



BP0326895

RMC Bk 0326 Pg 895 : pg 1 *

**DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
GOVERNOR' S WALK**

THIS DECLARATION is made by **51 GADSDEN STREET, LLC**,
(hereinafter "Declarant"), for the establishing certain easements,
covenants and restrictions to run with the land;

WITNESSETH:

WHEREAS the Declarant is the owner of that certain property in Charleston County, South Carolina more particularly described hereinbelow in Article I (hereinafter referred to as "Property"), and Declarant desires to create an exclusive residential community of single-family attached residential units to be named Governor's Walk; and

WHEREAS Declarant desires to insure the attractiveness of the community, to protect and enhance the values of all of the properties within the community and to provide for the maintenance and upkeep of the exterior of all of the units as hereinafter defined; and to this end desires to subject the Property to the coverage of covenants, conditions, restrictions, easements, charges, liens and assessments hereinafter set forth, each and all of which are for the benefit of said property described hereinbelow in Article I and each Owner and occupant thereof; and

WHEREAS, the Declarant has deemed that in order to effectuate the same, Declarant desires to create an organization to which will be delegated and assigned the powers of (i) maintaining the exterior of the residential units and all other improvements that are the responsibility of the association; (ii) administering and enforcing the covenants, conditions and restrictions herein; (iii) collecting, disbursing the assessments and charges hereinafter created; and (iv) performing all other activities as required or permitted hereunder.

WHEREAS, the Declarant has incorporated or will incorporate under the laws of the State of South Carolina, Governor's Walk Homeowner's Association, Inc. as a non-profit corporation for the purposes of exercising, administering and performing the aforesaid functions;

NOW THEREFORE, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants, conditions, liens and assessments, which are for the purpose of protecting the value and desirability thereof, and which shall run with the land, and shall be binding on all parties having any right, title or interest in the Property or any portion thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof, the heirs, successors and assigns.

ARTICLE I
SUBMISSION OF PROPERTY

The Property referred to hereinabove owned in fee simple absolute by the Declarant and hereby subject to this Declaration and which is and shall be held, transferred, sold, conveyed and occupied subject to this Declaration and within the jurisdiction of the Association is more particularly described as follows:

All those certain lots, pieces and parcels of land, together with the buildings and improvements thereon, situate, lying and being on the North side of Bull Street in the City of Charleston, County of Charleston, State of South Carolina, and shown and designated as **LOT 1, LOT 2, LOT 3, LOT 4, LOT 5, LOT 6**, on that certain subdivision plat made by Kennerty Surveying, Inc, dated June 8, 2011, and last revised November 28, 2011, and recorded in the Office of the RMC for Charleston County, South Carolina in Plat Book S12, Page 0010.

Declarant shall have the right and hereby reserves the right at any time or from time to time, to file a replat of any part of or all of the Properties owned by the Declarant to affect the reconfiguration of any Lots or Common Area in the Properties, subject only to the necessary approvals, joinder and or consent of the appropriate county and or municipal authorities.

ARTICLE II

DEFINITIONS

- A. "ASSOCIATION"** shall mean and refer to Governor's Walk Homeowners Association, Inc. its successors and assigns.
- B. "OWNER"** shall mean and refer to the owner of record, whether one or more individuals or entities, of fee simple title to any Lot which is part of the Properties, including contract sellers, but excluding those having any interest merely as security for the performance of an obligation.
- C. "MEMBER"** shall mean and refer to an Owner who holds membership in the Association pursuant to Article IV of this Declaration.
- D. "PROPERTIES"** shall mean and refer to that certain real property hereinabove described in Article I.

- E. "LOT" shall mean and refer to any of the Lots (Lot 1, 2, 3, 4, 5, 6) of land shown on the subdivision plat creating the Properties referred to hereinabove in Article I and recorded in Plat Book S12, Page 0010, aforesaid records, and shall include all residential improvements (including residential units) thereon. Each lot of land contains one residential unit designed for single-family ownership.
- F. "DECLARANT" shall mean and refer to 51 Gadsden Street, LLC, its successors and or assigns, if such successor should acquire all of the Declarant's interest in the Properties.
- G. "BOARD OF DIRECTORS" shall mean and refer to the Board of Directors of the Association.
- H. "COUNTY PUBLIC REGISTRY" shall mean and refer to the Office of the RMC for Charleston County, South Carolina.
- I. "ASSESSMENT" shall mean any amount levied by the Association in connection with the carrying out of its duties and responsibilities set forth herein.

ARTICLE III

MEMBERSHIP IN ASSOCIATION AND VOTING RIGHTS AND PURPOSES

- A. Every Owner shall be a Member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any Lot.
- B. The Association shall have two classes of Voting Membership as follows:

Class A: Class A Members shall be all Owners with the exception of the Declarant and shall be entitled to one (1) vote for each Lot owned. When more than one person holds an interest in any Lot, all such persons shall be Members, however only one (1) vote is attributable to the Owners of that one Lot. The vote for such Lot shall be exercised as they among themselves determine, but in no event shall more than one vote be cast with respect to each Lot.

CLASS B: Class B Member(s) shall be the Declarant and shall be entitled to two (2) votes for each Lot owned. The Class B membership shall cease and be converted to Class A membership when the Declarant ceases to hold fee simple title to more than 2 Lots or until July 1, 2015, whichever occurs first.

- C. Until the Class B membership is converted to Class A membership as set forth hereinabove, the Declarant shall have the right to appoint all Board of Directors, and the Association need not hold a meeting to elect directors until the conversion of the Class B membership to Class A.
- D. The Association shall have the right, duty and responsibility to (i) administer, maintain and care for and to repair and restore the exterior of the Lots (ii) establish, levy and collect assessments (iii) engage contractors, vendors, employees or agents as it deems necessary to carry out all rights, duties and responsibilities (iv) make payment to contractors, vendors, employees or agents for services provided in carrying out the purposes of the Association (v) enforce this Declaration, and (vi) perform all rights, duties and responsibilities set forth in the Declaration, Articles and Bylaws of the Association.

ARTICLE IV

COVENANT FOR MAINTENANCE ASSESSMENTS

A. Creation of the Lien and Personal Obligation of Assessment.

Each Owner of any Lot by acceptance of a deed conveying said Lot, whether or not it is expressed in said deed, is deemed to covenant and agree to pay the Association both annual assessments or charges and special assessment charges, such assessment to be established and collected as hereinafter provided. The Annual and special assessments, together with interest, late charges, costs and reasonable attorneys fees, shall be a charge on the Lots and shall be a continuing lien

upon the Lots against which each such assessment is made. Each such assessment together with interest, late charges, costs and reasonable attorneys fees, shall also be a personal obligation of the Owner of the Lots when the assessment fell due. The personal obligation for the delinquent assessments shall not pass to his or her successor in title unless expressly assumed by the successor in title. If the Association should be dissolved or cease to exist, then in that event, every Owner of a Lot at the time of required maintenance shall be jointly and severally liable for any and all costs attendant thereto.

B. Purpose of Assessments. The assessments levied by the Association shall be used exclusively to promote the recreation, health, safety and welfare of the residents of the Properties and in particular for: (1) the improvement, maintenance and repair and reconstruction of the exteriors of the residential units, including landscaping; (2) the costs of labor, equipment, materials, management and supervisions associated with the carrying out and administering of the Association's right, duties and responsibilities hereunder; (3) the procurement and maintenance of insurance in accordance with this Declaration; (4) employment and retention of attorneys to represent the Association when necessary; (5) the provision of adequate reserves for the replacement of capital improvements, including but not limited to, roofs, paving, and any other major expense for which the Association is responsible; (6) exterminating services for Lots; (7) any such needs as may arise in the administering of the rights, duties and responsibilities of the Association.

C. Reserves. The Association shall establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of the exteriors of the Lots as well as any Common Area or any other portion of the Properties which the Association is responsible to maintain and or repair and for unusual and unforeseen expenses of the Association. Such

reserve fund is to be established insofar as is practicable, out of annual assessments for common expenses. Further the reserve fund may be applied to operation deficiencies as they arise.

D. Special Assessments. In addition to annual assessments authorized hereinabove, the Association may levy in any assessment year a special assessment applicable to that year for the purposes of supplying adequate reserve funds for the replacement of capital improvements, for defraying in whole or in part, the costs of any construction, reconstruction, repair, restoration or replacement of a capital improvement on or upon the Lot or exteriors thereto, and in connection with the exterior maintenance, including fixtures and personal property related thereto; for insurance costs of the Association; or for unusual, unforeseen and nonrecurring expenses of the Association, provided any such assessment shall have the assent of the Board of Directors. Any special assessment affecting or benefitting only particular lots shall be equally apportioned, by the Board, among Lots affected or benefited.

E. Date of Commencement of Annual Assessment. Due Dates. The annual assessments provided for herein shall commence as to each Lot on the day of the month on which the first Lot is conveyed by the Declarant to an nonrelated person or entity; except the Declarant shall have the right not to pay any assessments for all of the remaining Lots that Declarant owns provided it funds any deficiency in the operational budget of the Association until the Declarant does elect to pay assessments on the Lots that Declarant owns. Such annual assessments shall be paid ratable on a monthly basis. The Board of Directors shall fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a

reasonable charge, furnish certificate signed by an officer of the Association setting forth the assessments on a specified Lot having been paid.

F. Effect of Nonpayment of Assessments; Remedies of the

Association. The Association shall have the right to assess a penalty for the non-payment of assessments at the Associations discretion. 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 in either event; interest, costs and reasonable attorneys fees of any action shall be added to the assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use or abandonment of the Owner's Lot.

G. Subordination of the Lien to Mortgages and Ad Valorem Taxes.

The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage of record against the Lot and ad valorem taxes. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure shall extinguish the lien of such assessment as to payments which became due prior to such sale or transfer. No such sale or transfer shall relieve such Lot from liability for any assessments which become due thereafter or form the lien thereof.

H. Working Capital Fund. At the time of closing of any sale of each Lot, a sum total equal to two month's installments of the annual assessment for each Lot shall be collected from the new Buyer of said Lot and transferred to the Association for use as working capital. The purpose of said fund is to insure that the Association will have adequate cash available to satisfy expenses, and to acquire additional equipment or services as it deems necessary or desirable. Amounts paid under this provision shall be in addition to the annual assessment and shall not be considered advance payment of monthly installments of annual assessments.

ARTICLE V
EXTERIOR MAINTENANCE AND PARTY WALLS

A. The Association shall provide exterior maintenance upon each Lot as follows: paint and/or stain the exterior of the residential unit and the exterior of the fences installed by the Declarant or the Association on the Lot; repair, replace and care for roofs, gutters, downspouts, exterior building surfaces, walkways, mailboxes, fences installed by the Declarant or the Association, exterior light posts installed by the Declarant or the Association (excluding the electricity therefor), landscaping that is not within the fences in the rear of the residential units installed by the Declarant and or the Association including grass, shrubs and trees, and other exterior improvements. Such exterior maintenance shall not include glass surfaces. Further, the Owner of any Lot may, at the Owner's sole expense, plant flowers and shrubs in the beds at the front of the residences, provided the maintenance of said landscaping shall be the sole responsibility of the Owner, its successors, heirs and assigns, and shall not impede the Association from performing its duties to maintain. No maintenance performed by an Owner shall reduce the assessment payable by the Owner to the Association. No owner shall plant any vegetation without the prior written consent of the Association.

In the event that maintenance or repair is caused through willful or negligent act of the Owner, Owner's family, its lessees, invitees, or guests, the costs of such maintenance or repairs shall the responsibility of said Owner and shall be added to and become a part of the assessment to which such Lot is subject. The Association is hereby granted an easement of right of access upon, across, by and through any Lot for performance of repairs or maintenance, the responsibility of which is the Association's hereunder.

B. Party Walls.

1. Each wall of the residential unit that is on the dividing line between the Lots shall constitute a party wall, and to the extent not inconsistent with the provisions of this Article, the general rules of law regarding party walls and liability for property damage due to negligence or willful acts or omissions shall apply thereto. No Alterations may be made to any party wall other than alterations to the interior surfaces thereof.
2. The costs of reasonable repair and maintenance of a party wall shall be shared by the Owners who make use of the wall in proportion to such use.
3. If a party wall is destroyed or damaged by fire or other casualty, the Owners who make use of that wall so damaged or destroyed shall share in the costs of replacement or repair proportionately to their use; however Owners shall have the right to call for larger contributions from Owner's under any rule of law regarding liability for negligent or willful acts or omissions.
4. Notwithstanding any other provisions of this Article, any Owner who by neglect or will act causes the party wall to be exposed to the elements shall bear the whole costs of furnishing the necessary protection against the elements.
5. The right of any Owner to contribution from any other owner under this Article shall be appurtenant to the land and shall pass to such Owner's successors, heirs and assigns.

C. SPRINKLER SYSTEM. The Association shall provide for the maintenance and repair of the internal fire sprinkler system which is in all of the buildings. The Association shall have the right to immediate access for the repair and maintenance of said system. It is imperative and shall be the responsibility of each Owner to insure that water service is continuous and uninterrupted to each Lot as the interruption of service will render the water sprinkler system inoperable.

Should water service to any property be interrupted, the association shall have the right to secure water service to the property on its own and shall be reimbursed by any Owner for the fees and costs associated with said water service.

D. AGREEMENTS: The Association shall be and hereby is authorized to enter into such agreements as it shall deem necessary or desirable for the administration and operation of the Association. Each Owner, by acquiring or holding an interest in any Lot, thereby agrees to be bound by the terms and conditions of all such agreements entered into by the Association. A copy of all such agreements shall be made available for review by each owner.

ARTICLE VI **ARCHITECTURAL CONTROL**

No landscaping, building, fence, signs, wall, antenna, satellite dish, or other structure or improvement shall be commenced, erected or maintained upon the Properties, nor shall any exterior addition to or change or alteration thereof (including but not limited to, color or painting of the exterior and type of exterior finish, any existing construction material, plant material or ground cover) be made, except in exception cases when in such exceptional cases three copies of the plans and specifications showing the nature, kind, shape, height, materials and location of the same shall have been submitted to and approved in writing as to the harmony of external design and location in relation to the surrounding structures and topography by the Board of Directors of the Association, or by an Architectural committee composed of three (3) or more representatives appointed by the Board of Directors (said committee hereinafter referred to as the "Architectural Control Committee"). Absent such written approval, the proposed improvement may not be commenced, erected or maintained.

In the event an Owner of any Lot shall make unauthorized changes or alterations to the premises and the improvements situated

thereon in a manner unsatisfactory to the Board of Directors or the Architectural Control Committee, said Board of Directors or the Architectural Control Committee shall have the right, through its agents and employees, to enter upon said Lot and to repair, maintain, remove and or restore the Lot and the exterior of the buildings and any other improvements erected thereon. The costs of such, removal and or restoration and exterior maintenance and any other costs and or attorney's fees incurred in the enforcement of the rights under these provisions shall be added to and become a part of the assessments to which such Lot is subject. Any approval by the said Board of Directors or the Architectural Control Committee shall be in accordance with the requirements set forth hereinafter and must be in writing.

ARTICLE VII

INSURANCE

A. Insurance on the Property shall be governed by the following provisions:

1. Ownership of Policies. The Association shall purchase insurance policies insuring the Properties for the benefit of the Association and the Owners and their mortgagees as their interest may appear, and provisions shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Owners. Owners may, at their option, obtain insurance coverage at their own expense upon (i) their own personal property, (ii) their own improvements to their Lot (iii) for their personal liability and living expenses, and (iv) such other coverage as they may deem necessary or desirable.
2. Coverage. All buildings and improvements upon the Properties shall be insured in an amount equal to one hundred percent (100%) insurable replacement cost value as determined annually by the Association with the assistance of the insurance professional assisting with the securing of said policies. Such coverage shall provide protection against:

- (i) Loss or damage by fire and other hazards covered by standard extended coverage endorsements;
- (ii) Loss by way of wind & hail damage and named storm damage;
- (iii) Loss by way of damage caused by flood;
- (iv) Such other risks as from time to time shall be customarily covered with respect to the buildings and improvements on the Lots;

3. Liability. Public liability insurance shall be secured by the Association with the limits of liability being no less than one Million (\$1,000,000.00) dollars per occurrence and shall include an endorsement to cover liability of the Owners as a group to a single Owner. The Association shall have the right to secure any additional coverages that it deems necessary and desirable.
4. Premiums. Premiums for the insurance policies purchased by the Association shall be paid by the Association and shall be included as part of the annual assessment described hereinabove.
5. Proceeds. All insurance policies purchased by the Association shall be for the benefit of the Association and the Owners and their mortgagees, as their interest may appear, and shall provide that all proceeds thereof shall be payable to the Association as insurance trustee under this Declaration. The sole duty of the Association as the insurance trustee shall be to receive such proceeds as are paid and to hold the same in trust for the purpose stated herein or stated in the Bylaws and for the benefit of the Owners and their mortgagees in the following shares:
 - (i) Proceeds on account of damage to Lots shall be held in undivided shares for the Owners of damaged Lots in proportion to the costs of repairing the damage suffered by each Owner,

which costs shall be determined by the Association;

- (ii) In the event a mortgagee endorsement has been issued for any Lot, the share of the Owner of said Lot shall be in trust for the mortgagee and the Owner as their interest may appear;

6. Deductibles. The Owners suffering any loss shall be responsible to bear the costs of any deductibles among themselves, and if a deductible applies to multiple losses, the deductible shall be prorated among the Owners affected based on the amount of loss incurred individually to the aggregate losses as determined by the Association. Should the Association advance the costs of said deductible, said cost shall be added to and become a part of the assessments to which such Lot is subject.

7. Uninsured Hazards. No Owner shall conduct or perform, or permit to be conducted or performed, any act or action that is listed as an uninsured act or action and or specifically excluded from the insurance coverage of the insurance policies secured by the Association for any and all insurance coverages on the Property (i.e. Should the Insurance policy insuring the Property specifically exclude grilling on the back porches of the Units, then no Owner shall operate a grill or permit a grill to be operated on its back porches.).

B. Distribution of Insurance Proceeds. Proceeds of insurance policies received by the Association as insurance trustee shall be distributed to or for the benefit of the beneficial Owners in the following manner:

(i) Expense of the Trust. All expenses of the insurance trustee shall be paid first or provisions for the payment thereof made prior to any other disbursement.

(ii) Reconstruction or Repair. The remaining proceeds shall be paid to defray the costs of repairs or reconstruction. Any

proceeds remaining after defraying such costs shall be distributed to the beneficial Owners.

C.Fidelity Insurance or Bond. All persons responsible for or authorized to expend funds or otherwise deal in the assets of the Association or those held in trust including but not limited to the Board of Directors of the Association and or any manager, employee or agent of the Association, shall first be bonded and or insured by a fidelity insurer to indemnify the Association for any loss or default or neglect in the performance of their duties in an amount equal to no less than one year's annual assessment plus the amount of the accumulative reserve fund.

ARTICLE VIII

RESTRICTIONS OF USE

A. **USE OF THE PROPERTY:** Each Owner shall be entitled to the exclusive ownership and possession of their Lot and the improvements thereon and may use the Property in accordance with the purpose for which they were intended without hindering or encroaching upon the lawful rights of other Owners. The Board of Directors shall resolve any question regarding the intended use of the Property. The building is intended to be used as a residential building and for no other use. Each building shall be occupied and used by the respective owner only as private residential for the owner, his family, tenants, and social guests and for no other purposes. Each building may be used for office or studio purposes in connection with customary home occupations.

Subject to those conditions set forth in this Declaration, including the By-Laws and regulations thereunder, Lots and the improvements thereon may be owned, conveyed, transferred, or leased in the same manner as any other real property. Any "for sale" or "for rent" sign must be placed in the area designated by the Association for such purpose and shall be in a form acceptable to the Board of Directors.

B. **RESTRICTIONS**: The following covenants conditions and restrictions shall run with the land and bind all Owners, tenants of such Owners, and any other person who uses the property, including the persons who acquire the interest of any Owner through foreclosure, enforcement of any lien or otherwise:

- (a) All portions of the Property shall be kept clean and sanitary and no use thereof shall be made which constitutes a violation of any laws, zoning ordinances, governmental regulations or regulations of the Association.
- (b) No practice or use shall be an unreasonable annoyance to other Owners or occupants or which shall interfere with their peaceful and safe use and enjoyment of their property.
- (c) No nuisances shall be allowed on the property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the property by the residents. No person shall maintain on the property and no owner shall permit on their Property any condition which is unreasonably hazardous to the life, health, or property of any person.
- (d) No immoral, improper, offensive, or unlawful use shall be made of the property or any part thereof, and all bylaws, zoning ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be enforced. Violations of law, orders, rules, jurisdiction, thereof, relating to the portion of the property, shall be corrected by and at the sole expense of the owners or the Association, whichever shall have the obligation to maintain or repair such portion of the property.
- (e) The Association shall from time to time establish rules and regulations for the use of the Property and all Owners and users shall be bound thereby.

- (f) The Association is the vehicle for the management of the Property as set forth in this Declaration. Each Owner shall automatically be deemed a Member of said Association as set forth hereinabove. The Bylaws of said Association are annexed hereto and marked Exhibit A.
- (g) Each Owner shall be responsible for the following:
 - 1. To refrain from hanging sheets or flags over windows.
 - 2. To maintain garbage receptacles in their designated locations.
 - 3. To refrain from the installation of any exterior satellite dishes or television antennas.
 - 4. To promptly report to the Board of Administrators any defect or need for repairs which are the responsibility of the Association.
- (h) No Lot may be subdivided into a smaller Lot.
- (i) All passages, roads and common avenues of ingress and egress shall be used for no other purpose than normal transit through them. No Owner shall park any vehicle or place or cause to be placed in said passages, roads and common avenues any furniture, packages or obstructions of any kind. Such rights and obligations shall extend to each unit Owner and the agents, tenants, family members and invitees of each unit Owner.
- (j) No Unit may be leased for an initial term of less than six (6) months in duration.
- (k) Each Owner shall provide and maintain a continuously operational centrally monitored smoke alarm system.
- (l) To preserve and protect the nighttime environment through quality outdoor lighting, exterior lighting

shall minimize glare, energy waste, light trespass (nuisance light), and sky glow. All existing lighting as of the date of these Restrictive Covenants shall be allowed to remain. Proposed additions and alterations to the existing exterior lighting shall be approved by the Association in accordance with these specifications. Any dispute between Owners regarding exterior lighting being a nuisance shall be brought to the Board of Directors for its review and resolution. The Owners shall abide by the decision of the Board of Directors regarding any exterior lighting disputes between Owners.

- (m) No Owner shall maintain or permit any nuisance within its Property or unreasonably interfere with the use and enjoyment of the Property by any other person entitled to the same by creating anywhere on the Property or permitting within its Property the creation of excessive noise, smoke or offensive odors.
- (n) No person shall have any lawn equipment, play set, flag pole, fixture, lawn art or any structure of any kind or personal property of any kind which in the yard/garden areas in the rear of the Buildings which is taller than the fence which encloses said yard/garden area.
- (o) No Owner shall tamper with in any manner the interior fire prevention water sprinkler system that is installed in all of the buildings. Any damage done to the sprinkler system by and Owner its family, invitees, lessees and or guests shall be the sole responsibility of the Owner of the Lot and shall be repaired by the association with the costs of said repair becoming a part of the assessment due by the Owner.
- (p) No Owner shall operate or permit to be operated a gas or charcoal grill, or grill of any kind, on the porches of the residential buildings.

C. **EASEMENTS**: In addition to all easements, covenants, conditions and restrictions as set forth herein, the Association and all Owners, shall be subject to the Agreement Between Adjoining Owners for an Easement for Ingress Egress and a Vehicular Turnaround which said agreement was filed January 22, 2010, in the Office of the RMC for Charleston County South Carolina in Book 0103, Page 500. Further, the Association, and all Owners of the Lots subjected to this Declaration shall be subject to the Agreement Between Adjoining Owners for a Pedestrian Right of Way for Ingress and Egress which said agreement was filed on January 22, 2010, in the Office of the RMC for Charleston County, South Carolina in Book 0103, Page 501. Said Easements are attached hereto as Exhibit E. By purchasing a Lot subject to this Declaration, all of the Owners do hereby agree to be bound by the terms, conditions, covenants, restrictions and assessments as set forth in both of the aforementioned agreements of record.

D. **PETS**: Any owner may maintain a pet or pets, so long as maintaining such pet or pets does not interfere with the enjoyment of any other Owner; provided, however, the Association may order the removal of such pet or pets if such pet or pets are interfering with the enjoyment of any other Owner.

E. **UTILITY EASEMENTS**: There shall be appurtenant to each Lot a nonexclusive easement, and each Owner shall have a nonexclusive appurtenant easement in common with all other Owners, to use all pipes, wires, ducts, cables, conduits, utility lines, columns, supporting and sheltering structural members, and other like facilities located in any of the other buildings. Each Lot shall be subject to an appurtenant easement in favor of the other Lots for use of all pipes, wires, ducts, cables, conduits, utility lines, sewer lines, and other facilities situated in such building and serving any such existing pipes or wires which are owned or maintained by a public or private utility company or governmental body. Declarant further reserves the right to grant easements to public or private utility companies or governmental

bodies for the purpose of installation and maintenance of general utilities and drainage.

F. **ENCROACHMENTS**: If any portion of the buildings and or improvements, now existing at the time of this Declaration, located on the Lots now encroaches upon any other Lot, or if any such encroachment shall occur hereafter as a result of:

- a. settling of a unit or units;
- b. repair, alterations, or reconstruction of the Property made by or with the consent of the Association;
- c. repair or reconstruction of the Property following damage by fire or other casualty;
- d. condemnation or eminent domain proceedings;

a valid easement shall exist for such encroachment and for the maintenance of the same so long as the property remains subject to the Act.

G. **RIGHT OF ACCESS**: The Association and its authorized agents shall have the irrevocable right to have access to each Lot and the buildings and improvements thereon from time to time during reasonable hours as may be necessary for the maintenance, repair, or replacement of any of the elements of the Property the Association is so required to maintain or repair or falls within the duties of the Association, therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the buildings and or improvements thereon for which the Association is responsible, and, furthermore, shall have the right of reasonable access to each Lot and the buildings and improvements thereon for the purposes of inspection in connection with the foregoing.

ARTICLE IX

DECLARANT' S RIGHTS

Declarant hereby reserves the following rights without the need for the consent, approval or signature of any Owner or the need to notify any Owner prior to its actions; Declarant shall have the

right to:

- (i) alter or amend this Declaration and or any and all attachments or Exhibits hereto;
- (ii) Bring the Declaration into compliance with any of the laws of South Carolina or any local ordinances promulgated by any municipality or other governing authority;
- (iii) To correct any typographical, clerical errors, obvious factual errors or omissions the correction of which would not impair the ownership rights of an Owner;
- (iv) Induce any agency, entity or individual to make, purchase, sell, insure or guarantee first mortgages secured by the Lots subjected hereto.

Each deed, mortgage or other evidence of obligation or instrument affecting a Lot and the acceptance thereof shall be deemed to be a grant and acknowledgement of and consent to the reservation of the power of Declarant to make, execute and record any of the foregoing. The rights of the Declarant shall terminate under this section upon the conversion of Class B membership to Class A membership as set forth hereinabove.

ARTICLE X AMENDMENTS

A. **BY OWNERS:** This Declaration shall be amended only by a vote of 5 out of 6 of the Owners/Members at any meeting of the Association duly called for such purposes, following written notice to all Owners/Members, and to their mortgagees appearing on the records of the Association. No amendments shall be effective until recorded in the Register of Mesne Conveyances Office of Charleston County, South Carolina.

B. **BY Declarant:** The Declarant's right to amend this Declaration are reserved and set forth hereinabove and supersede the Owner's right to amend.

C. **RECORDING:** No amendment to this Declaration shall be effective unless and until recorded in accordance with the Act.

ARTICLE XI
MISCELLANEOUS

A. **APPLICATION**: All Owners, tenants of Owners, employees of Owners and Tenants, or any other persons that may in any manner use the Property or any part thereof shall be subject to this Declaration and the By-Laws, rules and regulations of the Association.

B. **ENFORCEMENT**: The Declarant, Association and any Owner shall have the right to enforce by proceeding at law or in equity, all restrictions, conditions, easements, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Declarant, Association or any Owner to enforce any covenant, restrictions, condition, reservation or easement herein contained shall be deemed a waiver of the right to do so thereafter.

C. **COMPLIANCE**: Each Owner shall comply strictly with the Bylaws and with administrative rules and regulations adopted pursuant thereto, as either of the same may be lawfully amended from time to time, and with the covenants, conditions and restrictions set forth in this Declaration or in the deed to each Owner. Failure to comply with any of the same shall be grounds for an action to recover sums due, or damages or injunctive relief, or both, maintainable by the Board of Directors on behalf of the Association or, in a property case, by an aggrieved Owner, and the costs and expense of such action shall be the responsibility to the Owner failing to comply and shall become a part of the annual assessment due by said Owner.

D. **WAIVER**: No provision hereof shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, regardless of the number of violations or breaches which may have occurred.

E. **CONFLICTS**: This Declaration is executed to comply with the requirements of the laws of the state of South Carolina, and in the event that any of the provisions hereof conflict with the provisions of said laws, the laws of the State of South Carolina shall control.

F. **SEVERABILITY**: The provisions of this Declaration are severable, and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the validity enforceability, or affect the remainder hereof.

G. **GENDER AND NUMBER**: All pronouns used herein shall be deemed to include the masculine, the feminine and the neuter and the singular and the plural whenever the context requires or permits.

H. **CAPTIONS**: The captions contained herein are inserted only as a matter of convenience and for reference and in no way define, limit, or describe the scope of this Declaration or the intent of any provision hereof.

I. **TERMINATION**: All the Owners or the sole Owner of all of the Lots subjected to this Declaration may waive and or terminate this Declaration with the consent and agreement of all of the Owners and all of the holders of any liens, mortgages or any other such encumbrances on the Lots.

J. **NOTICES**: Any notice required or desired to be given under the provisions of this Declaration shall be deemed properly given and delivered when deposited in the United States mail, postage prepaid, directed to the last known address of the party to whom notice is to be given, as such address is shown on the books and records of the Association at the time such notice is given. It is the responsibility of the Owners to inform the Association of any such change of address in a timely manner to insure notices are properly received by the Owners.

[REMAINDER OF PAGE INTENTIONALLY OMITTED]
[SIGNATURE TO FOLLOW]

SIGNED, SEALED, AND DELIVERED
IN THE PRESENCE OF:

51 GADSDEN STREET, LLC

BY: Vance Jensen
ITS: AUTHORIZED MEMBER

STATE OF SOUTH CAROLINA]
]
COUNTY OF CHARLESTON]

The within instrument was acknowledged before me by its makers.

SWORN to before me this 29 day of Apr. 1, 2013.

Notary Public for South Carolina
My Commission Expires: 10-16-13

EXHIBIT A**BYLAWS OF GOVERNOR'S WALK HOMEOWNERS ASSOCIATION, INC.**

THESE BYLAWS OF GOVERNOR'S WALK HOMEOWNERS ASSOCIATION INC. are promulgated pursuant to the laws of the state of South Carolina for the purpose of governing the Association of the Owners of the Lots subjected to the Declaration and the administration of the said Association. The terms used herein are defined in the Declaration by which the Property is so constituted, and these Bylaws incorporate and are subject to the provisions of said Declaration.

ARTICLE I**OWNERS**

A. **MEMBERSHIP**: Each Owner shall be a Member of the Association. A person or entity who holds title to a Lot merely as security or payment of a debt shall not be entitled to exercise the rights of an Owner unless such person holds a proxy conferring such rights.

B. **VOTING**: Each Owner shall be entitled to cast one vote for each Lot owned by said Owner. Votes can be cast only at a meeting of the Association convened in accordance with the Bylaws. In the absence of the valid proxy, an Owner shall act on their own behalf. The failure of an absent Owner to execute and return the proxy form sent to the Owner in the mail referred to in Paragraph P of this Article shall constitute a proxy to and for the majority present and voting. When an Owner consists of two or more persons any one shall be deemed authorized to act for all unless another objects.

C. **MAJORITY**: Majority of Owners means the Owners of fifty-one (51%) percent or more of the Lots of the Property.

D. **QUORUM**: The presence of Owners in person or by proxy owning fifty-one (51%) percent of the Lots of the Property shall constitute a quorum for the transaction of business at meetings of the Council; provided, however, that any absent Owner who does not

execute and return the proxy form sent to him in the mail referred to in Paragraph P of this Article shall be deemed to be present for the purpose of determining the presence of a quorum; and, said absent Owner's vote will be cast with the majority of those present and voting.

E. **CONSENTS:** Any action which may be taken by a vote of the Owners may also be taken by written consent of such Owners.

F. **ORGANIZATIONAL MEETING:** The organizational meeting of the Association shall be held at such time as Declarant deems appropriate but no later than thirty (30) days following the day on which Declarant's Class B membership is converted to Class A membership as prescribed in the Declaration.

The following matters, and such other business as the Association may deem appropriate, shall be taken up at the initial meeting;

1. Adoption of the fiscal year;
2. Approval of the budget for the fiscal year;
3. Determination of the annual Assessments and the dates upon which it is due and payable;
4. Determination of the date of the first and subsequent annual meetings; and
5. The election of the initial three-person Board of Directors in accordance with the Article II of these Bylaws.

G. INTENTIONALLY LEFT BLANK

H. **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, but at least three (3) regular meetings shall be held each fiscal year. Any business which is appropriate for action of the Board of Directors may be transacted at a regular meeting.

I. **SPECIAL MEETINGS:** Special meetings of the Owners 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 the majority of Owners. Only such business as is stated in the notice of meeting shall be transacted at a

special meeting unless all Owners waive notice of any additional business.

J. **NOTICE OF MEETINGS:** Written notice of every annual or special meeting of the Owners stating the time and place of the meeting and, in the case of a special meeting, the business proposed to be transacted shall be given to every Owner not fewer than ten (10) days no more than thirty (30) days in advance of the meeting. Failure to give proper notice of a meeting of the Owners shall not invalidate any action taken at such meeting unless an Owner who was not given property notice objects in writing to the lack of proper notice within thirty (30) days following such meeting, in which case the action to which such Owner objects shall be void.

K. **WAIVER OF NOTICE:** Waiver of notice of a meeting of the Owners shall be deemed the equivalent of proper notice. Any Owner may in writing waive notice of any meeting of the Owner, whether in person or by proxy, shall be deemed waiver by such Owner of notice of time, date and place thereof unless such Owner specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting shall also be deemed waiver of notice of all business transacted thereat unless objection to lack of notice is raised before the business of which property notice was not given is put to a vote.

L. **PLACE OF MEETING:** All meetings of the Owners shall be held upon the Property or at such other place within the County in which the Property is situated and convenient to the Owners as the President of the Association or the Board of Directors may direct.

M. **ADJOURNMENT:** Any meeting of the Owners may be adjourned from time to time for periods not exceeding forty-eight (48) hours by vote of the Owners holding a majority of the votes represented at such meeting regardless of whether a quorum is present. Any business which could properly be transacted at an adjourned session and no additional notice of adjourned sessions shall be required.

N. **ORDER OF BUSINESS:** The order of business at all meetings of the Owners shall be as follows:

1. Roll call;
2. Proof of proper notice of the meeting or waiver of notice;
3. Reading of the minutes of the preceding meeting;
4. Report of the Board of Directors;
5. Reports of Officers;
6. Reports of Committees;
7. Election of Inspectors of Election (when required);
8. Election of Directors (when required);
9. Unfinished Business;
10. New business.

O. **MINUTES OF MEETINGS:** The Secretary of the Association shall prepare, or cause to be prepared, and keep accurate minutes of every meeting of the Owners. Such minutes shall be made available for examination and copying by any Owner at any reasonable time.

P. **WHO MAY ACT FOR AN OWNER:** In the absence of a valid proxy, an individual shall act in his own behalf, a corporation shall act by an officer thereof, a partnership shall act by any general partner thereof, a trust shall act by any trustee thereof, and any other legal entity shall act by any managing agent thereof. When an Owner consists of two or more persons, any one of such persons shall be deemed authorized to act for all in taking any action on behalf of such Owner unless another of such persons objects.

Q. **PROXIES:** Any Owner may by written proxy designate an agent to cast his 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 Council. 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 Council.

If at least ten (10) days prior to a duly called meeting an Owner is informed by mail of (1) the theme and place of the meeting; (2) the agenda of the meetings and (3) such date as is then available

relative to issues on which there will be vote and a proxy form is included in such mailing and the Owner neither attends the meeting nor returns his executed proxy then such Owner shall be deemed to have give his proxy to and for the majority present and voting.

ARTICLE II
BOARD OF DIRECTORS

A. **FORM OF ADMINISTRATION:** The Administration of the Association and the Property shall be vested in a Board of Directors consisting of three Directors elected by all of the Owners.

B. **AUTHORITIES AND DUTIES:** The authorities and duties of the Board of Directors shall include the following:

1. To provide for the surveillance and security of the Property;

2. To provide for the maintenance, repair and replacement of the buildings and improvements and the Properties as prescribed by the Declaration and by the Association;

3. To employ and discharge the persons necessary for the operation, maintenance, repair and replacement of the buildings and improvements and the Properties as prescribed in the Declaration and by the Association;

4. To collect from the Owners their respective assessments;

5. To insure the property as hereinafter provided and as provided in the Declaration and by the Association;

6. To enact reasonable regulations governing the operation and use of the Lots and the buildings and improvements thereon in conformity with the Declaration;

7. To enforce the terms of the Declaration and these Bylaws and the regulations promulgated pursuant thereto as hereinafter provided; and

8. To administer the Association and the Property on behalf of and for the benefit of all Owners.

C. **QUALIFICATION:** Only an individual who is an Owner, or who together with another person or persons is an Owner, or who is

an officer of an association, a trustee of a trust, or a managing agent of any other legal entity which is an Owner, or which together with another person or person is an Owner, shall serve as a Director of the Association.

D. **QUORUM**: A majority of Directors shall constitute a quorum for the transaction of business.

E. **CONSENTS**: Any action taken by a vote of the Board of Directors may also be taken by written consent to such action signed by all Directors.

F. **COMPENSATION**: The Directors shall serve without compensation but shall be entitled to reimbursement by the Association for expenses incurred in the conduct of their duties.

ARTICLE III **OFFICERS**

A. **DESIGNATION**: The Association shall have a President, a Vice President, a Secretary and a Treasurer. The Association may also have one or more assistants to the Secretary and to the Treasurer and such officer may deem necessary from time to time. The offices of the Secretary and Treasurer may be filled by the same individual.

B. **QUALIFICATION**: The President and Vice President must be Directors and all other officers must be individuals who are qualified to be Directors.

C. **ELECTION AND TERM**: Officers of the Association shall be elected at each annual meeting of the Board of Directors 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 assume office unless sooner removed as hereinafter provided. An officer may be re-elected to any number of terms.

D. **REMOVAL**: Any officer may be removed from office at any time with or without cause by the Board of Directors or by the Owners. An officer removed by the Board of Directors or by the Owners shall be replaced only by the Owners.

E. **PRESIDENT**: The President shall be the chief executive

officer of the Association. He shall preside at all meetings of the Association and the Board of Directors at which he is present.

He shall have all of the general powers and duties which are usually vested in the office of the President of an unincorporated association, including, but not limited to the power to appoint committees from among the Owners from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

F. **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. If neither the President or Vice President is able to act, the Board of Directors shall appoint some other Director to take their place and perform the duties of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

G. **SECRETARY**: The Secretary shall keep the minutes of all meetings of the Owners and the Board of Directors, shall have charge of such books and papers as the Board of Directors may direct, and shall, in general, perform all of the duties incidental to the office of Secretary of an un-incorporation association.

H. **TREASURER**: The Treasurer shall have custody of any responsibility of the Association funds and securities and shall keep the financial records and books of account belonging to the Association. If a Manager is employed as hereinafter provided, custody of association funds and securities and responsibility for maintaining full and accurate accounts of all receipts and disbursements may be delegated to the Manager if the Board of Directors so determine; but in such case, the Treasurer shall verify the amounts of Association funds and securities in the custody of the Manager at such intervals as may be determined by the Board of Directors.

ARTICLE IV**MANAGER**

A. **MANAGER**: The Manager is defined as any person, which said person may be an Owner, or entity whom the Association employs or who volunteers to assist in or take control of the administration of the duties and responsibilities of the Association. The Board of Directors may employ a Manager under terms and conditions at its sole discretion.

B. **AUTHORITY AND DUTIES**: The Manager shall have such authority and duties as may be determined by the Board of Directors and shall report to the Boards of Directors or the President as the Board of Directors may determine.

C. **APPROVAL OF BUDGET**: The proposed budget, as it may be amended upon motion of any Owner, shall be submitted to a vote of the Owners and when approved by the unanimous vote of the Owners shall become the budget of the Association for the fiscal year (the "Budget"). The terms of the Budget shall be binding upon the Board of Directors until such terms are amended by action of the Owners.

D. **REGULAR ASSESSMENTS**: The funds required by the Budget shall be collected from the Owners by the Board of Directors in equal monthly or quarterly assessments as the Board of Directors may determine.

E. **INDIVIDUAL ASSESSMENTS**: Any payments to the Association which one or more but less than all of the Owners shall be obligated to make pursuant to the terms of the Act, Master Deed or these Bylaws shall be due upon demand and shall be collected by the Board of Directors.

F. **WORKING CAPITAL ASSESSMENT**: Upon the sale of any Lot to any good faith new purchaser for value, the Association shall charge a Working Capital fee equal to two months of the regime fee for the Lot being sold which shall be due and payable to the Association at the time of the closing of said sale from the new purchaser.

G. **COLLECTION**: Owners shall be personally liable for all assessments and shall pay the same promptly when due. The Board

of Directors shall take prompt an appropriate action to collect by suit, foreclosure or other lawful method any overdue assessment. If any overdue assessment is collected by an attorney or by an action of law, the Owner owing the same shall be required to pay all reasonable costs of collection including attorney's fees.

H. **PENALTY**: An assessment not paid within fifteen (15) days following the date when due shall bear a penalty of Twenty-five (\$25.00) Dollars plus eight (8%) percent of the assessment per annum from the date when due. The penalty shall be added to and collected in the same manner as the assessment. For purposes of this paragraph only, an unpaid assessment shall not be deemed over due until the Board of Directors has delivered to such Owner a written notice of the amount due and date due in which case no further demand shall be necessary. The Board of Directors may in its discretion waive all or any portion of a penalty imposed pursuant to this paragraph if it affirmatively appears that the failure to pay the assessment when due was cause by circumstances beyond the control of the Owner.

I. **ACCOUNTS**: The Board of Directors shall maintain on behalf of the Association a checking account in the county where the Property is situated. If a Manager is employed, said accounts may be maintained in the name of the Manager if the Board of Directors approves. 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 Two Hundred (\$200.00) 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 Owner at any reasonable time.

J. **PAYMENTS**: The Board of Directors shall provide for payment of all debts of the Association from the funds collected from the Owners. 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 One Hundred (\$100.00) Dollars shall be reviewed and approved by the President or the Board of Directors before payment is made.

All checks and requirements for withdrawals drawn upon any account of the account of the Association shall be signed by the President or Treasurer or by any two (2) officers of the Association. If a Manager is employed the Board of Directors may also authorize the Manager to make disbursements from such accounts.

K. **ACCOUNTING AND AUDITS:** All books and records of the Association shall be kept in accordance with good and accepted accounting practices and an outside audit shall be made upon request of an owner, provided not more than two owners requested audits shall be required in any twelve (12) month period.

ARTICLE VI

MAINTENANCE AND IMPROVEMENTS

A. **MAINTENANCE BY THE BOARD OF DIRECTORS:** The Association by and through the Board of Directors shall provide for the maintenance, repair and replacement of the exterior of the buildings and the fire sprinkler systems within each building as set forth in the Declaration and shall employ and dismiss the personnel required for such maintenance, repair and replacement.

B. **MAINTENANCE BY OWNERS:** Each Owner shall maintain his Lot, except the exterior portions of said Lots which are maintained by the Board of Directors in a good condition and repair.

C. **DEFAULT BY OWNER:** In the event that any Owner fails to perform the maintenance required by such Owner by these Bylaws or by any lawful regulation enacted pursuant hereto and such failure creates or permits a condition which is hazardous to life, health property or which unreasonably interferes with the rights of another Owner or which substantially detracts from the value and appearance of the Property, the Board of Directors shall, after giving such Owner reasonable notice of any opportunity to perform such maintenance, cause such maintenance to be performed and charge all reasonable expenses of so doing to such Owner by an individual assessment or have the option to add such charge to the annual assessment due from said Owner.

D. **EXPENSES:** Except as hereinafter provided, the expenses of maintenance, repair and replacement provided by the Board of

Directors shall be attributed to and derived from annual assessments fund and when appropriate the reserve fund. The expenses of maintenance, repair or replacement which are necessitated by (i) the failure of an Owner to perform the maintenance required by these Bylaws, or by any lawful regulation enacted pursuant hereto (ii) the willful act, neglect or abuse of an Owner, its family, lessee, invitee or guest or (iii) an uninsured loss which is to be borne by an Owner in accordance with Article VII of these Bylaws shall be charged to such Owner by an individual assessment or the Association shall have the option to add such charge to the annual assessment due from said Owner.

ARTICLE VII
REPAIR AND RESTORATION

A. **RECONSTRUCTION**: Following damage or destruction of the Properties, the Board of Directors shall promptly provide for such reconstruction. If the cost of such reconstruction exceeds Seventy Five Thousand and No/100 (\$75,000.00) Dollars, the Board of Directors shall employ a construction professional to practice in the jurisdiction or jurisdictions in which the Property is situate to supervise the reconstruction. It shall be the duty of such construction professional to inspect the progress of the reconstruction at regular intervals and submit written authorization to the insurance trustee hereinafter defined for the payment of work performed. When a construction professional is not required by the terms hereof the Board of Directors may perform such inspections and submit such authorization.

B. **COSTS**: The Board of Directors shall employ for the purpose of reconstruction the Property, the proceeds on any insurance obtained on the Property by the Board of Directors as trustee for the Owners. If such insurance proceeds do not cover the cost of reconstruction the deficiency shall be borne by the Association up to an amount equal to the sum of (i) the amount deducted pursuant to the "Loss Deductible" clause of the insurance policy plus (ii) fees and expenses of the Insurance Trustee hereinafter identified.

Any deficiency in excess of such amount shall be borne by the Owners in proportion to their respective interests in the portion of the property reconstruction.

ARTICLE VIII
INTENTIONALLY OMITTED

ARTICLE IX
INSURANCE

A. **INSUREDS**: Insurance policies upon the Property shall be purchased by the Association or its Managers for the benefit of the Association, the Owners and their mortgagees as their interests may appear as set forth in the Declaration. Such policies and endorsements shall be deposited with and held by the Association.

B. **COVERAGE**: Insurance coverages shall be secured by the Association for the items as set forth in the Declaration under Article VII as well as any such other insurance as the Board of Directors from time to time determine to be desirable.

C. **PREMIUMS AND DEDUCTIBLES**: Premiums and deductibles in connection with insurance policies shall be paid by the Association in accordance with Article VII in the Declaration.

D. **PROCEEDS**: The proceeds received by the Association from any indemnity paid under the any insurance policy shall be held by the Board of Directors as trustee as set forth in the Declaration. After deduction of all reasonable expenses of the Board of administering such proceeds, the net proceeds shall be distributed as set forth in the Declaration.

E. **INSURANCE BY OWNERS**: Each Owner shall be responsible for obtaining such amounts of the following types of insurance as the Owner deems necessary or desirable.

ARTICLE X
RESTRICTIONS AND REGULATIONS

A. **REGULATIONS**: The Board of Directors shall adopt and amend from time to time such reasonable regulations (The "Regulations")

governing the operation and use of the Property as they may deem necessary or desirable. It shall not be necessary to record Regulations newly adopted or the Amendment or repeal of existing Regulations, but no Owner shall be bound by any newly adopted Regulations or any amendment or repeal of an existing Regulation until a copy of the same has been delivered to such Owner.

B. **ENFORCEMENT**: The Board of Directors shall enforce the terms of the Declaration and these Bylaws and the Regulations promulgated pursuant hereto and shall take prompt and appropriate action to correct any violations of the same. In addition to any other remedy to which the Association or Owner may be entitled, the Board of Directors may impose against an Owner reasonable fines not to exceed a total of Fifty (\$50.00) Dollars per day for any violation of the terms of the Declaration or these Bylaws or the Regulations promulgated pursuant hereto. Such fines shall be collected by individual assessment. Each day during which a violation occurs or continues shall be deemed a separate offense.

C. **RESPONSIBILITY OF OWNERS**: Each Owner shall be deemed responsible for the conduct of members of his family and his tenants, agents, lessees, guests and pets, but the responsibility of the Owner shall not relieve any member of his family or any of his tenants, agents or guests for any liability to the Association or to any Owner for their own acts.

ARTICLE XI

LIABILITIES AND INDEMNIFICATION

A. **LIABILITY OF OWNERS**: No Owner shall be liable upon a debt or tort of the Association for any amount in excess of such portion of the total liability as the portion of the Owner's Membership in the Association.

B. **INDEMNIFICATION AMONG OWNERS**: Each Owner shall be entitled to contribution from and indemnification by every other Owner to the extent that such Owner discharges or is required to discharge any portion of any liability of the Association in excess of such Owner's proportionate share thereof, except that no Owner shall be required to provide contribution or indemnification on account of

a debt which was liquidated in amount due and payable prior to the time such Owner became an Owner.

C. **LIABILITY OF DIRECTORS AND OFFICERS:** No Director or Officer of the Association shall be liable to any Owner for any decision, action or omission made or performed by such Director or Officer in the course of his 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 Declaration or these Bylaws.

D. **INDEMNIFICATION OF DIRECTORS AND OFFICERS:** The Association shall indemnify and defend each Director and each Officer of the Association from any liability claimed or imposed against him by reason of his position or actions as a Director or an officer of the Association if all of the following conditions are satisfied:

1. Such liability does not arise from the willful misconduct of such Director or Officer;

2. Such Director or Officer is not required to bear such liability by the terms of the Declaration or these Bylaws;

3. 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

4. Such Director or Officer cooperates with the Association in defending against the liability. The expense of indemnifying a Director or an Officer shall be borne by all the Owners, including such Directors or Officers, in proportion to their respective membership in the Association. The Board of Directors may obtain insurance indemnifying any Director or Officer of the Association for any liability claimed or imposed against him by reason of his position as a Director or Officer of the Association and the cost of such insurance shall be a Common Expense.

ARTICLE XII

SEAL AND SIGNATURES

A. **SEAL:** The Association shall have a seal inscribed in the name of the Association and such other information as the Board of Directors may determine. The Secretary of the Association shall

have custody of the Seal and affix and attest the same upon such documents as the Board of Directors may direct.

B. **ATTESTATION OF DOCUMENTS**: The presence of the Association seal, attested by the Secretary of the Association on any contracts, conveyance or any other document executed on behalf of the Association shall attest:

1. That the Association Seal affixed to the document is in fact the seal of the Association.

2. That any officer of the Association executing the documents does in fact occupy the official position indicated; that one in such position is duly authorized to execute such document on behalf of the Association; and that the signature of such officer subscribed to the document is genuine;

3. That the execution of the document on behalf of the Association has been duly authorized.

C. **CERTIFICATION OF DOCUMENTS**: When the seal of the Association is affixed to any document relating to the Property or the Association and is attested by the Secretary of the Association, the third party without knowledge or reason to know to the contrary may rely on such documents as being what it purports to be.

D. **CERTIFICATION OF ACTIONS AND FACTS**: When a written statement setting forth (i) actions taken by the Owner or by the Board of Directors or (ii) facts relating to the property or the Association as determined by the Board of Directors, is executed by the Secretary of the Association and bears the seal of the Association, a third party without knowledge or reason to know to the contrary may rely on such statement as factually true and correct.

E. **ABSENCE OF SEAL**: The absence of the seal of the Association from any contract, conveyance or other document executed on behalf of the Association shall not impair the validity of such contract, conveyance or document or of any action taken pursuant thereto or in reliance thereon, but the person relying on the same shall bear the burden of establishing that the execution on behalf of the

Association.

ARTICLE XIII
AMENDMENTS

A. **PROCEDURE**: These Bylaws may be amended from time to time by resolution adopted by the affirmative vote of 4 out of 6 of the Owners. No amendment shall be effective unless and until recorded as an amendment to the Declaration in accordance with the Declaration and By-Laws.

B. **EFFECT**: All Owners, tenants of Owners, employees of Owners and tenants, and any other persons that may in any manner use the Property or any part thereof shall be bound to abide by any amendment to these Bylaws duly adopted and recorded as specified herein.

ARTICLE XIV
MISCELLANEOUS

A. **RECORD OF OWNERSHIP**: Any person who acquires title to a Lot, except a person who acquires title to a Lot merely as security for a debt, shall promptly inform the Board of Directors of the identity of such person and the date upon the manner in which title to the Lot was acquired and a mailing address for the Owner.

The Board of Directors shall maintain a record in the names of all Owners and the dates upon which they acquired title to their Lot and a mailing address for the Owners.

B. **NOTICES**: Any notices or documents placed in the mail receptacle or affixed to the front door of the buildings on the Lot, identifying the Owner, by or at the direction of the Board of Directors shall be deemed delivered to the Owner of such lot, unless the Owner of such Lot has previously specified to the Board of Directors in writing another address for delivery of such notice and documents. Any notice or document addressed to the Board of Directors and delivered to any Director by or at the direction of an Owner shall be deemed delivered to the Board of Directors.

C. **WAIVER**: No provision of these Bylaws or of the Regulations

promulgated pursuant hereto 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 breached which may have occurred.

D. **CONFLICTS**: In the event of any conflict between these Bylaws and the Declaration, the Declaration shall control as appropriate.

In the event of a conflict between these Bylaws and the Regulations promulgated pursuant hereto, these Bylaws shall control.

E. **SEVERABILITY**: The provisions of these Bylaws are severable, and the invalidity of one or more provisions hereof shall not be deemed to impair or affect in any manner the validity enforceability, or affect the remainder hereof.

F. **CAPTIONS**: The captions herein are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of these Bylaws or the intent of any portion hereto.

G. **GENDER AND NUMBER**: All pronouns used herein shall be deemed to include the masculine, feminine, neuter, singular and plural whenever the context requires or permits.

CERTIFICATION

I, the undersigned, do hereby certify that I am the acting Secretary of **GOVERNOR'S WALK HOMEOWNERS ASSOCIATION, INC.** and the foregoing Bylaws of said Association are duly adopted at the meeting of the Board of Administration thereof, held on the 29th day of April, 2013.

GOVERNOR'S WALK HOMEOWNERS ASSOCIATION, INC.

BY: 

VANCE JENSEN

ITS: ACTING SECRETARY

RECORDER'S PAGE



CM
NOTE: This page **MUST** remain
with the original document

Filed By:

CHAKERIS LAW FIRM

231 CALHOUN ST.
CHARLESTON SC 29401

RECORDED

Date: April 29, 2013

Time: 11:50:43 AM

Book

0326

Page

895

DocType

Rest/Covs

Charlie Lybrand, Register
Charleston County, SC

MAKER:

51 GADSDEN ST LLC

RECIPIENT:

NA

Original Book:

Original Page:

of Pages: 41
of Sats: # of References:

Note:

Recording Fee	\$ 10.00
Extra Reference Cost	\$ -
Extra Pages	\$ 36.00
Postage	\$ -
Chattel	\$ -
TOTAL	\$ 46.00

DRAWER **Drawer 4**
CLERK **LRR**



0326
Book



895
Page



04/29/2013
Recorded Date



41
Pgs



Original Book



Original Page



D
Doc Type



11:50:43
Recorded Time