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Master Covenants, Conditions, Easements, and Restrictions

for

Riverwalk

"A Mixed-Use, Active Lifestyle Oriented Development"

Recorded by and Return to:

MORTON & GETTYS, LLC
Attn: Joshua B. Vann
334 Oakland Avenue
P.O. Box 707
Rock Hill, South Carolina 29731

8K12008 P0242

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS, EASEMENTS AND RESTRICTIONS FOR RIVERWALK (as amended or modified from time to time, including, without limitation, by way of any Supplement, this "Master Declaration", but, sometimes, "Declaration") is made and declared as of this 26 day of May, 2011 by **THE GREENS OF ROCK HILL, LLC**, a South Carolina limited liability company ("Declarant"), and shall bind the Declarant and its successors and assigns in the manner set forth herein.

BACKGROUND STATEMENT

A. Declarant is the developer and owner of certain real property (the "Development Property") located within the City of Rock Hill, County of York, State of South Carolina, being described or depicted upon Exhibit A, attached and incorporated by this reference. Declarant is also the owner of certain additional real property, which additional real property is adjacent or near to, but not a part of, the Development Property, being described or depicted upon Exhibit B, attached hereto and incorporated herein by this reference (together with such other real property as Declarant may hereafter acquire and elect to include within such additional property by an amendment to this Declaration, the "Additional Property").

B. Declarant intends to develop the Development Property, and, as, when, and if annexed thereto, the Additional Property, into a high quality, mixed-use, active lifestyle oriented project (such project being known as "Riverwalk"), and Declarant's objectives are to: (i) create within Riverwalk a controlled environment which is suitable for retail, restaurant, residential, office, and industrial development on separate Parcels (hereafter defined), (ii) to provide minimum standards related to site development, architectural design, building construction, and landscaping, in order to foster uniformity and congruity within Riverwalk as individual Parcels are developed therein, and (iii) to provide standards, means, and methods by which the administration of Riverwalk and the Common Properties (hereafter defined) will be conducted on an ongoing basis.

C. Declarant does not intend to subject the Additional Property to this Declaration, but wishes to reserve the right to add and annex all or portions of the Additional Property into the Development Property in accordance with the terms and provisions of this Declaration.

D. Declarant will construct or cause to be constructed within the Development Property certain improvements and amenities (in Declarant's discretion, unless otherwise required by any governing authority) consisting of, but not necessarily limited to, roads, utilities, wet and/or dry drainage detention facilities, and other common facilities for the benefit of Riverwalk as a whole, and, to varying degrees, the Parcels located therein.

E. In connection with the foregoing, and to provide for the proper maintenance of the Common Properties (hereafter defined), Declarant desires to subject the Development Property to the rights, privileges, covenants, restrictions, easements, charges, and lien rights set forth and established by this Declaration.

F. To accomplish the foregoing on an ongoing basis, Declarant has elected for a not-for-profit entity to be created to which will be delegated and assigned by Declarant (as hereinafter provided) the rights and duties involved in owning, maintaining and administering the Common Properties, administering and enforcing this Declaration, and performing the duties and meeting the obligations imposed by and as set forth in this Declaration.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged by Declarant, Declarant, for the use and benefit of itself and its successors and assigns, hereby declares and covenants that, to ensure the appropriate use, development, and improvement of the Development Property, the Development Property shall be held, mortgaged, transferred, hypothecated, sold, conveyed, leased, possessed, occupied, and used subject to the following provisions, covenants, conditions, easements, and restrictions, all of which shall be deemed to touch and concern and run with the land and title to the Development Property, in the manner and on the terms and conditions provided for herein, and to be binding upon Declarant, and its successors in interest, assigns, lessees, mortgagees, and other users or possessors of the Development Property or any portion thereof:

1. **Definitions.** The following terms, as used in this Declaration, unless the context clearly requires otherwise, shall have the following meanings:

“Additional Property” has the meaning set forth in Background Statement (A) above.

“Applicable Governmental Authority” or “Authorities” means the governmental body having jurisdiction over or responsibility for the matter or matters to which reference is made in this Master Declaration.

“Articles” means the Articles of Incorporation of the Master Association, as amended from time to time.

“Assessments” means all sums assessed against the Members of the Master Association as permitted, and in the manner required to be imposed by, this Master Declaration, any Supplemental Declaration, or by the Articles or By-Laws.

“Board” means the governing body of the Master Association elected by Declarant, or, as applicable, the Members in accordance with the By-Laws and the Articles.

“Business” means the use for which any Parcel within the Development Property has been developed consistent with applicable zoning and land use regulations, the requirements of the Applicable Governmental Authorities, and the terms and provisions of this Master Declaration.

“By-Laws” means the by-laws of the Master Association, as amended from time to time.

“Common Expenses” means the actual and estimated expenses incurred or anticipated to be incurred by the Master Association for the general benefit of the Development Property, including, but not being limited to, the following:

- (i) The costs of any upkeep, maintenance, repair and/or replacement required of the Common Properties, Common Utility System(s), or any Detention Facilities (including, without limitation, any Detention Ponds or Watercourse), excluding the costs of initial construction;
- (ii) Property taxes and governmental assessments payable with respect to the Common Properties or any part of the Common Utility Systems, Detention Facilities or Detention Ponds (including the costs of any appeal thereof or challenge thereto or to the amount thereof);
- (iii) The cost of snow and/or debris removal (if and to the extent contracted for by the Board) from the Public Streets within the Development Property;
- (iv) The cost of maintenance of the Landscape and Sign Easements, including the costs of replacing any of the landscaping or the Riverwalk identification or directional signs erected in such areas, but only to the extent not otherwise provided for differently in this Master Declaration and excluding the cost of initial landscaping and the cost of purchasing and installing any signs;
- (v) Liability insurance and any other insurance reasonably necessary for the protection of the Common Property, the Master Association, the Board, and the Members;
- (vi) Reasonable management fees and expenses of administration of the Master Association, including, but not limited to, insurance and bond expenses and legal and accounting fees;
- (vii) The cost of maintenance and operation (but not the cost of acquisition and installation) of any street or other lighting within any of the Common Properties within Riverwalk, and the cost of security service and/or access control (if any such service is provided as from time to time determined by the Board) within the Development Property; and,
- (viii) Any other reasonable expenses related to the operation and maintenance of the Common Properties, the Architectural Review Board, the Master Association, or the enforcement and administration of this Master Declaration and the governing documents of the Master Association in accordance with this Master Declaration.

“Common Properties” means all properties, whether real or personal, which are now or hereafter owned (or designated by Declarant for future ownership) by the Master Association, including, without limitation, properties within easements reserved or granted for the location of improvements or facilities which are or become designated as “Common Properties.” The designation of any land and/or improvements as Common Properties shall not mean or imply (unless specifically so stated) that the public at large acquires any rights therein or any easement, whether or use, enjoyment, or otherwise, therein. Common Properties shall include the equipment, pipes and other materials and the wet and/or dry Detention Facilities included as a

part of the Drainage System, but only to the extent not dedicated to (and to the extent maintained by) the Applicable Governmental Authority for public use. Notwithstanding the foregoing, the Common Properties shall not include any common area, amenity facilities, buffer areas, green spaces, or similar facilities shown as being located within a Component Parcel upon a plat thereof recorded by Declarant, unless Declarant thereon indicates otherwise.

“Common Utility System(s)” means the pipes, mains, lines, components and equipment comprising the Drainage System, sanitary sewer system, and utilities, such as gas lines, water mains, telephone lines, and electrical service lines, created or installed within the Development Property to serve the Development Property and which are intended to serve more than one Component Parcel (hereafter defined) within the Development Property, and which provide for connection by (i) the individual Owner of Parcels within the Development Property, and/or (ii) Component Parcel(s) within the Development Property, to the extent not owned by third parties or not otherwise dedicated to the public and accepted for dedication (and maintained by) the Applicable Governmental Authority.

“Component Parcel” means any Parcel, group of Parcels, or real property within the Development Property (as the Development Property may be expanded by annexation from time to time) either (i) designated by Declarant or by any successor to Declarant upon a plat or plats of record as being intended for common development (e.g. an area within the Development Property being designated for development as a residential neighborhood), and/or (ii) subjected to a common set or sets of covenants, conditions and restrictions in addition to those set forth in this Master Declaration (and not by way of a Supplemental Declaration to this Master Declaration, and/or (iii) subjected to membership (either wholly or through its constituent Parcels) in a Corporate Member of the Master Association by an instrument recorded in the York County real estate records. From time to time, Declarant may record in the York County real property records memoranda listing those Component Parcels then existing with the Development Property and those Corporate Members, if any, as have jurisdiction over them.

“Declarant” means The Greens of Rock Hill, LLC, a South Carolina limited liability company, its successors and assigns.

“Detention Facilities” shall mean the wet and dry detention areas and related structures and easements within the Development Property to facilitate storm and surface water drainage.

“Detention Ponds” (sometimes referred to as “Ponds”) means wet open detention areas (other than the Watercourse) to water’s edge at normal pool elevation created by Declarant as a part of the General Plan of Development, the locations of which are depicted upon plats of record, or hereafter recorded by Declarant, in the York County real estate records.

“Development” means the improvement of Parcels within the Development Property by construction of improvements thereon for sale, lease or occupancy.

“Development Property” means the real property owned by Declarant and described or depicted upon Exhibit A, together with such of the Additional Property as is added and annexed thereto from time to time in accordance with the provisions of this Master Declaration.

“Development Property Wide Standard” means the standard of conduct, maintenance, and/or other activity generally prevalent from time to time within the Development Property, or as more specifically enunciated from time to time by the Board or the Master Architectural Review Board.

“Drainage Easements” means those areas so designated, or bearing similar designations, in or upon plats or deeds now of record in the York County real estate records, or hereafter recorded by Declarant (and/or the Owner of the burdened Parcel) in the York County real estate records, and those areas described as such by this Master Declaration.

“Drainage System” means the open drainage ditches and swales, the subsurface drainage tiles, pipes and structures, the dry and wet detention and/or retention areas or Detention Ponds, Watercourse and other structures, fixtures, properties, equipment and facilities located in or upon the Drainage Easements or any part thereof by Declarant and designed for the purpose of controlling, retaining, expediting or otherwise providing for the drainage of storm and surface waters from, over and across the Development Property or portions thereof, whether dedicated in whole or in part, for public use or otherwise.

“Entry Ways” means the landscaping, entrance features, signs and/or other structures constructed or placed by or at the request of Declarant within the Common Properties at or near any entrances to the Development Property.

“General Plan of Development” means the various plans prepared by Declarant and approved (to the extent necessary) by the Applicable Governmental Authorities that, when considered together, outline the scheme for developing the Development Property and the general uses of the land and Parcels comprising the Development Property, as such may be amended, supplemented, or modified by Declarant from time to time.

“Landscape and Sign Easements” means those areas so designated, or similarly designated, in or upon plats or deeds now of record in the York County real estate records, or hereafter recorded by Declarant (and/or the Owner of the burdened Parcel) in the York County real estate records, and those areas described as such by this Master Declaration.

“Master Architectural Review Board” means that entity established pursuant to this Master Declaration for the purposes herein stated.

“Master Association” means Riverwalk Master Association, Inc., a South Carolina not-for-profit corporation, its successors and assigns.

“Member” means a Class A or Class B member of the Master Association, and “Members” means Class A and Class B members of the Master Association.

“Mortgagee” means the bona fide holder or a mortgage on all or any part of the Development Property.

“Owner” means the record owner, whether one or more Persons, of fee simple title to any portion of the Development Property, including, not being limited to, Declarant, but excluding in all cases any party holding an interest merely as security for the performance of an obligation. The term “Owner” shall include Declarant for so long as Declarant owns any part of the Development Property. If a portion of the Development Property is to be sold under a recorded contract of sale and the contract specifically so provides, the purchaser (rather than the fee Owner) shall be considered the “Owner”.

“Parcel” means a legally distinct and separate part of the Development Property (whether designated upon a recorded plat or otherwise) either owned in fee simple by an Owner, or owned by Declarant and improved by the construction of a building or buildings thereon.

“Parcel Development Guidelines” means the guidelines from time to time published by Declarant, or, after the Class “B” Expiration Date, by the Master Architectural Review Board, and so identified as “Parcel Development Guidelines”, and which contain standards and requirements which must be complied with as a part of improvement of a Parcel within the Development Property, and in preparation of plans required to be submitted to the Master Architectural Review Board pursuant to this Master Declaration. Upon request from an Owner, Declarant, within the term of the Class B membership, shall provide the Owner with an up to date version of the Parcel Development Guidelines pertaining to the Owner’s Parcel, and thereafter, the Master Association shall do the same.

“Percentage Interest” means, (1) with respect to a Corporate Member (hereafter defined), the amount of acreage located within a Component Parcel over which a Corporate Member has jurisdiction (including Parcel(s) and other real property owned in fee by the Corporate Member) as compared to the sum of all acreage within (a) all Component Parcels, and (b) Parcels not located within Component Parcels, from time to time included within the Development Property, excluding from each of the foregoing (i) all acreage comprising the Common Properties, and (ii) the acreage within street rights-of-way dedicated, or designated of record as to be dedicated, to the public, and (2) with respect to all Members other than Corporate Members, the amount of acreage located within the Parcel(s) owned by the Owner as compared to the sum of all acreage within (a) all Component Parcels, and (b) Parcels not located within Component Parcels, from time to time included within the Development Property, excluding from each of the foregoing (i) all acreage comprising the Common Properties, and (ii) the acreage within street rights-of-way dedicated, or designated of record as to be dedicated, to the public. In the calculation of the Percentage Interest of a Corporate Member, the acreage within any Component Parcel(s) over which a Corporate Member has jurisdiction (including Parcel(s) and other real property owned in fee by the Corporate Member) shall be the numerator while the sum of all acreage within all Component Parcels within the Development Property, and all Parcels within the Development Property not located in Component Parcels, shall be the denominator. In the calculation of the Percentage Interest of all Members but Corporate Members, the acreage within the Parcel(s) owned by the Member shall be the numerator while the sum of all acreage within all Component Parcels within the Development Property, and all Parcels within the Development Property not located in Component Parcels, shall be the denominator. Acreage which is a part of the Common Properties and/or within any street right-of-way dedicated or to be dedicated to the public shall be excluded from both the numerator and the denominator in the foregoing

calculations. When determining the figure for acreage, such figure shall be rounded to the nearest one-hundredth of an acre.

“Person” means a natural person, trustee, corporation, limited liability company, partnership, any other legal entity, or any combination thereof.

“Plans” has the meaning given such term by Section 14(A) of this Master Declaration below.

“Private Street Easements” means the easements, if any, designated or depicted from time to time in or upon deeds, plats, or other instruments for the Development Property, or any portion thereof, recorded by Declarant or its designee from time to time in the York County real estate records, and established primarily for the construction of Private Streets and related improvements therein.

“Private Street(s)” means (i) the streets constructed within the Private Street Easements as depicted from time to time upon plats recorded by Declarant or its designee in the York County real estate records, and (ii) Public Streets until the same are dedicated to and accepted for maintenance by the Applicable Governmental Authorities. The Private Streets shall not include private streets, or streets intended for future dedication to and maintenance by the Applicable Governmental Authorities, within a Component Parcel, unless Declarant, on a plat of record for the Component Parcel or a part thereof, indicates otherwise.

“Public Street(s)” means the streets constructed within rights-of-way dedicated to public use, or shown as to be dedicated for public use upon plats recorded by Declarant from time to time in the York County real estate records, and accepted for maintenance by the Applicable Governmental Authorities.

“Reserve for Replacement” means a capital fund established and maintained by the Master Association to help defray, in whole or in part, the cost of renewals and replacements, unexpected maintenance or unexpected Common Expenses.

“Restrictions” means the covenants, conditions, easements, charges, liens, restriction, rules, regulations and all other provisions set forth in this Master Declaration, as amended, all applicable Supplements, and the Registered Regulations, as the same may from time to time be amended.

“Supplement(s)” means a supplement or supplements to this Master Declaration which may be recorded by Declarant hereafter from time to time in accordance with this Master Declaration in order to annex all or parts of the Additional Property into the Development Property.

“Sidewalk Easements” means those areas so designated, or similarly designated, from time to time in or upon deeds, plats, or other instruments for the Development Property, or any portion thereof, recorded by Declarant or its designee from time to time, or by the Owner or the real property burdened thereby, in the York County real estate records, and established primarily for the construction of sidewalks and related improvements therein.

“Utility Easements” means those areas so designated from time to time or identified as such in or upon any plat, deed, or instrument recorded by Declarant or its designee from time to time in the York County real estate records for any portion of the Development Property.

“Watercourse” means any body of water currently existing, created hereafter, and/or preserved for wet retention and/or detention purposes to water’s edge at normal pool elevation, created as a part of the General Plan of Development and located within a Watercourse Easement, as designed by Declarant or its designee upon plats, deeds, or other instruments from time to time recorded in the York County real estate records.

“Watercourse Easement” means those areas so designated, or similarly designated, by Declarant or its designee in or upon plats, deeds, or other instruments recorded in the York County real estate records for portions of the Development Property. The Watercourse Easement is also referred to as a common retention area and is where, among other things, the Watercourse is (in principal part) located.

2. Development of Development Property. All of the Development Property shall be and is hereby restricted for Development in accordance with the standards and Restrictions set forth in this Master Declaration, and, unless Declarant seeks a rezoning in accordance with the terms and provisions of this Master Declaration, by applicable zoning restrictions effective as of the date hereof, as they may be modified from time to time by the Applicable Governmental Authority (including, without limitation, those found in the Planned Development Terms and Conditions for Riverwalk, adopted as a part of City of Rock Hill Ordinance Number 2008-68, effective as of November 24, 2008 (as amended from time to time, the “PD”), and those found in that certain Land Development Agreement between Declarant and the City of Rock Hill, recorded in the York County real estate records in Book 11006, at Page 1, *et seq.* (as amended from time to time, the “LDA”)). It is Declarant’s intent that the provisions hereof supplement and act to compliment the provisions of the PD and LDA, but, in the event of any express contradiction between this Master Declaration and the PD or LDA, the applicable provisions of the PD or LDA shall control and govern over the provisions of this Master Declaration pertaining to the matter. Declarant shall have and reserves the right, but not the obligation, for so long as Declarant owns any part of the Development Property, to maintain and make improvements, repairs and changes to the Development Property not involving and/or affecting in any material way the portions of the Development Property no longer owned by Declarant. Subject to the foregoing, Declarant’s right to maintain and to make improvements, repairs, and changes to that part of the Development Property owned by Declarant shall include, without limitation, the right to:

- (i) Construct, reconstruct, change, install and maintain any improvements in any of the Common Properties and Common Utility Systems, or within any Watercourse Easement, Utility Easements, Drainage Easements, Landscape and Sign Easements, Public Street Easements, Private Street Easements, and Sidewalk Easements;
- (ii) Change the location of any proposed Common Properties, Private Streets, Public Streets, any part of the Common Utility Systems, or any easements;

- (iii) Install and maintain any utilities or common services to the Development Property;
- (iv) Construct Public Streets and/or Private Streets within the Development Property and/or change the location thereof; and,
- (v) Seek land use changes (whether by rezoning, amendment to the PD and/or LDA, variance, or otherwise) respecting portions of the Development Property still owned by Declarant or an affiliate of Declarant.

3. Declarant's Rights Respecting Restrictions and Prohibitions; Additional Covenants and Restrictions. As long as Declarant remains a Class B Member, Declarant shall have and reserves the right to amend this Master Declaration unilaterally without the approval of any other Owner to create additional (or modify or remove) Restrictions and prohibitions with respect to certain Business uses within Riverwalk. Further, as it is Declarant's intent that this Master Declaration serve as a base set of restrictions and development guidelines with respect to the Development Property as a whole, and Declarant intends to separately develop, or cause to be separately developed, the Component Parcels, Declarant, to promote the congruent and complimentary development of the Component Parcels, reserves the right to subject any portion of the Development Property owned by it, including, without limitation, Component Parcels, to different, separate, and/or more stringent or restrictive standards and restrictions than the Restrictions set forth herein. As long as Declarant continues to own any part of the Development Property, it reserves the right to apply for changes in applicable zoning and similar regulations and requirements to permit additional uses or changes in applicable development standards. In no event shall any additional Restrictions or prohibitions created by Declarant hereafter prohibit, interfere with, modify, change or materially and adversely affect any then existing or permitted use of any portion or portions of the Development Property not owned by Declarant without the written consent of the Owners thereof, nor shall Declarant seek to change the zoning with respect to any portion or portions of the Development Property not owned by Declarant without the written consent of the Owner thereof (subject to Section 2 above). In the event that Declarant has the right under this Master Declaration to seek a change in the zoning regulations pertaining to any portion of the Development Property and the Applicable Governmental Authority requires that an Owner or Owners join in consenting thereto, then the applicable Owner or Owners shall consent thereto in the manner required by the Applicable Governmental Authority.

The Owner of any portion of the Development Property may impose covenants and restrictions on such portion of the Development Property in addition to the Restrictions and provisions set forth in this Master Declaration, with such approvals as may be required hereunder. If the provisions of any such additional covenants and restrictions are more restrictive than the Restrictions and provisions of this Master Declaration, the more restrictive provisions shall control. Declarant, during the term of the Class B membership, and the Master Association, thereafter, shall have the standing and the power, but not the obligation, to enforce any such additional covenants and restrictions.

4. Master Declaration and Property Rights.

(A) Imposition and Nature of Master Declaration. Declarant hereby expressly declares that the Development Property shall be subject to this Master Declaration, including but not limited to, the Restrictions comprising a part of this Master Declaration. This Master Declaration shall touch and concern the land comprising the Development Property, and shall run with the land. Each Owner, tenant, or occupant of any portion of the Development Property by: (i) acceptance of a deed conveying title thereto, or the execution of a contract for the purchase thereof, whether from Declarant or a subsequent Owner, and whether this Master Declaration is specifically referenced in any such deed or contract, or (ii) the act of occupancy of any improvements constructed on any portion of the Development Property as a part of the Development, shall accept such deed, execute such contract, and/or occupy such improvements subject to the Restrictions and agreements contained herein. By acceptance of such deed or execution of such contract, or by such occupancy, each Owner and occupant acknowledges the rights and powers of Declarant and of the Master Association with respect to these Restrictions and this Master Declaration to keep, observe comply with and perform such Restrictions and agreements contained in this Master Declaration. The Development Property and each part thereof transferred and conveyed shall for all purposes constitute real property which may be owned in fee simple and which, subject to the provisions of this Master Declaration, may be conveyed, transferred and encumbered the same as any other real property and entitle the Owner thereof to exclusive ownership and possession thereof subject to the provisions of this Master Declaration. The ownership of Parcels within the Development Property shall include, and there shall pass with each deed conveying ownership thereof, whether or not separately described, the right of enjoyment in and to the easements described herein (subject to the limitations stated) for the benefit of the Development Property and the Owners (and their tenants, licensees, guests, and invitees) from time to time of all or any portion of the Development Property.

(B) Covenant to Share Costs. Declarant hereby reserves the power to and may execute and record a maintenance agreement, a declaration of easements and covenant to share costs, or similar instruments affecting any portion of the Development Property ("Covenant to Share Costs") providing for:

- (i) the maintenance and operation of community or shared infrastructure and improvements ("Shared Properties") which benefit any portion of the Development Property (including the properties to be subjected to the Covenant to Share Costs) and any other real property adjacent to Riverwalk;
- (ii) the sharing of costs incurred in maintaining, operating, and insuring such Shared Properties between the Owners of the benefitted properties (or any Corporate Member(s) having jurisdiction over them);
- (iii) easements over any portion of the Common Properties or any other portion of the Development Property (without limiting the other powers of

Declarant as set forth herein) with the consent of the Owner thereof, for the benefit of any real property within or adjacent to Riverwalk; and,

- (iv) easements over any other property for the benefit of all or portions of the Development Property.

5. Streets, Driveways and Related Easements.

- (A) Public Streets. Public Streets are as defined in Section 1 of this Master Declaration. There is hereby created and reserved a non-exclusive perpetual and irrevocable easement appurtenant to and for the benefit of each Parcel adjacent to a Public Street, for the construction, maintenance, repair and replacement of any driveway or Private Street on such Parcel connecting to the Public Street at a location and in a manner otherwise approved by the Master Architectural Review Board.
- (B) Public Street Easements. A non-exclusive, perpetual and irrevocable easement is hereby created and reserved for the benefit of Declarant, the Master Association, and the Applicable Governmental Authorities across, under and through the Development Property and any Parcel therein as is reasonably necessary for access to, use of, and the construction, installation, extension, expansion, relocation, maintenance, repair and replacement of any curbs, areas (if any) between the edge of the pavement of a Public Street and the boundary of any Parcel, streetlights, landscape islands, traffic control devices and signs, together with any landscaping placed by the Declarant or Master Association and associated therewith.
- (C) Private Streets. Private Streets may be constructed and/or extended by Declarant, and at times by an Owner (but only with Declarant's advance written consent) within Private Street Easements, to provide further ingress and egress within the Development Property, and to connect, directly or indirectly, to the Public Streets within or adjacent to the Development Property. Irrevocable, perpetual, and non-exclusive easements are created and reserved for the benefit of Declarant, the Master Association, and their respective successors and assigns for the construction, repair, replacement, reconstruction, restoration and maintenance of Private Streets, together with curbs, gutters and related drainage and other structures. Declarant further reserves to itself and its successors and assigns, and hereby establishes for the Owner(s) of each Parcel within the Development Property having frontage upon and driveway access to a Private Street, their guests and invitees, and all public and quasi-public vehicles, a non-exclusive and irrevocable perpetual easement for ingress and egress on and over the Private Street to and from all or any part of the Development Property and the Public Streets within or adjacent to the Development Property. The terms "public vehicles" and "quasi-public vehicles" shall include, but not be limited to, vehicles operated for police and fire protection, private security detail, ambulances and other emergency response vehicles, trash and garbage collection, mail and other

delivery services, and vehicles operated by utility companies (both public and private). The location of curb cuts for any driveway or driveways connecting a Parcel to a Private Street shall be subject to advance approval by the Master Architectural Review Board. Nothing contained herein shall prohibit the creation of shared driveways serving adjoining Parcels with different restrictions imposed upon the use of such shared driveways, subject to the review and approval of the Master Architectural Review Board of the location thereof, the proposed standards to be employed in the construction thereof, any proposed limitations on the use thereof, and provisions for the required and continued maintenance thereof by those parties (and at their sole expense) benefitted thereby.

- (D) Private Street Easements. Private Street Easements are as defined in Section 1 of this Master Declaration. That portion of any Private Street Easement not improved by a Private Street and lying from back of curb to outside boundary of the Private Street Easement on each side of a Private Street is also hereby reserved for the benefit of Declarant, the Master Association, public and private utility companies, the Applicable Governmental Authorities and their respective successors and assigns, as a non-exclusive, perpetual and irrevocable easement for access to, use of, and the construction, installation, extension, expansion, relocation, maintenance, repair and replacement of: (i) any structures, pathways, sidewalks, street lights, landscaping, traffic control devices or identification signs determined necessary or desirable by Declarant or the Master Association, (ii) utilities serving all or any part of the Development Property, to the extent the use and location thereof is approved by Declarant, (iii) any part of the Drainage System located therein as designed and created by Declarant, and, (iv) sanitary sewers and related structures to the extent the use and location thereof is otherwise approved by Declarant and subject to the other provisions of this Master Declaration.
- (E) Private Street Maintenance Costs as Common Expenses. The maintenance, repair and replacement of any Private Street in the Development Property shall be the sole responsibility of the Master Association as described herein (unless such Private Street(s) exist within a Component Parcel subject to the jurisdiction of an Additional Association, in which event such maintenance shall be the obligation of such Additional Association and in which event such costs shall only be the subject of a Special Assessment if such Additional Association fails in its maintenance obligations as to such Private Street(s)), and all costs incurred in connection therewith shall be subject to being levied as a Special Assessment(s) as provided for by Section 13 hereof.
- (F) Site Line Easements. No fence, wall, hedge, shrub planting, or tree planting which obstructs site lines at elevations between four (4) and fifteen (15) feet above any Public or Private Street within the Development Property shall be placed or permitted to remain on any area within twenty-five (25) feet from the intersection of a street line with the edge of a driveway pavement or alley line.

6. Drainage Easements.

- (A) Drainage System and Related Easements. A Drainage System to provide for storm and surface water drainage shall be created upon the Development Property by Declarant, subject to review and approval by the Applicable Governmental Authorities. Non-exclusive, perpetual and irrevocable easements (except as otherwise limited herein) in favor of Declarant, the Master Association, and their respective successors and assigns, are hereby created and reserved in, on, over, across, under and through those portions of the Development Property as are reasonably necessary for access to, use of and the construction, installation, extension, expansion, maintenance, repair, and replacement of the Drainage System, the Ponds and Watercourse comprising a part thereof, and/or any outlet control structures, pipes and tiles, ditches, swales and other parts of the Drainage System and any equipment, improvements, and appurtenant structures associated therewith, for the purpose of providing storm and surface water drainage. Notwithstanding the foregoing, upon the approval of the Plans for any building or related improvements to be constructed as a part of Development of a Parcel, the easements created and reserved hereby shall be limited to that part of the Parcel that is not in, on, under, over, across or through a building or structure, or any driveways, sidewalks or parking areas located or to be located upon such Parcel; provided, however, such drainage easements may include areas on, under, over, across, or through driveways, sidewalks, or parking areas, as long as the use of such areas as drainage easements does not materially impair the use of such areas as a driveway, sidewalk, or parking area.
- (B) Ponds and Watercourses as Common Detention Areas and Related Easements. The Drainage System shall include Ponds and may include a Watercourse or Watercourses to be used as common detention or retention areas ("Common Retention Areas") to, among other things, control the rate of surface water run-off from various parts of the Development Property and from the Development Property to adjoining property and off-site drainage facilities, if any. The Ponds and Watercourse(s) may be located within Common Properties to be owned by the Master Association or within Drainage Easements or other easement areas, upon a Parcel or otherwise. The location, size, configuration, depth, and design of any Ponds or of the Watercourse(s) may, at the discretion of Declarant, change upon final design by Declarant of the Drainage System or upon request of the Applicable Governmental Authorities.

Costs (following initial construction) for reconstruction, repair and replacement of any of the Ponds or of all or any Watercourse(s), or any change or restoration in the depth or dimensions thereof, or any repair, replacement, or installation of any pumps, equipment, structures, or appurtenances thereto, including riprap, utility services, pipes, conduits, outlets, inlets, wells or other similar structures comprising a part thereof, or any costs incurred for weed or algae control, or to otherwise maintain the amount or quality of the water therein, as well as the taking of any action required by law or ordinance with regard thereto, shall

constitute Common Expenses pursuant to this Master Declaration which are subject to Assessments as herein provided. The sole purposes for which the Ponds and Watercourse(s), if any, are being created or preserved upon the Development Property are to: (i) provide for storm water drainage collection and retention, and (ii) enhance the aesthetics of the Development Property. The water levels of the Ponds and Watercourse(s) will vary from time to time on a seasonal basis, based upon differences in the amount of rainfall received, upon variations in other weather conditions, and based upon the manner of the Development of the Development Property, and, in the event of drought, the Ponds and/or Watercourse(s) may become dry. In any event, no obligation shall exist on the part of Declarant or the Master Association to maintain the water level (either at normal pool elevation or otherwise) in any Pond or Watercourse. No right shall exist in any Owner or any occupant following Development of a Parcel to use a Pond or Watercourse for any recreational purpose whatsoever, except as may be specifically and expressly authorized from time to time by the Master Association. Around each of the Ponds and Watercourse(s), a non-exclusive, perpetual and irrevocable easement thirty (30) feet in width (measured from the water's edge of the Pond or Watercourse at normal pool elevation) is hereby created and reserved for maintenance, repair, replacement, dredging, weed control, water quality control and other similar activities associated with preserving the character, integrity and quality of the Ponds and Watercourse(s), such easement being for the benefit of Declarant, the Master Association (to the extent such easement burdens real property other than real property owned by the Master Association as part of the Common Properties), and the Applicable Governmental Authorities.

Sidewalks and other related improvements (e.g., lights, benches, landscaping, bike racks, etc.) shall also be permitted within the Watercourse Easement. That part of the Watercourse Easement not located within the Watercourse shall also constitute a Sidewalk Easement.

Any ponds or other water features (in addition to those created by Declarant) desired to be created and/or maintained upon a Parcel as a part of Development by the Owner thereof must first be approved by the Master Architectural Review Board. Water features created by an Owner after receiving approval shall be maintained in perpetuity by the Owner of the Parcel where located, its successors and assigns, on a continuing basis and in a manner at least equal to the manner in which the Ponds are maintained on a continuing basis. Declarant, the Master Association or its assigns shall have the same non-exclusive perpetual and irrevocable easement rights available for access to and inspection of any such Owner-created ponds or water features as otherwise provided herein as with respect to Ponds created as a part of the General Plan of Development. Declarant and the Master Association shall have the right, but not the obligation, to maintain any such Owner-created ponds or water features not properly maintained by the Owner of the Parcel upon which located, in which event Declarant or the Master Association, as applicable, and their respective successors and assigns, shall the

right to utilize reasonable areas adjacent thereto in order to install, repair, maintain or remove any equipment, structures, pipes and tiles associated therewith. In the event of any such maintenance, the Master Association shall have the right to levy a Special Assessment against the applicable Owner and the Parcel owned by such Owner to cover the cost thereof, in the manner provided for Special Assessments, as provided for elsewhere by this Master Declaration.

- (C) Changes Prohibited Without Consent. Under no circumstance shall any changes be made in the topography of any ditch, swale, or detention/retention area comprising a part of the Drainage System, nor shall the free flow of drainage therein be blocked or restricted in any manner, whether by grading, riprapping, a dam, pipe-size reduction or otherwise, without the written consent of the Master Declaration; provided, however, that Declarant in its sole discretion, may make any such changes within the Watercourse Easement or any other Common Retention Area or any other part of the Drainage System as a part of developing, re-developing, modifying, or changing the Drainage System.
- (D) Parcel Development and Drainage. The proposed carriage and transmission of storm water drainage on and from a Parcel shall be detailed as a part of the Plans submitted for approval before Development to the Master Architectural Review Board, and shall be certified by a professional engineer as being consistent with the Drainage System and in compliance with applicable laws and ordinances, rules and regulations governing the release, transmission and carriage of storm and surface water drainage.
- (E) Drainage System Maintenance Costs as Common Expenses. Notwithstanding the likely or planned dedication of some of the drainage facilities and installation comprising the Drainage System for public use and maintenance (but Declarant shall be under no obligation to dedicate the same), any costs of maintaining, repairing or replacing components thereof, particularly the Ponds, may represent an ongoing expense of the Master Association and constitute Common Expenses pursuant to this Master Declaration, subject to Assessments.

7. Utilities and Public Services.

- (A) Utilities and Related Easements. There is hereby created and reserved by Declarant for the benefit of Declarant, the Master Association, the Owners, and their respective successors in interest and assigns, non-exclusive, perpetual Utility Easements (as Utility Easements are defined in Section 1 of this Master Declaration) for the purpose of allowing connection to, installing, replacing, repairing, maintaining, constructing, reconstructing, replacing and upgrading the utility and other common services within the Development Property (e.g., cable television) or any portion thereof. To the extent possible, all lines and facilities serving the Development Structures and all structures appurtenant thereto shall be located underground. Further, Declarant hereby reserves unto itself, and is hereby expressly given, the right and power to discriminate among, and extend to, such

public and private utility companies providing utility services and other providers of common services to the Development Property as it may elect in its sole discretion, as well as to the Applicable Governmental Authorities and/or Owners of Parcels (other than the Parcel through which easement rights are extended), the right and authority to use, on a non-exclusive or exclusive basis, as Declarant may elect, the Utility Easements. For purposes hereof, subject to the other provisions of this Master Declaration, sanitary sewers shall be considered a utility. Upon the granting of any such easement rights by Declarant, it shall expressly be permissible for the providing utility or provider within the Utility Easements to take any of the following actions:

- (i) Install and maintain pipes, lines, wires, manholes, cables, pumps, and other necessary equipment and facilities;
- (ii) Cut and remove any trees, bushes or shrubbery and/or grade, excavate and/or fill to the extent reasonably necessary to erect and maintain required pipes, lines, wires, manholes, cables, pumps, and other necessary equipment and facilities; or,
- (iii) Take any other similar action reasonably necessary to provide economical and safe installation, maintenance, repair, replacement and use of such utilities and systems.

PROVIDED, however, that upon completion of any such installation, maintenance, repair, or replacement, the utility company, provider or Owner involved therewith shall take any reasonably necessary action as soon as practical to repair any damage caused thereby, and shall restore the Utility Easement area affected to a good condition. In the case of an Owner, upon a failure to comply herewith and repair and restore as required hereby (or commence and proceed as soon as practical to completion, if compliance within such period is not reasonably possible), within five (5) business (Monday through Friday, excluding national holidays) days following notice from the Board specifying in what respect compliance has not occurred, the Board shall have the right (but not the obligation) to take such action, the cost of which shall represent the basis for a Special Assessment against the Owner in non-compliance and the Parcel owned by the Owner.

- (B) Public Service and Related Easements. Declarant hereby creates and grants to the Applicable Governmental Authorities a perpetual, non-exclusive right and easement to enter upon, over and across the Development Property or any part thereof, or any Parcel, for the purpose of performing reasonable and necessary duties related to: (i) law enforcement, (ii) fire protection, (iii) the preservation of health, safety, and general welfare in the event of an emergency, or (iv) as may otherwise be required by applicable law. In connection herewith, the exercise of the easement rights granted herein shall be undertaken in a reasonable fashion,

taking into account the circumstances for which such exercise is required, and vehicular ingress and egress shall be limited when at all possible to driveways, parking areas and other hard surfaced portions of the Development Property so as to minimize damage thereto.

- (C) General Maintenance of Easement Areas. Portions of the Development Property burdened by the easements created and reserved under this Section 7 shall be routinely maintained by the Owner or Owners thereof as a part of the routine, regular maintenance and in a manner consistent with the remainder of the Parcel where located, and no permanent structures or landscaping shall be permitted or placed therein, except: (i) landscaping, identification or incidental signs, light structures, flag poles or other similar structures approved by the Master Architectural Review Board as a part of initial Development or thereafter as required by this Master Declaration or permitted by any rules adopted and published from time to time by Declarant or the Board (but only to the extent any such landscaping and structures do not unreasonably interfere with: (i) the easement rights granted in Section 7, or (ii) driveways and parking areas). However, those easement areas located within the Common Properties owned by the Master Association shall be maintained by the Master Association with and as a part of the Common Properties owned by the Master Association.

8. Landscape and Sign Easements.

- (A) Landscape and Sign Easements. The Landscape and Sign Easements (as defined in Section 1 of this Master Declaration) are hereby created and reserved for the benefit of Declarant and the Master Association, their successors and assigns, to: (i) place, install, plant, fertilize, seed, or otherwise maintain the landscaping, grass, ground cover and other vegetation within the portions of the Development Property subject to the Landscape and Sign Easements, and (ii) install, maintain, replace, and repair Riverwalk identification signage and other signage as set forth in Section 9. Wetlands, if any, comprising a part of the Development Property and which are to be preserved and/or maintained as required by applicable law shall also constitute Landscape and Sign Easements. No Owner shall change, alter or replace any landscaping, grass, vegetation, or signage within any Landscape and Sign Easement without the approval of the Board. All costs incurred by the Master Association in connection with the exercise of the easement rights herein granted shall constitute Common Expenses subject to Assessment as provided in this Master Declaration.
- (B) Installation of Signs by Declarant. Declarant shall have the right to install (and thereafter maintain, replace, restore, repair and change) street, Riverwalk identification, incidental and informational signage within any of the Common Properties of a design, type, color, and character determined by Declarant in its sole discretion, subject only to applicable land use regulations and receipt of required permits and approvals from the Applicable Governmental Authorities. Any such signage shall also be permitted within any Private Street Easements

and/or Utility Easements contiguous to any Public Street or Private Street right-of-way or any Landscape and Sign Easements. Following construction, the sign and sign structures located in the Landscape and Sign Easements (or in the Common Properties, Private Street Easements, or Utility Easements) shall constitute a part of the Common Expenses, and any costs for the reconstruction, restoration, refurbishment, replacement, change, maintenance and operation thereof shall constitute Common Expenses subject to Assessments pursuant to this Master Declaration.

- (C) By an Owner. Any free-standing sign structure, building signage, temporary signage, banners, flags, promotional or sale signage or any interior signage visible from the exterior, proposed to be placed, erected or permitted to remain on a Parcel by an Owner (or an occupant) thereof with respect to any Business, building, or use, whether identification signage, incidental or directional signage, or otherwise, shall be located, constructed, and maintained in a manner (and shall be of a height, dimension, color, size, composition, material, illumination, and character) which complies with: (i) applicable zoning restrictions then in effect, and (ii) approvals first given by (and required to be obtained by the Owner or occupant from) the Master Architectural Review Board, either as part of Development of a Parcel or thereafter as a condition precedent to the erection or placement thereof, which approval shall not be unreasonably withheld, conditioned, or delayed. Signage identifying contractors, subcontractors, developers, builders, or others involved in construction upon or development of a site, including a Parcel or Component Parcel, ("Construction Signage") shall not be permitted without the prior written approval of Declarant, which approval Declarant hereby reserves the right to deny on an arbitrary basis within its sole discretion. Declarant hereby reserves, and is otherwise hereby granted by each Owner, an irrevocable license to enter upon any Parcel without being a trespasser and to remove and dispose of any Construction Signage not approved as herein required by Declarant, without notice to the Owner of the Parcel or to the party or parties identified upon such signage.

10. General Maintenance Easement. There is hereby reserved and created for the use of Declarant, the Master Association, and their respective agents, employees, designees, successors and assigns, a non-exclusive, perpetual maintenance easement to enter upon any Parcel for the purpose of mowing, removing, clearing, cutting or otherwise controlling underbrush, weeds, stumps or other unsightly growth or material, and removing trash, planting and maintaining shrubs and trees in any green space therein, and to control animals, birds, and insects, and otherwise engage in pest control, so as to maintain a Development Property Wide Standard of health, fire safety, and appearance, provided that the easement herein granted shall not be construed or interpreted as imposing any duty or obligation upon Declarant or the Master Association to take any such action, perform any such duties, or engage in any such activities. In the event, however, Declarant or the Master Association elect to exercise the maintenance easement rights granted and reserved hereby based upon a failure by the Owner of a Parcel to take (or commence to take and complete as soon as practical) required action within five (5) business (Monday through Friday, excluding national holidays) days after notice from the Board

specifying the maintenance needed, the cost incurred in connection therewith shall constitute the basis for a Special Assessment against the Owner and the Parcel involved, pursuant to the Special Assessment provisions of this Master Declaration.

11. Additional Easements. Each Owner (other than Declarant, which shall have each of the rights with respect to its property as reserved and created hereby) shall have the right to create or reserve additional easements on its Parcel for ingress and egress, driveways, parking areas and for other purposes, provided any such easements are not inconsistent with the provisions of this Master Declaration or any other applicable land use or other regulations, laws or ordinances of the Applicable Governmental Authorities, and, except in the case of easements in favor of public or private utility suppliers in connection with the development of such Owner's Parcel, such easements are first submitted to the Board for review and are approved by the Board.

12. Riverwalk Master Association, Inc.

(A) Members of the Master Association. Declarant is a Member. Each successor Owner to Declarant of a Parcel not within a Component Parcel, each Corporate Member (hereafter defined) with jurisdiction over a Component Parcel, and each Owner of a Parcel within a Component Parcel where the Component Parcel is not subject to the jurisdiction of a Corporate Member, shall also be a Member automatically and shall enjoy the privileges and be bound by the obligations contained in this Master Declaration and the Articles and By-Laws and shall remain a Member until such time as such ownership of its applicable real estate (or its jurisdiction over a Component Parcel, as the case may be) ceases for any reason (but, as to any Corporate Member which ceases to have jurisdiction over a Component Parcel for any reason and is thereafter not a Member by operation of the foregoing provision, the Owners of Parcels within the subject Component Parcel shall automatically, upon the cessation of jurisdiction of the Corporate Member, become Members with respect to their Parcels), at which time such Member's interests in the Master Association shall automatically pass to its successor in title, as to an Owner that is a Member and transfers its real property, and, as to a Corporate Member, to its constituent members which are Owners of Parcels.

A "Corporate Member", for purposes of this Master Declaration, shall be any unincorporated or incorporated association of home or property owners, formed by Declarant, with jurisdiction over a Component Parcel or Component Parcels under and pursuant to an instrument of record recorded by Declarant with respect to the Component Parcel or Component Parcels, charged with administering the restrictions and covenants pertaining solely to that Component Parcel or those Component Parcels, and not pertaining to the remainder of the Development Property, and charged with maintaining those common areas benefitting the Component Parcel or Component Parcels and lying therein (but not constituting and being a part of the Common Properties).

(B) Voting. The Master Association shall have two (2) classes of Members, Class A and Class B. The rights of the Class A and Class B Members with respect to voting matters shall be as follows:

- (i) Class A. Class A Members shall be all Owners (including Declarant as to any Parcels it owns), and all Corporate Members. The number of votes to which each Class A Member is entitled shall be in proportion and equal to such Member's Percentage Interest. Notwithstanding the foregoing, however, Class A Members shall be non-voting (except for Declarant, in its capacity as the Class B Member) and shall be subject to the voting control of the Class B Member for such period of time as Declarant either: (a) elects to appoint a majority of the members of the Board, or (b) elects to act in lieu of the Board, subject in the case of both (a) and (b), however, to the limitations imposed by subsection (ii) hereof. The vote for a Parcel or for a Component Parcel shall be disregarded if more than one Person involved in ownership of the Parcel, or jurisdiction over the Component Parcel, as the case may be, seeks to exercise the right to vote.

- (ii) Class B. Declarant is the Class B Member. The Class B Member shall be entitled to appoint all of the members of the Board and shall be entitled to one hundred percent (100.0%) of the votes of the Class A Members as to Master Association matters and matters with respect to Riverwalk and this Master Declaration until the earliest of: (i) thirty (30) days following the date upon which ninety percent (90.0%) of the total acreage within the Development Property (as it has then been expanded by annexation of all or portions of the Additional Property pursuant to this Master Declaration) has been sold or conveyed to Persons other than Declarant (or an entity either owned by Declarant, affiliated with Declarant, or one in which at least twenty percent (20.0%) of the ownership is held or controlled by Persons having an ownership interest in Declarant, and which entity is holding title primarily for the purpose of Development or sale following Development), (ii) the date upon which Declarant determines, in its sole discretion, to terminate its rights as herein provided, which termination shall become effective upon recordation of an instrument executed by Declarant which so specifies in the York County real property records, OR (iii) December 31, 2035 (the earliest of such dates being herein referred to as the "Class B Expiration Date"). Upon the Class B Expiration Date, Declarant shall cease to be the Class B Member, but shall be a Class A Member with respect to all Parcels owned by it.

- (iii) Control for Decision Making Purposes. Except where a different percentage may be specified in this Master Declaration, the Articles, or the By-Laws, as to any vote requiring the approval of the Members, a majority of the Percentage Interests of the Members shall control for decision making purposes.
- (C) General Powers of Master Association. The Master Association shall have the powers set forth and conferred upon it by this Master Declaration, the By-Laws, and in the Articles, together with all other powers that belong to it of right or necessity by law.
- (D) Personal Property and Real Property for Common Use. The Master Association, acting through its Board, may acquire and hold tangible and intangible personal property and real property and may dispose of the same (except for the Common Properties, which may be disposed of by the Master Association only as provided by this Master Declaration or otherwise with the written consent of Declarant) by sale or otherwise. All funds received and title to all properties acquired by the Master Association and the proceeds thereof, after deducting therefrom the costs incurred by the master Association in acquiring and selling the same, shall be held by and for the benefit of the Master Association. The share of an Owner in the funds and assets of the master Association cannot be individually assigned, hypothecated, or transferred in any manner, except to the extent that a transfer of ownership of a Parcel also transfers the interests in the Master Association (if any) that are appurtenant to the Parcel as provided for by this Master Declaration.
- (E) Rules and Regulations. The Master Association through its Board may make and enforce reasonable rules and regulations (together with enforcement mechanisms for violations thereof) with respect to the activities of the Master Architectural Review Board, the use and enjoyment of any of the Common Properties, or of any easements maintained by the Master Association for the Private Streets, sidewalks and pathways, which rules and regulations shall not contravene the rights and duties established by this Master Declaration (the "Registered Regulations").
- (F) Primary Responsibilities. The Master Association, subject to collection of required Assessments, shall exercise reasonable efforts to maintain and keep in good repair and operation the following properties or areas and/or provide the following services (the "Primary Responsibilities"):
- (i) The Drainage System (including, without limitation, any legal drain included as a part thereof), Retention Ponds and the Watercourse to the extent such maintenance is not provided by the Applicable Governmental Authorities;

- (ii) The Landscape and Sign Easements, including any landscaping or structures therein, unless otherwise provided by this Master Declaration;
- (iii) The Private Streets and Private Street Easements, if any;
- (iv) Snow and debris removal from the Private Streets, and, if approved (and contracted for) by the Board, from the Public Streets within Riverwalk to the extent the same is not otherwise adequately provided by the Applicable Governmental Authorities; and,
- (v) Any other Common Properties (including, without limitation, those conveyed to the Master Association from time to time by Declarant).

Notwithstanding the foregoing, in accordance with certain rules regulating development promulgated by the City of Rock Hill, the Owners shall be jointly and severally liable for compliance with the standards and regulations of the City regarding common property maintenance, including, but not limited to, the maintenance and repair of alleys, detention ponds, retaining walls, trees and landscaping. The primary responsibilities herein specified (other than the Owners' obligations to the City as set forth in the foregoing sentence, which may not be modified) shall not be changed or eliminated, in whole or in part, without: (i) the approval of eighty-five percent (85.0%) of the Percentage Interests of the Class A Members, and, prior to the Class B Expiration Date, the approval of the Class B Member, and, (ii) the making of adequate provisions for the replacement of such service or maintenance on behalf of the Members and Master Association and in a manner consistent with the Development Property Wide Standard.

- (G) **Optional Responsibilities.** In addition to the Primary Responsibilities, the Master Association may, but is not obligated to, provide additional services and assume additional responsibilities as the Members may approve and direct and which reasonably accrue (although not necessarily on the same basis or to the same degree) to the benefit of all Parcels within the Development Property without discrimination, including, but not limited to, snow removal and maintenance of the individual Parcels, and security services within Riverwalk, but not within any buildings or structures located thereon. Assumption of such additional responsibilities shall be considered upon recommendation of the Board by the Members and shall require the approval of seventy-five percent (75.0%) of the Percentage Interests of the Class A Members, and, prior to the Class B Expiration Date, the approval of the Class B Member in order for the costs thereof to be deemed Common Expenses.
- (H) **Reserve for Replacements.** The Board may establish and maintain Reserves for Replacements. If established, a Reserve for Replacements shall be created by the

allocation and payment to a reserve fund of an amount estimated annually (or on some other periodic basis) by the Board to defray, in whole or in part, the costs of periodic anticipated major repairs, renewals and replacements required to maintain the Common Properties in good repair as well as any other personal property or improvements to real property for which the Master Association has assumed maintenance responsibilities other than the Private Streets, including, but not limited to, the Drainage System to the extent not maintained by the Applicable Governmental Authorities, the Landscape and Sign Easements, and the like. A separate Reserve for Replacements may be created by the Board for and with respect to each Private Street.

- (I) Termination of Class B Member. Upon termination of the Class B Member in the manner otherwise provided for herein, the consent, approval or vote of the Class B Member (except as a part of approval by the Class A Members as to Parcels owned by Declarant) shall no longer be required, but no such termination shall affect any of the other rights or powers of Declarant otherwise set forth in this Master Declaration.
- (J) Powers Relating to Additional Associations. The Master Association shall also have the power to require specific action to be taken by any Additional Association in connection with its obligations and responsibilities under this Master Declaration, such as requiring the specific performance of maintenance or repair obligations or aesthetic changes to be effectuated. An Additional Association shall take appropriate action required by the Master Association in a written notice within the reasonable time frame set by the Master Association in the notice. If the Additional Association fails to comply, the Master Association shall have the right to effect such action on behalf of the Additional Association and to levy and assess a Special Assessment against the Additional Association and its property to cover the costs and expenses incurred in so doing, as well as a reasonable administrative charge (not to exceed fifteen (15) percent) and sanctions.
- (K) By-Laws. The By-Laws of the Master Association, as adopted by the Board, are attached hereto and incorporated herein by this reference as Exhibit C.

13. Assessments.

- (A) Creation and Types. Declarant hereby covenants, and each Owner of any part of the Development Property by acceptance of a deed thereto (subject to the limitations and terms herein contained which in some cases provide for a Corporate Member, and not an Owner, to have the payment obligation with respect to General Assessments and certain Special Assessments), whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Master Association two (2) types of Assessments: (i) General Assessments, and (ii) Special Assessments (together with further Initial Capital Contributions as more particularly provided for below), as follows:

- (i) General Assessments. General Assessments levied by the Master Association shall be used exclusively for performance of the duties and responsibilities established by this Master Declaration (including those which may be undertaken and assumed pursuant to the terms hereof), for the improvement, maintenance and operation of the Common Properties, and to discharge the maintenance and other obligations assumed by the Master Association respecting the Drainage System and with respect to those easement areas within the Development Property as to which the Master Association may have maintenance responsibilities and identified herein, excepting and excluding the Private Streets. A portion of the General Assessments may also be used to establish and fund a Reserve for Replacements (including with respect to some or all Private Streets pursuant to Section 12(H) above); provided, however, in no event shall the component of the General Assessments established for the Reserve for Replacements exceed an amount equal to ten percent (10.0%) of the other components of the General Assessments. For Parcels located within Component Parcels that are subject to the jurisdiction of a Corporate Member, the obligation to pay General Assessments with respect to the Parcels within the Component Parcel shall be the obligation of the Corporate Member, rather than the Owners of the Parcels (unless the Owner is also the Corporate Member), notwithstanding any other provision of this Master Declaration to the contrary.
- (ii) Special Assessments. Special Assessments authorized herein are for the purpose of defraying, in whole or in part, the cost of any major reconstruction, repair or replacement of a part of the Common Properties or within any easement areas for which the Master Association has maintenance responsibilities hereunder, including, but not limited to, Landscape and Sign Easements, Private Streets (but only computed and assessed as permitted by Section 13(B)(ii)(b) hereof) and the Drainage System to the extent not maintained by the Applicable Governmental Authorities. The levy of a Special Assessment, computed and assessed as provided by Section 13(B)(ii)(b) hereof, shall also be permitted to cover annual anticipated maintenance of a Private Street or Private Streets. The levy of a Special Assessment shall further be permitted: (a) to cover any extraordinary or unexpected expense of any kind for which a Reserve for Replacements and/or General Assessments are or were inadequate, (b) to cover any budget shortfall, and (c) against less than all Members for those purposes otherwise identified in the Computation of Assessments section, in Section 13(B)(ii)(b) below. With respect to Special Assessments, where a Parcel is located within a Component Parcel that is subject to the jurisdiction of a Corporate Member, the obligation to pay Special Assessments may be the obligation of the Owner of the Parcel or the Corporate Member, as more particularly provided for in Section 13(B) below.

(B) Computation of Assessments.

(i) General Assessments. By vote of a majority of its members, the Board shall, at least sixty (60) days before the beginning of each fiscal year, prepare and adopt a budget covering the estimated Common Expenses of the Master Association for and during the coming year. Once adopted, the Board shall fix the General Assessments per acre based upon the Percentage Interest of each Member so that the total aggregate General Assessments when collected will produce enough income to meet budgeted Common Expenses. Once the budget and amount of the General Assessment to be levied against each Member for the following year has been determined, a copy of the Budget and the amount of the applicable General Assessment shall be provided to each Member no later than thirty (30) days prior to the beginning of the fiscal year for which it applies.

(ii) Special Assessments.

(a) All Members. The Master Association may levy Special Assessments in proportion to the Percentage Interest of each Member for those purposes set forth herein, provided the decision to levy any such Special Assessment receives the affirmative vote of at least a majority of the Percentage Interests of each class of the Members. Special Assessments pursuant to this paragraph shall be payable in such manner and at such times as determined by the Board, and may be permitted to be paid in installments.

(b) Less than All Members. The Master Association, acting through the Board (and without the need for an affirmative vote of at least a majority of the Percentage Interests of the Members), shall have the right to levy Special Assessments against any Owner individually or any group of Owners and their respective Parcels and/or real estate to reimburse the Master Association for costs and expenses incurred to remedy a failure on the part of an Owner (or his Parcel) and/or real estate to comply with Restrictions imposed by this Declaration (including as provided for elsewhere herein), amendments hereto or any Supplement, or by the Articles or By-Laws, or by the Parcel Development Guidelines or any rules and regulations from time to time promulgated and published by the Board or the Master Architectural Review Board. The Master Association, acting through the Board (and without the need for an affirmative vote of at least a majority of the Percentage Interests of the Members), shall also have the right to levy Special Assessments to cover snow removal and general and extraordinary maintenance, repair, restoration or reconstruction of the Private Streets. Special Assessments as to each Private Street shall be

levied only against those Parcels (and the Owners thereof) which have both frontage upon and driveway access thereto, and which are otherwise computed on a parcel basis as in the case of General Assessments. With respect to each Private Street, a budget shall be prepared and adopted by a vote of a majority of the members of the Board, at least sixty (60) days before the beginning of each fiscal year to cover estimated maintenance costs. Once adopted, the Board shall fix the Special Assessment per acre based upon the Percentage Interest of the affected Owner (and, for Owners that are not Members, the Percentage Interests with respect to a Special Assessment levied under this Section 13(B)(ii)(b) shall be calculated as if the Owners were Members) so that the total aggregate Private Street Special Assessment will produce enough income to cover the budgeted expenses. Special Assessments levied under this Section 13(B)(ii)(b) shall be levied against each Parcel and the Owner of that Parcel, regardless of whether the Owner is a Member (in the case of Owners of Parcels that are located within Component Parcels subject to the jurisdiction of a Corporate Member).

(iii) Initial Capital Contributions. All Owners (other than Owners that are not Members of the Master Association when taking title the Parcel being acquired by that Owner) shall pay to the Master Association as a part of and from the proceeds of the closing upon the Owner's Parcel at the time of acquisition an initial capital contribution to the Master Association in the amount of \$300.00 (collectively, the "Initial Capital Contributions"). The Initial Capital Contributions shall be used by the Master Association for the same uses and purposes as for which General Assessments may be used. In the event that an Owner required to make and pay an Initial Capital Contribution fails to pay the same as required hereby, then the Master Association shall have each of the rights and remedies as with respect to the failure by an Owner to pay any Assessment (including, without limitation, to file a Notice of Lien with respect to the Owner's Parcel or Parcels).

(C) Date of Commencement of General Assessments. The obligation to pay Assessments shall commence as to each Parcel (except as otherwise provided in Section 13(E) below) on the day on which such Parcel is conveyed to a Person other than Declarant and shall be due and payable in such manner and on such schedule as the Board may from time to time require. The initial General Assessment payable shall be adjusted according to the number of months remaining in the current fiscal year of the Master Association and number of days remaining in the month in which the Parcel and/or real estate first became subject to assessment.

- (D) Effect of Non-payment of Assessments: Remedies of Master Association. Any Assessment not paid within ten (10) days after the due date shall bear interest from the due date at a percentage rate no greater than the current statutory, maximum interest rate (if any usury statute then exists in South Carolina), the applicable rate to be set by the Board for each fiscal year. In addition, the Master Association may charge a late fee on any unpaid and overdue Assessment of Twenty and No/100 Dollars (\$20.00) per month. The Master Association shall be entitled to institute in any court of competent jurisdiction any lawful action to collect a delinquent Assessment, plus interest and late fees which have been assessed thereon and any expenses or costs (including, but not limited to attorneys' fees and court costs) incurred by the Master Association in collection, all without relief from valuation and appraisal laws, if any. If the Master Association has provided for collection of any Assessment in installments, upon default in the payment of any one or more installments, the Master Association may accelerate payment and declare the entire balance of said Assessment to be due and payable in full. No Member, or Owner, as the case may be, may waive or otherwise escape liability for the Assessments provided for herein by non-use of the Common Properties or abandonment of his Parcel, nor shall any diminution or abatement of Assessments be claimed or allowed by reason of any alleged failure of the Master Association to take some action or perform some function required to be taken or performed pursuant to this Master Declaration, or for any inconvenience or discomfort arising from the making of improvements or repairs which are the responsibility of the Master Association, or from any action taken by the Master Association to comply with any law, ordinance, order or directive of any Applicable Governmental Authority. The obligation to pay Assessments represents a separate and independent covenant on the part of each Owner (except for Owners which are not also Members because they own Parcels within Component Parcels subject to the jurisdiction of a Corporate Member, but, as to them, such obligation shall be their obligation, and their covenant, upon the cessation of the jurisdiction of the Corporate Member over the Component Parcel for any reason), and each Corporate Member, as the case may be. In the event of non-payment, the voting rights (if any) applicable to the Parcel in question shall be suspended until the payment of delinquent Assessments (together with interest and costs, if any) is brought current. In the event of non-payment of Assessments of a Member or Owner as required by this Master Declaration, the Master Association shall also have the right to record a Notice of Lien on any Parcel subject thereto in the York County real property records, upon the filing of which there shall exist a perfected lien for unpaid Assessments which shall be prior and superior to all other liens, EXCEPT, the lien of any recorded first mortgage (meaning for purposes hereof a first mortgage made in good faith and for value and having first priority over other mortgages) and to any valid tax or special assessment lien on the Parcel in favor of any Applicable Governmental Authority. Sale or transfer of a Parcel shall not affect any recorded assessment lien. The Master Association shall have the right to enforce any such assessment lien by suit, judgment and foreclosure, and shall have the power, acting on behalf of the Owner, to bid for the Parcel at foreclosure sale and to acquire and hold, lease,

mortgage or resell the same. The lien shall ensure any unpaid Assessment(s) and any interests, late charges, and other sums owing to the Master Association. During any period of ownership of a Parcel by the Master Association following foreclosure, no right to vote shall be exercised on its behalf and no Assessment shall be levied against it, any Assessments that would have been otherwise collectible being prorated between the other Members.

- (E) Declarant Not Obligated for Assessments. Notwithstanding anything which may be construed to the contrary, Declarant shall have no responsibility to pay Assessments on any Parcel or any part of the Development Property it owns or in which it has any interest until it commences structural improvements thereon in accordance with plans approved by the Master Architectural Review Board. Except as otherwise expressly provided in this paragraph, no property in Riverwalk remaining unsold by Declarant shall be subject to Assessment, and Declarant shall maintain such property (excluding the Common Properties) at its own expense.
- (F) Certificates. The Master Association shall, upon demand by an Owner, within ten (10) business (Monday through Friday, excluding national holidays) days, furnish a certificate in writing, signed by an officer of the Master Association (one who is not the Owner of or associated in any way with the Owner of the Parcel with respect to which such certificate is requested) that the Assessments on the Parcel for which information is requested have been paid or that certain Assessments remain unpaid, as the case may be, and stating the amount unpaid. Any Person purchasing or proposing to purchase the Parcel or proposing to finance or refinance a mortgage thereon and acting in good faith shall have the right to rely upon such certificate without further investigation or inquiry. The Master Association shall have the right to charge a reasonable fee, not to exceed Five Hundred and No/100 Dollars (\$500.00), to defray costs incurred in furnishing any requested certificate.
- (G) Annual Statement. Not later than one hundred and twenty (120) days after the end of each calendar year, the Master Association shall deliver to each Member (and to each non-Member Owner paying any Special Assessment during the prior year) a statement showing the Assessments collected for the prior year, the actual Common Expenses and other costs and expenses incurred by the Master Association for the prior year, the Percentage Interests pertaining to the Assessments, and the amount then due by the Member or Owner, as the case may be, to the Master Association, or then due by the Master Association to the Member or Owner, on account of the difference between such Member's or Owner's share of such actual costs and expenses and the Assessments paid by such Member or Owner. If such statement shows amounts due to the Master Association, payment shall be made to the Master Association of the amount due within twenty (20) days after delivery of such statement to such Member or Owner. If such statement shows amounts due to such Member or Owner from the

Master Association, the same shall be credited against the Assessments next payable by such Member or Owner, as the case may be.

- (H) Audits. The books and records relating to the costs and expenses incurred by the Master Association, and the Assessments and the allocation thereof among the Members and Owners for any calendar year, may be audited by an authorized representative of any Member or Owner paying Assessments for that year, at such party's expense, upon reasonable prior notice, at any time during normal business hours and where maintained by the Master Association, within two (2) years after the receipt by such Owner of the annual statement delivered to such Owner under Section 13(G) above.

14. Master Architectural Review Board, Controls and Standards, Approvals Required and Procedures.

- (A) Type, Size, Nature, Quality and Character of Improvements and Parcel Development Permitted. No Parcel shall be developed or improvements constructed, altered, placed or permitted to remain on any Parcel of any nature, kind or character, temporary or permanent, without the Owner having first submitted plans, specifications and other materials as required by Section 14(F) below and which meet in all respect the standards and requirements imposed by the Parcel Development Guidelines then in effect (collectively, "Plans"). It shall be the duty of each Owner prior to any Parcel development or the preparation of any Plans in connection therewith to first obtain a copy of the current Parcel Development Guidelines pertaining to the Parcel from the Master Architectural Review Board, and to require its architects, engineers, contractors and others involved in Parcel development on its behalf to comply in all respects with the standards and requirements imposed thereby. Notwithstanding anything within this Section 14 to the contrary, improvements or alterations to or remodeling of the interior of a building shall not be subject to the submittal requirements of this Section 14 and shall not require the approval of the Master Architectural Review Board.
- (B) Permitted Business Uses. No Parcel shall be developed for a use which is inconsistent with the following designated standards:
 - (i) No Parcel may be used for any purpose not allowed by applicable laws, ordinances, and requirements, including, without limitation, those set forth in the PD and the LDA. Nothing shall be done within the Development Property that is, considering the varying and mixed uses then existing and/or allowed within the Development Property, an unreasonable annoyance, inconvenience or nuisance to the Owners or occupants of the Development Property, or that unreasonably interferes with the quiet enjoyment of occupants of any portion of the Development Property. No portion of the Development Property shall be developed, leased, used or operated for any refining of petroleum or petroleum products; an airport or

airport runway; fortune telling; pulp wood yards; cemeteries (public and private); commercial poultry, livestock and swine production; cattle feeder lot or animal rearing or breeding farm; livestock hospital; livestock kennel; abattoir; junk yard; storage or processing of wrecked or junked motor vehicles; quarry; automobile race track, raceway or drag strip; truck stop; sanitary landfill or garbage disposal; trailer or mobile home park; massage parlor (except that massage services provided by any licensed and trained masseuse shall be permitted), adult video or adult bookstore, topless, nude or semi-nude nightclub, or similar business operation; gun range or shooting parlor; billboard or any other sign advertising businesses (unless approved in accordance with this Master Declaration); or for any activity which would result in the generation, storage or disposal of any hazardous substance, material or waste in violation of applicable laws.

- (ii) That portion of the Development Property submitted to this Master Declaration concurrent with (and by way of) the recordation hereof may be used and developed for single family residential housing, both attached and detached, and for no other purposes.
 - (iii) Such of the Additional Property as is hereafter annexed to and made a part of the Development Property by way of a Supplement to this Master Declaration shall be used and developed in conformity herewith and with such limitations on use and such additional provisions as may be set forth in such Supplement.
- (C) Approval Required. No Parcel shall be improved or developed without the Owner thereof having first made required submittals to, and having obtained the approval of, the Master Architectural Review Board in the manner required by this Master Declaration.
- (D) Purpose. The purpose for which Plans are required to be submitted to and approvals are required to be obtained from the Master Architectural Review Board is:
- (i) to foster continuity, congruity, and consistency in appearance, architecture, design, building location, driveway placement, parking lot layout, overall construction standards (recognizing the varying types of uses allowed within the Development Property) and general quality of construction (but not the individual elements of construction), to enforce the Development Property Wide Standards as may be adopted by the Board and the Master Architectural Review Board from time to time, and to promote harmony as to such matters in various portions of the Development Property and Riverwalk as a whole;
 - (ii) to enforce necessary guidelines, including Parcel Development Guidelines, for minimum required standards;

- (iii) to ensure landscaping consistent with the quality of improvements in the Development Property, the character of the uses therein, and existing topography within the Development Property; and,
- (iv) to promote and endeavor to protect the value of the Development Property and the Parcels developed therein and the improvements located thereon.

This Section and its subparts, or any of the duties and obligations imposed hereby, shall not apply to Declarant with respect to the General Plan of Development or any site work, excavations, utilities, sewers, the Drainage System, or other improvements or work as elements thereof. The provisions of this Section shall also be inapplicable to any construction, improvements or modifications to the Development Property by or on behalf of the Master Association. This Section and its subparts may not be amended or changed without Declarant's written consent so long as Declarant owns any undeveloped land subject to this master Declaration and available for Development.

(E) Composition of Master Architectural Review Board. With respect to the review and approval of Plans for development of a Parcel or Parcels, or other real property, within the Development Property and for all other purposes herein, the Master Architectural Review Board shall consist of five (5) members selected by Declarant (and by the Board after the Class B Expiration Date). The following criteria shall apply to all Master Architectural Review Board proceedings:

- (i) Each member shall serve for a minimum term of twenty-four (24) calendar months or until removed as herein provided.
- (ii) A member may be removed with or without cause, in which event the vacancy resulting from removal shall be filled as soon as practical in the same way as new members may be appointed. Removal shall only be permitted by majority vote of the five (5) member Master Architectural Review Board.
- (iii) A Chairman shall be selected to preside at the meetings, which shall only be held on an as-needed basis as called by the Chairman.
- (iv) Three (3) members shall constitute a quorum for all purposes hereunder.
- (v) The affirmative vote of a majority shall be required to approve Plans otherwise submitted for review and approval hereunder.
- (vi) The fees charged by the architect or engineer who is a member of the Master Architectural Review Board (if at all), or for any consultant retained by the Master Architectural Review Board, for time spent in

reviewing Plans hereunder shall be paid by the party seeking approval of the Plans.

- (vii) The Master Architectural Review Board shall have exclusive jurisdiction to review Plans and issue approvals which are required by this Master Declaration.
- (viii) The Master Architectural Review Board may promulgate and publish rules and regulations governing the practices and procedures required to be followed in order to obtain approvals required hereunder.
- (ix) In the exercise of its discretion hereunder, the Master Architectural Review Board shall require any Plans submitted hereunder to be in substantial compliance with minimum standards from time to time published by the Master Architectural Review Board.
- (x) In the event Plans are disapproved, the Master Architectural Review Board shall furnish the applicant with specific reasons for such disapproval and, at its option, may suggest modifications in such Plans which would render the Plans acceptable to the Master Architectural Review Board if re-submitted.
- (xi) Members of the Master Architectural Review Board shall have the right to freely exercise discretion in the performance of their duties consistent herewith. In any judicial proceeding challenging a determination by the Master Architectural Review Board, abuse of discretion may be established only if a reasonable person, weighing the evidence and drawing all inferences in favor of the Master Architectural Review Board, could only conclude that such determination constituted a clear abuse of discretion.
- (xii) The Master Architectural Review Board shall upon request review preliminary development plans for a Parcel and provide guidance and input in order to minimize the costs associated with developing final Plans and specifications and in obtaining required approvals.
- (xiii) The Master Architectural Review Board may, within its sole discretion, charge a reasonable review fee with respect to the review of Plans and specifications or other submittals required to be made hereunder.
- (xiv) Approvals issued by the Master Architectural Review Board shall not be construed or interpreted as representing or implying that any of the Plans, specifications, or standards will, if followed, result in properly designed or constructed improvements, improvements which are in compliance with the requirements of any of the Applicable Governmental Authorities, any Corporate Member, or any standard or requirement not contained within

this Master Declaration, and the Master Architectural Review Board (and its members) shall not be held responsible in any manner whatsoever or liable in any respect for any defects in any Plans or specifications submitted, revised or approved pursuant hereto, nor for any loss or damage to any Person claimed to arise out of or in connection with any such approval or disapproval, nor for any loss or damage resulting from construction of any improvement (even if consistent with such approval) which is otherwise in violation of any government ordinance, regulation, land use restriction, applicable zoning, or other restriction, regulation, covenant, or requirement, nor shall there be any liability or responsibility for any defects in construction undertaken pursuant to such Plans and specifications.

- (xv) In exercising its approval rights, the members of the Master Architectural Review Board shall take into consideration Declarant's intent to develop the Development Property as a first class, mixed use project.
- (xvi) In exercising its approval rights, the members of the Master Architectural Review Board shall take into consideration, for each Parcel located within a Component Parcel subject to the jurisdiction of a Corporate Member, whether or not the Corporate Member has approved the matter for which approval is sought from the Master Architectural Review Board, it being Declarant's intent that, with respect to improvements within Component Parcels, deference be given to the decisions of the Corporate Members having jurisdiction over the Component Parcels.

- (F) Submission of Plans and Other Materials Required. Before consideration will be given to any request for approval hereunder, FOUR (4) COPIES of the following must be submitted to the Master Architectural Review Board: (i) complete plans and specifications and an accurate and complete site plan, drawn to reasonable scale and prepared by a licensed architect or engineer, prepared in full compliance with any standards, procedures or guidelines then in effect and promulgated and published by the Master Architectural Review Board, (ii) an application for approval ("Application") in the prescribed form, (iii) a check covering the full amount of any applicable review fee imposed by the Master Architectural Review Board, and (iv) any other data, samples or other information which may be required by the then applicable Parcel Development Guidelines pertaining to the Parcel or real property for which the Application is submitted or by the written request of the Master Architectural Review Board. **The forty-five (45) day time period hereinafter prescribed for the Master Architectural Review Board to review plans and specifications shall not commence to run until a complete submittal has been received and receipt thereof has been acknowledged in writing by the Master Architectural Review Board.** No grading, site work, staking, construction, alteration, repainting, re-staking or other exterior changes, nor any site work, including any sidewalks, driveways, parking lots, decks, awnings, walls, fences, exterior lights, loading docks, trash dumpsters, trash

removal areas, signs (including, but not limited to, building signs), garages or other outbuildings, nor any other exterior additions, changes or alterations shall be made until complete plans and other materials with respect thereto, complete as herein provided, have been received by, and written approvals obtained from, the Master Architectural Review Board.

- (G) Form of Decision. Upon proper and complete submittal acknowledged in writing as provided in subpart (C) hereof, one (1) copy of the plans, specifications and other related data so received shall be retained in the records of the Master Architectural Review Board and the other copy shall be returned to the Owner marked "Approved", "Approved as Noted", or "Disapproved". In the event that the Master Architectural Review Board fails to approve, modify or disapprove in writing, or to request additional information, within forty five (45) days following receipt (acknowledged in writing as provided in subpart (F) hereof) of required submittals, the plans and specifications shall be deemed approved, but only to the extent such plans or specifications do not violate express provisions of the applicable Parcel Development Guidelines, this Master Declaration, and/or applicable laws, ordinances, or rules and regulations of the Applicable Governmental Authorities.
- (H) Further Master Architectural Review Board Approvals Required. In addition to those matters otherwise set out in this Section 14 or in other parts of this Master Declaration that require Master Architectural Review Board approval before action can be taken thereon, the following additional matters shall also require prior written approval of the Master Architectural Review Board:
- (i) The location of any curb cut to a Public Street or a Private Street from a Parcel within the Development Property.
 - (ii) Color, materials, and texture of exterior walls of any buildings constructed within the Development Property or any change thereof following initial construction.
 - (iii) Signs affixed to any building or painted upon a building located on a Parcel within the Development Property or any changes to such signage.
 - (iv) The screening and location of all loading docks and facilities.
 - (v) The screening and location of all trash dumpsters and containers or trash pickup areas, in order to ensure proper concealment from the view of adjacent Parcels.
 - (vi) The screening of rooftop equipment on any building located on a Parcel within the Development Property.

- (vii) The location and placement of all exterior antennas, aerials or satellite dishes, except for such as are covered by, and installed in strict compliance with, the requirements of the Telecommunications Act of 1996.
- (viii) All flagpoles or other types of exterior poles upon a Parcel within the Development Property.
- (ix) Any fences, walls or barriers of any kind on any Parcel within the Development Property.
- (x) Plans covering the landscaping upon a Parcel and any landscaping, grading, excavation or filling of any nature upon a Parcel, whether in connection with its initial improvement or thereafter,
- (xi) Any alteration, modification, addition to or other changes to the exterior of any buildings or structure on a Parcel after initial required approvals have been obtained hereunder and occurring during construction or following completion or substantial completion.

Applicable regulations, standards and guidelines shall be satisfied by any Owner or other Person acting on its behalf seeking a decision from the Master Architectural Review Board respecting any of the foregoing matters. Applications shall be filed in the form prescribed, and submissions shall otherwise be made in writing to the Master Architectural Review Board as may be reasonably required. With respect to each such matter, the Master Architectural Review Board shall have forty-five (45) days following receipt (acknowledged in writing by the Master Architectural Review Board) of required submittals to deliberate and consider the matters presented. If a written decision is not rendered by the Master Architectural Review Board within forty-five (45) days after receipt (acknowledged in writing as aforesaid) of necessary and required fees, deposits, and submittals, the request shall be deemed approved, but only to the extent such plans or specifications do not violate express provisions of the applicable Parcel Development Guidelines, this Master Declaration, and/or applicable laws, ordinances, or rules and regulations of the Applicable Governmental Authorities.

- (I) No Waiver of Future Approvals. The Persons reviewing submittals and applications submitted hereunder may vary in accordance with the terms hereof, and opinions on aesthetic matters, as well as interpretation and application of the applicable Parcel Development Guidelines, may vary accordingly. It may not always be possible to identify objectionable matters until work is completed. As such, the reviewer of any submittals made hereunder shall have the right to refuse to approve similar proposals or submittals made thereafter. Approval of applications or Plans shall not constitute a waiver of the right to withhold approval as to any similar applications, Plans, or other matters subsequently or additionally submitted for approval.

- (J) Variances. The reviewer (as provided for by this Master Declaration) of any Plans or submittals hereunder submitted for consideration and approval may authorize variances from compliance with any of the applicable Parcel Development Guidelines and any procedures when it determines that circumstances such as topography, natural obstructions, hardship, or aesthetic or environmental considerations justify a variance, but no variance shall (a) be effective unless in writing, (b) be expressly contrary to the Restrictions set forth in this Master Declaration, or (c) prevent the reviewer from denying a variance in other circumstances. Any variance shall require Declarant's written consent during the term of the Class B membership, and, thereafter, the Board's written consent.
- (K) Subdivision and Combination of Parcels. No Person other than Declarant shall subdivide or change the boundary lines of any Parcel or combine Parcels without prior written notice to Declarant during the term of the Class B membership and to the Board thereafter. Any subdivision shall be effective only upon recording of a plat reflecting the subdivision or new boundaries of the affected Parcel(s).
- (L) Delegation of Approval Authority. Notwithstanding any other provision hereof to the contrary, either Declarant, to the extent it then possesses the same, or the Master Architectural Review Board may, by an instrument of record, delegate part or all of their review and approval authority to an Additional Association or to an architectural review committee or architectural review board formed by Declarant and charged of record with reviewing and approving plans and improvements within a Component Parcel.
- (M) Fines for Failure to Comply. In the event that any Owner or Person acting for an Owner fails to comply with the requirements of this Section 14 or the Parcel Development Guidelines, then the Master Association, in addition to exercising such other remedies as are available to it hereunder for non-compliance with the terms of this Master Declaration, may, at its option, and following any notice and hearing required to be held under this Master Declaration, fine the Owner who is in violation, or whose Parcel is in violation, up to the sum of One Hundred and No/100 Dollars (\$100.00) per day until the violation has been cured and remedied.

15. Additions to Common Properties; Dedication of Common Properties for Public Use.

- (A) Additions to Common Properties. Prior to the Class B Expiration Date, Declarant, in its sole discretion, may (and it hereby reserves the right to) add (but shall have no obligation to add) additional amenities to the Development Property at no initial (meaning construction) cost to the Master Association. In the event additional amenities are added for the benefit of the Development Property as a whole, or for the benefit of Parcels not within the same Component Parcel, whether of the type herein described or otherwise, and whether including all or

any of the features described, such amenities (or such part thereof as Declarant may direct) shall, upon completion, but only if so directed in writing by Declarant, become a part of the Common Properties, the maintenance, repair, restoration, operation, reconstruction, alteration, modification of which, or any change in which, shall constitute Common Expenses subject to Assessments. Additional amenities may (but not necessarily will) include, without limitation, one or more of the following: jogging or walking trails or paths, recreational facilities or areas, greenways, conservation areas, and similar improvements. Additional amenities shall not include any clubhouse or other buildings or fully enclosed structures, except: (i) structures related to or housing equipment which is a part of the Drainage System (i.e. pumps) or the sanitary sewers (i.e. a lift station), or (ii) a shelter, gazebo, shed or similar small-scale structure associated with a picnic area, tennis or basketball court. Declarant makes no commitment to construct any additional amenities whatsoever.

- (B) Dedication of Common Properties for Public Use. Prior to the termination of the Class B membership, Declarant reserves and shall have the absolute right to dedicate (and convey, if necessary), or to cause the Master Association to dedicate (and convey, if necessary) portions of the Common Properties to any local, state or federal governmental or quasi-governmental entity.

16. Insurance and Losses.

- (A) Casualty Insurance. To the extent available on a commercially reasonable basis, the Master Association shall purchase comprehensive all-risk fire and extended coverage insurance (or the reasonable equivalent), insuring all of the insurable Common Properties owned by the Master Association or for which the Master Association has maintenance responsibilities, in an amount consistent with the full replacement value.
- (B) Commercial General Liability Insurance. The Master Association shall also purchase a commercial general liability insurance policy having coverage limits in such amount or amounts as the Board may from time to time deem appropriate, but in no event providing a limit of liability of less than Two Million and No/100 Dollars (\$2,000,000.00) for injuries to Persons (including death) and One Million and No/100 Dollars (\$1,000,000.00) for loss or damage to property, written on a combined single limit basis. Such commercial general liability insurance policy shall include as named insureds the Master Association, its officers, directors, and employees, the Members of the Master Association, Declarant, and any managing agent who may from time to time be contracted by the Board to manage all or any part of the affairs of the Master Association or all or any part of the Common Properties.
- (C) Other Insurance. The Master Association shall also obtain and maintain such other forms of insurance as may be required by law from time to time, including, but not limited to, worker's compensation and occupational disease insurance,

where applicable, or as may be deemed necessary or desirable by the Board, including, but not being limited to: (i) a fidelity bond or bonds on directors, officers, employees, and other persons responsible for the handling of Master Association funds, and (ii) directors' liability insurance coverage.

(D) Premiums. The premiums for all insurance kept and maintained by the Master Association shall represent and be a part of the Common Expenses subject to Assessments.

(E) Adjustment of Losses Covered by Insurance. The Board shall have the right to negotiate and settle any casualty losses with respect to the Common Properties which are covered by insurance. Each Owner by the acceptance of a deed to a Parcel subject to this Master Declaration hereby appoints the Board as his agent to adjust any such claims, and hereby waives any right to any share of amounts paid by any insurance carrier in connection therewith.

(F) Insurance by Owners.

(i) Property. Each Owner shall carry property insurance for the full replacement cost of all insurable improvements on his or her Parcel, less a reasonable deductible, unless either the Master Association or an Additional Association having jurisdiction over the Parcel (if any) carries such insurance. The Master Association may, but shall have no obligation to, monitor compliance with this requirement and require that each Owner furnish a certificate of insurance to the Master Association within ten (10) days of a request for the same. If the Master Association assumes responsibility for insuring a Parcel pursuant to this Master Declaration, the premiums for such insurance shall be levied as a Special Assessment against the benefitted Parcels and the Owners thereof. This section is for the benefit of all Owners and failure to maintain required insurance shall subject an Owner to disciplinary action by the Master Association in accordance with the By-Laws and the rules and regulations promulgated from time to time by the Master Association.

Within ninety (90) days after damage to or destruction of a structure or improvement upon a Parcel which the Owner is responsible for insuring, the Owner shall promptly repair or reconstruct the structure or improvement, after obtaining all approvals required by this Master Declaration, in a manner consistent with the original construction or such other Plans and specifications as are approved hereunder, unless the Board, in its discretion, agrees to extend such period. Alternatively, the Owner shall clear the Parcel of debris and maintain it in a neat and attractive landscaped condition consistent with the Development Property Wide Standard. The Owner shall pay any costs not covered by insurance proceeds. Additional recorded covenants and restrictions applicable to any portion of the Development Property may impose additional insurance

requirements and more stringent standards for rebuilding or reconstructing structures or improvements upon Parcels and for clearing and maintaining Parcels in the event the same are not rebuilt or reconstructed, and, in such event, the more stringent standard or requirement shall control. This section shall also apply to Additional Associations with respect to common property owned by them in the same manner as if the Additional Association were an Owner and the common property a Parcel.

- (ii) Liability. Each Owner shall maintain public liability insurance coverage with a combined single limit of at least \$1,000,000.00, except for Parcels restricted for the construction of one (1) single family residence thereon, for which such limits shall be of at least \$500,000.00, insuring against claims of bodily injury and property damage occurring on its Parcel, which insurance shall name the Master Association as an additional insured. Such coverage may be provided through a combination of primary and umbrella policies and such policies may contain a reasonable deductible, regardless of whether the claim is made against the Owner, the Master Association, or both. Each Additional Association shall maintain such public liability insurance coverage as is required in the covenants and restrictions providing (non-primary) jurisdiction to it over any portion of the Development Property, the articles of incorporation creating it, and/or the by-laws governing it; such policies shall name the Master Association as an additional insured as provided above.

17. Condemnation. In the event of condemnation of all or any part of the Common Properties, the Board, on behalf of the Master Association as the Owner of the Common Properties (and prior to such ownership, Declarant), shall represent the Owners in any litigation, negotiation or settlement regarding such Condemnation. Each Owner, by the acceptance of a deed for a Parcel subject to this Master Declaration, hereby appoints the Board, as to any of the Common Properties then owned by it, and Declarant, as to any of the Common Properties then owned by it, to act on its behalf in such capacity. Any costs incurred by the Board and/or Declarant in handling such matters shall represent Common Expenses subject to Assessments.

18. Obligation of Owners.

- (A) General Obligations. Owners shall at all times comply with the terms and conditions of this Master Declaration, shall make submittals to the Master Architectural Review Board as and when required which are in compliance with all requirements and standards imposed by the then applicable Parcel Development Guidelines pertaining to the Parcel or real property for which the submittals are submitted, and await receipt of necessary approvals in writing before proceeding with any action for which approval is required by the terms and provisions of this Master Declaration, shall at all times comply with any rules and regulations promulgated by either the Board or the Master Architectural Review Board and shall comply with applicable land use restrictions (including the PD

and LDA, as modified from time to time) governing the improvement, use or occupancy of any Parcel or other real property within Riverwalk or any improvements constructed thereon, shall incorporate within any leases, licenses or other contracts respecting the use or occupancy of any improvements constructed on any Parcel, or any portion thereof, terms and provisions which require compliance by occupants, their guests and invitees with this Master Declaration and any rules and regulations promulgated and published by the Board or the Master Architectural Review Board from time to time, shall not permit at any time any use or occupancy of a Parcel or any improvements constructed thereon which would constitute a nuisance or represent an unreasonable danger or a hazard (given the nature of the use engaged in thereon, so long as it is allowable hereunder and under applicable laws and regulations) to the Owner or occupants of adjacent Parcels, shall require that the use or storage of any hazardous or toxic materials required in connection with the operation of any Business upon a Parcel comply with all applicable health, environmental, and hazardous waste management laws, rules and regulations, and shall not undertake or permit any activity upon, or use of, a Parcel at any time which would cause embarrassment, discomfort, annoyance or nuisance to the Owners and occupants of adjacent Parcels, or which would be in violation of any law or governmental code or regulation or which would be contrary to the Development Property Wide Standard. In addition, each Owner of a Parcel adjacent to a Public Street shall maintain a green space between the right of way and any improvements located on said Parcel (including parking lots) of no less than fifteen (15) feet (or such greater width as may be required by applicable laws, regulations, ordinances, and land use restrictions) without the prior written approval of the Board.

- (B) During Construction Activities. During construction upon a Parcel, the Owner thereof shall take necessary steps to ensure the following:
- (i) That construction is completed within a reasonable period of time from the date of commencement, taking into account the size and complexity of the project and in strict conformance with approvals received from the Master Architectural Review Board;
 - (ii) That appropriate steps are taken to avoid curb and sidewalk breakup with respect to the curbs and sidewalks on any Public Streets or Private Streets during construction, whether through the use of heavy equipment, transport of materials, or otherwise (and each Owner acknowledges that under the standards and regulations promulgated by the City of Rock Hill any repairs necessitated by any such curb or sidewalk breakup caused by an Owner during construction shall be the responsibility of the Owner);
 - (iii) That no track(ed) vehicles or heavy equipment are operated or unloaded on any of the Public Streets or Private Streets within the Development Property;

- (iv) That the construction site is maintained in a clean and orderly manner and that scrap lumber, building materials, loose shingles and the like which can blow onto adjacent properties are not left lying around and that construction trash is contained within a trash fence or adequate dumpsters and removed from the construction site at least weekly;
- (v) That any dirt, mud or debris or other foreign materials of any kind which may be deposited upon any Public Streets or Private Streets within the Development Property is properly and promptly cleaned up and removed;
- (vi) That any outside toilets used during construction are located on the construction site at a location which is away from any Public Street or Private Street within the Development Property and otherwise located only as approved by the Master Architectural Review Board (in this connection, the location of any such outside toilets shall be located on the site plan submitted for review and approval);
- (vii) That upon completion of construction, all remaining building materials and equipment are removed from the construction site and (taking into account seasonal conditions) final grading of the site is done and exposed land sodded, seeded or otherwise landscaped as soon as practical consistent with a landscape plan approved by the Master Architectural Review Board; and,
- (viii) That construction comply with all applicable land use laws and applicable development restrictions and any requirements or standards included in the then applicable Parcel Development Guidelines pertaining to the Parcel or site.

Upon a failure by an Owner to cause compliance with the foregoing conditions within five (5) business days (Monday through Friday, excluding national holidays) after the receipt of notice from the Board specifying in what respect compliance has not occurred, the Board shall have the right (but not the obligation), without being a trespasser, to enter upon the construction site, take action necessary to ensure compliance, and the costs thereof shall represent the basis for a Special Assessment against the Owner and the Parcel in question.

- (C) Ongoing Maintenance. Each Owner shall maintain and repair in good condition at all times all buildings, structures, and/or other improvements (including, but not limited to, interior sidewalks, driveways, signage, sign structures, lighting and light structures and the like), and all landscaping constructed or located upon a Parcel (including any areas of the Parcel encumbered by Utility Easements, Landscaping and Sign Easements (except to the extent that any such maintenance activities have been undertaken and assumed by Declarant or the Master Association), Private Street Easements and any other applicable easements), and shall be responsible for the removal of snow, fallen

leaves, debris and trash which from time to time accumulate and see to the mowing, fertilization, pruning and maintenance of grass and other shrubs, trees and elements of landscaping as and when needed to maintain the condition of each Parcel in a manner consistent with the Development Property Wide Standard. Each Owner shall also provide for the proper replacement of any plants, shrubs or trees, grass, or other ground cover which fails, taking into account seasonal conditions.

In the event that Declarant or the Board determines that any Owner has failed or refused to comply with the terms hereof and to provide required maintenance, cleaning, repair and/or replacement as and when needed, Declarant or the Board shall provide written notice to such Owner detailing his failure, neglect or refusal to do so, and the intention of the Master Association or Declarant, as the case may be, to provide such necessary maintenance, cleaning, repair, and/or replacement unless Owner undertakes to do so and completes the work required in connection therewith within twenty (20) days following receipt of any such notice and in a workmanlike manner, or, if impossible within that time period, to commence such work and diligently pursue it to completion as soon as practical. If the Owner fails to respond as aforesaid, the Master Association (or Declarant, as the case may be) shall have the right, but not the obligation, to enter upon the Owner's Parcel, without being a trespasser, and to complete the necessary maintenance, cleaning, repairs or replacements in such manner as it may determine necessary and appropriate in its sole discretion, subject to reasonableness, and to charge all costs incurred in connection therewith against such Owner in the form of a Special Assessment. If an Owner on more than one (1) occasion in any consecutive twelve (12) month period fails, neglects or refuses to take the action required herein, the Board shall also have the right to assess an additional fee of seventy-five dollars (\$75.00) per day (the "Non-Compliance Fee") for each day beyond twenty (20) days after receipt of notice as aforesaid that an Owner fails to take necessary action after receipt of the notice from Declarant or the Master Association as provided herein. Such Non-Compliance Fee shall constitute a personal obligation of the Owner, and lien upon the Owner's Parcel (of which lien the Master Association may record a notice in the York County real estate records). Such Non-Compliance Fee is imposed to help defray and account for the administrative time and effort expended by the Master Association in addressing an Owner's failure to comply with the terms and provisions hereof. Each Owner by acceptance of a deed to a Parcel in the Development Property acknowledges that maintaining in good condition of the properties within the Development Property is necessary and desirable to maintain the value and reputation of Riverwalk and its constituent properties, and accepts the rights of Declarant and the Board hereunder.

- (D) Party Walls. Except as may be otherwise provided by South Carolina law, a written agreement between Owners, or other recorded documents applicable to affected Parcels:

- (i) General Rules of Law to Apply. Each wall which is built or exists as part of the original construction of the structures upon Parcels and placed on the dividing line between the Parcels shall constitute a party wall, and, to the extent not inconsistent with the provisions of this subsection (D), the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto.
- (ii) Sharing of Repair and Maintenance. The cost of replacement, repair and maintenance of a party wall shall be shared equally by the Owners of the Parcels which share the wall, in proportion to such use.
- (iii) Destruction by Fire or Other Casualty. If a party wall is destroyed or damaged by fire or other casualty, any Owner who has used the wall may restore it, and if the other Owners thereafter make use of the wall, they shall contribute to the cost of restoration thereof in proportion to such use without prejudice, however, to the right of any such Owners to call for a larger contribution from the others under any rule of law regarding liability for negligent or willful acts or omission.
- (iv) Easement and Right of Entry for Repair, Maintenance, and Reconstruction. Every Owner shall have an easement and right of entry upon the Parcel of any other Owner to the extent reasonably necessary to perform repair, maintenance, or reconstruction of a party wall and those improvements belonging to his Parcel which encroach on an adjoining Parcel or Common Property. Such repair, maintenance, or reconstruction shall be done expeditiously, and upon completion of the work, the Owner shall restore the adjoining Parcel or Parcels and Common Property to as near the same condition as that which prevailed prior to commencement of the work as is reasonably practicable.
- (v) Weatherproofing. Notwithstanding any other provision of this subsection (D), an Owner who by his negligent or willful act causes a party wall to be exposed to the elements shall bear the whole cost of furnishing the necessary protection against such elements.
- (vi) Right to Contribution Runs With Land. The right of any Owner to contribution from any other Owner under this subsection (D) shall be appurtenant to the land and shall pass to such Owner's successors in title.
- (vii) Certification by Adjoining Property Owner that No Contribution is Due. If any Owner desires to sell his Parcel, he may, in order to assure a prospective purchaser that no adjoining property Owner has a right of contribution as provided in this subsection (D) of this Section 18, request from the adjoining Owner or Owners a certification that no right of contribution exists, whereupon it shall be the duty of each adjoining Owner to make such certification immediately upon request and without

charge; provided, however, that where the adjoining Owner claims a right of contribution, the certification shall contain a recital of the amount claimed.

- (viii) Arbitration. In the event of any dispute arising concerning a party wall or under the provisions of this subsection (D), the same shall be settled by arbitration in the manner provided under the Uniform Arbitration Act of South Carolina, as the same may be amended from time to time.

19. Additional Associations.

- (A) Generally. Portions of the Development Property may have special needs or characteristics that lead Declarant or the Owner thereof to establish a condominium or property owners association (each an "Additional Association") to administer additional covenants and restrictions applicable to that portion of the Development Property. The jurisdiction of any Additional Association shall be in addition to, and not in lieu of, the jurisdiction of the Master Association established pursuant to this Master Declaration and shall be subordinate to that of the Master Association. Nothing in this Master Declaration shall be construed to require the creation of any Additional Association. However, it is the intent that any Additional Association created with jurisdiction over a Component Parcel within the Development Property shall be a Corporate Member of the Master Association, as more particularly provided for elsewhere herein. The Additional Associations, if any, are and shall be responsible for administering the additional covenants and restrictions applicable to the Component Parcel or property within their jurisdiction and for maintaining, in accordance with the Development Property Wide Standard, any property which they own or which their respective covenants designate as being for the common use of their members.
- (B) Maintenance by Additional Associations. An Additional Association shall maintain its common property and any other property for which it has maintenance responsibility in a clean, neat and attractive condition and in a manner consistent with the Development Property Wide Standard, this Master Declaration, the By-Laws, the rules and regulations promulgated by the Master Association, the rules and regulations promulgated by the Master Architectural Review Board, and such other covenants and restrictions as pertain thereto. Each Additional Association whose common property abuts the right-of-way for any Public Street shall also be responsible (unless the same has been accepted for maintenance by any governmental authority) for maintenance (including snow removal), repair, and replacement of the sidewalk (but not the curb) lying between the boundary of its common property and the nearest curb within that portion of the right-of-way abutting its common property. Any Additional Association shall also be responsible for maintaining and irrigating the landscaping between (a) the Additional Association's common property boundary and the nearest curb of such Public Street, except where the Master Association accepts such maintenance by resolution of the Board, and (b) the boundary of the Additional Association's

common property and any wall or fence located on adjacent Common Property or right-of-way within ten (10) feet of the boundary of the Additional Association's common property. An Additional Association shall not remove trees, shrubs, or similar vegetation from such area without the prior approval of the Board. The Master Association may assume maintenance responsibility for property of any Additional Association, either by contract or agreement with the Additional Association, or upon the Board's determination that the level and quality of maintenance then being provided is not consistent with the Development Property Wide Standard. In the latter event, the Additional Association shall be responsible for reimbursing the Master Association for the costs and expenses it incurs in such maintenance, and such costs and expenses may be levied against the Additional Association and its property as a Special Assessment, at the discretion of the Board, together with a fifteen (15.0) percent administrative fee.

20. General Provisions.

(A) Amendment of Declaration.

- (i) Generally. Except for those provisions hereof which indicate that they may not be amended or may only be amended by a different method (in which event the terms of such provision shall govern), this Master Declaration may be amended at any time by an instrument signed by the appropriate officers of the Master Association acting pursuant to authority granted by not less than the affirmative vote of the Class A Shareholders holding at least sixty-six percent (66.0%) of the Percentage Interests of the Class A Members, and also by Declarant, for so long as Declarant owns any portion of the Development Property; provided, however, that no such amendment shall unreasonably restrict or diminish the rights of Owners with respect to Parcels conveyed to such Owners prior to the amendment, or materially and adversely affect the rights and interests of Mortgagees holding first mortgages upon Parcels at the time of such amendment, or grant or establish any easement through, across, over, or under any Parcel, unless in each case the written consent and concurrence as to such amendment is given by the Owner(s) and Mortgagee(s) of each Parcel so affected by such amendment.
- (ii) By Declarant. Declarant hereby reserves the right to unilaterally amend and revise the standards, covenants, restrictions and other provisions contained within this Master Declaration as follows:
- (a) Prior to the Class B Expiration Date, Declarant may unilaterally amend this Master Declaration and revise the standards, covenants and restrictions contained in this Master Declaration or any part hereof (including within any Supplement), and/or the location of any easements created or reserved hereunder, PROVIDED THAT no such amendment shall: (i) unreasonably restrict or diminish the

rights or increase or expand the financial obligations of Owners other than Declarant with respect to Parcels conveyed to such Owners (other than Declarant and its affiliates) prior to the amendment, or adversely affect the rights and interests of Mortgagees holding first mortgages on Parcels (other than Parcels owned by Declarant or its affiliates) at the time of such amendment, or (ii) grant or establish any easement through, across, over, or under any Parcel which Declarant has previously transferred to an Owner not affiliated with Declarant, unless the written consent and concurrence as to such amendment is given by the Owner(s) and Mortgagee(s) of each Parcel so affected by such amendment.

(b) After Declarant ceases to be the Class B Member but continues to own any property within the Development Property, Declarant shall remain entitled to unilaterally amend this Master Declaration to include any part of the Additional Property as provided for herein.

(iii) Effective Date. Any amendment permitted hereby shall become effective upon recordation in the York County real property records.

(B) Duration. This Master Declaration and the covenants, conditions and restrictions contained herein are for the mutual benefit and protection of the present and future Owners, the Master Association, the Members, and Declarant, and shall run with the land and shall be binding on all parties and all Persons claiming by, through or under them, for a period of thirty (30) years from the date of recordation of this Master Declaration in the York County real property records, at which time this Master Declaration, and the covenants, conditions, and restrictions provided for herein (and in any Supplement), shall be automatically extended for successive periods of ten (10) years each, unless terminated in writing theretofore by an instrument signed by the Owners holding at least ninety percent (90.0%) of the total Percentage Interests (and Declarant, if the Class B membership has not expired or terminated).

(C) Severability. Whenever possible, each Restriction contained herein and each provision of this Master Declaration shall be interpreted in such manner as to render it valid and effective. If, however, the application of any provision of this Master Declaration or of any Restriction contained herein as to any Person or to any property is prohibited or held invalid by final judgment entered by a court of competent jurisdiction, such prohibition or invalidity shall not affect any other provision or Restriction contained herein or the application thereof to the extent it can be given effect without the invalid provision or Restriction or its application. The provisions and Restrictions contained herein are intended to be, and should be construed and interpreted to be, as severable.

- (D) Rights of Assignment. Notwithstanding any other term or provision contained herein which might be construed to the contrary, Declarant shall have the right to transfer and assign to any other Persons or entities all or any of its rights and obligations hereunder, provided that the transfer shall not reduce any such obligation or enlarge any such right beyond that contained herein, and provided further that upon any such transfer, Declarant's Class B interests shall expire, unless: (i) such transfer is made to an affiliate of Declarant (meaning for purposes hereof an entity owned by Declarant or one or more of the owners of Declarant), or (ii) such assignment or transfer occurs when Declarant remains the Owner of, or continues to have an interest in, thirty (30) or more acres of the Development Property and/or Additional Property, and the transfer and assignment (which shall be recorded in the York County real property records) expressly provides for the transfer of Declarant's rights and obligations in its capacity as Declarant hereunder, and not merely as an Owner.
- (E) Right to Plat. Notwithstanding anything which may be construed herein to the contrary, Declarant expressly reserves the right to record a plat or plats of portions of the Development Property so long as all of the property contained within or upon any such plat remains owned in fee simple by Declarant (at least in part) and/or the Master Association, or, if a part or portion thereof or interest therein is owned or held by other Persons (other than the Master Association, unless all of the property is owned by the Master Association), they join in or consent to the recordation of such plat. In any such event, this Master Declaration and the terms and provisions hereof shall be incorporated by reference in any such plat or plats which are recorded as permitted hereby, and the Restrictions contained herein shall run with the land included thereon.
- (F) Third Party Rights of Enforcement. This Master Declaration is recorded solely for the benefit of Declarant, its successor Owners, and the Master Association, and the recordation hereof shall not vest any right, title or interest whatsoever in the Development Property (or any part thereof) to any adjoining property owners or to any other third parties, nor shall any adjoining property owner or any other third party have any rights of enforcement hereunder or any standing to object to or enjoin any proposed extension (including by way of a Supplement), modification, amendment or change to this Master Declaration by either Declarant or the Owners. Further, except as otherwise specifically provided by this Master Declaration, no right of enforcement is intended to be vested by the terms and provisions hereof in any governmental authority. It is the intent of Declarant that this Declaration burden and benefit only the real property described in this Declaration and any Supplement(s), and that it not burden or benefit any other property whatsoever, or Declarant or any other party, by theory of negative reciprocal easement or otherwise.
- (G) Applicable Law and Interpretation. This Master Declaration shall be construed and interpreted under and in accordance with the laws of the State of South Carolina, without reference to its conflicts of laws principles. The provisions

hereof shall be construed together with and given that interpretation or construction which furthers the General Plan of Development and fosters its implementation. To that end, this Master Declaration shall be liberally construed, and, if necessary, the provisions expanded by implication as reasonably required to render them fully effective. Titles preceding various paragraphs and subparagraphs are for convenience and reference only and should not be used as an aid to the construction of any provisions within this Master Declaration. Whenever and wherever applicable, the singular form of any word shall be taken to mean or apply to the plural, and the masculine form shall be taken to mean or apply to the feminine or the neuter (and vice versa).

- (H) Rights of Declarant. NOTWITHSTANDING ANY TERM OR PROVISION CONTAINED HEREIN WHICH MIGHT BE CONSTRUED TO THE CONTRARY OR ANY TERM OR PROVISION IN THE ARTICLES OR THE BYLAWS, DECLARANT HEREBY EXPRESSLY RETAINS THE RIGHT, POWER AND AUTHORITY TO APPOINT AND REMOVE MEMBERS OF THE BOARD FOR SO LONG AS DECLARANT REMAINS THE CLASS B MEMBER PURSUANT TO THIS MASTER DECLARATION. DECLARANT ALSO EXPRESSLY HEREBY RESERVES THE UNILATERAL RIGHT, POWER AND AUTHORITY TO ADD ALL OR ANY OF THE ADDITIONAL PROPERTY TO THE DEVELOPMENT PROPERTY AT ANY TIME, AND TO AMEND THIS MASTER DECLARATION (BY WAY OF A SUPPLEMENT OR OTHERWISE) AS NECESSARY IN ORDER TO EFFECT SUCH ADDITION. DECLARANT HEREBY FURTHER EXPRESSLY RESERVES THE UNILATERAL RIGHT, POWER AND AUTHORITY FOR SO LONG AS IT REMAINS THE CLASS B MEMBER TO ACT IN THE NAME, PLACE AND STEAD OF THE BOARD IN THE EXERCISE OF THE RIGHTS RESERVED OR GIVEN TO THE BOARD (INCLUDING, BUT NOT LIMITED TO, THE RIGHT TO ENFORCE THE RESTRICTIONS) HEREUNDER. FINALLY, DECLARANT FURTHER EXPRESSLY RESERVES THE UNILATERAL RIGHT, POWER AND AUTHORITY FOR SO LONG AS IT REMAINS THE CLASS B MEMBER TO APPOINT THE MEMBERS OF THE MASTER ARCHITECTURAL REVIEW BOARD.
- (I) Non-liability and Indemnification. Neither the members of the Master Architectural Review Board nor Declarant in acting upon or with respect to any submissions made to the Master Architectural Review Board by any Owner or other affected Person (including, but not limited to, any contractor, subcontractor, supplier or developer involved in the development of a Parcel within the Development Property or any lessee or other occupant of improvements comprising a part of the Parcel), regardless of the action taken, and whether any such request as submitted is approved, disapproved or failed to be acted upon, shall have any liability whatsoever arising out of or in connection with any act or omission, negligence, mistake of fact, lack of discretion, mistake of judgment, nonfeasance (whether individually or by any of its agents or employees), malicious conduct or bad faith in connection with any decision rendered thereon

or failed to be rendered thereon or with respect to the time taken in rendering (or failing to render) any such decision. IT IS THE INTENT of this provision to discharge and/or exculpate Declarant, the Master Architectural Review Board, the individual members of the Master Architectural Review Board, and their employees, agents and representatives (or any consultants or counsel they may employ), from any personal liability for damages on account of any dispute concerning submissions made, approvals or disapprovals rendered, the failure to act upon decisions made, or any other decisions rendered by such parties in connection with approvals which must be sought and obtained under this Master Declaration. The limitations contained herein are intended to prevent any aggrieved party from making claims against Declarant, the Master Architectural Review Board, its members, and the other parties above named for damages, BUT ARE NOT INTENDED TO LIMIT ANY OTHER REMEDIES which might otherwise be available to any party believing itself aggrieved by any action or inaction of Declarant, the Master Architectural Review Board, or any of its individual members with respect to any submissions made for approvals required hereunder. Notwithstanding the foregoing, if any alleged aggrieved party seeks to collect damages by filing an action in any court or administrative body in violation or contradiction to the terms and provisions hereof, any party so named as a defendant in such action shall have the right to recover attorneys' fees and costs incurred in the defense thereof, without regard to the outcome and/or whether or not some form of relief is awarded to the aggrieved party as plaintiff in such action. Nothing shall be construed herein to require Declarant, the Master Architectural Review Board, or any individual member thereof to pay attorneys' fees or costs to any Person prosecuting any such action, whether or not the prosecution thereof is successful or unsuccessful.

Declarant shall have no duties, obligations or liabilities hereunder except such as are expressly assumed by Declarant and expressly imposed upon Declarant (to the extent such may not be disclaimed, and Declarant hereby disclaims any such duties and obligations as may be disclaimed). No duty of, or warranty by, Declarant shall be implied or inferred from any terms or provisions of this Master Declaration.

Officers, directors and Persons serving as members of committees appointed by the Board, including, but not limited to, the Master Architectural Review Board, shall not be liable for any mistake of judgment, neglect, or otherwise, except for their own individual willful malfeasance, misfeasance, bad faith, or misconduct. Neither the officers, nor the directors, nor any Person serving on a committee as aforesaid shall have personal liability with respect to any contract, agreement or commitment made by them while acting in their respective capacities as aforesaid, if made in good faith and on behalf of the Master Association. The Master Association SHALL INDEMNIFY AND SAVE HARMLESS its officers and directors as well as any Persons serving as committee members, from and against any and all losses, costs, liabilities and/or expenses arising out of or in connection with any such contracts, agreements, or commitments. In acting as the Class B

Member, Declarant, when acting on behalf of the Master Association and in lieu of the Board, shall have and enjoy the rights of indemnification set forth herein. The rights to indemnification set forth herein shall be in addition to, and not in lieu of, any other rights to indemnification provided by the Articles or By-Laws.

(J) Right of Enforcement. In the event of a breach or violation of this Master Declaration or any of the Restrictions herein, and in addition to (and not in lieu of) other rights of enforcement contained herein, included, but not limited to, the right to levy and collect a Special Assessment in cases where the Master Association undertakes to satisfy obligations otherwise imposed upon an Owner, the Board shall have the right to exercise any right or remedy available to the Master Association, at law, as created hereby, or in equity, together with the following additional rights:

- (i) To correct the violation or breach, in which event any costs incurred in connection therewith (including costs of enforcement) shall constitute a continuing lien upon the Parcel of the violating Owner or occupant;
- (ii) To suspend the voting rights of the Owner (if the Owner is also a Member) who is either in violation or owns the Parcel occupied by the Person in violation; and/or,
- (iii) Suspend the rights of the violating Owner or occupant to the use and enjoyment of any of the Common Properties.

Declarant shall also have all rights and remedies available at law, as created hereby, and in equity in the event of a breach or threatened breach of the Restrictions contained herein or in the event of the violation of threatened violation of any rights granted to or reserved by Declarant pursuant to the terms and provisions hereof. Declarant shall also have the right to seek injunctive relief (without the necessity of posting any bond) to enforce its rights hereunder, including the right to seek a mandatory or permanent injunction, and to the recovery of damages and any costs (including, without limitation, attorneys' fees and court costs) incurred in the prosecution of any action at law or in equity to enforce this Master Declaration or any rights of Declarant hereunder or under the Articles or By-Laws.

(K) Notices. Any notice required hereunder shall be in writing and shall be hand-delivered or sent by first-class United States mail, postage prepaid. All notices to Owners shall be sent or delivered to such addresses as have been provided in writing by them to the Master Association or at the address for the Owner listed by York County upon the tax card for the or any Parcel owned by the Owner. Until otherwise advised of a change by notice in writing given five (5) days prior to the effective date, all notices to the Master Association shall be

delivered or sent in care of Declarant to: The Greens of Rock Hill, LLC, Attn: David Williams, 2850 Cherry Road, Rock Hill, SC, 29730.

- (L) Conflicts and Ambiguities. With respect to any Parcel or part of the Development Property, if there are conflicts between any of the Master Declaration, Articles, By-Laws, rules and regulations promulgated by the Master Association, rules and regulations promulgated by the Master Architectural Review Board, Parcel Development Guidelines, or any additional covenants and restrictions imposed thereon hereafter, then the Master Declaration, Articles, By-Laws, rules and regulations promulgated by the Master Association, rules and regulations promulgated by the Master Architectural Review Board, or any additional covenants and restrictions hereafter imposed (in that order of priority) shall control.
- (M) Interpretation of Development Property Wide Standard. Where the Master Association, Articles, By-Laws, rules and regulations promulgated by the Master Association, and/or rules and regulations promulgated by the Master Architectural Review Board require compliance with the Development Property Wide Standard, the standard to be applied is the highest of: (a) the standard of use, conduct, architecture, landscaping or aesthetic matters generally prevailing within the Development Property as to the matter, or (b) the minimum standards described in this Master Declaration, the rules and regulations promulgated by the Master Association, the rules and regulations promulgated by the Master Architectural Review Board, and in the Parcel Development Guidelines pertaining to the Parcel or real property in question. The Development Property Wide Standard may contain objective elements, such as specific maintenance requirements, and subjective elements, such as matters subject to the discretion of the Board. The Development Property Wide Standard may or may not be set out in writing. Declarant shall initially establish and regulate such standard during the term of the Class B membership; however, thereafter, the Development Property Wide Standard may evolve as development progresses and as Riverwalk matures.

SIGNATURE PAGE TO FOLLOW

IN WITNESS WHEREOF, Declarant has caused this Master Declaration to be executed on the day and year first appearing above.

**DECLARANT:
THE GREENS OF ROCK HILL, LLC**

[Signature]

BY: David D. Wilkins

[Signature]

ITS: VICE-PRESIDENT

ACKNOWLEDGEMENT

PERSONALLY appeared before me David D. Wilkins, as the Vice President of the within named Declarant, who, after being duly sworn, acknowledged Declarant's execution of the within written instrument for the uses and purposes stated therein.

SWORN before me this 26 day of May, 2011

[Signature]

Notary Public for South Carolina
My Commission Expires: 11/17/2014
[SEAL]

EXHIBIT A
Description and/or Depiction of Development Property

TRACT ONE (a/k/a Residential Phase 1E.1)

All that certain piece, parcel or lot of land, lying and being in York County, South Carolina being located and bound by US-21 to the north, Catawba River to the east, and Celriver Road and Norfolk Southern Railroad tracks to the south, known as Phase 1E.1 of Riverwalk, having the following metes and bounds, to wit:

Beginning at an IPS#5 rebar at a curve at the R/W of Terrace Park, located N 9° 22' 00" E a distance of 4170.56 feet from NGS Monument Red River, and noted as point of beginning whose Northing is 1145218.7449' and whose Easting is 2007909.2200'; said curve turning to the left through an angle of 75° 00' 00", having a radius of 20.00 feet, and whose long chord bears N 00° 15' 39" W for a distance of 24.35 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar; thence, N 37° 45' 39" W for a distance of 41.02 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar at the beginning of a curve, said curve turning to the right through 74° 28' 26", having a radius of 75.00 feet, and whose long chord bears N 00° 31' 26" W for a distance of 90.77 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar at the beginning of a non-tangential curve; said curve turning to the left through 24° 21' 35", having a radius of 851.50 feet, and whose long chord bears N 24° 32' 00" E for a distance of 359.30 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar at the beginning of a non-tangential curve, said curve turning to the right through an angle of 86° 51' 20", having a radius of 60.00 feet, and whose long chord bears N 55° 46' 53" E for a distance of 82.49 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar; thence, S 80° 47' 28" E for a distance of 30.89 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar at the beginning of a curve, said curve turning to the left through 91° 48' 52", having a radius of 20.00 feet, and whose long chord bears N 53° 18' 06" E for a distance of 28.73 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar to the R/W of Terrace Park at the beginning of a non-tangential curve; said curve turning to the right through an angle of 29° 51' 22", having a radius of 961.50 feet, and whose long chord bears S 22° 18' 41" W for a distance of 495.37 feet along N/F Terrace Park R/W to an IPS#5 rebar; thence S 37° 14' 21" W a distance of 93.87 feet along N/F Terrace Park R/W to an IPS#5 rebar to the point of beginning and containing 1.28 acres, more or less.

The above described property being also shown and depicted upon that certain preliminary plat of survey attached hereto as Exhibit A-1.

TOGETHER WITH:

TRACT 2 (a/k/a Residential Phase 1E.2)

All that certain piece, parcel or lot of land, lying and being in York County, South Carolina being located and bound by US-21 to the north, Catawba River to the east, and Celriver Road and Norfolk Southern Railroad tracks to the south, known as Phase 1E.2 of Riverwalk, having the following metes and bounds, to wit:

Beginning at an IPS#5 rebar located N 22° 45' 44" E a distance of 4313.76 feet from NGS Monument Red River, and noted as point of beginning whose Northing is 1145081.5874' and whose Easting is 2008899.4720'; thence, N 04° 45' 00" E for a distance of 20.00 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar; thence, N 41° 23' 37" W for a distance of 306.03 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar; thence, N 48° 36' 23" E for a distance of 115.69 feet along N/F Greens of Rock Hill, LLC an IPS#5 rebar at the beginning of a non-tangential curve, said curve turning to the right through an angle of 11° 44' 10", having a radius of 129.50 feet, and whose long chord bears N 29° 35' 30" W for a distance of 26.48 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar; thence, N 23° 43' 25" W for a distance of 5.76 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar at the beginning of a curve, said curve turning to the left through 76° 11' 56", having a radius of 20.00 feet, and whose long chord bears N 61° 49' 23" W for a distance of 24.68 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar at the beginning of a non-tangential curve, said curve turning to the left through an angle of 25° 32' 07", having a radius of 187.50 feet, and whose long chord bears N 67° 18' 36" E for a distance of 82.87 feet along N/F Herron's Ferry Road R/W to an IPS#5 rebar; thence, N 54° 32' 32" E for a distance of 30.61 feet along N/F Herron's Ferry Road R/W to an IPS#5 rebar; thence, S 80° 27' 28" E for a distance of 11.31 feet along N/F Herron's Ferry Road R/W to an IPS#5 rebar; thence, N 54° 32' 32" E for a distance of 100.56 feet along N/F Herron's Ferry Road R/W to an IPS#5 rebar at the beginning of a curve, said curve turning to the right through an angle of 84° 03' 51", having a radius of 114.50 feet, and whose long chord bears S 83° 25' 32" E for a distance of 153.33 feet along N/F Herron's Ferry Road R/W to an IPS#5 rebar; thence, S 41° 23' 37" E for a distance of 48.32 feet along N/F Herron's Ferry Road R/W to an IPS#5 rebar; thence, N 48° 36' 23" E for a distance of 66.00 feet across Herron's Ferry Road R/W to an IPS#5 rebar at the beginning of a non-tangential curve, said curve turning to the right through an angle of 90° 00' 00", having a radius of 20.00 feet, and whose long chord bears N 03° 36' 23" E for a distance of 28.28 feet along N/F Brakefield Drive R/W to an IPS#5 rebar; thence, N 48° 36' 23" E for a distance of 58.50 feet along N/F Brakefield Drive R/W to an IPS#5 rebar at the beginning of a non-tangential curve, said curve turning to the right through an angle of 23° 42' 08", having a radius of 133.11 feet, and whose long chord bears N 57° 11' 26" E for a distance of 54.67 feet along N/F Brakefield Drive R/W to an IPS#5 rebar at the point of intersection with a non-tangential line; thence, S 14° 15' 43" W for a distance of 17.03 feet along N/F Whitehall Court Properties, LLC to an IPS#5 rebar; thence, S 41° 23' 37" E for a distance of 119.64 feet along N/F Whitehall Court Properties, LLC to an IPS#5 rebar; thence, S 41° 23' 37" E for a distance of 148.15 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar at the beginning of a curve, said curve turning to the right through an angle of 102° 13' 56", having a radius of 60.00 feet, and whose long chord bears S 09° 43' 22" W for a distance of 93.41 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar; thence, S 60° 50' 20" W for a distance of 31.27 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar at the beginning of a curve, said curve turning to the left through an angle of 92° 08' 23", having a radius of 20.00 feet, and whose long chord bears S 14° 46' 08" W for a distance of 28.81 feet along N/F Greens of Rock Hill, LLC to an IPS#5 rebar at the point of intersection with a non-tangential line at Herron's Ferry Road R/W; thence, S 58° 41' 57" W for a distance of 60.00 feet across Herron's Ferry Road R/W to an IPS#5 rebar at the beginning of a non-tangential curve, said curve turning to the right through an angle of 73° 58' 18", having a radius of 114.50 feet, and whose long chord bears S 05° 41' 06" W for a distance of 137.77 feet along N/F Herron's Ferry Road R/W to an IPS#5 rebar; thence, S 42° 40' 15" W for a distance of 132.11 feet along N/F Herron's Ferry Road R/W to an IPS#5 rebar at the beginning

of a curve, said curve turning to the right through an angle of $53^{\circ} 27' 22''$, having a radius of 114.50 feet, and whose long chord bears $S 69^{\circ} 23' 56'' W$ for a distance of 102.99 feet along N/F Herron's Ferry Road R/W to an IPS#5 rebar at the point of intersection with a non-tangential line; thence, $S 06^{\circ} 07' 37'' W$ for a distance of 6.00 feet along N/F Herron's Ferry Road R/W to an IPS#5 rebar at the beginning of a non-tangential curve, said curve turning to the right through $34^{\circ} 41' 42''$, having a radius of 120.50 feet, and whose long chord bears $N 66^{\circ} 31' 32'' W$ for a distance of 71.86 feet along N/F Herron's Ferry Road R/W to an IPS#5 rebar at the beginning of a non-tangential curve, said curve turning to the left through $36^{\circ} 04' 19''$, having a radius of 304.50 feet, and whose long chord bears $N 67^{\circ} 12' 51'' W$ for a distance of 188.56 feet along N/F Herron's Ferry Road R/W to the to the point of beginning and containing 6.83 acres, more or less.

The above described property being also shown and depicted upon that certain preliminary plat of survey attached hereto as Exhibit A-2.

EXHIBIT B
Description of Additional Property

TRACT 'A':

Beginning at a Point on the Catawba River at a common corner with the Catawba River and the City of Rock Hill; thence with the City of Rock Hill line South 04°19'07" East a distance of 1337.00 to a Point; thence South 44°58'28" East a distance of 113.62 to a Point; thence South 02°36'35" East a distance of 265.50 to thence South 37°18'06" West a distance of 315.30 to a Point; thence South 42°25'42" West a distance of 584.58 to a Point; thence South 42°25'42" West a distance of 584.58 to a Point; thence North 60°06'36" West a distance of 84.54 to a Point; thence North 60°06'36" West a distance of 84.54 to a Point; thence North 52°24'25" West a distance of 191.87 to a Point; thence North 38°16'43" West a distance of 41.80 to a Point; thence North 25°16'53" West a distance of 82.43 to a Point; thence North 25°16'53" West a distance of 82.43 to a Point; thence North 48°56'47" West a distance of 117.01 to a Point; thence South 41°47'33" West a distance of 19.91 to a Point; thence South 48°20'58" East a distance of 78.10 to a Point; thence South 41°39'01" West a distance of 64.73 to a Point; thence North 48°20'59" West a distance of 52.00 to a Point; thence North 41°39'02" East a distance of 27.00 to a Point; thence North 48°21'06" West a Distance of 26.16 to a Point; thence South 41°45'59" West a distance of 1140.89 to a Point; thence South 36°42'07" West a distance of 816.41 to a Point; thence South 53°25'52" East a distance of 670.07 to a Point; thence South 36°21'39" West a distance of 45.94 to a Point; thence South 53°45'51" East a distance of 72.23 to a Point; thence North 37°20'19" East a distance of 112.41 to a Point; thence South 53°21'12" East a distance of 79.01 to a Point; thence North 36°38'48" East a distance of 65.88 to a Point; thence South 53°26'50" East a distance of 285.27 to a Point; thence North 36°43'20" East a distance of 260.47 to a Point; thence South 53°25'20" East a distance of 1317.14 to a Point; thence South 11°06'07" East a distance of 222.59 to a Point; thence South 02°28'31" West a distance of 47.65 to a Point; thence South 08°51'21" West a distance of 160.66 to a Point; thence South 01°35'25" West a distance of 197.90 to a Point; thence South 50°54'01" East a distance of 74.27 to a Point; thence North 03°46'26" West a distance of 19.59 to a Point; thence North 14°34'03" East a distance of 31.02 to a Point; thence North 08°36'31" East a distance of 716.70 to a Point; thence North 10°11'47" East a distance of 157.77 to a Point; thence South 69°34'08" East a distance of 540.87 to a Point; thence South 68°08'29" East a distance of 16.94 to a Point; thence North 39°13'11" East a distance of 81.99 to a Point; thence North 35°28'15" East a distance of 69.40 to a Point; thence North 27°05'39" East a distance of 66.64 to a Point; thence North 24°07'54" East a distance of 101.03 to a Point; thence North 21°19'50" East a distance of 206.28 to a Point; thence North 19°50'34" East a distance of 420.88 to a Point; thence North 16°13'12" East a distance of 107.73 to a Point; thence North 3°28'02" East a distance of 58.01 to a Point; thence South 82°36'10" East a distance of 85.78 to a Point; thence North 36°42'07" East a distance of 0.38 to a Point; thence North 41°23'41" East a distance of 2676.89 to a Point on the bank of the Catawba River; thence with the Catawba River North 57°27'39" West a distance of 626.38 to a Point; thence North 28°27'39" West a distance of 263.81 to a Point; thence North 74°12'57" West a distance of 481 S O to a Point; thence North 67°58'53" West a distance of 1321.71 to Point; thence North 75°45'47" West a distance of 446.29 to the Point of Beginning; containing 236.19 acres more or less.

BK 12008 P80298

TOGETHER WITH TRACT 'B':

Beginning at a Point in the centerline of Eden Terrace Extension North $41^{\circ}23'41''$ East a distance of 2676.89 to a Point on the bank of the Catawba River; thence with the Catawba River South $30^{\circ}28'18''$ East a distance of 440.65 to a Point; thence South $37^{\circ}09'17''$ East a distance of 558.71 to a Point; thence South $35^{\circ}42'33''$ East a distance of 442.38 to a Point; thence South $21^{\circ}13'37''$ East a distance of 368.71 to a Point; thence South $60^{\circ}25'37''$ East a distance of 684.85 to a Point; thence South $48^{\circ}17'39''$ East a distance of 246.33 to a new Point; thence leaving the bank of the Catawba River South $40^{\circ}54'44''$ West a distance of 456.49 to a Point; thence North $74^{\circ}03'58''$ West a distance of 94.18 to a Point; thence South $6^{\circ}55'43''$ West a distance of 435.60 to a Point; thence North $45^{\circ}40'57''$ West a distance of 83.76 to a Point; thence South $40^{\circ}37'24''$ West a distance of 301.21 to a Point; thence North $88^{\circ}59'40''$ West a distance of 77.64 to a Point; thence South $46^{\circ}56'07''$ West a distance of 395.73 to a Point; thence South $18^{\circ}40'11''$ West a distance of 1206.82 to a Point; thence North $88^{\circ}34'49''$ West a distance of 704.43 to a Point; thence North $53^{\circ}00'32''$ West a distance of 597.71 to a Point in Eden Terrace Extension; thence North $43^{\circ}56'10''$ East a distance of 176.77 to a Point; thence North $36^{\circ}00'15''$ East a distance of 76.18 to a Point; thence North $08^{\circ}53'15''$ East a distance of 260.53 to a Point; thence North $08^{\circ}53'16''$ East a distance of 861.46 to a Point; thence North $63^{\circ}36'44''$ West a distance of 322.00 to a Point; thence North $58^{\circ}26'34''$ West a distance of 769.97 to a Point; to the Point of Beginning; containing 158.38 acres more or less.

TOGETHER WITH TRACT 'C':

Beginning at a Point in Eden Terrace Extension South $53^{\circ}00'32''$ East a distance of 597.71 to a Point; thence South $88^{\circ}34'49''$ East a distance of 704.43 to a Point; thence North $18^{\circ}40'11''$ East a distance of 1206.82 to a Point; thence North $46^{\circ}56'07''$ East a distance of 395.73 to a Point; thence South $88^{\circ}59'40''$ East a distance of 77.64 to a Point; thence North $40^{\circ}37'24''$ East a distance of 301.21 to a Point; thence South $45^{\circ}40'57''$ East a distance of 83.76 to a Point; thence North $46^{\circ}55'43''$ East a distance of 435.60 to a Point; thence South $74^{\circ}03'58''$ East a distance of 94.18 to a Point thence North $40^{\circ}54'44''$ East a distance of 456.49 to a Point on the bank of the Catawba River; thence South $48^{\circ}49'45''$ East a distance of 198.27 to a Point; thence South $51^{\circ}24'37''$ East a distance of 333.84 to a Point; thence South $44^{\circ}50'04''$ East a distance of 411.91 to a Point; thence South $04^{\circ}02'21''$ East a distance of 601.88 to a Point; thence South $1^{\circ}41'51''$ West a distance of 411.78 to a Point; thence South $42^{\circ}42'12''$ West a distance of 742.39 to a Point; thence South $32^{\circ}40'57''$ West a distance of 759.16 to a Point; thence South $15^{\circ}35'09''$ West a distance of 619.59 to a Point; thence South $03^{\circ}33'28''$ East a distance of 546.90 to a Point; thence South $10^{\circ}37'57''$ East a distance of 539.25 to a Point; thence South $12^{\circ}47'42''$ East a distance of 620.56 to a Point; thence South $38^{\circ}57'03''$ West a distance of 721.70 to a Point; thence North $50^{\circ}53'38''$ West a distance of 835.58 to a Point; thence North $51^{\circ}00'57''$ West a distance of 763.43 to a Point; thence South $39^{\circ}00'13''$ West a distance of 42.10 to a Point; thence South $39^{\circ}00'13''$ West a distance of 206.93 to a Point; thence North $44^{\circ}51'58''$ West a distance of 199.96 to a Point; thence South $38^{\circ}58'58''$ West a distance of 241.02 to a Point in Celriver Road; thence with Celriver Road North $45^{\circ}03'08''$ West a distance of 2633.92 to a Point; thence North $44^{\circ}51'56''$ West a distance of 131.62 to a Point; thence North $45^{\circ}09'53''$ West a distance of 190.48 to a Point; thence North $45^{\circ}09'54''$ West a distance of 377.14 to a Point; thence North $46^{\circ}32'53''$ West a distance of 161.31 to a Point; thence North $49^{\circ}59'57''$ East a distance of

191.14 to a Point at the intersection of Eden Terrace and Celriver Road; thence South 46°32'03" East a distance of 200.72 to a Point; thence North 49°53'08" East a distance of 149.79 to a Point; thence North 35° 44'48" West a distance of 199.94 to a Point; thence North 49°55'03" East a distance of 269.54 to a Point; thence South 52°07'40" East a distance of 422.65 to a Point; thence South 52°07'37" East a distance of 316.53 to a Point; thence South 54°41'53" East a distance of 317.15 to a Point; thence South 53°16'16" East a distance of 275.00 to a Point in Eden Terrace Extension; thence with Eden Terrace Extension North 08°15'14" East a distance of 211.01 to a Point; thence North 16°14'34" East a distance of 108.57 to a Point; thence North 19°21'35" East a distance of 333.83 to a Point; thence North 22°21'40" East a distance of 121.10 to a Point; thence North 28°33'09" East a distance of 173.20 to a Point; thence North 37°11'17" East a distance of 102.88 to the Point of Beginning; containing 295.61 acres more or less.

LESS AND EXCEPTING FROM THE FOREGOING TRACTS A, B, AND C, HOWEVER (AND FROM THE ADDITIONAL PROPERTY), THE FOLLOWING:

- i. ALL that certain piece, parcel, or tract of land lying, being, and situate in the City of Rock Hill, County of York, State of South Carolina, being designated as "Tract B", containing 5.827 acres, more or less, as shown upon that certain plat recorded in the York County real estate records in Plat Book E-70, at Page 4, to which plat reference is made for a more complete and accurate description of the within property, said property being the same property conveyed to the City of Rock Hill by deed recorded in the aforesaid records in Book 11785, at Page 183; and,
- ii. ALL of the "Development Property" as defined in the within instrument and as described upon the foregoing Exhibit A.

DERIVATION: Being a portion of the property conveyed to Greens of Rock Hill, LLC (a/k/a The Greens of Rock Hill, LLC) by deed of Celanese Acetate LLC, recorded October 18, 2005 in Book 7503, at Page 99, in the York County real estate records.

TAX MAP NUMBERS: 663-00-00-001 and a portion of 665-00-00-003

EXHIBIT C
Specimen Copy of the By-Laws of the Master Association

BY-LAWS
OF
RIVERWALK MASTER ASSOCIATION, INC.

Article 1
Name, Principal Office, and Definitions

- 1.1. **Name.** The name of the corporation is Riverwalk Master Association, Inc. (the "Master Association").
- 1.2. **Principal Office.** The Master Association may have such offices in York County, South Carolina as the Board may determine or as the Master Association's affairs may require.
- 1.3. **Definitions.** The words used in these Bylaws shall be given their normal, commonly understood definitions. Capitalized terms shall have the meanings ascribed to them in the Master Covenants, Conditions, Easements and Restrictions for Riverwalk executed by The Greens of Rock Hill, LLC, a South Carolina limited liability company, as the Declarant ("Declarant"), and recorded in the Office of the Clerk of Court of York County, South Carolina, as it may be amended, modified or supplemented from time to time (the "Master Declaration"). The term "majority," as used in these Bylaws, means those votes, Members, or other group, as the context may indicate, totaling more than fifty percent (50.0%) of the total eligible number.

Article 2
Membership: Meetings, Quorum, Voting, Proxies

- 2.1. **Membership.** The Master Association shall have two classes of membership: Class A membership and Class B membership, as more fully described in the Master Declaration. The Declarant, by recording of the Master Declaration, and each Member, by accepting record title to a Parcel or recordation of a contract of sale, or by such other act as is provided for by the Master Declaration to create membership in the Master Association, is deemed to consent to membership in the Master Association. Membership shall be resigned or transferred only upon transfer of title to a Parcel and as otherwise provided in the Master Declaration. It is understood that Owners of Parcels within Component Parcels that are subject to the jurisdiction of a Corporate Member shall not be Members of the Master Association unless and until the Master Declaration provides that they are to become Members. Provisions of the Master Association pertaining to membership and the rights, privileges and obligations of each class of membership are incorporated by this reference.

2.2. Place of Meetings. The Master Association shall hold meetings at the Master Association's principal office or at such other suitable place as the Board may designate.

2.3. Master Association Meetings.

(a) Annual Meetings. The Board shall schedule regular annual meetings of the Members to occur within ninety (90) days before the close of the Master Association's fiscal year, on such date and at such time and place as the Board shall determine. Notwithstanding the foregoing, the first annual meeting of the Class A Members shall occur at the election called for by Section 3.3. (c) below.

(b) Special Meetings. The President may call special meetings of the Members. In addition, the President or the Secretary shall call a special meeting if so directed by Board resolution or within thirty (30) days after receipt of a petition stating the purpose of the meeting and signed by Members holding at least five percent (5.0%) of the total votes in the Master Association.

2.4. Notice of Meetings. At least ten (10), but not more than sixty (60), days before any membership meeting, the President, the Secretary, or the officers or other persons calling the meeting shall deliver or cause to be delivered to each Member a written notice stating the place, day, and hour of the meeting and the items on the agenda for such meeting, including the general nature of any proposed amendment to the Master Association or these Bylaws, any proposed budget changes, any proposal to remove a director, and such other matters as may be required by South Carolina law; provided, if such notice is sent other than by first class or registered mail, the notice must be delivered at least thirty (30), but not more than sixty (60), days before the membership meeting. No business shall be transacted at a special meeting except as stated in the notice. Such notice shall be delivered by such means as is permitted under Section 9.5. The Board may fix a record date for notice of a meeting, and, upon so doing, shall cause an alphabetical list to be prepared of all Members entitled to such notice, showing the name, address, and number of votes that each such Member is entitled to cast. Such list shall be made, available for inspection by Members upon request as required by the South Carolina Nonprofit Corporation Act.

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

2.6. Adjournment of Meetings. If any membership meeting cannot be held because a quorum is not present, persons entitled to cast a majority of the votes represented at such meeting may adjourn the meeting to a time at least five (5) but not more than thirty (30) days from the scheduled date of the original meeting. At the reconvened meeting, if a quorum is present, any

business may be transacted which might have been transacted at the meeting originally called. If those in attendance at the original meeting do not fix a time and place for reconvening the meeting, or if for any reason a new date is fixed for reconvening the meeting after adjournment, the Board shall provide notice of the time and place for reconvening the meeting in the manner prescribed for regular meetings. Members or their proxies present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the departure of a sufficient number of persons to leave less than a quorum; however, at least a majority of the votes required to constitute a quorum, or such larger percentage as may be required under the Master Association or applicable law for specific actions, must approve any action taken.

2.7. Voting. Members shall have such voting rights as are set forth in the Master Declaration, which provisions are specifically incorporated by this reference. To the extent permitted by South Carolina law, a membership vote on any matter may be conducted at a meeting or by ballot cast by mail, facsimile transmission, electronic transmission, or a secure web-based voting system, or any combination of those methods, as provided in Section 2.11. The Board shall establish procedures to provide reasonable assurance that the person casting the vote is the Member or the Member's proxy appointed pursuant to Section 2.8.

2.8. Proxies. Members may vote in person or by proxy, subject to the limitations of South Carolina law and subject to any specific provisions to the contrary in the Master Declaration or these Bylaws. Every proxy shall be in writing, shall identify the Parcel, or, for Corporate Members, Component Parcel, for which it is given, shall be signed by the Member or the Member's duly authorized attorney-in-fact, and shall be dated and filed with the Master Association's Secretary prior to the meeting for which it is to be effective. The Board may accept a proxy filed by electronic means if it contains or is accompanied by information from which it can be determined that the Member, the Member's agent, or the Member's attorney-in-fact authorized the transmission.

Unless the proxy specifically provides otherwise, 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 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.

Every proxy shall be revocable and shall automatically cease to be effective (a) if the Member attends the meeting and votes in person, (b) upon the Secretary's receipt of a written revocation from the Member prior to the vote for which the proxy was given, (c) upon conveyance of any Parcel for which it was given, or, for any Corporate Member, the cessation in jurisdiction of the Corporate Member over the Component Parcel for which it was given, (d) upon the Secretary's receipt of written notice of revocation of the proxy or of the death or judicially declared incompetence of a Member who is a natural person or the dissolution of any Member not a natural person, including, without limitation, a Corporate Member, or (d) eleven (11) months from the date of the proxy, unless otherwise provided in the proxy, but in any event not later than three (3) years from the date of the proxy.

2.9. Quorum. Except as these Bylaws or the Master Declaration otherwise provide, the presence of Members or their proxies entitled to cast at least twenty percent (20.0%) of the total votes in the Master Association shall constitute a quorum at all Master Association meetings; provided, if a quorum is not established at any meeting when initially called, then the quorum for any subsequent attempt to convene such meeting shall be reduced to ten percent (10.0%).

2.10. Conduct of Meetings. The President or a Board-approved designee shall preside over all Master Association meetings. The Secretary shall ensure that minutes of the meetings are prepared, reflecting all resolutions adopted and all other transactions occurring at such meetings. The minutes shall be kept with the Master Association's books and records.

2.11. Action Without a Meeting.

(a) Whenever the Master Declaration, the Articles, or South Carolina law require that a particular action be approved at a meeting of the Members, such action may be approved without a meeting, without prior notice and without a vote, if Members holding at least eighty percent (80.0%) of the votes entitled to be cast on such matter, or such greater percentage as may be required for the specific action, sign a written consent specifically authorizing the proposed action and deliver it to the Master Association. Such consents shall be filed with the minutes of the membership and shall have the same force and effect as a vote of the Members at a meeting. The record date for determining the Members entitled to take action by written consent shall be the date the first consent is signed. Written notice of any action taken by written consent shall be delivered to all Members who have not signed a consent to such action, and, if such notice is required, the action shall not be effective until ten (10) days after the giving of such notice. Nothing in this section shall authorize action without the approval of such persons or entities whose approval is specifically required for such action under the Master Declaration, the Articles, and/or these Bylaws.

(b) Except where the Master Declaration, these Bylaws, the Articles, or South Carolina law specifically require a meeting to take a particular action, any action that may be taken at a meeting of the Members may be taken without a Meeting if: (i) the Master Association mails or delivers a written or electronic ballot to every Person entitled to vote on the action, setting forth each proposed action and providing an opportunity to approve or disapprove each proposed action, (ii) the number of votes cast by written or electronic ballot equals or exceeds the quorum required for a meeting to consider such action, and (iii) the number of votes cast in favor of the proposed action equals or exceeds the number of votes that would be required at a meeting if the total number of votes cast were the same as the number of votes cast by written or electronic ballot. Solicitations of votes to be cast by written or electronic ballot must indicate the number of responses needed to satisfy the quorum requirement, the percentage of votes necessary to approve any action other than the election of directors, and the deadline for the Master Association to receive the ballot in order to be counted. A written or electronic ballot, once cast, may not be revoked. The Board shall notify the Members of the results of the vote within thirty (30) days after the expiration of the voting period.

(c) A written ballot may be delivered, and a vote may be cast, by electronic transmission, provided that any ballot cast is accompanied by information indicating that the

Member, Member's agent or Member's attorney-in-fact authorized its electronic transmission. Whenever the Master Declaration, Articles, and/or these Bylaws permit action to be taken by affirmative vote or written consent, a written consent or written ballot received pursuant to either subsection (a) or (b) above shall constitute written consent for purposes of such provision.

Article 3

Board of Directors: Selection, Meetings, Powers

3.1. Governing Body; Qualifications. The Board shall govern the Master Association's affairs. Each director shall have one vote on the Board. Except with respect to directors appointed by the Declarant and except as may be otherwise provided for by the Master Declaration, directors shall be Members or representatives of Members. If a Member is not an individual, any officer, director, partner, or any trust officer of such Member shall be eligible to serve as a director unless a written notice to the Master Association signed by the Owner specifies otherwise. Alternatively, the Member may designate in writing to the Secretary any employee as its representative for such purpose. However, at any time that there are more than five (5) Members, no Member may have more than one such representative on the Board, except in the case of directors that the Declarant appoints pursuant to Section 3.3(b).

3.2. Number of Directors. The Board shall consist of at least five (5), but no more than seven (7), directors as provided in Section 3.3.

3.3. Selection of Directors; Term of Office.

(a) Initial Board. The initial Board shall consist of five (5) directors appointed by the Declarant, who shall serve until their successors are appointed or elected as provided in this section.

(b) Directors Prior to Class B Expiration Date. Except as otherwise provided in this subsection (b) or the Master Declaration, the Declarant may appoint, remove, and replace the Board members until the Class B Expiration Date.

(c) Directors After the Class B Expiration Date. Within thirty (30) days following the Class B Expiration Date, the President shall call for an election by which the Class A Members shall be entitled to elect all seven (7) directors, but not fewer than five (5) directors. Two (2) directors shall be elected to serve until the second annual meeting following their election, three (3) directors shall be elected to serve until the third annual meeting following their election, and, if the Members opt to elect six (6) or seven (7) directors, then as such directors determine among themselves.

Thereafter, upon expiration of the term of each director, the Class A Members shall be entitled to elect a successor to serve a term of two years. Directors so elected shall hold office until their respective successors have been elected or until removed in accordance with these Bylaws. Directors may serve any number of consecutive terms.

3.4. Nomination and Election Procedures.

(a) Nomination of Candidates. At least thirty (30) days prior to any election of directors by the Class A Members, the Board shall appoint a Nominating Committee consisting of a chairman, who shall be a Board member, and three or more Members or representatives of Members. The Nominating Committee shall serve until the close of the election for which they were appointed. The names of the Nominating Committee members shall be announced in the notice of each election.

In preparation for each election, the Nominating Committee shall meet and 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 by the Class A Members at such election. In making its nominations, the Nominating Committee shall use reasonable efforts to nominate candidates representing the diversity that exists within the pool of potential candidates. Nominations shall also be permitted from the floor at the meeting at which any election is held. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

(b) Election Procedures. At each election, voting shall be by written or electronic ballot cast in accordance with Section 2.11. Each Member may cast all votes attributable to the Percentage Interest it represents for each position to be filled by a director.

3.5. 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. Prior to the Class B Expiration Date, any director may be removed by the Declarant. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director by Declarant, Declarant shall appoint a successor for the remainder of the term of such director. Upon removal of a director by the Class A Members, the Members shall elect a successor for the remainder of the term of such director.

Following the Class B Expiration Date, at any meeting at which a quorum is present, a majority of the directors then serving may remove any director who has three (3) consecutive unexcused absences from Board meetings. The Board may appoint a successor to fill the vacancy for the remainder of the term of the removed director.

In the event of the death, disability, or resignation of a director, the Declarant may appoint a successor to fill the vacancy, prior to the Class B Expiration Date, and, after the Class B Expiration Date, the Board may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members shall elect a successor for the remainder of the term of the director.

3.6. Organizational Meetings. The Board shall hold an organizational meeting within ten (10) days following each annual meeting of the membership, at such time and place as the Board shall fix.

3.7. Regular Meetings. The Board shall hold regular meetings at such time and place as a majority of the directors shall determine, but the Board shall meet at least four (4) times during each fiscal year with at least one meeting per quarter.

3.8. Special Meetings. The, President, Vice President or any two directors may call a special meeting of the Board.

3.9. Notice; Waiver of Notice.

(a) Notices of Board meetings shall specify the time and place of the meeting and, in the case of a special meeting, the nature of any special business to be considered. The Board shall notify each director of meetings by: (i) personal delivery, (ii) first class mail, postage prepaid, (iii) telephone communication, 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 (iv) facsimile, electronic mail, or other electronic communication device, with confirmation of transmission. All such notices shall be given at or sent to the director's telephone number, fax number, electronic mail address, or sent to the director's address as shown on the Master Association's records. The Board shall deposit notices sent by first class mail into a United States mailbox at least five (5) business days before the day of the meeting. The Board shall give notices by personal delivery, telephone, or electronic communication at least seventy-two (72) hours before the time set for the meeting.

(b) To the extent practicable, the Board shall give reasonable notice to the Members of the date, time, and place of Board meetings by announcing such information at a previous Board or membership meeting or posting notice in a location reasonably accessible to the Members and which the Board has designated for the posting of notices.

(c) Transactions of any Board meeting, 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 (i) a quorum is present, and (ii) either before or after the meeting each director 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 used need not specify the purpose of the meeting. Notice of a meeting also shall be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

3.10. Telephonic Participation in Meetings. Members of the Board or any committee the Board designates may participate in a Board or committee meeting by conference telephone or similar communications equipment through which all persons participating in the meeting can hear and speak to each other. Participation in a meeting pursuant to this section shall constitute presence at such meeting.

3.11. Quorum of Board. At all Board meetings, a majority 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 Board's decision, unless South Carolina law, these Bylaws, or the Master Declaration specifically provide otherwise. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the

departure of directors, if at least a majority of the required quorum for that meeting approves any action taken. If the Board cannot hold a meeting because a quorum is not present, a majority of the directors present may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the date of the original meeting. At the reconvened meeting, if a quorum is present the Board may transact, without further notice, any business it might have transacted at the original meeting.

3.12. Conduct of Meetings. The President or any designee the Board approves by resolution shall preside over all Board meetings. The Secretary shall ensure that minutes of the meetings are kept and that all resolutions and all transactions occurring at such meetings are included in the Master Association's records.

3.13. Open Meetings; Executive Session.

(a) Subject to the provisions of subsection 3.13.(b) and Section 3.14., all Board meetings shall be open to attendance by all Members or their representatives, but only directors may participate in any discussion or deliberation unless a director requests that attendees be granted permission to speak. In such case, the President may limit the time any such individual may speak. The Board shall make agendas for its meetings reasonably available for examination by all Members or their representatives prior to the meeting.

(b) Notwithstanding the above, the President may adjourn any Board meeting and reconvene in executive session, and may restrict attendance to directors and such other persons as the Board may specifically invite and announce during the open portion of the Board meeting, to discuss matters of a sensitive nature, such as pending or threatened litigation, personnel matters, and such other matters for which the South Carolina Nonprofit Corporation Act may specifically authorize or allow restricted attendance; provided, any vote on such matters shall be taken in open session unless otherwise permitted by law.

3.14. Action Without a Formal Meeting. Any action to be taken or which may be taken at a Board meeting may be taken without a meeting if a written consent or consents setting forth the action so taken is signed by the number of directors that would be required to approve the same action at a Board meeting at which all of the directors were present. Such consent(s) shall have the same force and effect as a vote at a meeting. The Board shall promptly notify all directors of any action so approved and the effective date of such action and provide each director with a copy of the signed written consents. Consents may be filed electronically in accordance with Section 2.7.

3.15. Powers. The Board shall have the power to administer the Master Association's affairs, perform the Master Association's responsibilities, and exercise the Master Association's rights as set forth in the Master Declaration, the Articles, these Bylaws, such rules and regulations as are promulgated by the Master Association from time to time, and as provided by law. The Board may do, or cause to be done on the Master Association's behalf, all acts and things except those which the Master Declaration, the Articles, the Bylaws, or South Carolina law require to be done and exercised exclusively by the Members.

3.16. Duties. The Board's duties shall include, without limitation:

(a) preparing and adopting, in accordance with the Master Declaration, an annual budget establishing each Member's share of the Common Expenses;

(b) levying and collecting assessments from the Members;

(c) providing for the operation, care, upkeep, and maintenance of the Common Properties for which it is responsible consistent with the Development Property Wide Standard;

(d) designating, hiring, and dismissing personnel necessary to carry out the Master Association's rights and responsibilities, and, where appropriate, providing for 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;

(e) opening bank accounts on the Master Association's behalf and designating the signatories required;

(f) depositing all funds received on the Master Association's behalf in a bank depository which it shall approve and using such funds to operate the Master Association; however, in the Board's business judgment any reserve funds may be deposited in depositories other than banks;

(g) making or contracting for the making of repairs, additions, and improvements to or alterations of the Common Properties in accordance with the Master Declaration, the Articles, these Bylaws, and such rules and regulations as may be promulgated by the Master Association from time to time;

(h) determining when action to enforce the Master Declaration, the Articles, the Bylaws, and any rules promulgated from time to time by the Master Association is appropriate and the nature of any sanctions to be imposed, and bringing any proceedings which may be instituted on behalf of or against the Members concerning the Master Association; however, the Master Association's obligation in this regard shall be conditioned in the manner provided in the Master Declaration;

(i) obtaining and carrying property and liability insurance and fidelity bonds, as provided in the Master Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

(j) paying the cost of all services rendered to the Master Association;

(k) keeping a detailed accounting of the Master Association's receipts and expenditures;

(l) making available to any prospective purchaser of a Parcel, any Member, and the holders, insurers, and guarantors of any mortgage on any Parcel, current copies of the Master

Declaration, the Articles, these Bylaws, the rules and regulations promulgated by the Master Association, and the Parcel Development Guidelines pertaining to the Parcel, and all other books, records, and financial statements of the Master Association as provided in Section 9.4.;

(m) indemnifying a director, officer or committee member, or former director, officer or committee member of the Master Association (and/or the Master Architectural Review Board), to the extent such indemnity is required by the Master Declaration, South Carolina law, the Articles, or these Bylaws; and,

(n) after the Class B Expiration Date, to appoint the members of the Master Architectural Review Board, and to remove the same in accordance with the terms of the Master Declaration.

3.17. Conflicts of Interest. Unless otherwise approved by a majority of the other directors, no director may transact business with the Master Association or any Master Association contractor during his or her term as director or within one year after the term of the director expires. A director shall promptly disclose to the Board any actual or potential conflict of interest affecting the director relative to his or her performance as a director.

Notwithstanding the above, directors appointed by the Declarant may be employed by or otherwise transact business with the Declarant or its affiliates, and the Declarant may transact business with the Master Association and its contractors.

Article 4 Officers

4.1. Officers. The Master Association's officers shall be a President, Secretary, and Treasurer. The President and Secretary shall be elected from among the Board members; other officers may, but need not be, Board members. The Board may appoint such other officers, including one or more Vice Presidents, Assistant Secretaries, and Assistant Treasurers, as it shall deem desirable, such officers to have such authority and perform such duties as the Board prescribes. Any two or more offices may be held by the same person, except the offices of President and Secretary.

4.2. Election and Term of Office. The Board shall elect the Master Association officers at the first Board meeting following each annual meeting of the membership to serve until their successors are elected. Prior to the first annual meeting of the membership, the Board shall elect the Master Association officers at such meetings of the Board as the Board elects, to serve until their successors are elected.

4.3. Removal and Vacancies. The Board may remove any officer whenever in its judgment the Master Association's interests will be served, and may fill any vacancy in any office arising because of death, resignation, removal, or otherwise, for the unexpired portion of the term of the officer affected.

4.4. Powers and Duties. The Master Association's officers shall have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as the Board may specifically confer or impose. The President shall be the Master Association's chief executive officer. The Treasurer shall have primary responsibility for preparing the Master Association's budget for the approval of the Board as provided for in the Master 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, the President, or the Secretary. Such resignation shall take effect on the day of the receipt of such notice or at a later time if specified therein. Unless the resignation specifies, acceptance of such resignation shall not be necessary to make it effective.

Article 5 Committees

5.1. General. In addition to such committees as the Declarant or Board may appoint pursuant to the Master Declaration, the Board may appoint such other committees as it deems appropriate to perform such tasks and to serve for such periods as the Board may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

5.2. Covenants Committee. In addition to any other committees that the Board may establish pursuant to Section 5.1., the Board may appoint a Covenants Committee consisting of at least three (3) and no more than seven (7) Members. Acting in accordance with the provisions of the Master Declaration, these Bylaws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Master Association and shall conduct all hearings held pursuant to Article 9 of these Bylaws. The Covenants Committee shall have no responsibility for seeking out violations of the Master Declaration, the Articles, these Bylaws, or any rules and regulations promulgated from time to time by the Master Association.

Article 6 Standards of Conduct; Liability, and Indemnification

6.1. Standards for Directors and Officers. The Board shall exercise its powers in a reasonable, fair, nondiscriminatory manner and shall adhere to the procedures established in the Master Declaration, the Articles, and these Bylaws. In performing their duties, directors and officers shall be insulated from liability as provided for directors of corporations under South Carolina law and as otherwise provided by any of the Master Declaration, the Articles, or these Bylaws. Directors and officers shall discharge their duties as directors or officers, and as members of any committees to which they are appointed, in good faith and in a manner that the director or officer believes to be in, or not opposed to, the best interest of the Master Association and with the care that an ordinarily prudent Person in its a position would exercise under similar circumstances. A director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, prepared or presented by others to the extent authorized under South Carolina law. In the event that South Carolina law from time to time requires a

higher standard for directors and officers of a South Carolina non-profit corporation, then the directors and officers shall adhere to such higher standard.

6.2. Liability. The Master Association's officers, directors, and committee members (and those of the Master Architectural Review Board) shall not be liable for any mistake of judgment, negligent or otherwise, or for any action taken or omitted in such capacities, except for their own individual willful or wanton misconduct or gross negligence. The officers and directors shall have no personal liability with respect to any contract or other commitment made or action taken in good faith on the Master Association's or Master Architectural Review Board's behalf.

6.3. Indemnification. Subject to the limitations of South Carolina law, and in accordance with the Master Declaration, the Master Association shall indemnify every present and former officer, director, and committee member (including of the Master Architectural Review Board) against all damages and expenses, including counsel fees and expenses, reasonably incurred in connection with any action, suit, or other proceeding (including settlement of any suit or proceeding, if approved by the then Board) to which he or she may be a party by reason of being or having been an officer, director, or committee member. This right to indemnification shall not be exclusive of any other rights to which any present or former officer, director, or committee member may be entitled. The Master Association shall, to the extent required by the Master Declaration, and, if not required thereby then at the election of the Board, purchase and maintain as a Common Expense, adequate general liability and officers' and directors' liability insurance to fund this obligation, if such insurance is reasonably available.

6.4. Advancement of Expenses. In accordance with the procedures and subject to the conditions and limitations set forth in South Carolina law, the Board may authorize the Master Association to advance funds to pay for or reimburse the reasonable expenses incurred by a present or former officer, director or committee member (including of the Master Architectural Review Board) in any proceeding to which he or she may be a party by reason of being or having been an officer, director, or committee member. If the Master Association indemnifies or advances expenses to a director in connection with a proceeding by or in the right of the Master Association or the Master Architectural Review Board, it shall report the indemnification or advance in writing to the Members with or before the notice of the next meeting of the Members.

6.5. Board and Officer Training. The Board may, as a Common Expense, conduct or provide for seminars and continuing education opportunities designed to educate and inform its officers and directors of their responsibilities as officers and directors.

Article 7

Management and Accounting

7.1. Compensation of Directors and Officers. The Master Association shall not compensate directors and officers for acting as such unless Members entitled to cast a majority of the total votes in the Master Association approve such compensation at a Master Association meeting. The Master Association may reimburse any director or officer for expenses he or she incurs on the Master Association's behalf upon approval of a majority of the other directors. Nothing herein shall prohibit the Master Association from compensating a director or officer, or

any entity with which a director or officer is affiliated, for services or supplies he or she furnishes to the Master Association in a capacity other than as a director or officer pursuant to a contract or agreement with the Master Association. However, such director must make known his or her interest to the Board prior to entering into such contract, and such agreement or contract must be approved as provided for by these Bylaws.

7.2. Right of Declarant to Disapprove Actions. Prior to the Class B Expiration Date, and thereafter to the extent allowed and provided for by the Master Declaration, the Declarant shall have the right to disapprove any action, policy, or program of the Master Association, the Board and any committee which, in the Declarant's sole judgment, would tend to impair rights of the Declarant or its affiliates or any Parcel developer under the Master Declaration or these Bylaws, interfere with development or construction of any portion of Riverwalk, or diminish the level of services the Master Association provides. As provided for by the Master Declaration, until the Class B Expiration Date, the Declarant may elect to act for and in lieu of the Board. The Board shall not implement any action, policy, or program subject to the right of disapproval set forth herein until and unless the requirements of this section hereafter have been met.

(a) Notice. The Master Association shall give the Declarant written notice of all meetings of the membership, the Board, and committees, and any actions proposed to be taken by any of them by written consent in lieu of a meeting. The Master Association shall give such notice by certified mail, return receipt requested, or by personal delivery at the address the Declarant has registered with the Master Association. Such notice shall comply, as to Board meetings, with Section 3.9., and shall, except in the case of regular Board meetings pursuant to these Bylaws, set forth with reasonable particularity the agenda to be followed at such meeting.

(b) Opportunity to be Heard. At any such meeting, the Master Association shall give the Declarant the opportunity to join in or to have its representatives or agents join in discussion from the floor of any prospective action, policy, or program which would be subject to the right of disapproval set forth herein. The Declarant, its representatives, or its agents, shall make its concerns, thoughts, and suggestions known to the Board and/or the members of the subject committee.

The Declarant, acting through any officer or director, agent, or authorized representative, may exercise its right to disapprove at any time within ten (10) days following the meeting at which such action was proposed, or, in the case of any action taken by written consent in lieu of a meeting, at any time within ten (10) days following receipt of written notice of the proposed action. The Declarant may use this right to disapprove to block proposed actions but shall not use it to require any action or counteraction of any committee, the Board, or the Master Association. The Declarant shall not use its right to disapprove to reduce the level of services the Master Association is obligated to provide or to prevent capital repairs or any expenditure required to comply with applicable laws and regulations. The provisions of this Section 7.2. shall not be construed to limit the Declarant's right to act for and in the place of the Board as provided for by the Master Declaration.

7.3. Managing Agent. The Board may employ for the Master Association professional management agents at such compensation as the Board may establish, to perform such duties and

services as the Board shall authorize. The Board may delegate such powers as are necessary to perform the manager's assigned duties but shall not delegate policy-making authority or ultimate responsibility for those duties set forth in Section 3.16. Prior to the Class B Expiration Date, the Board may not, in any event, retain a management agent without the prior written approval of the Declarant. However, at any time, the Board may employ the Declarant or its affiliate(s) as managing agent or manager. The Board may delegate to one of its members the authority to act on its behalf on all matters relating to the duties of the managing agent or manager which might arise between Board meetings.

The managing agent shall not accept remuneration from vendors, independent contractors, or others providing goods or services to the Master Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; any thing of value received shall benefit the Master Association. The managing agent shall promptly disclose to the Board any financial or other interest which it may have in any firm providing goods or services to the Master Association.

7.4. Accounts and Reports.

(a) The Board shall follow the following accounting standards unless the Board by resolution specifically determines otherwise:

- (i) accounting and controls should conform to generally accepted accounting principles;
- (ii) the Master Association's cash accounts shall not be comingled with any other accounts.

(b) Commencing at the end of the quarter in which the first Parcel is sold and closed, financial reports shall be prepared for the Master Association at least quarterly containing:

- (i) an income statement reflecting all income and expense activity for the preceding period;
- (ii) a statement reflecting all cash receipts and disbursements for the preceding period;
- (iii) a variance report reflecting the status of all operating, reserve and other accounts in an "actual" versus "approved" budget format;
- (iv) a balance sheet as of the last day of the preceding period; and,
- (v) a delinquency report listing all Members who are delinquent in paying any assessments at the time of the report (any assessment or installment thereof shall be considered to be delinquent on the tenth (10th) day following the due date unless the Board specifies otherwise by resolution).

(c) An annual report consisting of at least the following shall be made available for Members' review within one hundred eighty (180) days after the close of the fiscal year: (i) a balance sheet, (ii) an operating (income) statement, and (iii) a statement of changes in financial position for the fiscal year. Prior to the Class B Expiration Date, such annual report shall be prepared on an audited, reviewed, or compiled basis, as the Board determines; thereafter, it shall be prepared on an audited basis by an independent certified public accountant.

7.5. Borrowing. The Master Association shall have the power to borrow money for any legal purpose. However, the Board shall obtain the approval of the Members holding a majority of the total Percentage Interests if the proposed borrowing is for the purpose of making discretionary capital improvements and the total amount of such borrowing, together with all other debt incurred within the previous twelve (12) month period, exceeds or would exceed twenty percent (20.0%) of the Master Association's budgeted gross expenses for that fiscal year.

7.6. Right to Contract. The Master Association shall have the right to contract with any Person for the performance of various duties and functions. This right shall include, without limitation, the right to enter into common management, operational, or other agreements with any condominium or other property owners associations within and outside Riverwalk, including, without limitation, Additional Associations.

7.7. Agreements, Contracts, Deeds, Leases, Checks, Etc. All Master Association agreements, contracts, deeds, leases, checks, and other instruments shall be executed by at least two officers or by such other person or persons as the Board may designate by resolution.

Article 8 Enforcement Procedures

The Master Association shall have the power to impose sanctions for any violation of the Master Declaration, the Articles, these Bylaws, and/or the rules and regulations promulgated by the Master Association from time to time. To the extent specifically required by the Master Declaration or South Carolina law, the Board shall comply with the following procedures prior to imposition of sanctions (and the Board shall specifically have the right to impose sanctions for violations of these Bylaws, the Master Declaration, the Articles, and/or the rules and regulations, in the maximum amount provided for thereby with respect to the particular violation, or, if no amount is specified therein with respect to the violation, then in the maximum amount of \$100.00 per day until the violation is cured and remedied):

8.1. Notice and Response. The Board or its delegate shall serve the alleged violator with written notice, by certified mail, return receipt requested, (a) describing the alleged violation or property damage which is the basis of the proposed sanction or amount due to the Master Association, as applicable, (b) describing the proposed sanction to be imposed, (c) informing the alleged violator that he or she has fifteen (15) days after receipt of the notice to present a written request for a hearing by the Board or the Covenants Committee, if one has been appointed pursuant to Article 5, and (d) informing the alleged violator that he or she may avoid the proposed sanction by curing the violation within a reasonable cure period stated in the notice (being the cure period set forth for the violation in the Master Declaration, if one is set forth

therein with respect to the particular violation), except that the Master Association shall have no obligation to provide a cure period, unless otherwise specifically required by the Master Declaration, if the alleged violator has been given notice of a similar violation within the preceding six months. If the hearing is to be held before a Covenants Committee, the notice shall also state that the alleged violator has the right to appeal the decision of the Covenants Committee to the Board.

The alleged violator shall respond to the notice of the alleged violation in writing within such fifteen (15) day period, regardless of whether the alleged violator is challenging the imposition of the proposed sanction, or the proposed sanction shall be imposed. If the alleged violator cures the alleged violation and notifies the Board in writing within such fifteen (15) day period the Board may, but shall not be obligated to, waive the sanction. Such waiver shall not constitute a waiver of the right to sanction future violations under the same or other provisions and rules by any Person.

Prior to the effectiveness of sanctions imposed, pursuant to this Article, proof of proper notice shall be placed in the minutes of the Board or Covenants Committee, as applicable. 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 or its representative requests and appears at the hearing.

8.2. Hearing. If a hearing is requested within the allotted fifteen (15) day period, the hearing shall be held before the Covenants Committee, or if one has not been appointed, then before the Board in executive session within thirty (30) days after receipt of the alleged violator's request. The Board shall notify the alleged violator at least five (5) days prior to the hearing of the time, date, and place of the hearing. At the hearing, the alleged violator shall be afforded a reasonable opportunity to be heard and shall be entitled to make an audio recording of the hearing. The minutes of the meetings of the Board or Covenants Committee, as applicable, shall contain a written statement of the results of the hearing (i.e., the Board's or Committee's decision) and the sanction, if any, to be imposed. Written notice of the decision shall be mailed to the violator within seven (7) days after the hearing. If a timely request for a hearing is not made, the sanction stated in the notice shall be imposed unless the violation is cured within the cure period stated in the notice.

8.3. Appeal. Following a hearing before the Covenants Committee, the violator shall have the right to appeal the decision to the Board. To exercise this right, the violator must deliver a written notice of appeal to the Master Association's manager, President, or Secretary within ten (10) days after the hearing date.

Article 9 Miscellaneous

9.1. Fiscal Year. The Master Association's fiscal year shall be the calendar year unless the Board establishes a different fiscal year by resolution and the same is adopted by appropriate filings made with the applicable taxing authorities.

9.2. Parliamentary Rules. Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Master Association proceedings when not in conflict with South Carolina law, the Master Declaration, the Articles, or these Bylaws. However, at any Master Association proceeding, the body holding such proceeding may elect to dispense with such rules for purposes of discussion, but such rules shall be reinstated prior to any vote being taken, motion being made, or decision being passed upon a matter.

9.3. Conflicts. If there are conflicts among the provisions of South Carolina law, the Articles, the Master Declaration, these Bylaws, and the rules and regulations promulgated by the Master Association from time to time, the provisions of South Carolina law, the Master Declaration, the Articles of Incorporation, these Bylaws, and the rules and regulations promulgated by the Master Association from time to time (in that order of priority) shall prevail and be controlling.

9.4. Books and Records.

(a) Maintenance of Book and Records. The Master Association shall maintain the following books and records, either in written form or in a form capable of conversion into written form within a reasonable time: appropriate accounting records; minutes of all meetings of the Members and the Board; a record of all actions taken by the Members and the Board without a meeting; a record of all actions taken by committees appointed by the Board; a membership roster reflecting the name and mailing address of all Members, in alphabetical order, along with the address of each Parcel owned by the Member, or, for Corporate Members, the Component Parcel over which the Corporate Member has jurisdiction, and the number of votes allocated to each Member.

The Master Association shall maintain at its principal office copies of the following documents:

- (i) its Articles and Bylaws, and all amendments thereto currently in effect;
- (ii) Board resolutions relating to the rights, limitations, and obligations of Members;
- (iii) the minutes of all membership meetings and records of all actions approved by the Members for the last three years;
- (iv) all written communications directed to the Members generally within the three (3) most recent years;
- (v) copies of the financial statements for the three most recent years;
- (vi) a list of the names and business or home addresses of its current directors and officers; and,

(vii) its most recent annual report filed with the South Carolina Secretary of State.

(b) Turnover of Books and Records. Within sixty (60) days after the Class B Expiration Date, the Declarant shall deliver to the Master Association all property, books and records of the Master Association in the Declarant's possession.

(c) Inspection by Members and Mortgagees. Within five (5) days after receipt of a written request to inspect the Master Association's books and records, the Board shall make available for inspection and copying by any Member, any holder, insurer, or guarantor of a first mortgage (as defined in the Master Declaration) on a Parcel, or the duly appointed representative of any of the foregoing, at any reasonable time and location as the Board may specify, any of the books and records listed in Section 9.4.(a) and specified in such written request, provided that such Persons shall only be entitled to inspect the books and records enumerated in Sections 9.4(a)(i) through (vii) if the request for inspection is made in good faith and for a proper purpose, the requesting party describes with reasonable particularity the purpose and the records the party desires to inspect, and the records are directly connected with that purpose.

(d) Rules for Inspection. The Board shall establish 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 documents requested.

(e) Inspection by Directors. Every director shall have the absolute right at any reasonable time to inspect all Master Association books, records, and documents and the physical properties owned or controlled by the Master Association. A director's right of inspection includes the right to make a copy of relevant documents at the Master Association's expense.

9.5. Notices.

(a) Form of Notice and Method of Delivery. Except as otherwise provided in the Master Association or these Bylaws or by South Carolina law, all notices, demands, bills, statements, or other communications under the Master Association or these Bylaws shall be in writing and may be delivered in person, by United States mail, by private carrier, or if the intended recipient has given its prior written authorization to use such method of delivery, by facsimile or electronic mail, with written confirmation of transmission.

(b) Delivery Address. Notices shall be delivered or sent to the intended recipient as follows:

(i) if to a Member, at the address, telephone facsimile number, or e-mail address which the Member has designated in writing and filed with the Secretary, or, if no such address has been designated, at the address for the Member's Parcel as is listed in the York County tax records, or, with respect to Corporate Member's, the address of its registered agent in South Carolina;

(ii) if to the Master Association, the Board, or a committee of either, at the address, facsimile number, or e-mail address of the principal office of the Master Association or its managing agent, or to such other address as the Master Association shall designate by notice in writing to the Members pursuant to this section; or,

(iii) if to the Declarant, at the address specified in the Master Declaration or as appears on the Secretary of State's records, or at such other address as the Declarant shall designate by notice in writing to the Master Association pursuant to this section.

(c) Effective Date. Notice sent in accordance with subsections (a) and (b) shall be deemed to have been duly given and effective:

(i) if sent by United States mail, when deposited with the U.S. Postal Service, correctly addressed, with first class or higher priority postage prepaid;

(ii) if delivered personally or by private carrier, when actually delivered to the address of the intended recipient, as evidenced by the signature of the person at such address that accepts delivery; or,

(iii) if sent by telephone facsimile or electronic mail, upon transmission, as evidenced by a printed confirmation of transmission.

9.6. Amendment. Until the Class B Expiration Date, the Board may unilaterally amend these Bylaws for any purpose. Thereafter, the Board may unilaterally amend these Bylaws: (i) to correct clerical, typographical or technical errors; (ii) to bring any provision into compliance with any applicable governmental statute, rule, regulation, or judicial determination; or (iii) to satisfy the requirements of any local, state, or federal governmental agency.

Except as provided above, these Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of Members entitled to cast at least sixty seven percent (67.0%) of the total votes in the Master Association, and the consent of the Declarant, for so long as the Declarant owns any part of the Development Property. 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. In addition, 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.

Any amendment adopted by the Members pursuant to this Section 9.6. shall be prepared and signed by the President or Vice President and by the Secretary or Treasurer of the Master Association certifying that the requisite approval was obtained. Amendments to these Bylaws

shall become effective upon recordation unless a later effective date is specified therein. Any procedural challenge to an amendment must be made within six (6) months of its recordation, or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

SECRETARY'S CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of Riverwalk Master Association, Inc., a South Carolina nonprofit corporation ("Master Association");

That the foregoing Bylaws constitute the Bylaws of the Master Association duly adopted by resolution of the Board of Directors thereof on the ____ day of _____, 2011.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said Master Association this ____ day of _____, 2011.

Secretary

[SEAL]