adjacent lots. Clean up surrounding lots for trash weekly.
16. The road and drainage ditch/right-of-way in front of this lot must be kept clean of dirt, mud, trash, etc. at all times during construction. The dumping of excess/waste or cleanout concrete or gravel on adjacent lots or road shoulders is expressly prohibited. No construction worker vehicles, supplier vehicles, or building materials are permitted in the right-of-way. All construction vehicles are ultimately the responsibility of the builder and must be parked off the road with all tires off the road. A \$50 parking fine will be assessed if not in compliance. Subsequent offenses, whether from the same or a different subcontractor, will incur a \$100 fine. Both traffic lanes must be **completely** open at all times. If the ARB approves the parking of vehicles on the shoulder of road, the Contractor is responsible for placing standard ORANGE reflective traffic cones with a minimum height of twenty eight inches (28”) on the road so that drivers traveling in either direction on the road are adequately warned. The cones are to be provided by Contractor. Our intention is to avoid creating traffic hazards around construction zones.
17. All lots shall have a drainage ditch established by builder along the front of the property line to allow water from road to drain off of right of way. No lot will be allowed to slope toward road without a drainage ditch installed. Contractor shall make provision to prevent the above normal rainwater, mud or silt from affecting abutting properties.
18. The construction of any dock and/or improvements across property adjacent to such dock shall be approved in writing by the ARB. Only pre-approved docks, walkways, or any other improvements shall be allowed in setback areas.
19. Any dogs or pets brought to the job site shall be leashed and contained within the property boundaries.
20. The maximum speed limit is twenty five (25) miles per hour and shall be strictly enforced. In certain restricted areas a fifteen (15) miles per hour speed limit is enforced.
21. Construction vehicles shall not block roadways or mailboxes. Neighboring driveways may not be used for parking or turn-around.
22. Mud and gravel on the roadways shall be minimized at all times. Failure to control mud and mud build-up on roads is grounds for fines and/or ARB ordered clean up at Owner’s expense.
23. Construction shall conform to the latest requirements of the South Carolina or North Carolina State Building Code, South Carolina or North Carolina Plumbing Code, the National Electric Code and pertinent local codes. Each contractor or subcontractor is responsible for ensuring work meets such requirements and obtaining all approvals.
24. It is understood and agreed to by both Owner and Contractor that failure on their part or on the part of either of them to comply with the terms and provisions in any part of The Cliffs Valley CCR’s and/or Design and Construction Guidelines may result in a cease-and-desist order or fine against them by The Cliffs Valley and forfeiture of the portion of the privilege of traveling on the roadways within The Cliffs Valley. Such fines are not limited to the Construction Compliance Bond amount.
25. It is understood that the ARB has the authority to bar or restrict any Builder, Contractor, or Subcontractor from entering any Cliffs Community or constructing any building or improvement in any Cliffs Community.
26. I have been given a copy of the Cliffs Valley Design and Construction Guidelines. “I understand said requirements and agree to abide by the Guidelines and accept fee penalties if imposed.”
27. Construction must be completed within twenty four (24) months of commencement unless a variance is granted by the ARB. Failure to complete within the specified time frame may result in forfeiture of the Construction Compliance Bond.

BUILDING CONTRACTOR

THE CLIFFS VALLEY

OWNER

DATE

If the contractor is not responsible for the landscaping phase of the construction, the property owner must post an additional \$2500 bond within ten (10) days of the submission of the landscaping plan. This bond will be refunded to the property owner upon the satisfactory completion of landscaping phase (see page 12).

SCHEDULE OF FEES

Construction Compliance Bond (new or existing construction) _____ (\$1 per square foot of heated space-
minimum \$4,000.00)

*Check payable to: **CV-Construction Compliance Bond** (The construction bond money will be returned to
whatever party wrote the bond check.)

Review Fee for new construction _____ \$1,000.00

*Check payable to: **CV ARB-Review Fee**

Review Fee for improvements or additions _____ 0 to \$550

*Check payable to: **CV ARB-Review Fee**

Cliffs Valley Road Impact Fee _____ (see fee schedule
below)

*Check payable to: **CV-Road Impact Fee**

The Construction Compliance Bond is held in Escrow throughout the duration of the project in a non-interest
bearing account. Any fines imposed by the ARB must be paid within 10 days separately from the Construction
Compliance Bond.

If the contractor is not responsible for the landscaping phase of the construction, the property owner must post
an additional \$2500 bond within ten (10) days of the submission of the landscaping plan. This bond will be
refunded to the property owner upon the satisfactory completion of landscaping phase.

Review fees are separate and not paid from Construction Compliance Bond.

The balance remaining at completion of project, including completion of approved landscaping will be refunded
upon request to entity submitting the initial funds.

Road Impact Fee Schedule (Effective January 1, 2019)

Sections (see map)	Square Footage of Home as Defined by ARB					
	≤4,000	>4,000 but ≤6,500	>6,500 but ≤8,000	>8,000 but ≤9,500	>9,500 but ≤12,000	>12,000
A,B, CVN, LC, LSC & VV	\$2,500	\$2,750	\$3,094	\$3,438	\$3,781	\$4,125
C,D,E,F,G, LRC N & PMOL	\$3,094	\$3,438	\$3,781	\$4,125	\$4,469	\$4,813
CM,H,J,K,HV, PMP & SC	\$3,781	\$4,125	\$4,469	\$4,813	\$5,156	\$5,500

Section Reference Guide

CVN	Cliffs Valley North	LSC	Lakeside Cottages
CM	Corbin Mountain	PMOL	Panther Mountain Overlook
HV	High Vista	PMP	Panther Mountain Park
LC	Laurel Cove	SC	Stone Creek
LRC	Lake Ridge Crossing	VV	Valley Villas

SQUARE FOOTAGE BASED UPON THE TOTAL OF HEATED/AIR-CONDITIONED SPACE AND UNDER ROOF SPACE. ROAD IMPACT FEE DUE UPON ARB APPROVAL OF BUILDING PLAN.

ROAD IMPACT FEE COVERS A TWO (2) YEAR PERIOD BEGINNING UPON COMMENCEMENT OF CONSTRUCTION. ANY CONSTRUCTION PROJECT NOT COMPLETED (ISSUANCE OF OCCUPANCY PERMIT) WITHIN THE TWO (2) YEAR CONSTRUCTION PERIOD SHALL INCUR AND PAY AN ADDITIONAL ROAD IMPACT FEE EQUAL TO 50% OF THE CURRENT ROAD IMPACT FEE FOR SAID PROPERTY FOR EACH ADDITIONAL YEAR OF CONSTRUCTION.

Modifications Fees for Existing Homes:

(Effective January 1, 2004)

- \$0 to \$50---non-structural including major landscaping changes
- \$100—minimal structural change with a construction cost of <\$10K
- \$200---minimal structural change with a construction cost >\$10K
- \$550—Increase in square footage of >20%

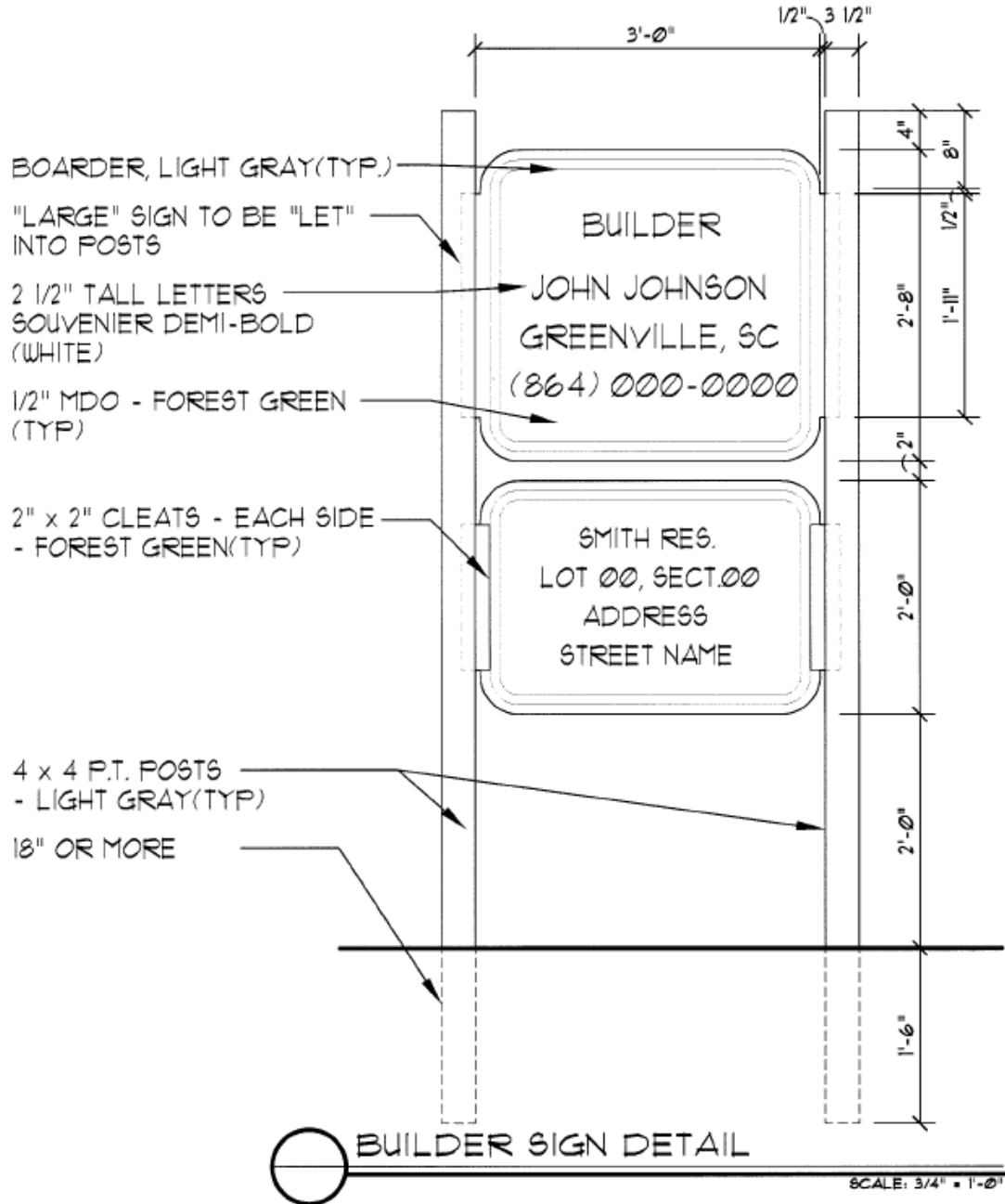
SCHEDULE OF FINES

The following is a schedule of fines, which may be imposed on a daily basis. Fines are legally assessable and collectable. Liens may be filed and enforced. Fine amounts are subject to change at the sole discretion of the ARB. Fines may be issued at the one-day fee with no warning; reasonable time for correction will then be allowed before daily fines are imposed.

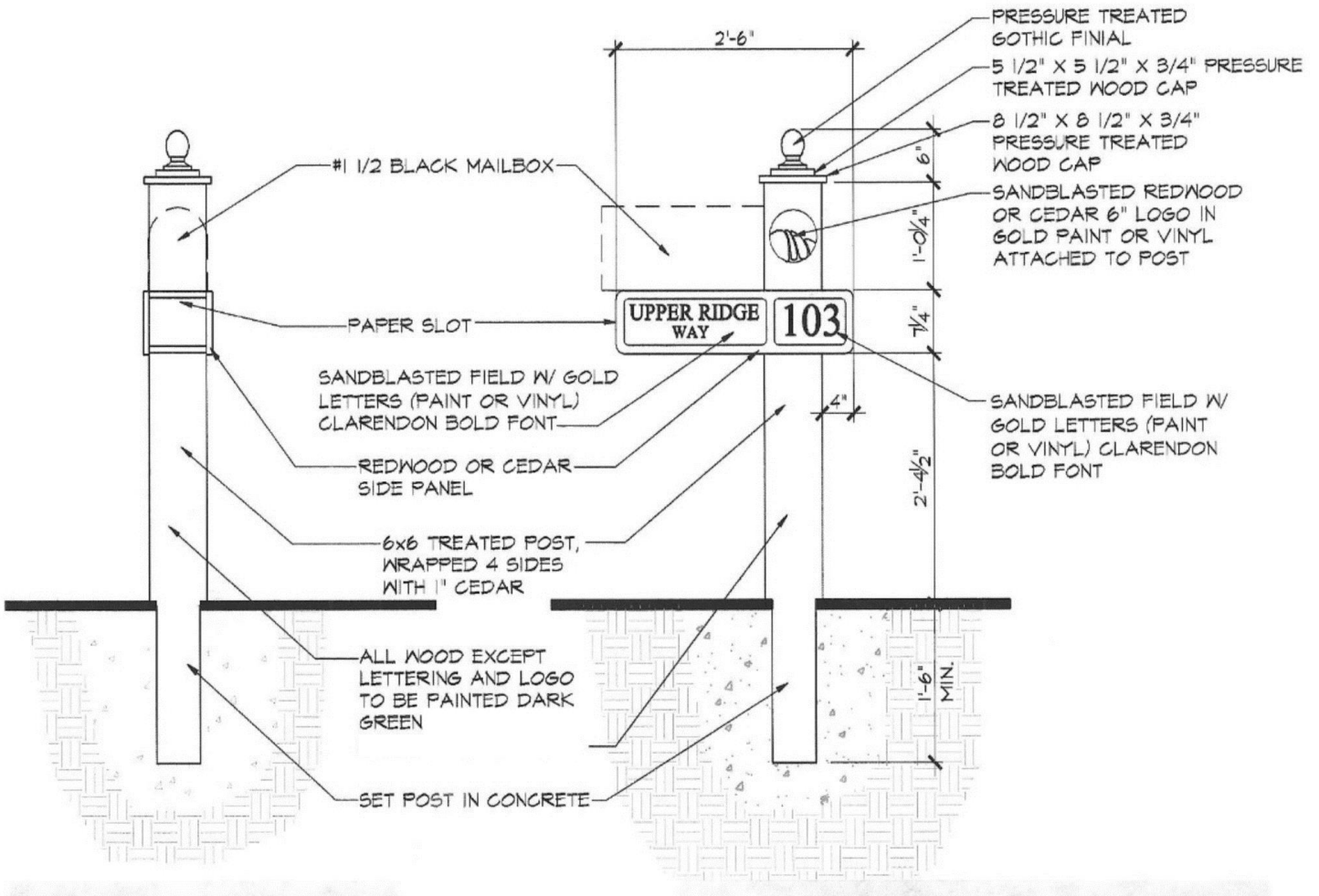
No dumpster _____	\$200.00
Burning _____	\$500.00
Littered Site _____	\$500.00
Inadequate erosion control* _____	\$200.00
No temporary sanitation (job toilet) _____	\$200.00
Parking (Construction parking must be completely off the road.) _____	\$50.00 (first offense) \$100.00 (subsequent offenses)
Building Material in right-of-way Subject to cost of repair _____	\$200.00
Damage to right-of-way _____	\$200.00
Parking on adjacent property without written permission from owner _____	\$200.00
Building materials or equipment on adjacent property _____	\$200.00
Non-conforming job sign _____	\$200.00
Damage to small trees, vegetation, or natural areas _____	\$200.00
Unauthorized removal or destruction of trees five (5) inches and larger in diameter -- per tree _____	\$500.00
Unauthorized plan change (minor) _____	\$1,000.00
Unauthorized plan change (major) -- Revocation of Cliffs Permit and Forfeiture of all funds remaining on deposit.	
Non-compliance with ARB Guidelines _____	\$100.00-\$500.00
Incomplete or Non-complying Landscaping _____	\$200.00
Unauthorized finishes -- Revocation of Cliffs Permit and Forfeiture of all funds remaining on deposit.	
Incomplete or non-complying landscaping – Forfeiture of all fund remaining on deposit.	
Failure to submit landscape plans within six (6) months _____	\$200.00

*The ARB reserves the right to direct the installation of Erosion Control measures, including silt fence, at Owner's expense, if such measures are not properly installed and maintained. For silt fence installation, the cost shall be at least \$200.00 plus \$2.00 per lineal foot of fence installed. Failure to control mud on roadways is grounds for fines as may be determined by the ARB.

BUILDER SIGN DETAILS

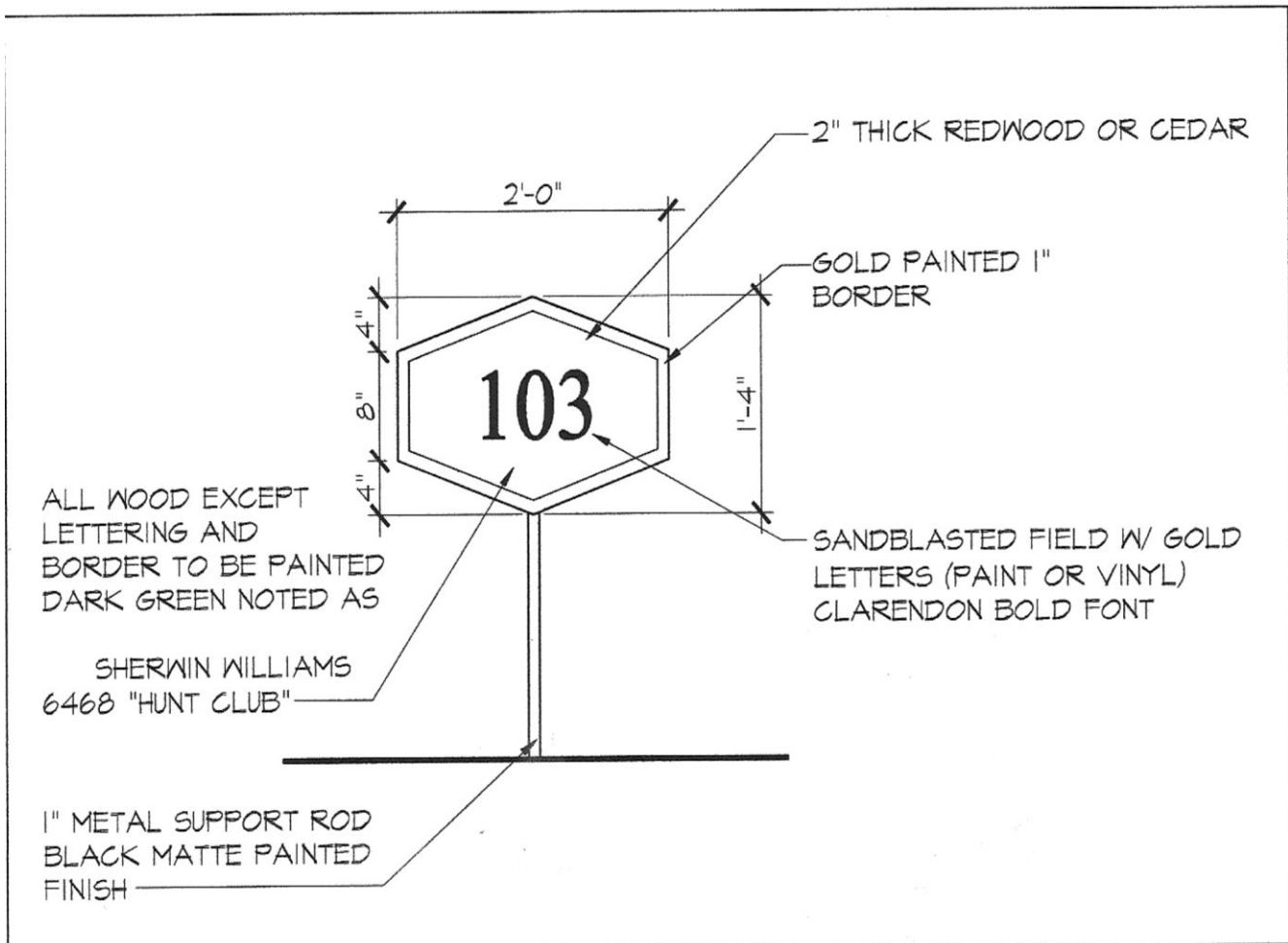


MAILBOX POST DETAILS



Mailbox Green Color: SHERWIN WILLIAMS - Resilience Exterior Acrylic Latex, HUNT CLUB #6468, Semi Gloss. The gold paint for lettering and logo can be purchased from Hobby Lobby, Lowe's, or Home Depot.

HOUSE NUMBER SIGN DETAILS



CERTIFICATE OF COMPLIANCE WITH
PROVISIONS OF THE COUNTY
STORMWATER MANAGEMENT & SEDIMENT CONTROL PLAN

An approved stormwater management and sediment control plan has been developed for this subdivision.

I, _____, hereby certify that I am familiar with the provisions of the approved stormwater management and sediment control plan for the _____ Subdivision, and that I will comply with all of the provisions outlined therein when engaging in any land-disturbing activities or building construction on Lot Number(s) _____, or will develop and obtain an approved plan for the lot(s).

Signed: _____

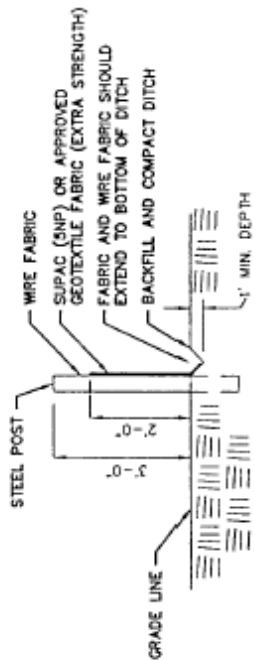
Title: _____

Date: _____

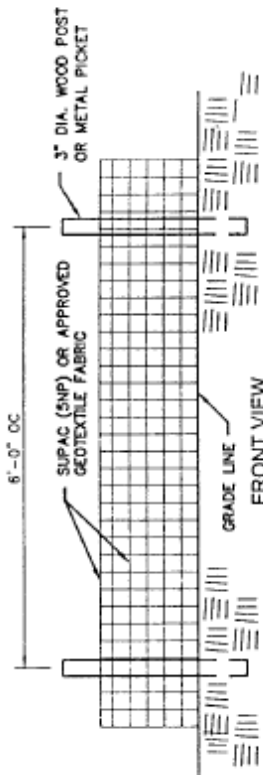
(Refer to Greenville County Ord. #2398 Art II, Sec. A, See Below)

County Ordinance #2398
Article II
Section A.

1.b If individual lots or sections in a residential subdivision are being developed by different property owners, all land-disturbing activities related to the residential subdivision shall be covered by the approved *drainage plan for the residential subdivision*. Individual lot owners or developers shall sign a certificate of compliance that all activities on that lot will be carried out in accordance with the approved drainage plan for the residential subdivision.



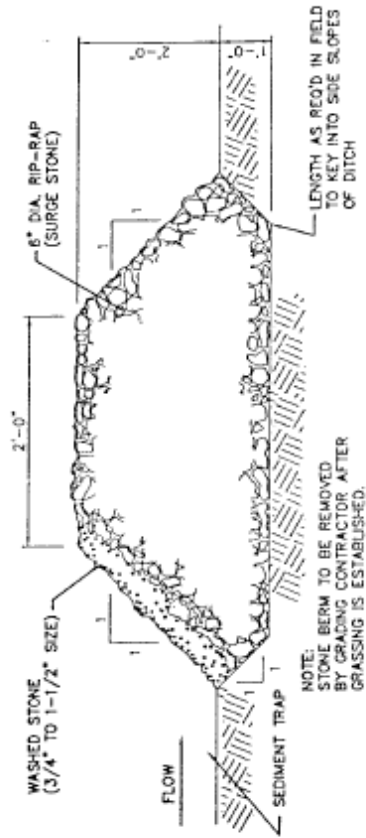
SIDE VIEW



DETAIL OF SILT FENCE

(N.T.S.)

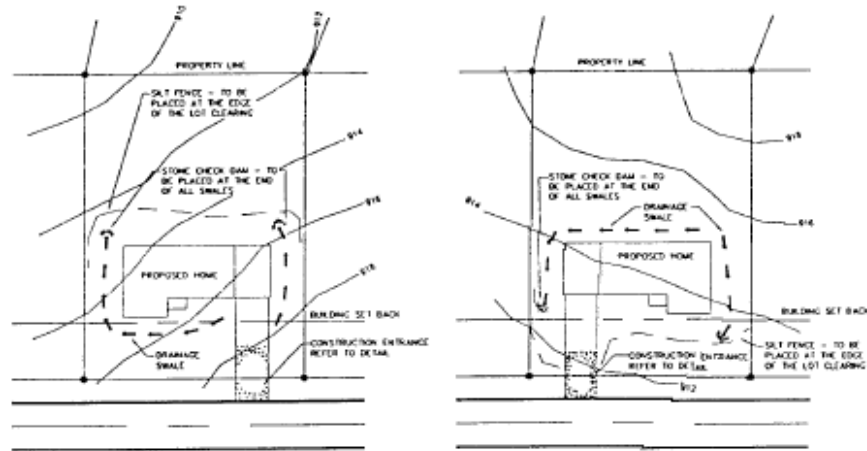
- NOTES:
1. INSTALL SILT FENCE BEFORE CONSTRUCTION IS BEGUN.
 2. CONSTRUCT SILT FENCE AS ABOVE OR USE PREFABRICATED SILT FENCE (METROMONT 24-100X) OR APPROVED EQUAL.



TYPICAL SECTION THRU STONE CHECK DAM

(N.T.S.)

NOTE: THIS DETAIL IS TO BE GIVEN TO EACH LOT OWNER PRIOR TO CONSTRUCTION. EACH LOT OWNER IS REQUIRED TO RETAIN 80% SEDIMENT ON-SITE PER STATE LAW.



TYP. INDIVIDUAL LOT EROSION CONTROL

N.T.S.

LOT DEVELOPMENT NOTES:

1. THE INDIVIDUAL LOT OWNER OR BUILDER SHALL BE RESPONSIBLE FOR ACCOMPLISHING THE FOLLOWING EROSION CONTROL MEASURES AND FOR MAINTAINING ALL DEVICES DURING ALL PHASES OF THE HOME/LOT CONSTRUCTION. THE INDIVIDUAL LOT OWNER OR BUILDER RESPONSIBLE FOR THE LAND DISTURBING ACTIVITY SHALL BE SUBJECT TO ON-SITE INSPECTION BY THE S.C. DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL OR THE LOCAL APPROVED AGENCY AND MUST FOLLOW ANY DIRECTIONS OF SAID AGENCY IN RESPECT TO EROSION CONTROL.
2. THE PARTY RESPONSIBLE FOR ANY INDIVIDUAL LOT LAND DISTURBING ACTIVITY SHALL INSURE THAT SILT FENCING, AS PER ATTACHED DETAIL, IS INSTALLED ON THE LOWER SIDE OF THE DISTURBED AREA. THE SILT FENCING SHALL BE INSPECTED AT LEAST ONCE A WEEK AND AFTER ALL APPRECIABLE RAINFALL EVENTS.
3. IF DURING INDIVIDUAL LOT DEVELOPMENT THERE IS A NEED TO PERFORM GRADING THAT CONCENTRATES RAINFALL RUN-OFF, THEN THE PARTY RESPONSIBLE SHALL INSURE THAT A STONE CHECK DAM, AS PER ATTACHED DETAIL, IS INSTALLED AT THE DISCHARGE POINT.
4. THE INDIVIDUAL RESPONSIBLE FOR THE INDIVIDUAL LOT LAND DISTURBING ACTIVITY SHALL BE FINANCIALLY RESPONSIBLE FOR ALL FINES THAT OCCUR DUE TO DEVIATIONS TO THIS PLAN OR DUE TO FAILURE TO RESPOND PROPERLY TO ON-SITE INSPECTION COMMENTS.

SEDIMENT FENCE NOTES:

1. THE SEDIMENT FENCE SHALL HAVE NO MORE THAN 1/4 ACRE PER 100 FT. OF FENCE.
2. THE END OF THE SEDIMENT FENCE SHALL BE TURNED TO PREVENT FLOW AROUND THE SEDIMENT FENCE.
3. THE MAXIMUM IMPOUNDED WATER SHALL NOT EXCEED 1.5 FT. AT ANY POINT ALONG THE FENCE.
4. THE MAXIMUM SLOPE LENGTH BEHIND THE FENCE SHALL NOT EXCEED THE SPECIFICATIONS LISTED BELOW:

SLOPE	SLOPE LENGTH
< 2%	100 FT.
2 TO 5%	75 FT.
5 TO 10%	50 FT.
10 TO 20%	25 FT.
> 20%	15 FT.

5. ON SLOPES GREATER THAN 10% AND IN HIGH FLOW AREAS THE SEDIMENT FENCE SHALL BE REINFORCED WITH WIRE FENCE WITH A MINIMUM 14 GAUGE AND A MAXIMUM SPACING OF 6 INCHES ON THE BACK SIDE OF THE FABRIC. ON STEEP SLOPE MORE THAN ONE ROW OF SILT FENCE WILL BE REQUIRED IF NEEDED.

MATERIALS:

1. THE SEDIMENT FENCE SHALL BE FILTER FABRIC OR A PERVIOUS SHEET OF POLYPROPYLENE, NYLON, POLYESTER, OR POLYETHYLENE YARN WHICH HAS 85% FILTERING EFFICIENCY, A TENSILE STRENGTH OF 30 LB./LIN IN. AND A SLURRY FLOW RATE OF AT LEAST 0.3 GAL./SQ FT./MIN.
2. THE POST SHALL BE 4 INCH DIA. PINE, 2 INCH DIA. OAK, OR 1.33 LB/LF STEEL WITH A MIN. LENGTH OF 4 FEET.

ARB

Pre-SITE INSPECTION Check List

For Builders/Contractors

As indicated in the “Design and Construction Guideline”, the following requirements need to be in place prior to requesting a “**SITE WALK**”. Failure to have all items listed below in place will postpone the **SITE WALK** and will require it to be re-scheduled at a later date.

1. Approved site plan drawings showing:
 - a. Topographical survey showing original and new contours and spot elevations at corners.
 - b. Trees greater than five inches (5”) in diameter located near house area.
 - c. Proposed location of house with garage, driveway, septic tank and drain fields.
 - d. Property lines, easements, setbacks.
 - e. Location for dumpster.
 - f. Location of silt fences.
 - g. Location, size and type of retaining wall(s).
2. Verify that a set of “half size” drawings have been provided to Association Manager. These are to be used by the ARB Quadrant Leaders for their periodic inspections.
3. House and garage location should be staked out using two feet (2’) high stakes at all corners. String or tape should connect all stakes to reflect complete perimeter of building.
4. Driveway centerline should be staked beginning at street every fifteen feet (15’).
5. Approximate location of septic tank and drain field area should be indicated pending final approval of DHEC.
6. Location of lot lines close to house footprint should be staked.
7. All trees outside the house boundaries that are to be removed should be tied with surveyor’s ribbon. Trees being removed must be crossed out on the tree survey legend and on the site design.
8. All trees that are in close proximity to the building site and are to be saved must have fencing material surrounding those areas. Note*

Note*: Information regarding the trees or groupings of trees that are TO BE SAVED and are initially fenced for protection will be conveyed to the ARB Quadrant Leader covering that area for their monitoring throughout the building process.

**Cliffs Valley Community Association
Architectural Review Board**

Guidelines for Partial Cleaning of Vacant Lots

NOTE: These guidelines are solely for The Cliffs Valley. All other Cliffs Communities have unique guidelines for lot cleaning.

Tree and Vegetation Removal Guidelines:

The Cliffs Valley ARB Design and Construction Guidelines prohibit the cutting of any native deciduous and evergreen tree over five inches (5") in diameter measured twenty four inches (24") above ground level. The cutting of any dogwood or other flowering small trees or shrubs is strictly prohibited (i.e. native flowering shrubs such as mountain laurel, rhododendron, azalea, oak leaf hydrangea, maple leaf viburnum etc.).

Vacant Lot Cleaning Guidelines:

- Before any vacant lot vegetation cleaning, a **Vacant Lot Cleaning Permit** must be completed with an approved copy being placed on file with the ARB Administrator. **The Vacant Lot Cleaning Permit must be posted on a wooden post clearly visible from the road.**
- The cutting of native mountain laurel, azalea, small and large leafed rhododendron, and small flowering trees in the under story is not allowed.
- No clearing allowed within setbacks for The Cliffs Valley.
- Paths may be cut to view points or viewing stands which approximate the location of a future house. These paths should not exceed six feet (6') in width and under no circumstances can the Tree and Vegetation Removal Guidelines referenced above be ignored. Viewing stands must be submitted in advance for ARB approval.
- Use of large mechanical equipment can only be used where expressly approved by the ARB on lots with little slope and no erosion concerns. Prior ARB approval is required. Heavy equipment disturbs the soil and encourages generation of junk pioneer trees from airborne seeds. The use of hand held tools or weed trimmers is encouraged.
- Cleaning or re-cutting of previously cleared "junk" trees may require chemical treatment before cutting established or re-grown junk trees. If the junk trees are cut they will propagate through the remaining roots at a ratio of five (5) to one (1). These trees should be basal treated several weeks before cutting to kill the tree and the roots with a suitable basal treatment such as Pathfinder II.
- Tree topping is strictly prohibited. **ARB approval is required prior to any tree topping or tree removal.**
- Trees may be limbed up to 50 percent of their height.

NOTE: Previously cleared lots should be considered in the same way as one that has never been cleared.

Enforcement:

Non-permitted cleaning of lots or ignoring the guidelines defined in the permit will result in a written warning, discussions with the parties involved, and re-certification of the vendor for a first offense. A second offense will result in a fine of \$1,000. Third and repeat offenses will result in prohibiting the vendor and vendor's employee access to the community for the start of new projects for six (6) months. If fines are not received in the office within thirty (30) days from notice, vendor will not be allowed access into the community and a lien will be placed on the property until paid in full. For trees and/or shrubs removed or destroyed without approval, the ARB may, at Owner's expense, enter the property and install trees totaling three new to everyone destroyed or removed

Cliffs Valley Architectural Review Board (ARB) Additional Design Requirements

Your new home design should follow the existing prevalent mountain and lake theme here at The Cliffs Valley. The unique topography and natural setting of the valley demands special attention to home design and site compatibility. Each home makes a contribution to this design objective and should blend into its natural setting rather than contrast or compete with it.

Your final home design and size should be compatible with the building site on your lot, and take into consideration the local vegetation and topography. Your home should fit well within the lot setbacks and disturb as little as possible, the natural beauty of the lot.

Pre-designed plans may require architectural adjustments to conform to community guidelines and site limitations.

The following are some examples of design elements that should be incorporated in your new home:

- A) Roofs: Should have some of these features: dormers, gables, hips, and shed roofs. There should not be a large expanse of roof without some of these features. Main roof pitch should be a minimum of 5/12 and maximum of 14/12. Vent pipes are required to be painted the color of the roofing material and should be inconspicuously placed.
- B) Siding: Exterior materials should incorporate a balance of some of these materials: stone, cedar shakes, genuine textured stucco, horizontal and vertical board and batten siding.
- C) Elevations: Should have a distinct three dimensional appearance. The height of the exposed foundation walls actually constructed on site must be as represented on the final approved drawings.
- D) Color: Should be a LRV (Light Reflective Value) of LESS THAN THIRTY-NINE (39).
- E) Deck and Porch Supports: minimum of 8" x 8". Stone Creek minimum is 10" x 10".
- F) Site plan topography survey needs to include lot dimensions, building set back lines, house, driveway, septic tank locations, retaining walls with heights indicated, tree locations identified with type and size and indication of trees to be removed, and silt fence located and identified as to type. Limits of construction should be delineated. New and existing contours and spot elevations at house corners are required.
- G) Trees: A minimum of trees should be taken down only as required to accommodate the building of the house protective fencing should be installed around important trees that are either within or close to the actual building site.
- H) Silt Fencing: Should be installed with metal or wooden stakes and be supported with metal screening. The silt fence must be dug in. The fencing must contain all disturbed material from moving within the property.
- I) All brick, stone or genuine textured stucco must terminate at inside corners.
- J) Builder assumes responsibility that all drawing information and specifications meet the ARB guidelines.
- K) Final Approval: Final approval to start work at the house site requires the following:
 - Receipt of drawings by the ARB showing all agreed to changes.
 - Completion of a site walk to review items on the topography survey and the onsite inspection form signed by the builder and an ARB representative.
 - Finally, a signed authorization for construction certificate will be issued to the builder.

CAUTION

**CONSTRUCTION AREA
AUTHORIZED PERSONNEL ONLY
DO NOT TRESPASS
MANY HAZARDS EXIST BEYOND
THIS POINT**

FOR INFORMATION ABOUT THIS PROJECT, PLEASE CONTACT

[Name and telephone of builder]

***This sign must be posted on the house.*



Cliffs Valley Community Association View Corridor Application

This View Corridor Application is designed to facilitate a process for owners to improve property values and views, while respecting the mountain environment of the community. View corridors may vary greatly from site to site, and the scope approved for one site may not be acceptable for another site, depending on the context of the property.

Failure to follow the process below will result in fines. Replanting and fines, at the owner's expense, will be determined on a case-by-case basis by the ARB.

Step 1: Application Submission

The *owner* must submit this application, including the following information.

- Print owner name and address:
 - _____
- Print name and contact info for tree vendor doing the work:
 - _____
- Indicate the type (species) of tree(s) that would be removed:
 - _____
- List the size (diameter) of the tree(s), measuring 24" from the base of the tree:
 - _____
- Describe the impact on adjoining or nearby property:
 - _____
- Describe the impact that the removal process will have on erosion and measures you will take to prevent erosion:
 - _____
- Mark the trees with ribbons or paint so that they are obvious when a site walk with the owner is conducted.
- Provide 8.5" x 11" picture(s). In the picture(s), mark/circle the tree(s) you are asking to be removed. Please also number the tree(s) in the picture(s) so that the ARB can confirm approvals by tree number.
- Submit this application and pictures to Brian Pinner with NHE, Inc. (864-438-5094; bpinner@nhe-inc.com).

Step 2: ARB Review

Once the application and pictures are submitted, the ARB will conduct an on-site evaluation with the owner and determine what action can be taken. The ARB typically meets the first and third Wednesdays of each month.

Step 3: Tree Removal

Ensure that all debris cut for an approved view corridor is hauled off the property or placed in an area that is not visible to neighboring properties, the road, or the golf course. Inform the ARB when the work is completed so that the ARB can come and inspect to verify that the work was executed as approved. After an approved view corridor is made, it can and should be maintained. To remove trees and shrubs for a view corridor on a vacant lot, the Vacant Lot Cleaning Guidelines must be followed, and a Lot Cleaning Permit is required along with the submission of this application.

ARB Tree Guidelines

Trees may be limbed up to 50% of their height. Topping of trees is not allowed and may result in a fine, as will removal of trees not approved by the ARB during the site walk. Any tree within 20 feet of the house may be removed, and any tree that is less than 5 inches in diameter at a point 2 feet above ground may be removed. Clear-cutting is strictly forbidden.

Tree Vendors

Here are some experienced tree cutters that your neighbors and friends have used. The ARB is not promoting any particular vendor. We recommend that you confirm that their liability insurance is current.

Phillip Allison		864-706-6099
Dale Epperson	Epperson's Tree Service	828-606-4980
Eric Bayne	Complete Tree	828 863-2668
Adrian Burns	Burns Tree Service	828 674-7124
Jessie Burns	Jessie's Tree Service	828 243-5080
Richard Craig	Craig Landscaping	828 777-6506
Bill Gilliland	Bill Tree and Landscaping	828 692-9251
Nate Hamblen	Red Elm	864 320-1100
Roy Hermansen	Blue Ridge Tree Specialists	828 606-0713
	Schneider Tree Care	864 244-3088
Keith Willingham		828 243-8733