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August 18, 2025

VIA CERTIFIED MAIL, RETURN RECEIPT REQUESTED AND EMAIL

Chestnut Hill Plantation Homeowner's Association, Inc.

Attn: Registered Agent

Ms. Lisa Daffern ldaffern@tcgrd.com

Town and County Community Assoc. Management frontdesk@tcgrd.com

132 West Cambridge Ave.

Greenwood, SC 29646

ALSO VIA EMAIL TO THE FOLLOWING BOARD MEMBERS:

Mr. David Wright - david_wright57@yahoo.com

Mr. David Bergeron - davidchpboard@gmail.com

Re: Tier Homes, LLC and Executive Construction Homes, LLC's Development Plans
in Chestnut Hill Plantation and Concerns Regarding Proposed Bylaw Revisions
Our Client: Tier Homes, LLC and Executive Construction Homes, LLC
Our File No.: 5-3688-114

Dear Members of the Chestnut Hill Plantation Homeowners Association Board:

I am writing on behalf of my clients, Tier Homes, LLC, Executive Construction Homes, LLC, and TPACP, LLC (collectively, "Tier"), respected homebuilders committed to creating high-quality residential communities. As you may be aware, Tier acquired 127 homesites within a section of the Chestnut Hill Plantation community, where it is constructing thoughtfully designed homes. These homes are under contract to be sold to reputable companies that plan to offer them for annual leases, contributing to the vibrancy and accessibility of the neighborhood. This project represents a significant investment for Tier and aligns with the community's established character as a welcoming, homeowner-focused environment.

First and foremost, Tier is dedicated to upholding the standards that make Chestnut Hill Plantation a desirable place to live. The homes are being built to reflect the current architectural and quality benchmarks of the community, incorporating modern amenities while respecting the aesthetic and structural integrity of existing properties. Tier has a proven track record of delivering developments that enhance property values and foster long-term stability. We are eager to collaborate with the Board and residents to ensure this phase integrates seamlessly, and we welcome any opportunities to discuss design plans or address specific concerns.

We understand that some residents have expressed apprehension about the potential for increased rentals in the community, as evidenced by recent communications such as the flyer

distributed by concerned neighbors and the Facebook post by David Bergeron on or about August 18, 2025, announcing voting days from August 22 to 25, 2025. While we appreciate the passion for preserving the homeowner-oriented nature of Chestnut Hill Plantation, it is important to note that the current Declaration of Covenants, Conditions, Restrictions, and Easements (the "Declaration"), recorded in 1994 at Deed Book 1211, Page 704 in the Richland County Register of Deeds, explicitly states in Article II, Section 3 that "there is **no restriction** on the right of any Owner to lease his Lot." This provision underscores the Declaration's intent to allow flexibility in property use, including leasing, without limitation.

Tier relied heavily on the existing terms of the Declaration, including the absence of any rental restrictions, when deciding to purchase and develop these 127 homesites. This reliance was reasonable and in good faith, as the Declaration has governed the community for over three decades without such prohibitions. South Carolina courts have consistently emphasized that restrictive covenants must be clear and unambiguous to be enforceable, strictly construing them in favor of the free use of property. For instance, in *Taylor v. Lindsey*, 332 S.C. 1, 498 S.E.2d 862 (1998), the court held that restrictive covenants must be strictly construed against limitations on property use, and any ambiguity must favor the owner's freedom to lease. Similarly, in *Community Services Assocs. v. Wall*, 418 S.C. 196, 791 S.E.2d 306 (Ct. App. 2016), the South Carolina Court of Appeals held that where a covenant is susceptible to multiple interpretations, the court must adopt the one that least restricts property use, refusing to enforce an ambiguous rental restriction.

Moreover, South Carolina courts require that amendments to declarations of covenants be reasonable and consistent with the original intent of the developers. In *Kinard v. Richardson*, 407 S.C. 247, 754 S.E.2d 888 (Ct. App. 2014), the court focused on the original intent of the covenants in determining the validity and applicability of amendments. Given that the Declaration expressly provides for unrestricted leasing rights, any amendment attempting to impose new rental restrictions would contradict this original intent and likely be deemed unreasonable and unenforceable.

Furthermore, the unrestricted right to lease is guaranteed by the Declaration itself, not the Bylaws. Pursuant to Article XII, Section 2 of the Bylaws, in the event of any conflict between the Bylaws and the Declaration, the Declaration prevails. Therefore, even if the Association were to amend the Bylaws to include rental guidelines, such changes could not override or affect the leasing rights explicitly granted in the Declaration. Amending the Declaration to impose such restrictions would require a 60% vote of all Lot Owners under Article X, Section 3, and could not prejudice Tier's rights acquired in reliance on the existing terms.

Tier has already commenced construction on these homes and executed a binding contract to sell most of the homes as rental properties, further solidifying its reliance on the current Declaration. Any attempt to amend the Bylaws or Declaration now to impose new rental restrictions would directly impair Tier's vested rights and cause irreparable economic harm, including lost profits from this transaction, construction delays, breach of contract liabilities, and diminished property values.

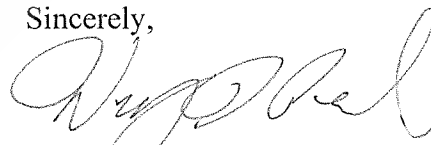
We are also concerned about potential procedural deficiencies in the proposed amendment process. The Association's Bylaws require written notice of any meeting to consider amendments to be sent to each member's last known address no earlier than 30 days and no later than 10 days prior to the meeting, specifying the place, day, hour, and purpose. However, Tier has not received any written notice of the proposed revisions or the scheduled voting days. Based on available information, it appears that notice has been provided solely via Facebook, which falls short of the Bylaws' requirements for written notice and may not reach all members, particularly those not active on social media. With voting set to begin on August 22, 2025—only four days from today—any notice provided fails to meet the minimum 10-day threshold, rendering the process potentially invalid. Additionally, we note that the Bylaws themselves have not been recorded in the Richland County Register of Deeds as required by South Carolina law (S.C. Code Ann. § 27-30-120 et seq.), which may further undermine their enforceability and the validity of any amendments derived therefrom.

Should the Association proceed with this improper vote despite these issues, Tier hereby casts its 127 votes against any amendments or changes to the Declaration or Bylaws. Tier will have no choice but to vigorously protect its substantial interests. This may include seeking immediate judicial intervention to invalidate the amendments as procedurally defective, unenforceable against properties acquired in reliance on the original Declaration, and contrary to South Carolina law. In the event of damages—which could exceed millions given the scale of Tier's investment, ongoing construction, and contractual commitments—Tier will pursue full reimbursement, including lost profits, construction costs, legal fees, and other expenses, through all available legal remedies. We are confident that the courts would view any retroactive restrictions as an impermissible impairment of Tier's rights. Nevertheless, we sincerely hope to avoid litigation and believe constructive dialogue can resolve these matters amicably while preserving the community's integrity.

Tier values the Chestnut Hill Plantation community and is committed to being a positive contributor. We would welcome a meeting with the Board to discuss these plans further, answer questions, and explore ways to mitigate any concerns within the existing legal framework. Please contact me at your earliest convenience to arrange a conversation.

Thank you for your attention to this matter. We look forward to working together to ensure the continued success and harmony of Chestnut Hill Plantation.

Sincerely,

A handwritten signature in black ink, appearing to read 'Wesley D. Peel', written over a large, faint, diagonal watermark that says 'DRAFT'.

Wesley D. Peel