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SC Court of Appeals

STATE OF SOUTH CAROLINA COUNTY OF RICHLAND	IN THE COURT OF COMMON PLEAS
S. Coley Brown, Plaintiff, v. Spring Valley Homeowners Association, Inc., Defendant.	Civil Action No.: 2012-CP-40-6974 **ORDER GRANTING SUMMARY JUDGMENT TO DEFENDANT**

This matter came before me on November 13, 2013, for a hearing on the cross motions for summary judgment filed by Plaintiff and Defendant. After hearing oral argument, reviewing the memoranda and related documentation submitted by both parties, and after fully considering the facts and circumstances I grant Defendant's Motion for Summary Judgment and deny Plaintiff's Motion for Summary Judgment, as set forth more fully below.

BACKGROUND

The properties in the Spring Valley subdivision in Columbia, South Carolina are subject to deed restrictions that run with the land and this action arises out of the enforcement of those deed restrictions. More specifically, this action arises out of the enforcement of the restriction concerning the placement of "for sale" signs on property located within the subdivision.

On August 31, 2007, the plaintiff purchased the property located at 118 Spring Valley Road in the Spring Valley subdivision and the deed was recorded on November 4, 2007. Pursuant to the deed, the conveyance of the property was "subject to any restrictions, reservations, zoning ordinances or easements that may appear of record on the recorded plats or on the premises." Thus, Plaintiff took the property subject to any covenants and deed restrictions of record in the chain of title. The covenants and restrictions contained in the chain of title for plaintiff's property are contained in the 1979 deed from Pine Springs, Inc. to Goodwin

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Construction, Inc. The covenants and restrictions provide that the grantee of the property "covenants and agrees that GRANTEE will become a member of the Spring Valley Homeowners Association and will abide by its duly enacted rules, regulations and bylaws..." Among other things, the covenants and restrictions also provide for a restriction on placing "for sale" or "for rent" signs on the property. More specifically, the deed restriction provides as follows:

> (11) Except as specifically provided for in this paragraph, no "SALE" or "RENT" signs or other types of advertising or billboards shall be permitted on the property hereby conveyed:
>
> > (a) Where there is a newly constructed dwelling upon a lot and there has been no previous sale of the lot with a dwelling thereon no more than (2) "For Sale" signs only (the size and content, of which must be submitted in advance to GRANTOR, its successors or assigns for approval) may be placed upon the lot.
> >
> > (b) After the first sale of a lot with a dwelling thereon no further signs of any type shall be permitted except that in cases of hardship, subject to prior approval by Spring Valley Homeowners Association, one "For Sale" sign, not larger than 2 feet by 3 feet may be installed where there is a dwelling house for sale.
> >
> > (c) No sign shall ever be nailed or fastened to any tree at any time.

Further, the deed provides that: "AND IT IS UNDERSTOOD AND AGREED that the said conditions, covenants and restrictions shall be appurtenant to and run with the same premises; and that in the event of the violation of any of the said conditions, covenants and restrictions, the said GRANTOR, its successors or assigns, shall have the right, jointly or severally of abatement and to enforce compliance by injunction of [sic] any other appropriate legal action."

Pursuant to the deed covenants and restrictions, the Spring Valley HOA has duly enacted rules, regulations and bylaws, which are applicable to Plaintiff. Article III of by Bylaws provides that some of the purposes of the Spring Valley HOA are to "enforce any and all

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covenants, restrictions and agreements applicable to the property within Spring Valley..." and "to do any and all other things that in the opinion of the Board of Directors will promote the common benefit and enjoyment of the residents and owners within Spring Valley."

Article X, Section 1 of the Bylaws provides the following powers to the Spring Valley HOA Board of Directors, among other things:

1. The power to "adopt and publish rules and regulations governing the use of the common properties and facilities, and the personal conduct of the Members and their guests thereon and to establish penalties for the infractions thereof"
2. The power to "exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provision of the By-Laws or the Articles of Incorporation, including the enforcement and exercise of all conditions, covenants, restrictions and limitations contained in deeds given by Pine Springs, Inc. or Spring Valley Associates, Inc. to lots or residence in Spring Valley"
3. The power to "adopt and publish rules and regulations governing the use and alteration of property located in Spring Valley that does not restrict deed restrictions, covenants, nor Richland County Ordinances"
4. The power to "adopt and publish a schedule of fines as appropriate, for violations of covenants, deed restrictions, rules and regulations and/or By-Laws of the Spring Valley Homeowners Association (SVHA) by 'owner(s)'".

Further, Article X, Section 2 of the Bylaws provides that it is the duty of the Board of Directors to "assess and collect fines for the continuous and repeated violation(s) of covenants, deed restrictions, rules and regulations, and/or By-Laws by owner(s) until the violation(s) is/are

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abated." Additionally, the duly adopted rules and regulations contain a fine structure for abatement of violations of the deed restrictions, rules and regulations. The initial amendment to the bylaws granting the Spring Valley HOA the authority to fine members for a violation of the bylaws, rules and regulations, and covenants and restrictions was duly adopted in 2004, thus, the Spring Valley HOA had the authority to issue fines for several years prior to Plaintiff purchasing the subject property in Spring Valley.

Despite Plaintiff's actual or constructive knowledge of the restriction on the placement of "for sale" signs and the Spring Valley HOA's ability to levy fines for violations of the restriction, Plaintiff placed a "for sale" sign on his property without seeking prior approval from the Spring Valley HOA, in violation of the covenants and restrictions. On October 4, 2011, Carl Voges, the General Manager of the HOA, advised Plaintiff in writing of his violation and advised that he had 15 days to remove the sign and that the fine schedule for the violation would begin to run if the sign was not removed by October 19, 2011. Despite receiving the letter, Plaintiff did not remove the "for sale" sign from his property. On October, 20, 2011, Carl Voges notified Plaintiff in writing that the fine schedule had begun concerning his violation of the deed covenants and restrictions, as the sign had not been removed as previously directed. Consequently, I find that the HOA complied with the notice requirements contained in the fine structure prior beginning to levy any fine against Plaintiff.

On October 23, 2011, Plaintiff's counsel wrote Carl Voges contesting the fine schedule and requesting that had hardship determination be made. On November 7, 2013, counsel for the Spring Valley HOA advised Plaintiff's counsel that the HOA Board would hear him concerning his hardship request on December 8, 2011. The "for sale" sign was not removed by Plaintiff

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until late November 2011 or Early December 2011 after Plaintiff had already secured a renter for his property.

On December 8, 2011, Plaintiff's hardship request concerning the placement of a "for sale" sign was considered by the HOA Board. At the meeting, Plaintiff admitted that he understood that no "for sale" signs are permitted without prior approval of the Board and that he never obtained prior approval. The HOA board sought legal advice from its counsel, Harry Goldberg of the Finkel Law Firm, concerning the authority of the HOA to levy fines. Upon advice of counsel concerning the authority of the HOA to levy fines, the Board voted at the December 8, 2011 meeting to impose/uphold a $500 fine against plaintiff for his violation deed covenants and restrictions. Plaintiff failed to pay the fine, therefore, the HOA Board voted at its February 23, 2012 meeting to hire the Finkel Law Firm to pursue legal action against Plaintiff. The Finkel Law Firm filed a lien against Plaintiff's property. The lien was signed by the HOA President, Rodney Spivey, upon the request, direction and advice of legal counsel. The lien on Plaintiff's property was filed by Defendant's legal counsel on September 13, 2012. The lien was subsequently removed from Plaintiff's property by counsel for the HOA and there no longer exists any lien against Plaintiff's property by the HOA.

Plaintiff brought the current suit against the Spring Valley HOA, alleging that the fine is improper and unenforceable for several reasons and seeking monetary damages against the HOA. The Spring Valley HOA has counterclaimed, seeking enforcement and collection of the fine that was levied. Both parties now seek summary judgment as to the issues presented in this suit.

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LAW/ANALYSIS

1. Summary Judgment Standard

Summary judgment is proper when there is "no genuine issue of material fact and the moving party is entitled to judgment as a matter of law." Rule 56(c) SCRCP; See also *Bayle v. S.C. Dept. of Transp.*, 344 S.C. 115, 542 S.E.2d 736 (Ct.App.2001); *Young v. South Carolina Dep't of Corrections*, 333 S.C. 714, 511 S.E.2d 413 (Ct.App.1999); *Bruce v. Durney*, 341 S.C. 563, 534 S.E.2d 720 (Ct.App.2000). "In deciding a motion for summary judgment, the evidence and all of its inferences must be viewed in the light most favorable to the non-moving party." Wade v. Berkeley County, 330 S.C. 311, 317-17, 498 S.E.2d 684, 687 (S.C. Ct. App. 1998) (citations omitted). "However, when plain, palpable, and indisputable facts exist on which reasonable minds cannot differ, summary judgment should be granted." Hedgepath v. American Tel. & Tel. Co., 348 S.C. 240, 355, 559 S.E.2d 327, 336 (Ct. App. 2001) (citation omitted).

2. Authority to Fine, Fine as Violation of Public Policy and Fine as an Unenforceable Contractual Penalty

The Plaintiff asserts that a Homeowners Association lacks the power and authority to fine its members. Specifically, Plaintiff contends that only governmental entities have the authority to levy fines, unless such authority is delegated to others by statute. The South Carolina Courts have not yet directly addressed a homeowners' association's authority and ability to fine its members in this respect, thus a novel issue has been presented.

As a starting point, it should be noted that although restrictive covenants are strictly construed, the rule of strict construction does not preclude their enforcement. Sea Pines Plantation Co. v. Wells, 294 S.C. 266, 270, 363 S.E.2d 891, 894 (1987). "A restrictive covenant

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will be enforced if the covenant expresses the party's intent or purpose" and the rule of strict construction "will not be used to defeat the clear express language of the covenant." Id. Furthermore, "[c]ourts shall enforce such covenants unless they are indefinite or contravene public policy. Id. Here, the relevant restrictions, bylaws, rules and regulations, and fine structure are clear and unambiguous, duly adopted, do not violate public policy and are applicable to Plaintiff. Further, the fine was properly levied under the restrictions, bylaws, rules, regulations and fine structure for the violation of the "for sale" sign restriction. Consequently, the fine must be enforced, unless a homeowners association lacks the inherent authority to fine its members, as Plaintiff suggests.

Plaintiff has cited to several authorities from other jurisdictions in support of his proposition that only a governmental entity can fine and that a homeowners association lacks the authority to fine without specific statutory authorization to do so; however, none of the cited authorities are binding on this Court. Plaintiff has not cited to any binding South Carolina authority suggesting that a homeowners association in South Carolina lacks the inherent authority to issue a fine, even though such fine is authorized by its governing documents. Further, the vast majority of authorities cited by Plaintiff deal with condominium associations or other statutorily created/governed homeowners associations and are inapposite to the case at hand, which involves a homeowners association for a planned community whose authority derives from the deed covenants and restrictions, the bylaws, and common law rather than a statutory scheme specifically applicable to homeowners associations. Consequently, homeowners associations for planned communities in South Carolina do not require specific statutory authority to act and they are not constrained to act in the absence of statutory authority like a condominium association or other statutorily created/governed homeowners associations.

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3. Waiver

Plaintiff next contends that Defendant has waived its right to enforce the restriction on "for sale" signs. "'Waiver is a voluntary and intentional abandonment or relinquishment of a known right.'" Laidlaw Envtl. Servs., Inc. v. AETNA Cas. & Sur. Co., 338 S.C. 43, 52, 524 S.E.2d 847, 852 (Ct. App. 1999) (quoting Janasik v. Fairway Oaks Villas Horizontal Property Regime, 307 S.C. 339, 344, 415 S.E.2d 384, 387 (1992)). I find that Defendant has not voluntarily and intentionally abandoned its right to enforce the restriction on "for sale" signs and has not waived it right to enforce such restriction. Consequently, summary judgment is granted to Defendant and denied as to Plaintiff on that issue.

4. Enforceability of the "For Sale" Sign Restriction

Plaintiff contends that the restriction on the placement of "for sale" signs in the Spring Valley Subdivision violates public policy by constituting an unreasonable restraint on the alienation of property. I find that the "for sale" sign restriction is not an unreasonable restraint on the alienation of property and does not violate public policy. Such ruling is consistent with other jurisdictions that have addressed the same issue. See e.g., Godley Park Homeowners Ass'n, Inc. v. Bowen, 649 S.E.2d 308, 310-11 (Ga. Ct. App. 2007) (holding that restrictive covenants prohibiting the placement of "for sale" signs do not constitute unenforceable restraints on the alienation of property). Consequently, summary judgment is granted to Defendant and denied to Plaintiff on this issue.

5. Plaintiff's Unfair Trade Practices Claim

Plaintiff next asserts that Defendant's conduct in levying and pursuing collection of the fine constitutes a violation of the South Carolina Unfair Trade Practices Act.

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In order for the Unfair Trade Practices Act to apply and to prove a violation of the Unfair Trade Practices Act, the allegedly unfair or deceptive acts or practices must occur "in the conduct of any trade or commerce." S.C. Code Ann. § 39-5-20; Moore v. Williamsburg Regional Hosp., 560 F.3d 166, 178 (4th Cir. 2009). Trade or Commerce is defined by the Act as "the advertising, offering for sale, sale or distribution of any services and any property, tangible or intangible, real, personal or mixed, and any other article, commodity or thing of value wherever situate, and shall include any trade or commerce directly or indirectly affecting the people of this State." S.C. Code Ann. § 39-5-10. The acts of homeowners association in enforcing the covenants and restrictions were not in the conduct of any trade or commerce because the HOA was not selling or distributing any services or property to Plaintiff. See Moore, 560 F.3d at 199 (hospital's peer review of a doctor is not action taken in the conduct of trade or commerce); Foggie v. CSX Transportation, Inc., 313 S.C. 98, 104, 431 S.E.2d 587, 591 (1993) (railroad company's refusal to reinstall railroad crossing was not the conduct of trade or commerce.) Because the Defendant's actions were not in the conduct of Trade or Commerce, the Unfair Trade Practices Act is inapplicable and Defendant is entitled to summary judgment as to Plaintiff's unfair fair trade practices claim.

Further, assuming arguendo that the Unfair Trade Practices Act does apply to Defendant in this case, it should be noted that in order to prove a cause of action for unfair trade practices, Plaintiff must prove that Defendant engaged in "Unfair methods of competition and unfair or deceptive acts or practices in the conduct of any trade or commerce". S.C. Code Ann. § 39-5-20. Plaintiff has not come forward with any evidence of any unfair methods of competition. Further, as set forth above, the Defendat had legal authority for its actions and followed the procedures set forth in the applicable bylaws, rules and regulations, restrictive covenants and the

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fine structure. Therefore, I find that Plaintiff has not come forward with any evidence that Defendant engaged in any unfair or deceptive acts or practices in the conduct of any trade or commerce. Consequently, there is no genuine issue as to any material fact as to Plaintiff's Unfair Trade Practices Act claim and Defendant is entitled to Summary Judgment on as that claim on this additional ground as well.

Finally, in order to have a valid claim under the Unfair Trade Practices Act, Plaintiff must show that the Defendant's conduct has an impact upon the public interest, as the "act is not available to redress a private wrong where the public interest is unaffected." Noack Enterprises, Inc. v. Country Corner Interiors of Hilton Head Island, Inc., 290 S.C. 457, 478, 351 S.E.2d 347, 350 (Ct. App. 1986). I further find that Plaintiff has not shown any impact on the public interest. Rather, Plaintiff knowingly violated the rules and is seeking redress for a fine issued to him, which is simply an attempt to redress an alleged private wrong and has no impact on the public interest. Consequently, I find that the Unfair Trade Practices Act is inapplicable to Defendant for this reason as well, and Defendant is further entitled to Summary Judgment as to Plaintiff's Unfair Trade Practices claim on this ground as well.

For the above-stated reasons, summary judgment is granted to Defendant as to Plaintiff's Unfair Trade Practices claim and summary judgment is denied to Plaintiff.

6. Plaintiff's Slander of Title Claim

Plaintiff asserts that Defendant has slandered his title by filing a notice of lien in connection with the fine. In order for Plaintiff to maintain a cause of action for Slander of Title, he "must establish (1) the publication (2) with malice (3) of a false statement (4) that is derogatory to plaintiff's title and (5) causes special damages (6) as a result of diminished value

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of the property in the eyes of third parties." Solley v. Navy Federal Credit Union, Inc., 397 S.C. 192, 204, 723 S.E.2d 597, 603 (Ct. App. 2012).

As set forth above, I find that Defendant had the authority to issue the fine and, therefore, lack of authority to issue the fine cannot be a basis for Plaintiff's slander of title claim. However, Plaintiff also asserts that even if the Defendant had the authority to issue the fine, it lacked authority to file the lien to enforce/collect the fine. I disagree. As set forth above, the covenants and restrictions, bylaws, fine structure, and rules and regulations give Defendant broad authority, including, but not limited to:

- The right to *enforce* compliance by injunction or *any other appropriate legal action.*
- The power to *enforce* and exercise of all conditions, covenants, restrictions and limitations contained in the deeds.
- The power to adopt and publish a schedule of fines for violations of covenants, deed restrictions, rules and regulations and/or By-Laws of the Spring Valley Homeowners Association.
- The power and duty to *assess and collect* fines for the continuous and repeated violation(s) of covenants, deed restrictions, rules and regulations, and/or By-Laws by owner(s) until the violation(s) is/are abated.

Further, some of the stated purposes of the Spring Valley HOA are to "enforce any and all covenants, restrictions and agreements applicable to the property within Spring Valley..." and "to do any and all other things that in the opinion of the Board of Directors will promote the common benefit and enjoyment of the residents and owners within Spring Valley."

I find that the filing of the lien was within the broad enforcement authority granted to the Spring Valley HOA, including the broad authority to assess and *collect* fines. I further find that the filing of the lien is in accord with the stated purposes of the Spring Valley HOA.

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Consequently, I grant summary judgment to Defendant on the slander of title claim and deny summary judgment to Plaintiff.

7. **Business Judgment Rule**

Defendant asserts that it is further entitled to summary judgment as to Plaintiff's claims for Unfair Trade Practices and Slander of Title on the basis of the Business Judgment Rule. I agree.

It is axiomatic that a corporation acts through its board of directors. Plaintiff's Unfair Trade Practices and Slander of Title claims are premised on the board of directors' decision to issue/affirm the fine and to file the lien. Consequently, both causes of action are a direct challenge to the actions, decisions and conduct of the Board of Directors. "In a dispute between the directors of a homeowners association and aggrieved homeowners, the conduct of the directors should be judged by the 'business judgment rule' and absent a showing of bad faith, dishonesty, or incompetence, the judgment of the directors will not be set aside by judicial action." Baumann v. Long Cove Club Owners Assn'n, 380 S.C. 131, 138, 668 S.E.2d 420 (Ct. App. 2008) (quoting Goddard v. Fairways Dev. Gen. P'ship, 310 S.C. 408, 414, 426 S.E.2d 828, 832 (Ct. App. 1993)). Further, the standard of conduct for directors of nonprofit corporations is statutorily codified. S.C. Code Ann. § 33-31-830. More specifically, S.C. Code Ann. § 33-31-830 provided in relevant part:

> SECTION 33-31-830. General standards for directors.
>
> (a) A director shall discharge his duties as a director, including his duties as a member of a committee:
>
> (1) in good faith;
>
> (2) with the care an ordinarily prudent person in a like position would exercise under similar circumstances; and

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Further, on at least one occasion, the South Carolina Court of appeals has acquiesced to a homeowners association's ability to sanction its member for rules violations. See Seabrook Island Property Owners' Ass'n v. Berger, 365 S.C. 234, 239, 616 S.E.2d 431, 434 (Ct. App. 2005) (citing to trial court's order referencing provision in the covenants authorizing sanctions for violations when searching for basis for the recovery of attorney's fees). Further, in Rawlinson Road Homeowners Association v. Jackson, the Court of Appeals was aware that the homeowners association had issued a fine to a homeowner, but the court made no comment or indication that the ability to fine is solely a governmental power and homeowners associations lack the inherent authority or power to fine because they are not governmental entities. Rawlinson Road Homeowners Association v. Jackson, 395 S.C. 25, 716 S.E.2d 337 (Ct. App. 2011).

Ultimately, I find the arguments and authorities cited by Plaintiff unpersuasive and in derogation of longstanding custom and practice in South Carolina. Additionally, I find that it is not a violation of public policy for a homeowners association to fine its members for violations of the bylaws, rules and regulations, or restrictive covenants, nor does the issuance of such a fine constitute an unenforceable contractual penalty.

Further, while I find that specific statutory authority for a planned community homeowners association in South Carolina to levy a fine is not required, the South Carolina Nonprofit Act nonetheless provides statutory authority in any event. The Spring Valley Homeowners Association is a non-profit corporation and is governed by the South Carolina Nonprofit Corporation Act. S.C. Code Ann. § 33-31-101, et seq. Pursuant to the South Carolina Nonprofit Corporation Act, the corporation shall adopt bylaws and the "bylaws may contain any provision for regulating and managing the affairs of the corporation that is not inconsistent with

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law or the articles of incorporation." S.C. Code Ann. § 33-31-206. Further, the South Carolina Nonprofit Corporation Act grants the following powers to a nonprofit corporation, among other things:

> Unless its articles of incorporation provide otherwise, every corporation has perpetual duration and succession in its corporate name and has the same powers as an individual to do all things necessary or convenient to carry out its affairs including, without limitation, power:
> ...
>
> (3) to make and amend bylaws not inconsistent with its articles of incorporation or with the laws of this State for regulating and managing the affairs of the corporation;
>
> ...
>
> (10) to conduct its activities, locate offices, and exercise the powers granted by this chapter within or without this State;
>
> ...
>
> (15) to impose dues, assessments, and admission and transfer fees upon its members;
>
> ...
>
> (18) to do all things necessary or convenient, not inconsistent with law, to further the activities and affairs of the corporation.

S.C. Code Ann. § 33-31-302. I find that the imposition of fines on the members of a nonprofit corporation falls within the broad statutory authority and power granted to nonprofit corporations and is not inconsistent with the law of this state or public policy.

Based on the foregoing, I grant defendant's motion for summary judgment and deny plaintiff's motion for summary judgment on the issues of the Spring Valley Homeowners Association's power and authority to fine, whether such fine violates public policy and whether such a fine constitutes an unenforceable contractual penalty.

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(3) in a manner the director reasonably believes to be in the best interests of the corporation.

(b) In discharging his or her duties, a director is entitled to rely on information, opinions, reports, or statements, including financial statements and other financial data, if prepared or presented by:

(1) one or more officers or employees of the corporation who the director reasonably believes is reliable and competent in the matters presented;

(2) legal counsel, public accountants, or other persons as to matters the director reasonably believes are within the person's professional or expert competence;

(3) a committee of the board of which the director is not a member, as to matters within its jurisdiction, if the director reasonably believes the committee merits confidence; or

(4) in the case of religious corporations, religious authorities and ministers, priests, rabbis, or other persons whose position or duties in the religious organization the director believes justify reliance and confidence and who the director believes is reliable and competent in the matters presented.

(c) A director is not acting in good faith if the director has knowledge concerning the matter in question that makes reliance otherwise permitted by subsection (b) unwarranted.

(d) A director is not liable to the corporation, a member, or any other person for any action taken or not taken as a director, if the director acted in compliance with this section.

...

Based on the Affidavit of Beth Swindler and the meeting minutes attached thereto, I find that the Board of Directors acted reasonably and competently by specifically relying upon the advice of legal counsel with regard to whether there was authority to issue the fine and also as the filing of the lien. Further, I find that the Board of Directors acted in accordance with covenants, bylaws, rules and regulations and restrictive covenants in issuing the fine and filing the lien. Further, the Board acted reasonably and in accordance with long-established practices and industry customs. I find no evidence of bad faith, dishonesty, or incompetence.

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Consequently, the Board met its standard of care under the Business Judgment Rule and S.C. Code Ann. § 33-31-830.

However, Plaintiff has contended that the business judgment rule only applies to individual directors. I disagree. The South Carolina Courts have applied the business judgment rule to the homeowners association entity in actions arising out of a decision made or action taken by the homeowners association by and through the board of directors. See Baumann v. Long Cove Club Owners Assn'n, 380 S.C. 131, 138, 668 S.E.2d 420 (Ct. App. 2008) (applying business judgment rule the Association, who was the named defendant); Dockside Ass'n, Inc. v. Detyens, 291 S.C. 214, 352 S.E.2d 714 (Ct. App. 1987), aff'd 294 S.C. 86, 362 S.E.2d 874 (1987) (applying the business judgment rule to the Association).

Based on the foregoing, I find that Defendant is entitled to summary judgment as to Plaintiff's claims for Slander of Title and Unfair Trade Practices on the basis of the business judgment rule as well. Consequently, summary judgment is denied to plaintiff as to those claims.

DEFENDANT'S COUNTERCLAIMS

This Court has determined that the Spring Valley Homeowners Association has the authority to issue and enforce fines against its members. It further finds that there is no question of fact in controversy as to whether it instituted the fine against Plaintiff in accordance with the rules and procedures provided for in the Bylaws. As such the Court grants the Defendant's Motion for Summary Judgment on its counterclaim for breach of contract/covenant enforcement.

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CONCLUSION

Having denied each of Plaintiff's motions for summary judgment and granted Defendant summary judgment as to all of Plaintiff's causes of action as well as its counterclaim against Plaintiff, it is hereby ORDERED, ADJUDGED AND DECREED that:

1. All of Plaintiff's causes of action shall be dismissed with prejudice.
2. Judgment shall be entered against Plaintiff in favor of Defendant in the amount of $500.

IT IS SO ORDERED

Eugene C. Griffith Jr.

Richland County, South Carolina
March 28th, 2014

Sent 17/17