

STATE OF SOUTH CAROLINA )  
)      **DECLARATION OF COVENANTS**  
)      **AND RESTRICTIONS FOR**  
COUNTY OF ANDERSON      )      **LANTERN RIDGE SUBDIVISION**

THIS DECLARATION made this 14<sup>th</sup> day of September, 2004, by **LANTERN RIDGE, LLC**, a South Carolina Limited Liability Company, hereinafter referred to as Owner/Developer.

WHEREAS, the Owner/Developer is the owner of the Real Property which is the subject of this Declaration and desires to create a residential community in accordance with a uniform plat of development to preserve and maintain property values, to maintain the natural beauty of the Real Property, to guard – against construction thereon of poorly designed or proportioned structures built of improper or unsuitable materials, to obtain a harmonious architectural scheme and to create a liveable environment, for the benefit of future purchasers of the Real Property; and

WHEREAS, "the Owner/Developer also deems it desirable in order to accomplish the said purposes to create an Architectural Committee to which -shall be delegated the powers of administration of some of the aforesaid functions.

NOW, THEREFORE, for and in consideration of the aforesaid considerations, and in further consideration of the mutual covenants, conditions, reservations, servitudes and easements herein created for the benefit of the Owner/Developer, its successors and assigns, and the future owners of the Real Property, the Owner/Developer hereby declares, creates and imposes upon the Real Property the following covenants, restrictions, easement; reservations and servitudes, which are hereby declared covenants running with the land, according to the terms hereof, as follows.

**ARTICLE I**

**REAL PROPERTY SUBJECT TO THIS DECLARATION**

**1.1 EXISTING PROPERTY.** The Real Property which shall be held, transferred, sold, conveyed and occupied subject to these Covenants are all the numbered lots shown on a plat of Lantern Ridge Subdivision, Phase I, prepared by J. A. McCullough, Surveyor, R.L.S. # 15179, dated 08/03/04 and recorded in the Office of the Register of Deeds for Anderson County, South Carolina, in Plat Book/Slide 1492, at Pages 4 + 5,

**1.2 ADDITIONS TO EXISTING PROPERTY.** Additional Real Property, including existing subdivisions, may become subject to these Covenants without the approval of any purchaser or transferee of the Owner/Developer by filing of record a Supplementary Declaration of Covenants and Restrictions with respect to the additional property, which shall automatically extend the scheme of the Covenants and Restrictions of this Declaration to such property. Such Supplementary Declaration may contain such additions and modifications of these Covenants as may be necessary to reflect the different character of added properties, but in no event shall such Supplementary Declaration revoke, modify or add to the covenants established by this Declaration within the existing property as hereinabove described in Paragraph 1, 1, without the approval of all property owners, except as hereinafter provided in Articles III, IV, and V.

**1.3 CONFLICT WITH ZONING STATUTES.** In the event of any conflict of the provisions hereof with any zoning ordinances or statutes, or subdivision law or regulation, in effect on the date of recording of these Covenants, which would require a more stringent or strict standard, regulation or use than required herein, then the terms, conditions and requirements of such more stringent zoning or subdivision law, statute or ordinance shall prevail.

## ARTICLE II

### USES PERMITTED AND PROHIBITED IN RESIDENTIAL AREA

The uses permitted and prohibited and the terms, conditions and limitations hereinafter set forth in this Article II, Paragraphs 2.1 through 2.38 shall apply to all numbered lots in the subdivision, except where specifically provided to the contrary hereinafter.

**2.1 USE FOR SINGLE FAMILY RESIDENCES.** All lots shall be used exclusively for a single family residence and for residential or domestic purposes connected therewith not specifically prohibited by the terms of these Covenants.

**2.2 BUSINESS PROHIBITED.** No structure at any time situate on the Real Property shall be used for any business, commercial, amusement, hospital, sanitarium, school, clubhouse, religious, charitable, philanthropic or manufacturing purposes, or as a professional office, and no billboard or advertising signs of any kind shall be erected or displayed thereon, except such signs as are hereinafter permitted. No part of any structure thereon shall be used for the purposes of renting rooms therein or as a boarding house, motel, hotel, tourist or motor court or for transient accommodations. No duplex residence, garage apartment or apartment house shall be erected or permitted to remain on any numbered lot in the subdivision, and no structure at any time thereon shall be converted into a duplex residence, garage or apartment house. The prohibitions contained herein shall not apply to or in any way be construed to apply to the clubhouse and recreational facilities to be construed and maintained in the subdivision by the Owner/Developer or its successor homeowners'

association.

**2.3 STREET OBSTRUCTIONS.** No fence, wall, hedge, shrub, bush, tree or other object, natural or artificial, shall be placed or located on any lot if the location of the same will, in the judgment of the Architectural Committee, obstruct the vision of any motorist upon any street or avenue shown on the subdivision plat. or otherwise be deemed not in the best interest of the development scheme of the subdivision by the Architectural Committee.

**2.4 SQUARE FOOTAGE MINIMUMS AND HEIGHT RESTRICTIONS.** No one- level residence or dwelling shall be constructed on any numbered lot shown on the above referred to plat containing less than 2,000 square feet of floor space, exclusive of porches, screened and unscreened, garages, basements and breezeways. No story and one-half residence, two-story residence or split-level residence shall be constructed on any lot containing less than 2,400 square feet of floor space exclusive of porches, screened and unscreened, garages, and breezeways, and the ground level of such dwelling shall not have less than 1,200 square feet, exclusive of porches, garages and basements. Anyone-level dwellings constructed without a garage shall not have less than 2,400 square feet, nor shall any such two- story split level, or story and one-half dwelling without a garage have less than 2,800 square feet, exclusive of porches and breezeways. The square footage minimum herein refers to heated, finished area. Variances from the strict requirements of the minimum square footage provisions of this paragraph may be made upon the unanimous consent of the Architectural Committee, due to special circumstances attributable to specific lots. The Architectural Committee will require that at least seventy (70%) per cent of the dwellings in the subdivision be constructed with brick to be approved thereby.

**2.5 DETACHED OUT-BUILDINGS.** No hot house, green house, summer house, cabana, outdoor fireplace, barbecue pit, swimming pool installation, play sets or other structure of any kind which is detached from the single family residence or utility area shall be placed or permitted to remain on any lot without the written approval of the Architectural Committee.

**2.6 SETBACK LINES.** No building shall be erected on any lot nearer to the front lot line than the Building Setback lines shown on the above referred to plats. No residence shall be constructed nearer than ten (10') feet to any side lot line nor twenty (20') feet from the rear lot line. The Architectural Committee hereunder may approve minor deviations from the requirements of this paragraph in the event that strict imposition of the provisions hereof would result in a hardship because of the size or topography of any individual lot, provided that such deviations do not violate County of Anderson ordinance requirements.

**2.7 GARAGES.** Except where the topography of any lot otherwise dictates as approved by the Architectural Committee, garages shall be located in order that entrances thereto shall not be visible from any street or avenue on which any portion of the lot abuts. In the event dwellings located on corner lots cannot strictly

comply with this provision, then, in such event, the Architectural Committee shall be authorized to otherwise approve, in writing, the location of such garages on such corner lots. All such garages constructed on such lots must have installed thereon garage doors approved by the Architectural Committee, which shall remain closed when not in use.

**2.8 FENCES, WALL AND HEDGES.** Except for driveways and walkways, no fence, hedge, wall or any other type of permanent structure or Utility Areas, or any part of the same, shall be erected, placed or allowed to remain in the area of any lot lying between the front building Setback Line as shown on the Plat or as otherwise established herein and the edge of any street or avenue. Any fence which does not violate other provisions contained in these covenants may be erected, placed or allowed in any area not hereinabove expressly prohibited, provided that such fence conforms to one of the six (6) types of fences shown on Exhibit "B" attached hereto and incorporated herein by reference, and provided, further, that such fence may be constructed of wood or vinyl and painted or stained to match the trim of the dwelling on the same lot, and provided, further, that the location, design and material of said fence be approved by the Architectural Committee. Any brick, rock or other type walls to be constructed on any lot must be approved as to location, composition or style thereof by the Architectural Committee and may, in no event, have a height greater than six (6) feet.

**2.9 USED STRUCTURES.** No used building or structures shall be placed or permitted to remain upon the numbered lots of the subdivision without the written approval of the Architectural Committee.

**2.10 SIGNS AND ADVERTISING.** No sign of any character shall be displayed or placed upon any lot, except "for rent" or "for sale" signs, which signs shall refer only to that particular premises on which displayed, and shall not extend more than four feet above the surface of the ground, and shall be fastened only to a stake in the ground. The Architectural Committee may enter upon any lot and summarily remove and destroy any signs which do not meet the provisions of this paragraph; provided, however, that the Owner/Developer, or any person or entity designated by the Owner/Developer, may erect or maintain such commercial and display signs on such lots, temporary dwellings, sales offices, model houses or other structures as Owner/Developer may deem advisable for development purposes, so long as the Owner/Developer continues to own lots in the Subdivision.

**2.11 CONSTRUCTION DELAYS.** The construction of any residence or structure once commenced must be fully completed within one (1) year unless rendered impossible as a direct result of strikes, fires, national emergencies or natural calamities. Any building or structure not so completed or upon which construction has ceased for a period of ninety (90) consecutive days, or any building or structure which has been totally or partially destroyed by fire or other casualty and not rebuilt within one year, are hereby declared nuisances which may be removed by the Owner/Developer or its successors at the expense of the owner to be paid to the Owner/Developer or its successors on demand.

**2.12 PAVED DRIVEWAYS.** Prior to completion of construction of any residence on any lot, the owner of such lot shall install at such owner's expense a

suitable driveway from the paved portion of the abutting street or avenue of a design, type of material and location approved by the Architectural Committee. All proposed driveways shall be submitted to the Architectural Committee for approval if constructed of a material other than concrete or asphalt.

**2.13 PICNIC AREAS AND TRASH BURNING.** No picnic areas nor detached outbuildings shall be erected or permitted to remain on any numbered lot prior to the commencement of construction of a permanent residence thereon. No trash, rubbish, debris, waste material or other refuse shall be deposited or allowed to accumulate or remain on any part of a numbered lot after construction of a permanent residence thereon. No fires for the burning of trash, leaves, clippings or other debris or refuse shall be permitted on any lot except during construction of a permanent residence thereon.

**2.14 TENTS AND SHACKS.** No shed, shack, trailer, tent or other temporary or movable building or structure of any nature or kind shall be erected, placed or permitted to remain on the Real Property; provided, however, that nothing contained herein shall prevent the use of a temporary construction shed during the period of actual construction of a dwelling or other building permitted hereunder nor the use of adequate sanitary toilet facilities for workmen during the period of such construction.

**2.15 TRAILERS AND VEHICLES.** No trailer, basement or other portion of an unfinished dwelling, garage or any outbuilding of any kind, shall at any time be used as a residence, either temporarily or permanently. No disabled or wrecked vehicle, mobile home or tent shall be placed, erected or permitted to remain on the Real Property nor shall any overnight camping be permitted on any numbered lot. Recreation vehicles such as boats, travel trailers, motor homes, etc. must be parked out of view and maintained in an enclosed area such as a garage or detached out building approved by the Architectural Committee.

**2.16 FUEL TANKS.** Fuel storage tanks shall be buried below the surface of the ground.

**2.17 NAME AND NUMBER PLATES.** A plate or sign showing the number of the residence and the name of the occupants may be placed on any lot on which a building is located at the option of the property owner in accordance with the size, location, design and type of materials approved by the Architectural Committee.

**2.18 WINDOW AIR CONDITIONING UNITS.** No window air conditioning unit shall be installed on any side of any building which faces a street.

**2.19 ANTENNAES.** No exterior antennas of any kind, including, without limitation, satellite dishes, shall be placed, allowed, or maintained upon any Real Property of the Subdivision, including any numbered Lot, without the prior written consent of the Architectural Review Committee, and if otherwise permitted by law. Satellite Dishes which are dark gray or black in color and are one meter or less in

diameter shall be allowed, but locations must be approved by the Architectural Review Committee.

2.20 **NUISANCES.** No illegal, noxious or offensive activity shall be permitted or carried on upon any part of the Real Property, nor shall anything be permitted which may be or become a nuisance, a source of embarrassment, discomfort or annoyance to the neighborhood. All property shown on the subdivision Plats is hereby declared to be a wildlife sanctuary and any hunting of any wild birds or animals is hereby prohibited.

2.21 **CONCRETE BLOCKS.** No concrete blocks or concrete bricks shall be used in the construction of any building or structure on any lot which may be visible from the exterior after grading has been completed, unless the design thereof has been approved in writing by the Architectural Committee.

2.22 **EASEMENTS.** Easements for the drainage of surface water as shown on the subdivision plats are hereby reserved by the Owner/Developer. Each owner of any property subject to said easements shall keep swales located thereon planted with grass or other ground covers, free and unobstructed and in a good state of repair and condition, and shall provide access for the installation of such culverts on such owner's property as may be reasonably required for proper drainage.

2.23 **UTILITY EASEMENTS.** The Owner/Developer hereby reserves and is given a perpetual, alienable and releasable easement for the installation of utilities, (including water, electricity, telephone, gas, cable TV and sewer lines) over, in and under a five (5') foot strip parallel to, and tangent with, all side lot lines of any lot, and over, in and under a ten (10') foot strip parallel to and tangent with all rear lot lines of any lots, as well as in and to all easements for water, gas, drainage, electricity and sewage as specifically shown on the recorded Subdivision plats. The Owner/Developer shall have the unrestricted and sole right and power of alienating, conveying and releasing the easements reserved under the terms of this paragraph. All such easements, including those designated on the subdivision plats, are and shall remain private easements. The side and rear lot line easements herein reserved and granted, in the event any Lot shall be hereafter resubdivided or replatted, as above provided, shall thereafter apply only to a lot as so resubdivided or replatted instead of applying to the lot as originally platted, except that no resubdivision or replatting shall affect easements specifically shown on the recorded Plat.

2.24 **ACCESS.** There shall be no access from any numbered lot as shown on the subdivision plats on the perimeter of the property thereon shown, except to and from designated streets and roads located exclusively within the boundary or perimeter lines of Lantern Ridge Subdivision as shown on the Subdivision Plats.

2.25 **RUBBISH REMOVAL.** All builders and the owner of each lot, improved or unimproved, shall keep the same free of tall grass, undergrowth, dead trees, dangerous and dead tree limbs, weeds, trash, and rubbish, which Lot shall at all times be maintained in such a manner as to prevent the same from becoming unsightly, unsanitary or a hazard to health, and in a neat and attractive condition. In

the event the owner of any lot fails to comply with the terms of this paragraph, the Owner/Developer and/or Homeowners' Association, shall have the right (but not the obligation) to go upon such Lot and to cut and remove tall grass, undergrowth, weeds, rubbish and any other unsightly or undesirable things and objects therefrom, and to do all other things and perform and furnish any labor necessary or desirable in its judgement to maintain the Lot in a neat and attractive condition, all at the expense of the owner of such lot, which expense shall become payable by the owner to the Owner/Developer and/or Homeowners' Association on demand. The failure of an owner of such a lot to reimburse such costs shall subject such lot to the imposition of a lien thereon for such expense to be entered in the same manner as assessments as hereinafter provided.

**2.26 STREET SIGNS. MAINTENANCE.** Property Owners of Lots agree to permit street signs, provided by Owner/Developer, to be erected on said lots nearest to the street or intersection of streets. Owner/Developer shall be responsible for the initial erection of said signs. Thereafter, individual property owners of the subdivision, or their Homeowners Association, shall be responsible for the maintenance of said signs, and the Owners of Lots upon which such signs are situated shall be responsible for the maintenance of the area surrounding the signs.

**2.27 SUBDIVISION SIGNS. MAINTENANCE.** Owner/Developer shall construct subdivision signs at the entrances to the subdivision, and shall landscape the area around said signs. Thereafter, it shall become the responsibility of the individual property owners, or the aforesaid Homeowners' Association, to maintain such signs.

**2.28 MAILBOXES.** Each lot upon which a residence has been constructed shall have a mailbox installed thereupon of a type and size specified by the Architectural Committee. Such mailbox shall be properly maintained at all times by the lot owner and shall not be altered or replaced except by a new mailbox identical to the one originally installed or otherwise approved in writing by the Architectural Committee. (See Exhibit "C" attached hereto and incorporated herein by reference.)

**2.29 UNLOADING OF HEAVY EQUIPMENT; DAMAGE TO STREET .** No builder or property owner will unload heavy equipment on paved streets, and any or builder or property owners damaging any of the streets or curbs in said subdivision will be responsible for the cost of repairing such damage.

**2.30 BOUNDARY PINS.** No property pins shall be removed by lot owners or builders and if said pins are removed, it shall be the responsibility and expense of said lot owner or builder to replace same.

**2.31 SUBDIVISION OF EXISTING LOTS.** Lots shall not be resubdivided nor shall lot lines be changed so as to decrease in either width or area any numbered lot as shown on the subdivision plat, unless approved in writing by the Architectural Committee.

**2.32 SODDED FRONT YARDS.** All yards of any numbered Lot existing between the front of a constructed dwelling on any lot and the paved street shall be sodded with a grass and in a manner approved in writing by the Architectural Committee. In the case of corner lots whereupon the dwelling thereon will be required by the Architectural Committee to face the corner of said lot, which location may result in a larger front yard than other lots in the subdivision, the Architectural Committee may, based upon the particular configurations of such corner lots, permit and approve areas smaller than the actual front yards thereof to be sodded.

**2.33 SOIL EROSION.** No builder or property owner shall allow disturbed soil to erode and be deposited in or on any streets and/or storm drains of the subdivision. Construction of silt screens shall be required and approved by the Architectural Committee and installed prior to any soil disturbance. Any expense incurred by the Owner/Developer in cleaning up any such erosion deposits from said streets and storm drains in the subdivision shall be recovered from the property owner from whose lot such erosion arose.

**2.34 SUBDIVISION STREET LIGHTS.** Property owners of lots agree to permit street lights, to be provided by Owner/Developer, to be erected on lots in the subdivision at the discretion of the Owner/Developer. Owner/Developer shall be responsible for the initial erection of said street lights. Thereafter, the individual property owners of the subdivision, or their Homeowners' Association, shall be responsible for the maintenance of said street lights, and the lot owners upon which lots said street lights are located shall be responsible for maintaining the area surrounding said street lights.

**2.35 EASEMENT MAINTENANCE.** Maintenance is required by lot owners of all easements attaching to their lot. This includes easements for natural gas, telephone, water and electrical utilities. Any damage to these easements will be the responsibility of the lot owner or builder.

**2.36 CLOTHESLINE.** No exterior clotheslines of any type shall be permitted on any numbered lot.

**2.37 ENTRY FEATURES.** Lot owners shall not alter, remove, or add improvements to any entry features constructed by Owner/Developer on any numbered lot, or any part of any easement area associated therewith without the prior written consent of the Architectural Review Committee.

**2.38 MISCELLANEOUS.** a) Provisions must be made by lot owners for off-street parking of their own automobiles and vehicles and those belonging to guests, invitees and other family members, as the parking of such automobiles and vehicles on the street right-of-way for long periods of time during the day or night will not be permitted.

b) No motorcycles, motorbikes, minibuses, go-carts or other similar vehicles shall be operated on any lot or on any common area in the subdivision.

c) No fireworks of any kind shall be stored or used on any lot or on the



common areas or on any portion of the Subdivision or any public street in the Subdivision.

d) The unpaved area in the road right of way in front of each numbered lot must be maintained by the adjoining lot owner in the same manner as such lot owner maintains such numbered lot..

e) Each lot owner is responsible for repairing damage to the paving and curb adjacent to their property caused during construction of improvements.

f) No brick face on the front of any house with siding wrapped around three sides of the house will be allowed.

### ARTICLE III

#### APPROVAL OF PLANS AND SPECIFICATIONS

**3.1 ARCHITECTURAL COMMITTEE.** For the purposes of insuring the development of the Real Property as an area with a pleasing aesthetic appearance, no building, structure, fence, wall, utility area, driveway, swimming pool or other structural improvement, regardless of size or purpose, whether attached to or detached from a main residence, shall be commenced, placed, erected or allowed to remain on any Lot, nor shall any additions to, or exterior changes in, or alterations thereto be made unless building plans and specifications covering the same, showing the nature, kind, shape, height, size, floor plans, location, materials to be used and orientation on the Real Property, together with such other information as shall be reasonably required by the Architectural Committee, shall have been submitted to and approved in writing by the Architectural Committee hereby established. Additionally, the Architectural Committee shall have all powers and authorities elsewhere conferred upon it under the terms and conditions of these Covenants.

Specifically, prior to the commencement of any construction on any numbered lot in the subdivision, each owner of such lot shall submit to the Architectural Committee, in duplicate, plans and drawings, which shall have been prepared in a one-eighth (1/8th) scale or larger, and which shall contain at a minimum the following:

- a. Floor plans
- b. Front, rear and side elevations
- c. The area of heated floor space
- d. Exterior building material to include manufacturer, color and texture
- e. Exterior color trim
- f. Roofing material, color and pitch (which shall be at least 8/12)
- g. Site plans showing foundations of all structures, walks, driveways, fences and drainage plans.

**3.2 COMMITTEE MEMBERS.** The Architectural Committee shall initially be composed of Bobby G. Sexton, Barry Griffith and Mardi Redden. In the event of the failure or inability for any reason of a member to act, or upon any resignation of a member from the Architectural Committee, the vacancy created shall be filled permanently or temporarily, as necessary, by the remaining members of the Architectural Committee.

**3.3 SUCCESSORS.** After the sale of all Real Property in the Subdivision by the Owner/Developer, and after control of the Homeowners' Association has been transferred by the Owner/Developer to a new Board of Developers comprise by property owners as provided herein, the Architectural Committee as then constituted shall, upon presentation of a request by the legally constituted Homeowners' Association resign, and said Homeowners' Association shall have the right to designate members of the Architectural Committee, and thereafter, the Architectural Committee as so designated shall succeed to all the rights, duties and powers set out herein. Provided, however, that such request shall be made in writing, and shall be accompanied by a certified copy of the appropriate governing instrument(s) of such organization and such other documents as will show the as will show the authority of the person(s) making the demands to represent the Homeowners' Association. Provided, further, that if no such demand is made within one (1) year after the sale of all lots owned by the Owner/Developer in the Subdivision, the Architectural Committee shall designate three (3) owner-residents, subject to such owner-residents' consent, who shall then serve with all powers, duties and responsibilities as set out herein, until such time as a request, as contemplated herein, shall be made by the Homeowners' Association. Prior to such time as the duties of the Architectural Committee are transferred to a Homeowners' Association as provided above, the acting Architectural Committee shall be entitled to delegate to such Homeowners' Association, or duly appointed committee thereof, any duties reserved herein unto said Architectural Committee except approval of construction of new homes.

**3.4 STANDARDS OF DISAPPROVAL.** The Architectural Committee shall have the absolute and exclusive right to refuse to approve any building plan, specification, materials, design, lot grading or landscaping plan of any thing or structure which in the opinion of the Architectural Committee are not suitable or desirable for any reason whatsoever, including purely aesthetic reasons and reasons connected with the future development plans of the Owner/Developer of contiguous lands. In passing upon such matters the Architectural Committee may take into consideration the suitability of proposed materials, the quality of proposed workmanship, harmony of external design with the surrounding neighborhood and existing structures therein, and the effect and appearance of such construction as viewed from neighboring properties.

**3.5 FAILURE TO APPROVE AND DISAPPROVE.** In the event that the Architectural Committee fails to approve or disapprove any matters within the scope of its authority within thirty (30) days after same have been submitted to it, or in any event, if no suit to enjoin such matter or thing has been commenced prior to completion or the doing of such matter or thing, such prior approval shall not be required and this Covenant shall be deemed to have been fully complied with and no suit or claim shall thereafter be available to the Architectural Committee, to the owner of any Real Property, or the Owner/Developer.

**3.6 APPLICATION TIME.** Applications for approval as required herein shall be made to the Architectural Committee or to any member thereof, and the date

of receipt of such application shall be the time for the commencement of the running of said thirty (30) days from the date of such submission.

#### ARTICLE IV

##### WAIVER OF SETBACKS, LOCATION AND SIZE OF IMPROVEMENTS ON LOTS

The Architectural Committee hereinabove constituted under the terms of Article III is hereby authorized and fully empowered by unanimous vote of all of its members to waive compliance with, approve or ratify in the construction or alteration of any building or other structure upon the Real Property, or in the use, and failure to use, any of the Real Property the subject hereof, any and all minor violations of any of the requirements set forth in these Covenants, if, in the opinion of all of the members of said Architectural Committee, the same shall be necessary to prevent undue hardships because of special circumstances attendant to the Real Property involved, and provided that such waivers do not violate any County of Anderson Ordinance. The waiver, approval or ratification by the Architectural Committee in accordance with the terms of this paragraph shall be binding upon all persons, and the powers of waiver herein conferred upon the Architectural Committee shall be construed liberally so as to affect any matters or things included within the terms and conditions of these Covenants.

#### ARTICLE V

##### AMENDMENTS AND MODIFICATIONS TO COVENANTS

5.1 **RESERVATION.** The Owner/Developer reserves and shall have the right to amend this Declaration of Covenants and Restrictions for the purpose of resolving any ambiguity in, or any inconsistency between the provisions contained herein, and to make any additional covenants and restrictions applicable to the Real Property which do not substantially alter or change the standards of the Covenants and restrictions herein contained.

5.2 **ADDITIONAL COVENANTS.** No property owner, without the prior written approval of the Owner/Developer, may impose additional covenants or restrictions on any part of the Real Property shown on the Plats of Lantern Ridge Subdivision.

#### ARTICLE VI

##### TERMS AND ENFORCEABILITY

6.1 **ENFORCEMENT.** If the Owner/Developer or its successors and assigns or grantees thereof shall violate or attempt to violate any of the Covenants

herein, it shall be lawful for any person owning any Real Property situated in Lantern Ridge Subdivision, as shown on the Subdivision Plats, or the Homeowners' Association referred to herein, to prosecute any proceedings at law or in equity against the person or persons or entity or entities violating or attempting to violate any of such covenants, either to prevent such violator from so doing, or to recover damages and other dues for such violation. Invalidation of anyone or more of these covenants by a judgment or Court Order shall in no wise affect any of the other provisions hereof which shall remain in full force and effect.

**6.2 LOAN REQUIREMENTS.** If any of these covenants shall be found to be contrary to the recommendations or policies of the Federal Housing Administration, the Veterans Administration or any other recognized institution, agency, public or private, granting or insuring loans, and shall render any Lot in said subdivision unacceptable for any such loan, the Owner/Developer shall have the authority to alter, amend or annul any such Covenants as may be necessary to make any of the Real Property herein acceptable and eligible for such loan.

**6.3 TERM OF COVENANTS.** These Covenants and restrictions, as altered, annulled and amended from time to time as provided for herein, unless released or waived as herein provided, shall be deemed covenants running with the land and shall remain in full force and effect until the first day of September, 2029, and, thereafter, these Covenants shall be automatically extended for one (1) successive period of twenty-five (25) years unless within six (6) months prior to September 1, 2029, a written agreement executed by a majority of the then owners of the Real Property shown on the subdivision plats shall be recorded in the Office of the Register of Deeds of Anderson County, South Carolina, in which written agreement any of the Covenants, restrictions, reservations and easements provided for herein may be changed, modified, waived or extinguished, in whole or in part, as to all or any part of the Real Property then subject hereto, in the manner and to the extent provided in such written agreement.

## ARTICLE VII

### DEFINITIONS

The following words when used in these Covenants or in any Supplemental Declaration shall have the following meanings unless the context in which such-terms are used shall clearly indicate to the contrary, to-wit:

**7.1 REAL PROPERTY.** "Real Property" shall refer to the numbered lots in such existing land, tenements, real estate, real properties, and future additions thereto, if any, the subject of these Covenants.

**7.2 LOT.** "Lot" shall mean and refer to any numbered plot of land shown on any recorded subdivision plat which is intended for use and occupancy as a single-family dwelling and as further defined in Paragraph 2.1 above.

**7.3 PLAT.** The term "Plat" shall mean and refer to the recorded plats of Lantern Ridge Subdivision made by Joe A. McCullough # 15179, in accordance with the date, slide and page of recording in the Register of Deeds Office for Anderson County, South Carolina, as set forth in Paragraph 1.1 above, as well as any further subdivision plats of lots in Lantern Ridge Subdivision.

**7.4 OWNER/DEVELOPER.** The term "Owner/Developer" shall mean and refer to Lantern Ridge, LLC, the present owner and developer of Lantern Ridge Subdivision, or any successors or assigns thereof in the development of the Real Property.

**7.5 HOMEOWNERS' ASSOCIATION.** The term "Homeowners' Association" shall mean and refer to the Homeowners' Association, duly and lawfully established under the laws of the State of South Carolina, as provided for in Paragraph 10.1 hereof, which shall be known as the Lantern Ridge Homeowners' Association, Inc. Exhibit "A" attached hereto, respectively, are copies of the Articles of Incorporation and By-Laws to be executed and filed by the Owner/Developer.

**7.6 COVENANTS.** The term "Covenants" shall mean and refer to the within Declaration of Covenants and Restrictions applicable to Lantern Ridge Subdivision as now or hereafter amended, modified, and extended to include additional properties.

**7.7 PARAGRAPH HEADINGS.** All "Paragraph Headings" appearing under each numbered Article or to the right of each numbered paragraph of each Article have been inserted in these Covenants for ease of reference only and are not to be construed as a part thereof.

## ARTICLE VIII

### MISCELLANEOUS

**8.1.** Names or numbers painted or otherwise placed on mailboxes and/or any other house numbers will be positioned in a professional manner, and in accordance with the specifications established and provided by the Architectural Committee.

**8.2.** The owner of the Real Property which may adjoin or abut a stream in the subdivision shall keep said owner's property trimmed, cut, and properly maintained so as to present a pleasing appearance, maintain the proper contour of the stream and prevent erosion. No trash, garbage, sewage waste water (other than surface water), rubbish, debris, ashes, or other refuse shall be deposited in the stream.

**8.3.** All garbage containers shall be placed in an inconspicuous location at the rear of the lot and mounted on a stand, screened from view and kept in a neat manner.

## ARTICLE IX

### LIMITATION OF LIABILITY

Conflicting language hereinabove to the contrary notwithstanding, any property owner may rely on the decision of the Architectural Committee, and such property owner as may act in conformance with the decision(s) of the Architectural Committee affecting his property, made upon his request to the Architectural Committee as prescribed herein, shall be presumed to be in conformity with this Declaration of Covenants unless such decision shall have been procured upon a wilful misstatement of fact. Decisions of the Owner/Developer and/or the Architectural Committee, including Supplemental Declarations of Covenants, shall also be presumed to be in conformity with this Declaration of Covenants and its scheme and design.

## ARTICLE X

### RECREATIONAL FACILITIES, COMMON AREAS AND MAINTENANCE CHARGES

10.1 The Owner/Developer will form a not-for-profit corporation to be known as "Lantern Ridge Homeowners' Association, Inc."(copies of the Articles of Incorporation and By-Laws of which are attached hereto as Exhibit "A" respectively), hereinafter referred to as "Association", which will co-own and operate any common areas of the Lantern Ridge Subdivision. The Owner/Developer will initially exercise full control over the affairs and activities of the Association until such time as the Owner/Developer shall decide to transfer control to the property owners in the subdivision, which transfer of control may occur, at the sole discretion of Owner/Developer, prior to the sale of all lots in the subdivision by the Owner/Developer, at which time control of said Association may be transferred to a new Board of Directors to be elected by the property owners in the subdivision. The new Board of Directors will, at the time of transfer of control of such Homeowners' Association from Owner/Developer, accept possession of all facilities of the Association in their then condition. The owner of every lot located in the subdivision known as Lantern Ridge, including all phases of the existing and future development of land now owned or which may hereafter be acquired by the Owner/Developer, which the Owner/Developer may elect to include as a part of Lantern Ridge Subdivision, shall be entitled to membership in the Association, upon complying with the rules and regulations concerning the use and enjoyment thereof and the covenants and restrictions of said subdivision. When the Owner/Developer elects to divest itself of control and authority for the operation of the Association, as provided herein, a new Board of Directors of such Association shall be formed by election from among the property owners of the subdivision. The membership of the Association will consist of the owners of numbered lots in Lantern Ridge Subdivision according to the recorded plats in connection therewith. There shall be one (1) vote for each lot whether owned singularly or as a tenants in common and regardless of the number of lots used to create one residence, except as hereinafter provided. The Owner/Developer shall be entitled at all times in connection with such "Lantern Ridge

Homeowner's Association, Inc." to have two (2) votes for each lot it continues to own in the subdivision. At such time as the Owner/Developer determines that it will divest itself of control of such Association, as provided herein, it will cause an election to be held by the above referred to lot owners entitled to vote for a new Board of Directors of such Association to be formed. Thereafter, the Association shall be operated in accordance with its Bylaws by its new Board of Directors and members who shall consist of lot owners in Lantern Ridge Subdivision. Voting rights, as well as rights to use the recreational facilities, shall be subject to the Bylaws of the Association. Membership in the Homeowner's Association facilities shall be appurtenant to and may not be separated from ownership of the property which is subject to assessments as hereinafter provided. An owner of up to two (2) numbered lots in the subdivision, other than the Owner/Developer, which lots shall be contiguous to one another, shall be entitled to only one (1) vote as aforesaid. Owners, other than Owner/Developer of two (2) or more lots not contiguous with one another shall be entitled to one (1) vote per lot.

10.2 All numbered lots on the recorded plats of Lantern Ridge Subdivision shall be subject to an annual maintenance charge or assessment which shall be hereby established at an initial rate of Two Hundred (\$200.00) Dollars per year, based upon a calendar year. The first full annual assessment in the amount of Two Hundred (\$200.00) Dollars shall be due and payable in advance on the January 1 st next following the date of closing of or purchase of a lot in such subdivision and thereafter shall be due and payable in advance on each and every succeeding January 1. When a Grantee of a lot in the subdivision obtained from the Owner/Developer hereafter takes title to a lot in the subdivision such Grantee shall pay unto the Owner/Developer, or the Association if then in existence, a proportional share of the annual assessment then in effect for that calendar year, to be calculated from the date of closing of such sale to the end of such calendar year, such amount to be due and collected at such closing. Special assessments may be determined necessary from time to time by the Owner/Developer, or the Association when established, to cover expenses in excess of the proceeds derived from the annual assessment referred to above. The initial annual assessment established herein shall remain effective in such amount for a period of one (1) year after the date this instrument is executed. Thereafter, the annual assessment amount shall remain the same until it is increased, decreased or discontinued, as from time to time may be determined by the Owner/Developer, or Association when established. Any special assessment found necessary to carry out the purposes of these covenants by the Owner/Developer, or Association when established, shall be due and payable when invoiced to the lot owners. The amount so paid by the lot owners shall be administered by the Owner/Developer, and thereafter by the Association when formed, and may be used for the functions hereinafter set forth, and it is expressly stipulated that the Owner/Developer or the Association has the power to perform any and all said functions but that they are under no duty to perform or discontinue to perform at any time any of the functions, to-wit:

a. For the payment of the necessary expenses for the operation of said Association; and,

b. For improving, cleaning and maintaining the common areas in the

subdivision including any detention ponds which may be deeded by the Owner/Developer to aforementioned Association; and,

c. For caring for vacant and unattended land, if any, within the subdivision, removing grass and weeds therefrom and doing any other thing necessary and desirable in the opinion of the Owner/Developer, or the Officers of the Association, for keeping such property neat and in good order for the general benefit of the property owners in said subdivision; and,

d. For payment of expenses incidental to maintaining street lights, any entrance lighting and subdivision signs; and,

e. For any expense incident to the enforcement of these protective covenants and restrictions; and,

f. For such other purposes as in the opinion of the Owner/Developer, or the Officers of the Association, may be necessary for the general benefit of the property owners in the subdivision including, but not limited to, procurance of a Premises Liability Insurance policy for the common areas and recreational areas of the subdivision.

**10.3 The annual and special assessments referred to hereinabove shall constitute a lien upon all lots or portion of lots owned in the subdivision. Any assessment not paid within thirty (30) days after the due date thereof shall bear interest from the due date at the legal rate of interest provided by the Statute Laws of the State of South Carolina on Judgments. The acceptance hereafter of a deed by a Grantee to a lot in the subdivision shall be construed to be a covenant by the Grantee to abide by the provisions hereof and to pay said assessments, which assessments shall run with the land and be binding upon said Grantee, the Grantee's successors, heirs and assigns, forever. No person or entity may waive or otherwise escape liability for such assessments hereunder by virtue of alleged non-use of the common areas and facilities of the Association or abandonment of property in the subdivision.**

**10.4 Once established and when operated by the lot owners in the subdivision, the Association shall have the right to suspend the voting rights for any period in which any assessment on such lot owner's property remains unpaid; and for a period not to exceed sixty (60) days for any infraction of the Association's published rules and regulations. In addition, the Association shall have the right to enforce by any proceeding at law or in equity all restrictions, conditions, covenants, reservations, liens or charges now or hereafter imposed by this instrument. In the event of non-payment of any assessment as set forth herein by any lot owner in the subdivision the Association may bring an action at law for judgment against the owner of such lot personally obligated to pay the same and/or foreclose a lien against such lot in the same manner that a real estate mortgage is foreclosed, and interest, costs and reasonable attorney's fees shall be added to the amount of such assessment to be collected from such lot owner. Until such Association is formed, the Owner/Developer shall have the rights reserved unto the Association as aforesaid. The lien of the Owner/Developer, or Association when formed, against a lot in the subdivision must be**



established by, and shall be effective from the time of filing of a Notice of Lis Pendens in the Register of Deeds Office for Anderson County. Failure by the Owner/Developer, the Association, or any lot owner, to enforce any covenant or restriction or lien herein contained shall in no event be deemed a waiver of the right to do so.

10.5 The lien or me assessments provided for herein shall be subordinate to the lien of any mortgage or lien of any laborers, contractors, or materialmen furnishing labor and materials in connection with the construction of improvements located on any lot in the subdivision, unless prior to the filing thereof a Notice of Lis Pendens has been filed by the Owner/Developer or Association for foreclosure due to non-payment of such assessments. Sale or transfer of any lot shall not affect the assessment lien; however, the sale or transfer of any lot pursuant to foreclosure of a mortgage or materialmen's or mechanic's lien or any proceeding in lieu thereof shall extinguish the lien of such assessment as to payment which became due prior to such sale or transfer unless prior to commencement of said action a Notice of Lis Pendens had been filed by the Owner/Developer or Association to enforce the collection of any assessment charges that shall become payable after the acquisition of title by a subsequent bonafide purchaser for value.

10.6 The annual or special assessments provided herein to be levied by the Owner/Developer, or the Association when formed, shall not apply to any lot so long as it is wholly owned or partially owned by Lantern Ridge, LLC. Further, in this regard, in the event a lot in the subdivision is sold to a licensed builder for construction of a dwelling for resale thereby, then, in such event, such builder shall have a grace period during such builder's ownership, up to one (1) year after such builder's execution of a contract to purchase such lot from the Owner/Developer, before being required to commence payment of such assessments.

10.7 As used herein, the term Owner/Developer shall mean Lantern Ridge, LLC, its successors or assigns.

10.8 The agent or employees of the Owner/Developer, or the Association when formed, shall be hereby authorized to enter upon any lot for the carrying out of any function set forth above.

10.9 The Owner/Developer specifically reserves the right to have access to and make use of any and all common areas of the subdivision, so long as the Owner/Developer continues to own lots in Lantern Ridge Subdivision and to extend the right to make use thereof to prospective purchasers of lots in said subdivision from said Owner/Developer.

IN WITNESS WHEREOF, the undersigned Owner/Developer, of Lantern Ridge Subdivision, has caused this Declaration of Covenants and Restrictions to be executed this date and year first above written.

IN THE PRESENCE OF:

LANTERN RIDGE, LLC, A SOUTH CAROLINA LIMITED LIABILITY COMPANY

Donna Holmes  
WITNESS

BY: Bobby G. Sexton  
Bobby G. Sexton

Jackie Donahue  
WITNESS

ITS: Manager/Member

STATE OF SOUTH CAROLINA

COUNTY OF ANDERSON

PERSONALLY appeared before me the undersigned witness, who after being duly sworn, states that (s)he saw the within named **LANTERN RIDGE, LLC**, by its duly authorized and acting Members, sign, seal and as its act and deed deliver the within written Declaration of Covenants and Restrictions for Lantern Ridge Subdivision, and that (s)he with the other witness subscribed above, witnessed the execution thereof.

SWORN t before me this 14<sup>th</sup>  
Day of September, 2004

Donna Holmes  
\_\_\_\_\_

Mardi Rudder  
Notary Public for South Carolina  
My Commission Expires:

**Exhibit "A"**

**BY-LAWS FOR  
LANTERN RIDGE HOMEOWNERS' ASSOCIATION, INC.**

**INDEX**

<b>ARTICLE I:</b>	<b>NAME AND LOCATION</b>
<b>ARTICLE II:</b>	<b>DEFINITIONS</b>
<b>ARTICLE III:</b>	<b>MEMBERSHIP AND VOTING RIGHTS</b>
<b>ARTICLE IV:</b>	<b>PURPOSES AND POWERS</b>
<b>ARTICLE V:</b>	<b>BOARD OF DIRECTORS</b>
<b>ARTICLE VI:</b>	<b>OFFICIERS</b>
<b>ARTICLE VII:</b>	<b>FINANCES</b>
<b>ARTICLE VIII:</b>	<b>MAINTENANCE AND IMPROVEMENTS</b>
<b>ARTICLE IX:</b>	<b>LIABILITY AND INDEMNIFICATION</b>
<b>ARTICLE X:</b>	<b>ATTESTATION AND CERTIFICATION</b>
<b>ARTICLE XI:</b>	<b>AMENDMENTS</b>
<b>ARTICLE XII:</b>	<b>MISCELLANEOUS</b>

**ARTICLE I**  
**NAME AND LOCATION**

The name of the corporation is **Lantern Ridge River Homeowners' Association, Inc.** (hereinafter referred to as the "Association"). Meetings of Members and Directors may be held at such places within the State of South Carolina as may be designated by the Board of Directors.

**ARTICLE II**  
**DEFINITIONS**

The following words and terms, when used in these By-laws or any supplemental set of By-laws (unless the context shall clearly indicate otherwise), shall have the following meanings:

- a. "Association" shall mean and refer to **Lantern Ridge Homeowners' Association, Inc.**, a South Carolina Nonprofit Corporation, its successors and assigns.
- b. "Board" shall mean the Board of Directors of the Association.
- c. "Common Properties" shall mean or refer to those areas of land with any improvements thereon that may be designated as common properties on plats filed for record in the Register of Deeds Office for Anderson County, South Carolina, or which may be deeded to the Association.
- d. "Covenants" shall mean and refer to the Declaration of Covenants and Restrictions applicable to the Properties recorded in the real estate records in the Register of Deeds Office for Anderson County, South Carolina, entitled, "Declaration of Covenants and Restrictions for **Lantern Ridge Subdivision**," and any supplemental covenants and restrictions that affect the Properties, and any amendments to said covenants and restrictions. .
- e. "Developer" shall mean and refer to **Lantern Ridge Properties, LLC**, its successors and assigns.
- f. "Lot" shall mean and refer to any numbered residential parcel of land as shown upon a recorded plat.
- g. "Member" shall mean and refer to those Owners who are Members of the Association as provided in the Covenants.
- h. "Owner" shall mean and refer to the record owner, whether one or more persons, firms, associations, corporations, partnerships or other legal entities of

the fee simple title to any Lot, but notwithstanding any applicable theory of a mortgage, shall not mean or refer to the mortgagee unless or until such mortgagee has acquired title pursuant to foreclosure proceedings or any proceedings in lieu of foreclosure, nor shall the term "Owner" mean or refer to any Lessee or Tenant of an Owner.

- i. "Plat(s)" shall mean and refer to the plats described in the Declaration of Covenants and Restrictions for **Lantern Ridge Subdivision** (as applied to all phases of said subdivision) and such additions thereto as are subjected to the Covenants or any Supplemental covenants.
- j. "Properties" shall mean and refer to the property described in the Declaration of Covenants and Restrictions for **Lantern Ridge Subdivision** (as applied to all phases of said subdivision) and such additions thereto as are subjected to the Covenants or any Supplemental covenants.

### **ARTICLE III** **MEMBERSHIP AND VOTING RIGHTS**

**Section 1. Membership.** Membership in the Association and voting rights shall be as set forth in the Covenants.

**Section 2. Assessments.** The rights of membership are subject to the payment of annual and special assessments levied by the Association, the obligation of which is imposed against each owner and becomes a lien upon the property against which such assessments are made.

**Section 3. Suspension of Membership Rights.** The membership rights of any person whose interest in the Properties is subject to assessments, whether or not he/she/it be personally obligated to pay such assessments, will be suspended by action of the Directors during the period when the assessments remain unpaid; but, upon payment of such assessments, his/her/its rights and privileges shall be automatically restored.

**Section 4. Quorum.** The presence at the meeting of Members, or of proxies, entitled to cast fifty- one percent of the total vote of the membership shall constitute a quorum for the transaction of business at meetings of the Association. Unless otherwise provided herein, a majority of the votes cast at such meeting shall be the vote required to adopt decisions. Any absent Member who does not execute and return the proxy form sent to him/her/it in the mailing referred to in Section 5 of this Article III shall be deemed to be present for the purposes of determining the presence of a quorum.

**Section 5. Voting.** There shall be one (1) vote for each lot whether owned singularly or as tenants in common and regardless of the number of lots used to create one residence, except as hereinafter provided. The Owner/Developer shall be entitled at all

times in connection with such "**Lantern Ridge Homeowner's Association, Inc.**" to have two (2) votes for each lot it continues to own in the subdivision. An owner of up to two (2) numbered lots in the subdivision, other than the Owner/Developer, which lots shall be contiguous to one another, shall be entitled to only one (1) vote as aforesaid Owners, other than Owner/Developer of two (2) or more lots not contiguous with one another shall be entitled to one (1) vote per lot. The vote required to adopt decisions shall be as set out in Section 4 of this Article III above. Votes can be cast only at meetings of the Association convened in accordance with the By-Laws, and in the absence of a valid proxy, an individual shall act in his own behalf, a corporation shall act by any officer, a partnership shall act by any general partner, an association shall act by any associate, a trust shall act by any trustee, and any other legal entity shall act by any managing agent. The failure of an absent Member to execute and return the proxy form sent to him in the mailing referred to in Section 6 of this Article III shall constitute a proxy to and for the majority present and voting. When a Member consists of two or more persons, anyone of such persons shall be deemed authorized to act for all in taking any action on behalf of such Member unless another owner objects and in case of disagreement among co-owners as to the vote, the vote which such co-owners may be entitled to cast may not be voted.

Section 6. Proxies. Any member may, by written proxy, designate an agent to cast said Member's vote. Unless a proxy states otherwise, it shall be deemed to confer the authority to execute consents and waivers and to exercise the right to examine the books and records of the Association. A proxy may be revocable or irrevocable but shall be deemed revocable at will unless it states otherwise. No proxy shall be honored until delivered to the Secretary of the Association. If at least ten (10) days prior to a duly called meeting, a member is informed by first-class U.S. mail or hand delivery by placing the notice in the Member's mailbox of (1) the time and place of the meeting, (2) the agenda for the meeting, and (3) such data as is then available relative to issues on which there will be a vote, and a proxy form is included in such mailing, and the Member neither attends the meeting nor returns an executed proxy, then such Member shall be deemed to have given his/her/its proxy to and for the majority present and voting.

Section 7. Consents. Any action which may be taken by a vote of the Members may also be taken by written consent to such action signed by all Members.

Section 8. Initial Control. The Developer will initially exercise full control over the affairs and activities of the Association under Article X of the Covenants, until such time as the Developer convenes a meeting of Members of the Association for the purpose of transferring control of the Association to the Board of Directors as set forth in the Covenants.

Section 9. Annual Meetings. The annual meeting of the Association shall be held on a date determined by the Association. Any business which is appropriate for action of the Members may be transacted at an annual meeting.

**Section 10. Special Meetings.** Special Meetings of the Association may be called at any time by the President of the Association or by a majority of the Board of Directors and shall be called upon the written request of a majority of the Members. Only such business as is stated in the notice of meeting shall be transacted at a special meeting.

**Section 11. Notice of Meetings.** Written notice of every annual or special meeting of the Association stating the time, date and place of the meeting and in the case of a special meeting, the business proposed to be transacted, shall be given to every Member not fewer than ten (10) nor more than forty-five (45) days in advance of the meeting. Notice may be given by first-class U.S. Mail or by hand delivery by placing the notice in the Member's mailbox. Failure to give proper notice of a meeting of the Members shall not invalidate any action taken at the meeting unless (1) a Member who was present but was not given proper notice objects at the meeting, in which case the matter objected to shall not be taken up; or (2) a Member who is not present and was not given proper notice objects in writing to the lack of proper notice within thirty (30) days following presentation of the minutes of such meeting to all Members in the meeting, in which case the action objected to shall be void.

**Section 12. Waiver of Notice.** Waiver of notice of a meeting of the Association shall be deemed the equivalent of proper notice. Any member may, in writing, waive notice of any meeting either before or after the meeting. Attendance at a meeting by a Member, whether in person or by proxy, shall be deemed a waiver by the member of notice of the time, date and place of meeting unless the Member objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed a waiver of notice of all business transacted unless objection to lack of notice is raised before the business of which proper notice was not given is put to a vote.

**Section 13. Place of Meeting.** All meetings of the Association shall be held at such convenient place as the Board of Directors may direct.

**Section 14. Adjournment.** Any meeting of the Association may be adjourned from time to time for a period not exceeding forty-eight (48) hours by vote of Members holding a majority of the vote represented at such meeting, regardless of whether a quorum is present.

**Section 15. Order of Business.** The order of business at all meetings of the Association shall be as follows:

- a. Roll call;
- b. Proof of proper notice of the meeting or waiver of notice;
- c. Reading of the minutes of the preceding meeting (unless waived by majority of those present);
- d. Report of the Board of Directors;
- e. Reports of officers;
- f. Reports of committees (if applicable);

- g. Election of Directors (when required);
- h. Unfinished business, and,
- i. New business.

**Section 16. Minutes of Meeting.** The Secretary of the Association shall prepare and keep, or cause to be prepared and kept, accurate minutes of every meeting of the Association. The minutes shall be made available for examination and copying by a Member at any reasonable time. (Minutes of each meeting shall be distributed to all Members by the Board of Directors following completion thereof.)

#### **ARTICLE IV** **PURPOSES AND POWERS**

**Section 1. Purpose** The Association has been organized to provide a vehicle to assure, through assessments, that the Properties known as "**Lantern Ridge Subdivision**" (all phases) shall be maintained in an attractive, sightly condition and to provide certain other benefits for its Members as set forth in the Covenants. Specific obligations of the Association are to collect assessments for the maintenance of all Association and common properties and to provide benefits to the owners of all lots therein.

**Section 2. Additions to Properties and Membership.** Additions to the Properties shown on the Plats may be made as provided in the Covenants. Such additions, when properly made under the applicable Covenants, shall extend the jurisdiction, functions, duties and membership of the Corporation to such properties.

#### **ARTICLE V** **BOARD OF DIRECTORS**

**Section 1. Form of Administration.** The Association shall act by and through its Board of Directors.

**Section 2. Authorities and Duties.** The Board of Directors shall provide for the following:

- a. The maintenance, repair and replacement of the common properties and the designation and dismissal of the personnel necessary to accomplish the same;
- b. The collection of assessments from the Members;
- c. The procuring and keeping in force of insurance on the common properties, if desired by the Board, and the adjustment (including the execution and delivery of releases upon payment) of claims against such policies as are obtained; insurance on permanent buildings in an amount equal to the replacement cost thereof shall be obligatory;
- d. The enactment of reasonable regulations governing the operation and use of the common properties, including any necessary "house rules" (it shall not be necessary to record regulations newly adopted or the amendment or



- repeal of existing regulations, but no Member shall be bound by any newly adopted regulation or any amendment or repeal of an existing regulation until a copy of the regulation has been delivered to him/her/it);
- e. The enforcement of the terms of the Covenants; these By-Laws, and any regulations promulgated pursuant to the By-Laws;
  - f. The administration of the Association on behalf and for the benefit of all Members; and,
  - g. To do the things listed in Article IV, Section 1.

**Section 3. Qualification.** Only an individual who is a Member or who together with another person or persons is a Member, or who is an officer of a corporation, a general partner of a partnership, an associate of an association, a trustee of a trust, or a managing agent of any other legal entity which is a Member or which together with another person or persons is a Member, may be elected and serve or continue to serve as a Director of the Association.

**Section 4. Election and Term.** At the meeting of Members at which the Developer relinquishes control of the Association to the Members, the Members shall elect at least three (3) Directors, for a term of two (2) years, and the Board shall thereafter consist of at least three (3) Directors. At each subsequent annual meeting, Directors shall be elected for two (2) year terms to succeed the Directors whose terms expire at the meeting. A plurality of the votes cast shall be sufficient to elect a Director in any election. A Director may be elected to succeed himself/herself/itself, and a Director shall be deemed to continue in office until his/her/its successor has been elected and has assumed office. The Developer shall have the right to appoint and to elect no less than a majority of the membership of the Board so long as the Developer owns a majority of Lots bound by the Covenants.

**Section 5. Removal.** A Director may be removed from office with or without cause by a majority vote of the Members.

**Section 6. Vacancies.** Any vacancy on the Board of Directors shall be filled by appointment by the majority of the remaining Directors, and the new Director shall serve for the unexpired term of his/her/its predecessor. In the event a majority is unable to agree as to the appointment of a new Director, the Developer shall be empowered to fill such vacancy for so long as it is entitled to elect no less than a majority of the Board. Any vacancy that remains unfilled at the time of an annual meeting shall be filled by a vote of the Members.

**Section 7. Voting.** Each Director shall have one vote on all matters acted upon by the Board of Directors. The affirmative vote of a majority of Directors on the Board shall be sufficient for any action unless otherwise specified in these By-Laws.

**Section 8. Quorum.** All Directors shall constitute a quorum for the transaction of business of the Board.

**Section 9. Consents.** Any action which may be taken by a vote of the Board of Directors may also be taken by written consent to such action signed by all Directors.

**Section 10. Annual Meetings.** An annual meeting of the Board of Directors shall be held during each fiscal year within thirty days preceding the annual meeting of the Association. Any business which is appropriate for action of the Board of Directors may be transacted at an annual meeting, including, but not limited to:

- a) Approval of a budget for the fiscal year
- b) Determination of the Annual Assessment and the date upon which it is due and payable;
- c) Determination of the date of the next annual meeting.

**Section 11. Regular Meetings.** Regular meetings of the Board of Directors shall be held at such times, dates and places as the Board of Directors may determine from time to time. Any business which is appropriate for action by the Board of Directors may be transacted at a regular meeting. Regular meetings shall not be held less frequently than quarterly.

**Section 12. Special Meetings.** Special meetings of the Board of Directors may be called from time to time by the President of the Association or upon written request of at least two of the Directors. Only such business as is stated in the notice of meeting shall be transacted at a special meeting unless all Directors waive notice of any additional business.

**Section 13. Notice of Meetings.** Written notice of every meeting of the Board of Directors stating the time, date and place of the meeting and, in the case of a special meeting, the business proposed to be transacted, shall be given to every Director not fewer than ten (10) nor more than forty-five (45) days in advance of the meeting. Notice may be given by first class U.S. Mail or by hand delivery by placing the notice in the Director's mailbox. Failure to give proper notice of a meeting of the Board of Directors shall not invalidate any action taken at the meeting unless (1) a Director who was present but was not given proper notice objects at the meeting, in which case the matter objected to shall not be taken up, or (2) a Director who is not present and was not given proper notice objects in writing to the lack of proper notice within thirty (30) days following the minutes being presented to said member of such meeting, in which case the action objected to shall be void.

**Section 14. Waiver of Notice.** Waiver of notice of a meeting of the Board of Directors shall be deemed the equivalent of proper notice. Any Director may, in writing, waive notice of any meeting of the Board of Directors either before or after the meeting. Attendance at a meeting by a Director shall be deemed a waiver by the Director of notice of the time, date and place of the meeting unless such Director objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed a waiver of notice of all business transacted unless objection to lack of notice is raised before the business of which proper notice was not given is put to a vote.

**Section 15. Place of Meeting.** All meetings of the Board of Directors shall be held at such convenient place as the Board may select. Meetings may be conducted by

telephone if all Directors consent.

**Section 16. Minutes of meetings.** The Secretary of the Association shall prepare and keep, or cause to be prepared and kept, accurate minutes of every meeting of the Board of Directors. A copy of the minutes shall be distributed to each Director within thirty (30) days following each meeting and all minutes shall be made available for examination and copying by any Member at any reasonable time.

**Section 17. Compensation.** The Directors may receive no compensation but shall be entitled to reimbursement by the association for expenses incurred in the conduct of their duties.

## **ARTICLE VI** **OFFICERS**

**Section 1. Designation.** The Association shall have a President, a Vice President (optional), a Secretary and a Treasurer. The offices of Secretary and Treasurer may be filled by the same individual and the combined office referred to as Secretary-Treasurer. The officers shall have the authority, powers, duties and responsibilities provided by these By-Laws, or to the extent not so provided, by the Board of Directors.

**Section 2. Qualifications.** Only Directors may be elected and serve as officers.

**Section 3. Election and Term.** Officers of the Association shall be elected at the first regular meeting of the Board of Directors following the annual meeting of the Members of the Association and at such other times as may be required to fill vacancies in any office. All officers shall serve until their successors have been elected and assumed office unless sooner removed as hereinafter provided. An Officer may be re-elected to any number of terms.

**Section 4. Removal.** Any officer may be removed from office at any time with or without cause by a majority vote of the Board of Directors.

**Section 5. President.** The President shall be the Chief Executive Officer of the Association. He/she/it shall preside at all meetings of the Association and of the Board of Directors, and shall have all of the general powers and duties which are usually vested in a corporate president, including but not limited to, the power to appoint committees from among Members from time to time as the President may in his/her/its discretion deems appropriate to assist in the conduct of the affairs of the Association.

**Section 6. Vice President.** The Vice President shall take the place and perform the duties of the President whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be

imposed upon him/her/it by the Board of Directors.

**Section 7. Secretary.** The Secretary shall prepare and keep, or cause to be prepared and kept, the minutes of all meetings of the Members and of the Board of Directors, and shall have charge of such books and papers as the Board of Directors may direct.

**Section 8. Treasurer.** The Treasurer shall have custody of and responsibility for Association funds and securities and shall keep the financial records and books of account belonging to the Association.

**Section 9. Compensation.** No officers may receive compensation but shall be entitled to reimbursement by the Association for expenses incurred in the conduct of their duties.

## **ARTICLE VII** **FINANCES**

**Section 1. Fiscal Year.** The fiscal year of the Association shall be determined by the Association.

**Section 2. Budget.** The Board of Directors shall prepare and submit, or cause to be prepared and submitted, to the Members at their annual meeting a proposed budget for the Association for the fiscal year. The budget shall set forth with particularity the anticipated common expenses for the fiscal year and the amount of money needed to establish reasonable reserves for the payment of common expenses and contingencies.

**Section 3. Approval of Budget.** The proposed budget, as it may be amended upon motion by any Member, shall be submitted to a vote of the Members and when approved shall become the budget of the Association for the fiscal year. The terms of the Budget shall be binding upon the Board of Directors unless and until such terms are amended by action of the Members.

**Section 4. Annual Assessments.** The funds required by the Budget shall be collected from the Members in annual assessments, and the annual Assessments shall be payable as and when determined by the Association.

**Section 5. Special Assessments.** The funds required from time to time to pay any common expenses which are not covered by the Budget but which are approved by the Members shall be collected from all Members by the Board of Directors in such installments (Special Assessments) as the Members shall determine.

**Section 6. Collection.** Members shall be personally liable for all assessments and shall pay the same promptly when due. The Board of Directors shall take prompt action to collect by suit, foreclosure or other lawful method any overdue assessment. If any overdue assessment is collected by an attorney or by action at law, the Member owing

the same shall be required to pay all reasonable costs of collection, including attorney's fees.

**Section 7. Penalty.** An assessment not paid within fifteen days following the date when due shall bear a penalty of Five (\$5.00) Dollars plus two (2%) percent of the assessment per month from the date when due. The penalty shall be added to and collected in the same manner as the assessment.

**Section 8. Accounts.** After the Owner/Developer divests itself of control and authority for the operation of the Association, the Board of Directors shall maintain on behalf of the Association a checking account with a federally chartered bank in South Carolina. The Board of Directors may also maintain on behalf of the Association an interest-bearing savings account with a federally chartered bank, savings and loan association, or building and loan association. All funds of the Association shall be promptly deposited in one of said accounts, except that the Board of Directors may maintain a petty cash fund of not more than fifty (\$50.00) Dollars for payment of minor current expenses of the Association. The books and records relating to any account of the Association shall be made available for examination and copying by any Member at any reasonable time.

**Section 9. Payments.** The Board of Directors shall provide for payment of all debts of the Association from the funds collected from the Association. Expenditures specifically approved in the budget may be paid without further approval unless the Board of Directors shall otherwise determine. All other expenditures which are in excess of fifty (\$50.00) Dollars shall be reviewed and approved by the President or the Board of Directors before payment is made. All checks and requests for withdrawals drawn upon any account of the Association shall be signed by the President or the Treasurer or by any officer of the Association designated by the Board of Directors.

## **ARTICLE VIII**

### **MAINTENANCE AND IMPROVEMENTS**

**Section 1. Insurance.** Insurance policies upon the common properties covering the items described below, may be purchased by the Board of the Association for the benefit of the Association, and the Members and any mortgagees, as their interests may appear. Provision shall be made for the issuance of certificates of insurance. Such policies and endorsements shall be deposited with and held by the Secretary of the Board.

**Section 2. Coverage.** Insurance shall cover the following when available:

- a. Public liability in a minimum sum that the Board of Directors may from time to time determine to be desirable which insurance shall also cover the Board of Directors;
- b. Workmen's compensation (if required); and
- c. Such other insurance as the Board of Directors may from time to time

determine to be desirable.

**Section 3. Premiums and Deductibles.** Premiums upon insurance policies and that portion of any covered loss not compensated for because of the Loss deductible clause of the policy shall be paid by the Association as a common expense, but charged to Members as a portion of annual assessments.

**Section 4. Proceeds.** The proceeds received by the Association from any indemnity paid under a hazard insurance policy shall be held by the Board of Directors. After deduction of all reasonable expenses of the Board in administering such proceeds, the net proceeds shall be used to repair the damages for which claim was made under the policy.

## **ARTICLE IX** **LIABILITY AND INDEMNIFICATION**

**Section 1. Liability of the Association.** No Member shall be liable for a greater fraction of a debt or liability of the Association than represented by the assessments payable by such Member. All business correspondence of the Association and all contracts executed by the Association shall contain the following statement:

**"Lantern Ridge Homeowners' Association, Inc. is a nonprofit Corporation established pursuant to the laws of the State of South Carolina. No Member thereof shall be liable for a greater fraction of a debt or liability of the Association than represented by the assessments payable by the Member."**

**Section 2. Liability of Directors and Officers.** No Director or Officer of the Association shall be liable to any Member for any decision, action, or omission made or performed by such Director or Officer in the course of his/her/its duties unless such Director or Officer acted in bad faith or in reckless disregard of the rights of any person or of the terms of the Covenants or these By-Laws.

**Section 3. Indemnification of Directors and Officers.** The Association shall indemnify and defend each Director and Officer of the Association from any liability claimed or imposed against him/her/it by reason of his/her/its position or decision, action or omission as a Director or an Officer of the Association if all of the following conditions are satisfied:

- a. Such Director or Officer is not required to bear such liability by the terms of the Covenants, the laws of South Carolina or these By-Laws;
- b. Such Director or Officer gives the Association adequate notice of the claim or imposition of liability to permit the Association reasonable opportunity to defend against the same; and
- c. Such Director or Officer cooperates with the Association in defending against the claim.

**ARTICLE X**  
**ATTESTATION AND CERTIFICATION**

**Section 1. Attestation of Documents.** The presence of the signature of the Secretary of the Association on any contract, conveyance, or any other document executed on behalf of the Association by another Officer of the Association, shall attest:

- a. That the Officer of the Association executing the document does in fact occupy the official position indicated, that one in such position is duly authorized to execute the document on behalf of the Association, and that the signature of the Officer subscribed on the document is genuine; and
- b. That the execution of the document on behalf of the Association has been duly authorized. .

**Section 2. Certification of Documents.** When any document relating to the Properties or the Association is certified as authentic by the Secretary of the Association, a third party without knowledge or reason to know to the contrary may rely on such document as being what it purports to be.

**Section 3. Certification of Actions and Facts.** When there is executed by the Secretary a written statement setting forth (i) actions taken by the Association or by the Board of Directors, or (ii) facts relating to the Properties or the Association as determined by the Board of Directors, a third party without knowledge or reason to know to the contrary may rely on such statement as factually true and correct.

**ARTICLE XI**  
**ADMENDMENTS**

These By-Laws may be amended or repealed and new By-Laws adopted at a regular or special meeting of the Members, by a majority of the vote present at a duly called meeting being cast in favor of such amendment, except that any matter stated herein which is in fact governed by the Covenants, may not be amended except as provided in the Covenants.

**ARTICLE XII**  
**MISCELLANEOUS**

**Section 1. Record of Ownership.** Any person who acquires title to a Lot (unless merely as security for a debt) shall promptly inform the Board of Directors of his/her/its identity and the date upon and the manner in which title was acquired. The Board of Directors shall maintain a record of the names and addresses of all Members and of the dates upon which they acquired title to their Lots. Such notices shall be furnished to the Directors at the Registered Office as represented in-the Articles of Incorporation, or any amendment thereof.

**Section 2. Notices.** Any notices or documents placed in the mail receptacle or affixed to the front door of the dwelling on any Lot by or at the direction of the Board of Directors shall be deemed delivered to the Member of such Lot unless he/she/it has previously specified to the Board of Directors, in writing, another address for delivery of notices and documents. Any notice or document addressed to the Board of Directors and delivered to any Director by or at the direction of a Member shall be deemed delivered to the Board of Directors.

**Section 3. Waiver.** No provision of the By-Laws or the regulations shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.

**Section 4. Conflicts.** In the event of any conflict between the By-Laws and the Covenants, the Covenants shall control. In the event of a conflict between the By-Laws and the regulations, the By-Laws shall control.

**Section 5. Severability.** The provisions of the By-Laws are severable, and the invalidity of one or more provisions shall not be deemed to impair or affect in any manner the enforceability or effect of the remainder.

**Section 6. Captions.** Captions are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of the By-Laws or the intent of any provision.

**Section 7. Gender and Number.** All pronouns shall be deemed to include the masculine, the feminine and the neuter, and the singular shall include the plural, and vice versa, whenever the context requires or permits.

**Section 8. Rules of Order.** All meetings of the membership and of the Board of Directors shall be conducted in accordance with Roberts Rules of Order, Revised.



ORIGINAL POOR QUALITY

# LANTERN RIDGE TYPES OF FENCES

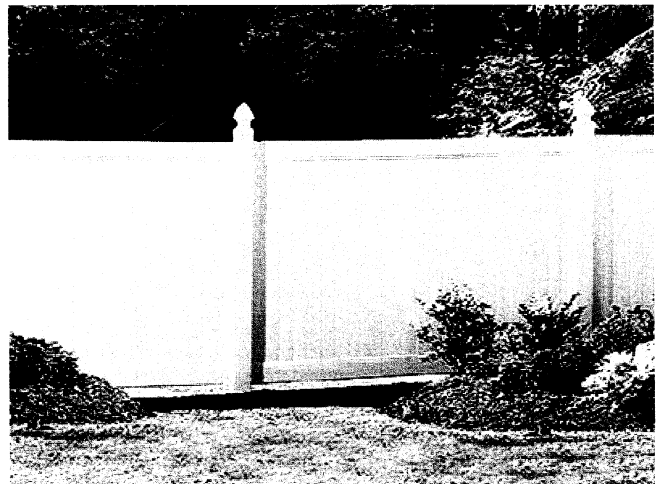
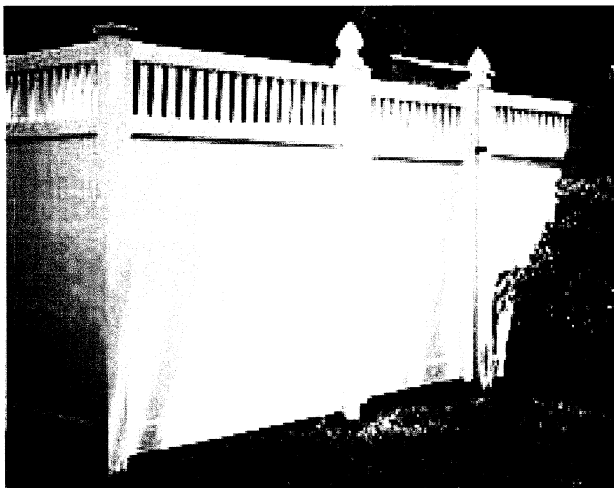
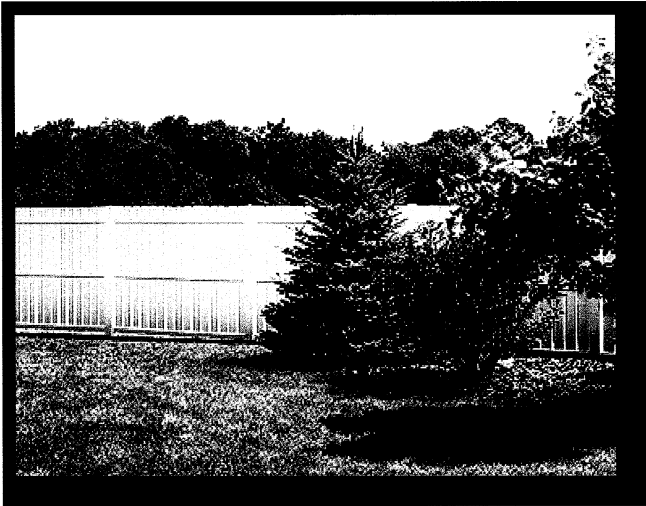
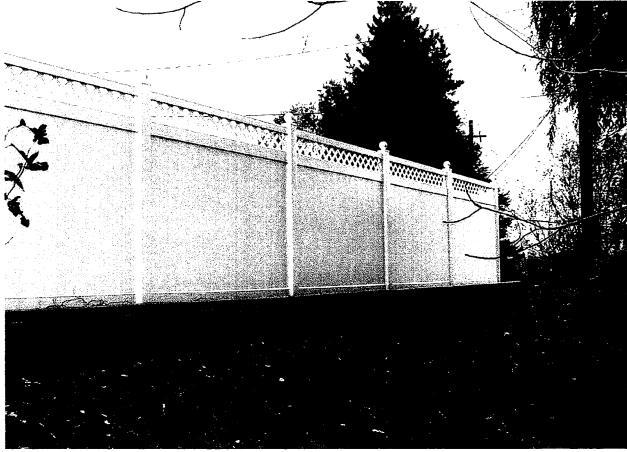
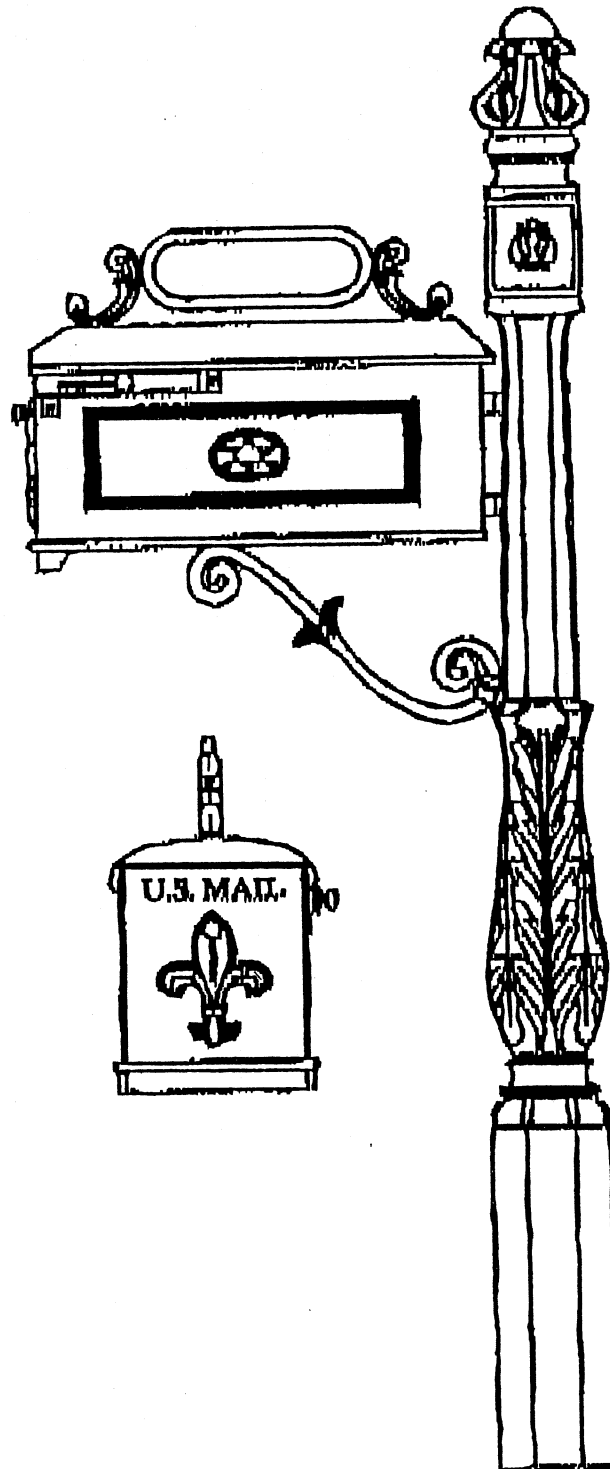


EXHIBIT "B"

**EXHIBIT "C"**



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 FILED, RECORDED, INDEXED  
 Bk:06445 Pg:00037 Pages:34  
 RecFee:40.00 St Fee:0.00  
 Co Fee:0.00  
 REGISTER OF DEEDS, ANDERSON CO, SC  
 Shirley McElhannon

MAILBOX FOR LANTERN RIDGE

STATE OF SOUTH CAROLINA ) SUPPLEMENTARY DECLARATION OF  
 ) COVENANTS AND RESTRICTIONS  
 ) FOR LANTERN RIDGE SUBDIVISION,  
COUNTY OF ANDERSON ) PHASE II

WHEREAS, that certain Declaration of Covenants and Restrictions For Lantern Ridge Subdivision, Phase I, was heretofore recorded in Deed Book 6445, at Page 37, et. seq., in the R/D Office for Anderson County, South Carolina; and,

WHEREAS, since the recording of said Declaration of Covenants and Restrictions For Lantern Ridge Subdivision, Phase I, other property adjacent to said subdivision has been developed by the undersigned Owner and Developer into numbered residential lots, and the undersigned Owner and Developer of said adjacent property, known as Phase II of Lantern Ridge Subdivision, is desirous of imposing the same Declaration of Covenants and Restrictions for Phase I of Lantern Ridge upon all lots within the said Phase II of Lantern Ridge Subdivision, as shown on plat prepared by Spearman Surveying, LLC, dated September 11, 2006, and recorded in Plat Slide 1655, at Page 4, in the R/D Office for Anderson County, South Carolina.

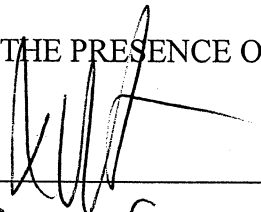
NOW, THEREFORE, the undersigned Lantern Ridge, LLC, a South Carolina Limited Liability Company, Owner and Developer of Lots 30 through 52, inclusive, of Lantern Ridge Subdivision, Phase II, as shown on the above referred to plat, does hereby impose the same Declaration of Covenants and Restrictions For Lantern Ridge Subdivision, as recorded in Deed Book 6445, at Page 37, et. seq., in the R/D Office for Anderson County, South Carolina, upon all of the above referred to numbered lots within said Phase II of Lantern Ridge Subdivision, as shown on that certain plat referenced above prepared by Spearman Surveying, LLC, dated September 11, 2006, and recorded in Plat Slide 1655, at Page 4, in the R/D Office for Anderson County, South Carolina, said Declaration of Covenants and Restrictions to run with the land as

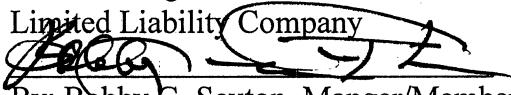
provided therein.

This Supplementary Declaration of Covenants and Restrictions For Lantern Ridge Subdivision, Phase II, is being executed in accordance with paragraph 1.2 of Article I of the aforementioned Declaration of Covenants and Restrictions for Lantern Ridge Subdivision, Phase I, as recorded in Deed Book 6445, at Page 37, et. seq., in the R/D Office for Anderson County, South Carolina.

Executed this 2 day of February, 2007.

IN THE PRESENCE OF:

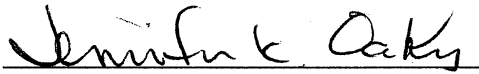
  
\_\_\_\_\_  
Jennifer K. Oaks

Lantern Ridge, LLC, a South Carolina  
Limited Liability Company  
  
By: Bobby G. Sexton, Manger/Member

STATE OF SOUTH CAROLINA                    )  
  )  
  )                PROBATE  
COUNTY    OF    PICKENS                    )

PERSONALLY appeared before me the undersigned witness, who upon oath deposes and states that she saw the within named Lantern Ridge, LLC, by its duly authorized and acting Manager/Member and agent sign the within written Supplementary Declaration of Covenants and Restrictions for Phase II of Lantern Ridge Subdivision for the uses and purposes set forth therein, and she with the other witness subscribed above witnessed the execution thereof.

SWORN to before me this 2d  
day of February, 2007.

  
\_\_\_\_\_

Notary Public for South Carolina  
My Commission Expires: 10/14/09