

BYLAWS OF CALIBER RIDGE INDUSTRIAL PARK OWNERS ASSOCIATION

ARTICLE 1 NAME AND LOCATION

The name of the corporation is Caliber Ridge Industrial Park Owners Association, Inc., hereinafter referred to as the "Association." The principal office of the corporation shall be located at Greer, Spartanburg County, South Carolina, but meetings of members and directors may be held at such places within the State of North Carolina, County of Mecklenburg, as may be designated by the Board of Directors.

ARTICLE 2 DEFINITIONS

2.1 "Association" shall mean and refer to Caliber Ridge Industrial Park Owners Association, Inc., its successors and assigns.

2.2 "Properties" shall mean and refer to that certain real property described in the Declaration, and such additions thereto as may hereafter be brought within the jurisdiction of the Association, together with all improvements presently and subsequently located thereon.

2.3 "Common Property" shall mean and refer to any property, together with any improvements thereon, in which the Association has an ownership interest (whether in fee or by easement) or holds possessory or use rights, for the general benefit of all Lots, Owners and Occupants, including, without limitation, any Easement Areas.

2.4 "Lot" shall mean any portion of the Properties, whether improved or unimproved, which may be independently owned, conveyed, developed and used for commercial, hotel, industrial or office purposes consistent with the Declaration. The term shall refer to the land, if any, which is a part of the Lot as well as any improvements thereon. The term shall not include any Common Property owned in fee by the Association or property dedicated in fee to the public.

2.5 "Owner" shall mean and refer to each record Owner, whether one or more Persons, of a fee simple title to any Lot which is a part of the Properties, but excluding those having such interest as security for the performance of an obligation.

2.6 "Declarant" shall mean and refer to **Liberty Property Limited Partnership**, a Pennsylvania corporation, as well as any successors or assigns of Declarant to whom or which Declarant expressly has transferred any or all of its rights as Declarant hereunder, all of which rights are assignable and may be apportioned on any reasonable basis, including, without limitation, on a Lot-by-Lot basis.

2.7 "Declaration" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions for Caliber Ridge and any supplements or amendments thereto applicable to the Properties recorded in the Office of the Register of Deeds of Greenville County, South Carolina. The capitalized terms used herein shall have the meaning set forth in the Declaration.

2.8 "Member" shall mean and refer to those Persons entitled to membership with voting rights as provided in the Declaration and in Article 3 of these Bylaws.

ARTICLE 3 MEMBERSHIP AND PROPERTY RIGHTS

3.1 Membership. All Owners shall be Members of the Association. The voting rights of the Members shall be as provided by the Declaration. When more than one Person holds an interest in any Lot, all such Persons shall be Members. The vote or votes for such Lot shall be exercised as they among themselves determine, but in no event shall more than one (1) vote be cast for each Lot. When a Lot is owned by more than one Member, the Members owning such Lot shall file with the Secretary of the Association a certificate designating one Member who is authorized to cast the vote(s) allotted to such Lot. The certificate must be signed by all of the Members owning such Lot and once filed with the Secretary of the Association, shall be valid until revoked by a subsequent certificate. If such a certificate is not on file and more than one Member owning the same Lot attempt to cast the vote(s) assigned to such Lot in an inconsistent manner, the vote(s) of such Members shall be invalid and shall not be considered in determining the requirement for a quorum, or for any other purpose.

3.2 Property Rights. Each Member shall be entitled to the use and enjoyment of the Common Property as provided in the Declaration. Any Owner may delegate his right of enjoyment to the Common Property to the Members, guests, invitees, tenants, occupants or to contract purchasers who occupy the Lot of such Member.

ARTICLE 4 MEETINGS OF MEMBERS

4.1 Annual Meetings. The first annual meeting of the Members shall be held within one year from the date of incorporation of the Association, and each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter at such time and place as the Board of Directors may prescribe.

4.2 Special Meetings. Special meetings of the Members may be called at any time by the president or by the Board of Directors, or upon written request of the Members who are entitled to cast one-fourth (1/4) of the votes of the Association.

4.3 Notice of Meetings. Written notice of each meeting of the Members shall be given by, or at the direction of, the secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least thirty (30) days before such meeting to each Member entitled to vote thereat, to the address last supplied by such Member to the Association for the purpose of notice, or if no such address has been supplied, to the Lot address. Notice to one of two or more co-Owners of a Lot shall constitute notice to all co-Owners. It shall be the obligation of every Member to immediately notify the Secretary of the Association in writing of any change of address. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. Waiver

by a Member in writing of the notice required herein, signed by him before or after such meeting, shall be equivalent to the giving of such notice.

4.4 Quorum. The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, twenty-five percent (25%) of the votes of the Association shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these Bylaws. If the required quorum is not present at any such meeting, a second meeting may be called subject to the giving of proper notice and there shall be no quorum requirement for such second meeting.

4.5 Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Lot.

ARTICLE 5

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

5.1 Number. The affairs of this Association shall be managed by a Board of Directors. Members of the Board need not be an Owner. The first annual Board of Directors shall consist of three (3) persons. Each succeeding Board of Directors shall consist of no less than three (3) and no more than five (5) persons, as determined by the Board of Directors.

5.2 Term of Office. All directors designated or selected by Declarant pursuant to the Declaration shall serve for such period of time as specified by Declarant. The terms of the directors elected by the Members initially shall expire at the next annual Members meeting following their election. At the first annual meeting at which the Members are entitled to elect all of the directors, the Members shall select two (2) directors for a term of two (2) years and the remaining directors for a term of one (1) year; and at each annual meeting thereafter the Members shall elect directors for a term of three (3) years. A decrease in the number of directors does not shorten an incumbent director's term. Despite the expiration of a director's term, however, such director shall continue to serve until the director's successor is elected and qualified or until there is a decrease in the number of directors.

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

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

5.5 Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the

written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE 6

NOMINATION AND ELECTION OF DIRECTORS

6.1 **Nomination.** Nomination for election by the members to the Board of Directors shall be made by a Nominating Committee. In addition, at least thirty (30) days prior to the date on which any Director is to be elected, the Board of Directors shall send to each Member a request for nominations for the position of Director. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting to serve until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

6.2 **Ballots.** The secretary or person directing the giving of notice pursuant to Article 4, Section 4.3 above of any Member's meeting at which one or more Directors are to be elected shall cause to be mailed with such notice a ballot for the election of Directors containing the names of nominees chosen by the Nominating Committee and by the Members in accordance with Section 6.1 of this Article and providing for "write-in" candidates. Each ballot presented at such meeting or received by the Association at such time and in such manner as directed by the meeting notice, shall be counted in calculating the quorum requirements for the meeting and shall be counted in the same manner as ballots cast in the election of such Director(s) at the meeting, in person or by Proxy. Provided, however, such ballots shall not be counted in determining whether a quorum is present to vote upon motions not appearing on the ballot.

6.3 **Election.** Election to the Board of Directors shall be by ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE 7

MEETINGS OF DIRECTORS

7.1 **Regular Meetings.** Regular meetings of the Board of Directors shall be held at such time and place and with such notice as shall be determined by resolution of a majority of the Directors.

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

7.3 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 8 POWERS AND DUTIES OF THE BOARD OF DIRECTORS

8.1 Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Property and the personal conduct of the Members, and their tenants, guests, and invitees thereon, and to establish penalties for the infraction thereof.

(b) suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any assessment, dues or charge levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations.

(c) exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these Bylaws, the Articles of Incorporation or the Declaration.

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

(e) contract for the benefit of the Properties and to delegate to such contractors all of the powers and duties of the Association, except those which may be required by the Declaration to have approval of the Board of Directors or membership of the Association.

(f) employ attorneys to represent the Association when deemed necessary.

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

(a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members, or any special meeting when such statement is requested in writing by the Members entitled to cast at least one-fourth (1/4) of the votes of the Association.

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

(c) as more fully provided in the Declaration, to fix and collect Base, Special and any other Assessments to be levied by the Association.

(d) issue, or to cause an appropriate officer to issue, estoppel certificates in accordance with the terms and conditions set forth in the Declaration.

(e) to the extent available at cost, deemed reasonable by the Board of Directors, to procure and maintain insurance covering the Association, its directors, officers, agents and employees and procure and maintain adequate hazard insurance on the real and personal property owned by the Association as follows:

(i) A policy of property insurance in an amount equal to the full replacement value (i.e., 100% of current "replacement cost" excluding land, foundations, excavations, streets and parking facilities) of the Common Property owned by the Association (including all building service and related equipment) with such endorsements as deemed necessary and appropriate by the Board of Directors. Such insurance policy must protect against loss or damage by fire and other hazards covered by the standard extended coverage endorsement, and by sprinkler leakage, debris removal, and cost of demolition, vandalism, malicious mischief and windstorm. If coverage is available, the policy may include coverage for water damage.

(ii) A comprehensive policy of public liability insurance insuring the Association in an amount not less than One Million Dollars (\$1,000,000.00) for claims for personal injury and/or Property damage arising out of a single occurrence, such coverage to include protection against liability for non-owned and hired automobiles and liability for property of others, and, if available, may include coverage for water damage.

(iii) If the Association elects to manage its own affairs and directly receive and disburse its own funds (or, if in addition to professional management, the officers or directors of the Association can and do directly receive or disburse the monies of the Association), the Board of Directors shall maintain fidelity coverage against dishonest acts by the Association's officers, directors, trustees and employees, and all others who are responsible for handling funds of the Association. If the Association employs a professional property management Person or firm to manage the Association and to receive and disburse the monies of the Association, then such professional management person or firm shall have adequate fidelity coverage against dishonest acts and the existence of such coverage shall satisfy the requirement of this paragraph. Any such fidelity bonds shall name the Association as an obligee; shall be written in an amount equal to at least 150% of the estimated annual operating expenses of the Association, including reserves; shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of "employee" or similar expression; and shall provide that they may not be canceled or substantially modified (including cancellation for non-payment of premium) without at least thirty (30) days prior written notice to the Association and to any Institutional Lender who has given the notice required under Article 9, Section 9.10, of the Declaration.

(iv) A comprehensive umbrella policy insuring the Association in an amount not less than One Million Dollars (\$1,000,000.00) for claims for personal injury and/or property damage arising out of a single occurrence, such coverage to include protection

against liability for non-owned and hired automobiles and liability for property of others, and, if available, may include coverage for water damage.

(v) A professional liability policy insuring the directors and officers of the Association in an amount not less than One Million Dollars (\$1,000,000.00).

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

(g) cause the Common Property to be maintained.

(h) if and when appropriate pursuant to Article 8 of the Declaration, cause the exterior of improvements on Lots to be maintained.

(i) maintain such properties and perform such services as set out in the Declaration.

ARTICLE 9 OFFICERS AND THEIR DUTIES

9.1 Enumeration of Offices. The officers of this Association shall be a president and one vice-president, who shall at all times be members of the Board of Directors, a secretary, assistant secretary, and a treasurer, and such other officers as the Board may from time to time by resolution create, including additional vice-presidents who need not be members of the Board of Directors.

9.2 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. to be presented to the membership at its regular annual meeting, and deliver a copy of each to the Members.

ARTICLE 10 COMMITTEES

The Board of Directors shall appoint an Architectural Control Committee, as provided in the Declaration, and a Nominating Committee, as provided in these Bylaws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.

ARTICLE 11 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, and any Institutional Lender, as that term is defined in the Declaration. The Declaration, the Articles of Incorporation and the Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE 12 ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association Base, Special or other assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within fifteen (15) days after the due date, the assessment shall bear interest from the date of delinquency at a per annum rate equal to the Wall Street Journal prime rate published on the first business day of the calendar quarter in which such assessment first becomes due plus eighteen percent (18%) per annum, and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of the assessments. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Property or abandonment of his Lot.

ARTICLE 13 AMENDMENTS

13.1 These Bylaws may be amended by the vote of a majority of the quorum of Members present and entitled to vote in person or by proxy, at a regular or special meeting of the Members of the Association; provided, however, no amendment purporting to revoke or curtail any right herein conferred to Declarant and no amendment during Declarant's Control Period shall be effective unless approved in writing by Declarant and no amendment relating to the maintenance or ownership of any permanent detention or retention pond shall be effective unless reviewed and approved by the governmental office having jurisdiction for watershed protection. In addition, no alteration or amendment shall result in the Owners of any Lot being burdened by assessments in excess of those provided in the Declaration or remove the right and obligation of the Association to maintain the Common Property.

13.2 In the case of any conflict between the Articles of Incorporation and the Bylaws, the Articles shall control; in the case of any conflict between the Declaration and these Bylaws, the Declaration shall control; and in the case of any conflict between the Articles and the Declaration, the Declaration shall control.

ARTICLE 14 INDEN1NIFICATION

Every person who is or shall be or shall have been a member of the Board of Directors or an officer of the Association and his or her personal representative shall be indemnified by the Association against all costs and expenses reasonably incurred by or imposed on him or her in connection with or resulting from any action, suit or proceeding to which he or she may be made a party by association, except in relation to such matters as to which he or she shall finally be adjudicated in such action, suit or proceeding to have acted in bad faith or to have been liable by reason of willful misconduct in the performance of his or her duty as such member of the Board of Directors or an officer. For purposes of this provision, "costs and expenses" shall include, without limiting the generality thereof, attorneys' fees, damages and reasonable amounts paid in settlement. Nothing contained in these Articles shall be deemed to

eliminate or reduce the protection from personal liability granted to members of the Board of Directors by the South Carolina Nonprofit Corporation Act and by the Articles of Incorporation of the Association or the Declaration.

ARTICLE 15
MISCELLANEOUS

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

CERTIFICATION

I, the undersigned, do hereby certify:

THAT I am the duly elected and acting Secretary of Caliber Ridge Industrial Park Owners Association, Inc., a South Carolina corporation, and

THAT the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted at a meeting of the Board of Directors thereof, held on the _____ day of _____, 2014.

Secretary

(CORPORATE SEAL)