

BYLAWS  
OF  
GLEN RIDGE  
OWNERS' ASSOCIATION, INC.

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ARTICLE I

NAME AND LOCATION. The name of the corporation is GLEN RIDGE OWNERS' ASSOCIATION, INC., hereinafter referred to as the "Association". The principal office of the corporation shall be located at 130 Heritage Boulevard, Fort Mill, York County, South Carolina, but meetings of members and directors may be held at such places within York County, South Carolina or Mecklenburg County, North Carolina, as may be designated by the Board of Directors.

ARTICLE II  
DEFINITIONS

Section 1. "Association" shall mean and refer to Glen Ridge Owners' Association, Inc., its successors and assigns.

Section 2. "Property" shall mean and refer to that certain real property described in the Declaration of Covenants, Conditions and Restrictions, etc. hereafter described in Section 3 hereof, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 3. "Declaration" or "this Declaration" shall mean and refer to the "DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR GLEN RIDGE TOWNHOMES", dated January 17, 2002, recorded in the Clerk of Court's Office for York County, South Carolina, in Deed Book 4122 at Page 1, et seq., and as the same may be amended from time to time, together with any and all supplementary declarations or amendments pursuant to the Declaration which may be recorded from time to time. Reference is made to said Declaration for all of the defined terms which may be used herein in these By-Laws.

Section 4. "Declarant" shall mean and refer to GLENRIDGE DEVELOPMENT COMPANY, LLC, a South Carolina limited liability company, and which shall be hereinafter referred to as "DECLARANT".

Section 5. "Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.

ARTICLE III  
MEETINGS OF MEMBERS

Section 1. Annual Meetings. The first annual meeting of the members shall be held within three months from the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held during the months of November or December of each year thereafter.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the Class A membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, not less than thirty (30) days nor more than sixty (60) days before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, thirty (30%) percent of the votes of the Class A membership plus, and for so long as the Class B membership exists, an authorized representative of the Class B Members shall constitute a quorum for any action except as otherwise provided in the Declaration and Petition for Incorporation, the Declaration, or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the meeting shall be adjourned and another meeting shall be scheduled for a date not less than ten (10) days nor more than thirty (30) days subsequent to the initial meeting. Written notice of the time and place of the adjourned meeting shall be provided to all Members. The quorum requirement for the adjourned meeting shall be the presence of Members, or of proxies, entitled to cast twenty-five percent (25%) of the total vote of the Class A Membership and a representative of the Class B Members.

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

ARTICLE IV  
BOARD OF DIRECTORS: SELECTION; TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of Directors, who shall be members of the Association. The Board shall initially consist of three (3) members appointed by the Declarant until the first election, at which time the members shall elect a

three (3) member Board. All members of the Board shall be elected by the members after the appointment of the initial Board by the Declarant. The Board, by majority vote, may at anytime increase the number of Board members from three (3) to five (5), provided, however, that the increase shall not occur until the additional Board members have been elected by the members at a duly called meeting of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect a director for a term of three years, a director for a term of two years and a director for a term of one year; and at each annual meeting thereafter the members shall elect directors for a term of two years. In the event the Board is increased from three members to five in accordance with Section 1 above, the two additional Board members shall be elected for two years and one year respectively.

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

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

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

#### ARTICLE V NOMINATION AND ELECTION OF DIRECTORS

Section 1. Nomination. Other than the initial Board of Directors which will be appointed by the Declarant as provided in Section 1 of Article IV hereof, nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The initial Nominating Committee shall be composed of two of the initial members of the Board. Thereafter, the Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. At the first annual meeting of the members and prior to each annual meeting of the members thereafter the Nominating Committee shall be appointed by the Board of Directors to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is permitted.

## ARTICLE VI MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held periodically at such place and hour as may be fixed from time to time by resolution of the Board. Telephonic meetings are expressly authorized. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

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

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

## ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

(a) adopt and publish rules and regulations governing the use of the Common Properties and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

(b) suspend the voting rights of a member during any period in which such member shall be in default in the payment of any Assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) days for infraction of published rules and regulations;

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Declaration and Petition for Incorporation, or the Declaration;

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

(e) employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties.

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

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(b) supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration to:

(1) fix the amount of the Annual Assessment against each Lot and Dwelling Unit at least thirty (30) days in advance of each annual assessment period;

(2) send notice of each Assessment to every Owner subject thereto pursuant to the requirements as provided in the Declaration; and

(3) file a lien and subsequent to such filing, foreclose the lien against any property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the owner personally obligated to pay the same.

(d) issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any Assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an Assessment has been paid, such certificate shall be conclusive evidence of such payment;

(e) procure and maintain adequate liability and hazard insurance on property owned by the Association;

(f) cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(g) cause the Common Properties to be maintained.

(h) perform all other duties reasonably required of it to satisfy the functions of the Association as set forth in the Declaration and in the Petition for Incorporation.

## ARTICLE VIII OFFICERS AND THEIR DUTIES

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

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

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

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

Section 5. Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time giving written notice to the Board, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice.

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

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

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

### President

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

Vice President

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

Secretary

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

Treasurer

(d) The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX  
MANAGEMENT AGENT

Notwithstanding the above described duties and responsibilities of the officers and directors of the Association, it is acknowledged that officers and directors may from time to time delegate as appropriate and lawful certain of their responsibilities and duties to the Association's Management Agent, if any, and such delegation shall be authorized and permitted herein. The initial management agent shall be Declarant. Thereafter, the Board may employ a management agent at the compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article. Any such management contracts shall be for a reasonable term and shall provide that either the management agent or the Association may terminate such contract with or without cause by giving no less than ninety (90) days notice to the other party. If at any time during the management of the Property by this or some other professional management entity, any holders, insurers or guarantors of mortgages on Lots or Dwelling Units within the Property shall require that professional management of Association matters be maintained, and the Association is so advised in writing, any decision thereafter by the Association to establish self management by the Association shall require the prior consent of members holding sixty-seven (67%) percent of the votes in the Association and the

approval of holders holding mortgages on Lots and Dwelling Units within the Association which have at least fifty-one (51%) percent of the votes of the Lots and Dwelling Units in the Association subject to holder mortgages.

#### ARTICLE X COMMITTEES

The Board of Directors shall appoint a Nominating Committee, as provided in these By-Laws and such other committees as deemed appropriate in carrying out the purpose of the Association.

#### ARTICLE XI BOOKS AND RECORDS

The Association shall make available at all times, during reasonable business hours, to members and mortgage lenders making loans to members current copies of the Declaration, By-Laws, other rules and regulations relating to the Property, and the books, records and financial statements of the Association; provided, that the Association may charge a reasonable fee to cover the cost of copying and administrative time for any copies of information or documents requested. "Available" shall mean available for inspection, upon request, during normal working hours or under other reasonable circumstances. Moreover, if no audited financial statement for the preceding year is available, a mortgage holder shall be allowed to have an audited statement prepared at its own expense.

#### ARTICLE XII ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the Assessment is made. Any assessments which are not paid when due shall be delinquent. If the Assessment is not paid within thirty (30) days after the due date, the Assessment shall be subject to a late charge of eighteen (18%) percent per year on the delinquent amount until the Assessment and any accrued late charges are paid in full. The Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such Assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Properties or abandonment of his Lot or Dwelling Unit.



ARTICLE XIII  
CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: "GLEN RIDGE OWNERS' ASSOCIATION, INC.", or an appropriate abbreviation thereof.

ARTICLE XIV  
AMENDMENTS

Section 1. These By-Laws may be amended, at a regular or special meeting of the members, (but not a reconvened meeting pursuant to Article III, Section 4, unless a fifty-one (51%) percent quorum is present in person or by proxy) by a vote in favor of the amendment of at least sixty-seven percent (67%) of a quorum of members present in person or by proxy.

Section 2. In the case of any conflict between the Declaration and Petition for Incorporation and these By-Laws, the Declaration and Petition for Incorporation shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XV  
DISSOLUTION

Upon dissolution, liquidation or final determination of the operations of the Corporation, its residual assets must not inure to the direct benefit of any member or shareholder but must be turned over to one or more non-profit organizations which are organized and operate for charitable or non-profit purposes in South Carolina or North Carolina.

ARTICLE XVI  
MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

**RULES AND REGULATIONS  
FOR  
GLEN RIDGE TOWNHOMES**

Your Board welcomes the assistance of all Owners in the enforcement of these Rules and Regulations. Violations should be reported in writing to the Managing Agent of the Property, and not to the Board or officers of the Association. The Managing Agent will give notice of the violations to the Owner of the violating Townhome occupants and any appropriate committee of the Association. All disagreements will be presented to the Board, which will take appropriate action. Owners are responsible for the compliance of their guests, invitees and tenants.

*The following restrictions are contained in the Declaration of Covenants, Conditions and Restrictions, recorded in the York County Clerk of Court's Office, and are summarized below for your convenient reference:*

Antennas. No outside antennas (including satellite receivers) may be installed without the prior written approval of the Architectural Control Committee.

Nuisances/ Quiet Enjoyment. No activity deemed noxious or offensive by the Architectural Control Committee shall be carried on, nor shall anything be done which may be or may become an annoyance or nuisance to the neighborhood as determined by the Architectural Control Committee. Examples include, but are not limited to, loud or disturbing noise or vibrations, auto or vehicle repairs, the maintenance of unsightly outdoor storage of personal property (including toys, motorcycles or other motor vehicles, tricycles, bicycles, wood piles or other miscellaneous items) on porches, patios, decks, terraces or yards, and anything else not in keeping with the aesthetics and high level of appearance of the community.

Parking of Vehicles and Use of Property. No house trailer, boat, boat trailer, camper, tent, shed, or any other such vehicle, trailer, vessel or temporary structure may be parked or placed within the Properties except within area(s) which may be specifically designated for such purposes by the Association. No garage shall be used for residential purposes, either temporarily or permanently, nor shall any portion of the property be used except for residential purposes and purposes incidental or necessary thereto.

Signs. With the exception of developer signs, no type of sign may be placed, displayed, or otherwise exposed to view without the prior written consent of the Board.

Animals and Pets. No animals, livestock, poultry, or reptiles of any kind are permitted within any Townhome or in the Common Area; provided, however, dogs and cats will be allowed, provided they are not kept, bred or maintained for any commercial purposes, and provided the pets do not create a nuisance as determined by the Board of Directors or its designated committee.

Control of Dogs and Cats. Dogs and cats must be kept exclusively inside the Owner's

respective Townhome, provided, however, that such dogs or cats may be allowed in the Common Area if under the control of a competent person and restrained by a chain, leash or other means of adequate physical control. It shall be the responsibility of the Townhome Owner to ensure that occupants therein pick-up and remove any defecation of the occupants' pets in the Common Areas.

Garbage and Refuse Disposal. All trash, garbage or other waste must be stored in sanitary containers in accordance with the rules and regulations of the Association and/or any health or public safety authority. No trash, garbage or other waste may be placed within the Common Area, except in containers approved by the Board.

Alterations to the Townhome Exteriors. No storm or screen doors or windows, awnings, canopies, shutters, glass enclosures or projections shall be attached to the exterior of the Townhomes without the prior written approval of the Board or the Architectural Control Committee.

*Pursuant to the recorded Declaration, the Board also has the authority to formulate, publish and enforce reasonable rules and regulations concerning the use and enjoyment of the yard space of each Lot and the Common Areas. Such rules and regulations may provide for imposition of fines or penalties for the violation thereof, or for the violation of any of the covenants and conditions contained in this Declaration. The Board has established the following additional Rules and Regulations, which may be amended or added to from time to time:*

Fire Prevention. The use of outdoor grills must be at least five feet (5') from the exterior walls or overhangs of each building. No flammable, combustible or explosive fluids, chemicals, or substances shall be kept in any Townhome or on the Common Area.

Window Treatments. Where curtains or blinds are other than white or off-white, they must be lined, or "under draped" in white so that only the white portion of the window treatment is visible from the exterior of the Townhome.

Electronics. No radio, television, telephone or other electronics in a Townhome may interfere with the television, radio, or telephone reception of another Townhome.

Odors. No noxious or unusual odors shall be generated in quantities that they permeate to other Townhomes or the Common Area and become annoyances to other Owners. Normal cooking odors from customary cooking activities shall not be deemed violations to this regulation.

Children. Children must be actively supervised by an adult while outside in the Common Area.