

EXHIBIT B
BY-LAWS OF
HIDDEN FALLS OF KEOWEE HOMEOWNERS ASSOCIATION

ARTICLE I
Definitions.

Section 1. 1. Reference to Covenants. Terms as used in the By-Laws, unless the context requires otherwise or unless otherwise specified herein, shall have the same meaning as in the recorded Restrictive Covenants, Easements and Conditions for Hidden Falls of Keowee.

ARTICLE II
Name

Section 2. 1. Name. The name of the corporation shall be Hidden Falls of Keowee HOA (the "Association").

ARTICLE III
Regime Fees

Section 3. 1. Fees. The annual Regime Fees is \$250.00.

ARTICLE IV
Purpose

Section 4. 1. General. The purpose for which the Association is organized is to further the common interests of its members by making Hidden Falls of Keowee an attractive, enjoyable, and safe residential community and to promote compliance with the Restrictive Covenants, Easements, and Conditions of the Hidden Falls of Keowee subdivision.

Section 4. 2. No Profit Motive. The Association shall hold all funds and the title to all properties and the proceeds thereof in trust for the Owners in accordance with the provisions hereof and the Regime Documents; and is not organized for the purpose of profit or gain to its members, otherwise than as above stated, or for the insurance of life, health, accident, or property.

Section 4. 3. Distributions. The Association shall make no distributions of income to its members, directors, or officers; provided however, this provision shall not prohibit or prevent the distribution of any and all assets held in trust for the Owners as provided herein or in the Restrictive Covenants.

ARTICLE V Powers

The powers of the Association shall include and be governed by the following provisions:

Section 5. 1. General. The Association shall have all of the common law and statutory powers of a corporation not for profit which are not in conflict with the terms hereof.

Section 5. 2. Regime Documents. The Association shall have all of the powers and duties set forth In the Act except as limited hereby or by the Restrictive Covenants, Easements, and Conditions, and all of the powers and duties reasonably necessary to operate the Association and as it may be amended from time to time, including but not limited to the following:

- (a) To make and collect Assessments against Owners to defray the costs, expenses, and losses of the Association.
- (b) To use the proceeds of assessments in the exercise of its powers and duties.
- (c) To maintain, repair, replace, and operate the Property.
- (d) To purchase insurance for the Property and insurance for the protection of the Association and it's members-
- (e) To reconstruct improvements after casualty and to further improve the Property.
- (f) To make and amend reasonable Rules and Regulations respecting the use of the Property.
- (g) To contract for the management of the Property and to delegate to such management agent all powers and duties of the Association except such as are specifically required to have approval of the Board of Directors or the membership of the Association.
- (i) To employ personnel to perform the services required for proper operation of the Property.

Section 5. 3. Limitations. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Restrictive Covenants, Easements, and Conditions and the Bylaws.

ARTICLE VI Members

Section 6. 1. General. The Association shall not take steps which will serve to facilitate the transactions of specific business by its members or promote the private interest of any member, or engage in any activity which would constitute a regular business of the kind ordinarily carried out for profit, and no part of the net earnings of the Association shall inure to the benefit of any private individual.

Section 6. 2. Members. The members of the Association shall consist of all of the record Owners of Lots.

Section 6. 3. Change of Membership. Change of membership in the Association shall be established by the recording in the public records of Oconee County, South Carolina, of a deed or other instrument establishing a record title to a Lot in the Property and in the delivery to the Association of a certified copy of such instrument, the Owner designated by such instrument thereby shall become a member of the Association. The membership of the prior Owner shall be thereby terminated.

Section 6. 4. Assignment of Interest. The share of a member in the funds and assets held in trust by the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his Lot.

Section 6. 5. Voting. The members of the Association shall be entitled to one vote for each Lot owned. If more than one person owns a Lot, the owners of that unit shall determine how their single vote shall be cast.

ARTICLE VII Directors

Section 7. 1. General. The general affairs of the Association will be managed by a Board consisting of three (3) directors.

Section 7. 2. Election. Directors of the Association shall be elected at the annual meeting of the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.

Section 7. 3. Term of Initial Directors. The first election of directors shall be held no later than January 1, 2008. The directors herein named shall serve until the first election of directors, and any vacancies in their number occurring before the first election shall be filled by the remaining directors.

Section 7. 4. Initial Directors. The names and addresses of the members of the first Board of Directors who shall hold office until their successors are elected and have qualified, or until removed, are as follows:

James A. Swink	3840 Walhalla Highway	Six Mile, SC 29682
Timothy W. Revis	3840 Walhalla Highway	Six Mile, SC 29682
Mark Solon	3840 Walhalla Highway	Six Mile, SC 29682

ARTICLE VIII Officers

Section 8. 1. General. The affairs of the Association shall be administered by officers elected by the Board of Directors at its first meeting following the annual meeting of the members of the Association, which officers shall serve at the pleasure of the Board of

Directors. The names and addresses of the officers who shall serve until their successors are designated by the Board of Directors are as follows:

President and Chairman of the Board:	Mark Solon
Vice President:	Timothy W. Revis
Treasurer and Treasurer	James A. Swink

ARTICLE IX Indemnification

Section 9. 1. General. In accordance with and to the extent permitted by the law of the State of South Carolina made and provided, every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, or any settlement thereof, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.

ARTICLE X Amendments

Section 10. 1. General. Amendments to the Articles of Incorporation shall be proposed and adopted in the following manner:

1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
2. A resolution approving a proposed amendment may be proposed by either the Board of Directors or by the members of the Association. Directors and members not present in person or by proxy at the meetings considering the amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting.
3. Approval of an amendment must be by not less than seventy-five (75%) percent of the votes of the entire membership of the Association.
4. A copy of each amendment shall be certified by the Secretary of State and recorded in the public records of Oconee County, South Carolina.

ARTICLE XI

Term

Section 11. 1. General. The term of the Association shall be perpetual, provided however, that the Association shall be terminated by the termination of the Restrictive Covenant.

ARTICLE XII
Subscribers

Section 12. 1. General. The name and residence of the subscriber to this Declaration is as follows:

James A. Swink 3840 Walhalla Highway Six Mile, SC 29682

Section 12. 2. Authorization. The subscriber to this Declaration certify that they have been duly authorized by the Owners as the membership of the Association to execute this document for the purposes herein stated.

ARTICLE XIII
Principal Office

Section 13. 1. Location. The principal office of the Association shall be located at 3840 Walhalla Highway Six Mile, SC 29682.

WHEREAS, undersigned request that the Secretary of State issue to the aforesaid Association a Certificate of Incorporation with all rights, powers, privileges and immunities and subject of the limitations and liabilities conferred by South Carolina Code of Laws.

IN WITNESS WHEREOF, the subscribers have hereto affixed their signatures on ____ day of _____, 2007.

James A. Swink