

**BYLAWS**  
**OF**  
**Hampton Farms Homeowners' Association, Inc.**

## ARTICLE I

### NAME, LOCATION AND PURPOSE

**Section 1: Name.** The name of the non-profit Association is Hampton Farms Homeowners' Association, Inc., hereinafter, the Association.

**Section 2: Principal Office.** The principal office of the Association will be located at

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**Section 3: Purpose.** This Association is charged with the operation and management of Hampton Farms Subdivision located in Greenville County, South Carolina. Said operation and management shall be carried out consistently with the provisions of the Declaration of Covenants and Restrictions that is recorded in the Register of Deeds Office for Greenville County, South Carolina as well as the Articles of Incorporation for said Association.

## ARTICLE II

### DEFINITIONS

**Section 1:** "Association" shall mean Hampton Farms Homeowners' Association, Inc., its successors and assigns.

**Section 2:** "Properties" shall mean and refer to that certain real property described in the Declaration of Covenants and Restrictions for Hampton Farms Subdivision that is recorded in the Register of Deeds Office for Greenville County, South Carolina and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

**Section 3:** "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the lot owners of Hampton Farms Subdivision.

**Section 4:** "Lot" shall mean and refer to any plot of land shown upon any recorded subdivision map of the Properties with the exception of the common area.

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**Section 5:** "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is part of the properties, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation.

**Section 6:** "Developer" shall mean and refer to East Hampton Properties, L.L.C. its successors and assigns, if such successors and assigns should acquire more than one undeveloped lot from the Developer for the purpose of development.

**Section 7:** "Member" shall mean and refer to lot owners and the Developer as the same are defined by the Declaration of Covenants and Restrictions of Hampton Farms Subdivision and these Bylaws.

**Section 8:** "Declaration" shall mean and refer to the Declaration of Covenants and Restrictions for Hampton Farms Subdivision as recorded in the Greenville County, SC Register of Deeds Office.

**Section 9:** "Mortgage" shall mean and refer to persons, firms or Associations holding a recorded lien appearing of record in the Greenville County, SC Register of Deeds Office against any lots as defined by Section 4 above.

### ARTICLE III

#### ASSOCIATION MEMBERS

Every person or entity who is a record owner of a fee or undivided fee interest in any lot which is subject by covenant of record to assessment by the Association, including contract sellers, shall be a member of the Association. The foregoing is not intended to include persons or entities that hold an interest merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment by the Association.

**Section 1: Annual Meeting.** Unless otherwise designated by the board of directors, the annual meeting of the members shall be held on the first day of February, at 6:00 p.m. at the principal office for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the day fixed for the annual meeting is a legal holiday in the State of South Carolina, the annual meeting shall be held on the next succeeding business day. If the election of directors is not held on the day designated herein as the date for the annual meeting of the members or at any adjournment thereof, the board of directors shall cause the election of directors to occur at a special meeting of the members to be held as soon thereafter as is reasonable.

**Section 2: Special Meetings.** Unless otherwise prescribed by statute, special meetings of the members may be called for any purpose or purposes by the president or by the board of directors, and shall be called by the secretary at the written request of any director or holders of not less than ten percent (10%) of all the votes entitled to be cast on any issue proposed to be considered at the meeting demanded.

**Section 3: Place of Meeting.** The annual meeting or special meetings of the members may be held at the principal office of the Association or at such other place within Greenville County, South Carolina as the board of directors may from time to time designate. If no designation is made for any annual or special meeting of the members, the place of meeting shall be the principal office of the Association.

**Section 4: Notice of Meetings.** Written notice stating the date, time, and place of a meeting of the members and, in case of a special meeting of the members the purpose or purposes for which the meeting is called, shall be given to each member entitled to vote at such meeting at least ten (10) days and not more than fifty (50) days before the meeting. Such notice shall be given in one of the following manners: personally, by mail, by telephone, by private carrier, by e-mail, by telephone facsimile, or by such other manner as permitted by applicable South Carolina State Law. Such notice shall be given by the secretary or by the person or persons authorized to call members' meetings. If such written notice is mailed, correctly addressed to the member's address shown in the Association's current record of members, the notice shall be deemed to have been given to the member at the time of mailing. If such written notice is sent by private carrier or if such written notice is sent by United States mail, postage prepaid and by registered or certified mail, return receipt requested, the notice shall be deemed to have been given to the member on the date shown on the return receipt. Otherwise notice is effective when received by the member. Notice of any members' meeting may be waived by any member before or after the date and time of the meeting. Such waiver must be in writing, must be signed by the member, and must be delivered to the Association for inclusion in the minutes or filing with the Association records.

**Section 5: Action by Members Without a Meeting.** Any action permitted to be taken at a members' meeting may be taken without a meeting if one or more written consents, setting forth the action so taken, are signed by all the members entitled to vote on the action. A member may withdraw such consent only by delivering a written notice to the Association prior to the time when all consents have been delivered to the Association. Any such action taken shall be effective when all consents have been delivered to the Association, unless the consent specifies a later effective date.

**Section 6: Members' List for Meeting.** After fixing a record date for a meeting, the Association shall prepare an alphabetical list of the names of all members on the record date who are entitled to notice of the members' meeting. The list must show the address of and number of shares held by each member.

The members' list must be available for inspection by any member, beginning five days prior to the meeting and continuing through the meeting, at the Association's principal office or at the place identified in the meeting notice in the city where the meeting will be held. Subject to applicable law, a member, the member's agent, or the member's attorney is entitled to inspect the list at any time during the meeting or any adjournment.

**Section 7: Quorum.** A majority of the votes entitled to be cast on a matter by a voting group constitutes a quorum of that voting group for action on that matter. Once a member is represented for any purpose at a meeting, other than solely to object to holding the meeting or transacting business at the meeting, it is deemed present for quorum purposes for the remainder of the meeting and any adjournment of the meeting, unless a new record date is or must be set for that adjourned meeting. If a quorum exists, action on a matter, other than the election of directors is approved by a voting group if the votes cast within the voting group favoring the

action exceed the votes cast within the voting group opposing the action.

**Section 8: Organization.** The President, or in his absence, the Vice President shall preside over all meetings of members and the Secretary of the Association shall act as Secretary at all meetings of members; provided, however, in the Secretary's absence, the President may appoint a Secretary for a meeting of the members.

**Section 9. Voting.** The Association shall have two classes of voting membership.

a. Class A. Class A members shall be all owners, with the exception of the Developer, and shall be entitled to one vote for each lot owned. When more than person holds an interest in any lot, all such persons shall be members. The vote for such lot shall be exercised as they determine, but in no event shall more than one vote be cast with respect to any lot.

b. Class B. Class B member(s) shall be the Developer as defined in the Covenants and Restrictions and shall be entitled to three (3) votes for each lot owned. The Class membership will cease, and be converted to Class A membership, upon the happening of either of the following events:

- i. When the total votes outstanding in Class A membership equal the total votes outstanding in Class B membership, or
- ii. January 1, 2009.

**Section 10. Voting by Proxy.** The vote allocated to a member may be cast pursuant to a dated written proxy signed by the member and filed with the Secretary. Every proxy shall be revocable by a written notice sent to the Secretary or person presiding over a meeting of the Association. Every proxy shall automatically cease upon conveyance by the member of their lot.

## ARTICLE IV

### BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

**Section 1. Number.** The affairs of the Association shall initially be conducted by two (2) Directors. However, upon the conversion of the Class B voting membership to Class A, no more than seven (7) and no less than three (3) Directors shall be elected and have such terms in office as set forth in Section 2 below. The directors shall be entitled to act on behalf of the Association in all routine, day to day operations of the Association.

**Section 2. Term of Office.** Members shall elect Directors for a term of three (3) years. The term of office for each Director shall be until the successors to such offices shall have been duly elected and qualified as hereinafter stated.

**Section 3. Removal.** The entire board of directors or any individual director may be removed

from the Board by a majority vote of all the members of the Association. In the event of death, resignation or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve the unexpired term of his predecessor.

**Section 4. Compensation.** No Director shall receive compensation for any services he may render to the Association. However, any Director may be re-imbursed for his actual expenses incurred in the performance of his duties.

**Section 5. Action Taken Without a Meeting.** Any action required or permitted to be taken at a directors' meeting may be taken without a meeting if one or more written consents, setting forth the action so taken, shall be signed by all the directors. Any such action taken shall be effective when all consents have been delivered to the Association, unless the consent specifies a later effective date.

## ARTICLE V

### NOMINATION AND ELECTION OF DIRECTORS

**Section 1. Nomination.** Once the Class B voting membership has been converted to Class A membership, nomination for election to the Board of Directors shall be made from the floor at the annual meeting.

**Section 2. Election.** Election to the Board of Directors shall be by secret written ballot. At such election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration and these By-laws. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

## ARTICLE VI

### MEETINGS OF DIRECTORS

**Section 1. Regular Meetings.** Regular meetings of the board of directors shall be held at least quarterly without notice, at such time and place, as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next business day that is not a legal holiday.

**Section 2. Special Meetings.** Special meetings of the Board of Directors may be called by or at the request of the President of the Association or of any Director. The person or persons calling such special meeting of the board of directors may fix any place, either within or without this state, as the place for holding that special meeting.

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

Board.

## ARTICLE VII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

**Section 1. Powers.** Subject to the provisions contained herein and applicable law, the Board shall have the power and authority to exercise all of the rights and powers of the Association, including, but not limited to the following powers:

- a. Adopt and publish rules and regulations governing the use of the common area and facilities; and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;
- b. To suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association; and to suspend such rights, after notice and hearing, for infraction of published rules and regulations for a period not to exceed sixty (60) days;
- c. To declare the office of a member of the Board to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board;
- d. To employ a manager, an independent contractor, or other employees as is deemed necessary, and to prescribe their duties; provided, that any contract for professional management must contain a clause requiring not more than ninety (90) days termination notice;
- e. To procure, maintain and pay premiums on a master policy of hazard insurance as the Board, in its discretion, deems necessary or advisable in an adequate amount to be determined by the directors, and to equitably assess the owners of the lots for their pro-rata share of such expenses;
- f. To exercise all other powers that may be exercised in this State by legal entities of the same type as this Association;
- g. To exercise any other powers necessary and proper for the governance and operation of the of the Association, and
- h. To have and to exercise any and all power, rights and privileges which a corporation organized under the non-profit corporation law of the State of South Carolina by law may now or hereinafter have or exercise.

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

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

b. Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;

c. As more fully provided in the Covenants and Restrictions, to:

1. At least thirty (30) days in advance of each annual assessments period, fix the amount of the annual assessment against each lot, with the exception of those lots owned by the Declarant, who is exempt from any and all assessments for any lot owned by it, either now or in the future.

2. Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

3. Foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or to bring an action at law against the owner personally obligated to pay the same.

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

e. Procure and maintain, at all times, adequate hazard insurance on the property owned by the Association and sufficient liability insurance to adequately protect the Association, said amount of insurance to be determined by the Directors in their discretion; and

f. Cause the common area to be maintained.

## ARTICLE VIII

### OFFICERS AND THEIR DUTIES

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

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

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

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

**Section 5: Resignation and Removal.** Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the President or Secretary. Such resignation shall take effect on the date of receipt of such notice or at any time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

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

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

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

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

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

c. **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members, keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members, keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board. The Secretary shall also maintain a registry for mortgagees of properties of members of the Association, and, upon satisfactory arrangements for reimbursement of expenses incurred, advise such mortgagees or any owner of any delinquency of as much as thirty (30) days of the payment of such owner's annual assessment, and to furnish to such mortgagee annual reports and other financial data; and shall notify such mortgagee of any condemnation procedures filed against the Association and advise them if such action results in an award for damages to the Associations' property of \$10,000.00 or more.

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

## ARTICLE IX

### MORTGAGEES AND LIENHOLDERS

Any Mortgagee of or lien holder on, any lot may file with the Association a declaration of their interest therein. Thereafter, the consent of seventy-five percent (75%) of the mortgagees or lien holders on all lots in the subdivision then under mortgages or liens, shall be required in order for the Association to:

a. Remove, abandon, or substantially alter any property taken under its control for the use and benefit of the owners of the properties in the subdivision from its original use and purpose or from its status for common use.

b. Diminish the voting interest of any lot owner to less than one vote for each lot in the subdivision, or increase the total votes to a larger number than the total number of lots in the subdivision.

c. Dedicate any common areas to any public agencies other than for normal utility easements.

d. Substantially alter the terms of the By-Laws of the Association, or the Declaration of Subdivision.

e. Abridge the right of a mortgagee of lots in the subdivision to protect the common area from jeopardy for unpaid taxes, liens and assessments, and in the event any mortgagee shall pay overdue taxes, insurance premiums, or assessments on common property, impair the right of such mortgagee to immediate reimbursement from the Association for all sums so expended in the protection of the common elements.

## ARTICLE X

### COMMITTEES

The Association shall appoint a Nominating Committee as provided in these By-Laws. In addition, the Board shall appoint other committees as deemed appropriate in carrying out its purposes.

## ARTICLE XI

### BOOKS AND RECORDS

The books, records, and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member or mortgagee of any member. The Declaration, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at a reasonable cost.

## ARTICLE XII

### ASSESSMENTS

As more fully provided in the Declaration, each member is obligated to pay the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments that are not paid when due shall be considered delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of ten percent (10%) per annum, and the Association may bring an action at law against the owner personally obligated to pay the sum or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of such assessment. No owner may waive or otherwise escape liability for assessment provided herein by nonuse of the common area or abandonment of his lot.

The annual maintenance assessment may be increased at any time by an affirmative vote of seventy-five percent (75%) of all lot owners of the subdivision.

As more fully provided in the Covenants and Restrictions, the Declarant shall be exempt from any and all assessments, including annual and special, for any lot owned by it, either now or in the future.

## ARTICLE XIII

### CORPORATE SEAL

The Association shall have a seal in circular form having within its circumference the words: Hampton Farms Homeowners Association, Inc. and the words: "Corporate Seal" in the center thereof.

## ARTICLE XIV

### INSURANCE AND CASUALTY LOSSES

**Section 1: Insurance.** The Association's Board or its duly authorized agent shall have the authority to and shall obtain insurance for all insurable improvements constructed on the common area against loss or damage by fire or other hazards, including extended coverage, vandalism, and malicious mischief, in an amount sufficient to cover the full replacement cost of any repair or reconstruction in the event of damage or destruction from any such hazard. The Board of the Association or its manager shall also obtain public liability insurance covering common areas and facilities thereon in such amounts as the Board shall determine to be reasonably sufficient.

## **ARTICLE XV**

### **AMENDMENTS**

Except as otherwise provided herein, in the Articles of Incorporation, or in the Declaration; these By-Laws may be amended or repealed and new By-Laws may be adopted by an affirmative vote of a majority of a quorum of the members present in person or by proxy at a regular or special meeting of the members.

## **ARTICLE XVI**

### **DISSOLUTION**

The Association may be dissolved with the consent given in writing and signed by not less than eighty percent (80%) of each class of members. Any termination of the planned community must be accomplished in accordance with any applicable provisions of South Carolina law.

## **ARTICLE XVII**

### **MISCELLANEOUS**

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

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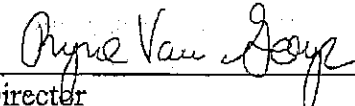
## **ARTICLE XVIII**

### **EFFECT**

In the case of any conflict between applicable provisions of South Carolina law and the Articles of incorporation, South Carolina law shall control; in case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; in case of any conflict between the Covenants and Restrictions and these By-Laws, the Covenants and Restrictions shall control.

IN WITNESS WHEREOF, John Williams and Ryne Van Gorp being the Directors of the Hampton Farms Homeowner's Association, Inc. have hereunto set their hands and seals, this 20th day of December, 2002.

 (SEAL)  
Director

 (SEAL)  
Director