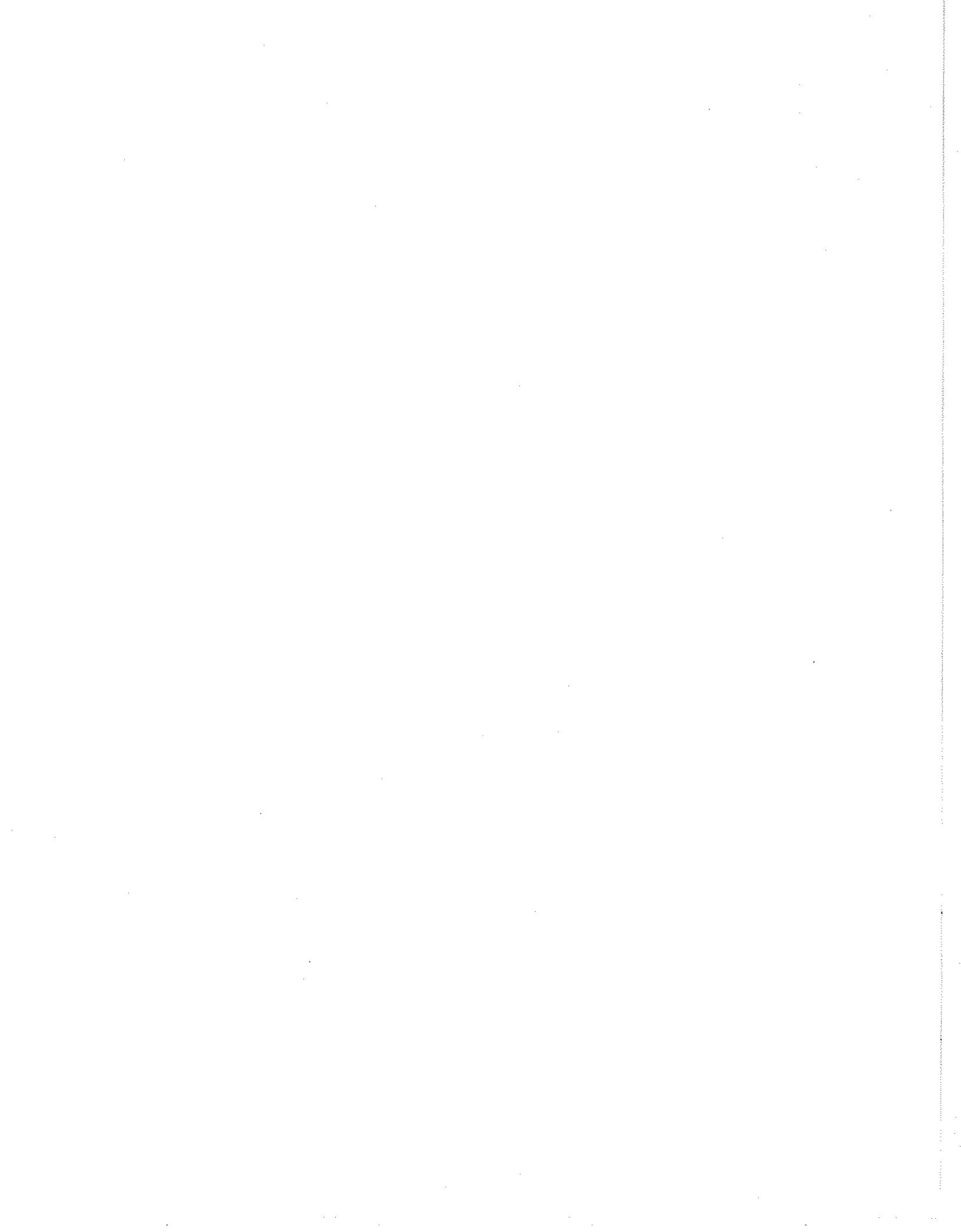


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MASTER DEED



STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)
MASTER DEED

LAKE SHORE HORIZONTAL PROPERTY REGIME

(PHASE I)

This Master Deed dated this 6th day of November, 1972, by the Millwood Company, a general partnership consisting of William N. Geiger, Jr., and H. Donald McElveen, having its principal office in Columbia, South Carolina, hereinafter for convenience referred to as the "Developer",

WITNESSETH

WHEREAS, the Developer, having constructed and about to construct and sell certain condominium apartments located on real property in the County of Richland, State of South Carolina, hereinafter described, desires to assure to purchasers of said apartments the use, benefit, and enjoyment of the common elements, facilities, and utilities and desires to provide for the maintenance of said common elements, facilities, and utilities and to effect said benefits the Developer desires to subject the real property hereinafter described to certain conditions, restrictions, reservations, servitudes, easements, liens, and covenants, as hereinafter are more fully set forth; and

WHEREAS, in furtherance of the above it is the purpose of this instrument to submit the real property herein described and improvements thereon to the South Carolina Horizontal Property Act, Code of Laws of South Carolina, 1971

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Cum. Supp., hereinafter referred to as the Act; and

WHEREAS, in accordance with the submission of the property to the provisions of said Act, there shall be incorporated a Council of Co-owners known as Lakeshore Horizontal Property Regime, Inc. for the purpose, among others, of maintaining and administering the common elements and the general affairs of the Regime; and

NOW, THEREFORE, in consideration of the premises, the Developer hereby declares and submits the real property described herein, with improvements thereon, to the condominium form of ownership and use provided in the Act and further declares, grants, and covenants with purchasers of apartments in Lakeshore Horizontal Property Regime that said property is and shall be held and shall be conveyed subject to the provisions of this Master Deed and exhibits appertenant hereto, and it is hereby granted, covenanted, and agreed that this Master Deed shall inure to the benefit of and be binding upon the Developer, its and their heirs, successors, and assigns and upon the apartment owners of Lakeshore Horizontal Property Regime, their heirs, successors, and assigns, respectively, and that such shall be binding upon and run with the said real property.

1. DESCRIPTION: The real property, with improvements thereon and to be added, which is submitted to the Act is described as follows:

PHASE I

All that piece, parcel or Lot of land, situate, lying and being on the northern side of Lakeshore Drive, in the town of Forest Acres, State and County aforesaid described and bounded as follows: Beginning at an iron

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stake on the northern side of Lakeshore Drive at the southeastern corner of property now or formerly of Hoyt; thence running S 60° 09' W for a distance of One Hundred Ten and four-tenths (110.4') feet along the northern right-of-way of Lakeshore Drive to an iron stake; thence running S 58° 28' W for a distance of Seventy-two and nine-tenths (72.9') feet along the northern right-of-way of Lakeshore Drive to an iron stake; thence running S 45° 46' W for a distance of Seventy-one and seven-tenths (71.7') feet along the northern right-of-way of Lakeshore Drive to an iron stake; thence running S 24° 45' W for a distance of Fifty-five and nine-tenths (55.9') feet along the northern right-of-way of Lakeshore Drive to an iron stake; thence running S 06° 41' W for a distance of Fifty-seven and seven-tenths (57.7') feet along the northern right-of-way of Lakeshore Drive to an iron stake; thence running S 04° 49' W along the northern right-of-way of Lakeshore Drive for a distance of Eighteen and nine-tenths (18.9') feet to an iron stake, thence running S 29° 54' W for a distance of Forty and six-tenths (40.6') feet along the northern right-of-way of Lakeshore Drive to an iron stake; thence turning and running N 23° 00' W for a distance of Four Hundred Fifty-six and one-tenth (456.1') feet along property owned by grantor to an iron stake at the edge of Gills Creek; thence turning and running N 69° 56' E for a distance of Thirty-nine and nine-tenth (39.9') feet to an iron stake; thence turning N 13° 06' E for a distance of Twenty-five and four-tenths (25.4') feet to an iron stake; thence turning and running N 26° 24' E for a distance of Eighty-eight and two-tenths (88.2') feet to an iron stake; thence turning and running S 82° 30'E for a distance of Forty and five-tenths (40.5') feet to an iron stake; thence running S 66° 39' E for a distance of One Hundred Four and one-tenth (104.1') feet to an iron stake; thence turning and running N 76° 10' E for a distance of Sixty and nine-tenths (60.9') feet to an iron stake; thence turning and running N 12° 59' E for a distance of Sixty-one and seven-tenths (61.7') feet to an iron pin on the northern side of Forest Lake Dam; thence turning and running S 29° 40'E for a distance of Two Hundred Ninety-nine (299') feet along the property line of Hoyt, to an iron stake on the northern side of Lakeshore Drive, to the point of origin.

Property hereinabove described from plat by William Wingfield, R.S., dated October 8, 1971, recorded in the Office of Clerk of Court for Richland County in Plat Book X at page 1707, which plat is specifically made a part hereof by reference. See EXHIBIT A-2.

Wingfield

2. DEFINITIONS. The terms used herein shall have the meanings stated in the Act, in the By-Laws and as follows:

(a) "Apartment" means unit as defined by the Act.

(b) "Apartment owner or Co-owner" means unit owner as defined by the Act.

(c) "Council of Co-owners" means all the co-owners as defined herein and the Act, and hereinafter may be referred to as the Council and who will be incorporated and known as Lakeshore Horizontal Property Regime, Inc.

(d) "Board of Administration" - the Council of Co-owners shall be governed by a Board of Administrators as set forth in Article VI of the By-Laws.

(e) "Common elements" shall be all the parts of the condominium property not included within the apartment boundaries as described in paragraph 4 and as described in Article II, Sec. 2 and Sec. 3 of the By-Laws.

(f) "Common expenses" include (1) expenses of administration; expenses of maintenance, operation, repair, or replacement of the common elements, and of the portions of apartments to be maintained by the Council; (2) expenses declared common expenses by provisions of this Master Deed or by the By-Laws; and (3) any valid charge against the Regime as a whole, such as ad valorem taxes for the year in which this Master Deed is recorded.

(g) "Utility services" as used in the Act and construed with reference to the Regime, and as used in this Master Deed and the By-Laws, shall include but not be limited to electric power, gas, hot and cold water, heating, refrigeration, air conditioning and garbage and sewage disposal.

(h) "Regime" or "Condominium" shall mean Lake-shore Horizontal Property Regime.

3. DEVELOPMENT PLANS. The Regime is being developed according to the following plans:

(a) All improvements have and will be constructed by the Developer substantially in accordance with the plans and specifications heretofore prepared by Geiger, McElveen and Kennedy, Architects and Engineers filed in their office, at 2821 Millwood Avenue, Columbia, South Carolina. The Regime will contain thirty-six (36) apartments. For the Regime will also include storage space for each apartment, court yard and landscaping, a swimming pool, automobile parking areas, and other facilities located substantially as shown in said plans and specifications. Two parking spaces will be provided for each apartment, one of which will be at least 40' from the owner's apartment. All spaces, including guests spaces will be properly marked.

(b) This Master Deed may be amended by the Developer without the consent of any unit owner by submitting the property adjacent to Phase I, known as Phase II, a plat of which is recorded in the Office of the Clerk of Court for Richland County, Plat Book X, Page 1957, to the Regime by January 1, 1976 in accordance with the provisions of the South Carolina Property Regime Act, notwithstanding the procedures of amendment set out in paragraph 21. Such submission and addition to the Regime must be in substantial compliance with the said plat and the plans and specifications filed in the office of Geiger, McElveen and Kennedy at 2821 Millwood Street, Columbia, South Carolina. It is declared that such development and submission of Phase II will be in keeping with the general plan and scheme of Phase I of the Regime. Phase II will contain 18 units of the same

design of Phase I and such owners of apartments therein shall enjoy all common elements, easements, and amenities of Phase I, likewise the owners of apartments in Phase I shall enjoy all common elements, easements, and amenities of Phase II. Such development of Phase I and Phase II will be strictly in accordance with the Declaration of Basements filed in the Office of the Clerk of Court for Richland County this date. The proportionate interest in the common elements if only one phase or both are completed is set out in paragraph 6 herein.

(c) Basements are reserved throughout the Regime property as may be required for utility, service, maintenance or recreational purposes.

4. APARTMENT BOUNDARIES. Each apartment shall include the elements of the Regime which are not owned in common with the owners of other apartment. The boundary lines of each apartment are the interior surfaces of its perimeter wall, load bearing walls, basement floors, top story ceilings, windows, and window frames, doors and door frames, and trim, and includes both the portions of the building so described and the air space so encompassed.

5. DESCRIPTION OF APARTMENTS. The apartments of the Regime are more particularly described as follows:

(a) There are two (2) typical apartment floor plans which have two and three bedrooms. These apartments are more specifically described in Exhibits A-1 attached hereto. Further details are illustrated by the aforesaid building plans and specifications.

(b) Each apartment is identified by a capital letter followed by the number designating where the apartment is located.

(c) The Developer reserves the right to change the interior design and arrangement of all apartments and to alter the boundaries between apartments, so long as the Developer owns the apartment so altered. Any such change shall be reflected by an amendment of this Master Deed which may be executed by the Developer alone, notwithstanding the procedures of amendment described in paragraph 21 of this Master Deed. However, no such change shall increase the number of apartments nor alter the boundaries of the common elements without amendment of this Master Deed in the manner described in paragraph 21 herein. If more than one apartment is altered the Developer shall appropriately re-apportion the shares in common elements which are allocated to the altered apartments.

6. SHARES OF COMMON ELEMENTS AND EXPENSES. Each apartment owner shall own a share in common elements and in any surplus possessed by the Regime and be liable for common expenses as follows:

PHASE I	APARTMENTS	IF PHASE I & II
An undivided 005.208% share	A-1 thru A-5	004.619%
An undivided 004.982% share	A-6 thru A-8	004.418%
An undivided 006.180% share	B-1 thru B-5	005.480%
An undivided 005.963% share	B-6 thru B-8	005.289%
An undivided 005.208% share	C-1	004.619%
An undivided 004.982% share	C-2	004.418%

PHASE II

An undivided 005.757% share	B-9 thru B-18
An undivided 005.556% share	B19 thru B-26

7. MAINTENANCE AND ALTERATION OF APARTMENTS. (a) The Regime shall maintain, repair, and replace:

(1) all portions of an apartment, except interior surfaces, which portions shall include but not be limited to the

outside walls of the apartment building and all fixtures on the exterior thereof; boundary walls of apartments; floor slabs, and load-bearing columns and load-bearing walls; and

(2) all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services which are contained in the portions of an apartment maintained by the Regime; and all such facilities contained within an apartment which service part or parts of the Regime other than the apartment within which contained.

All incidental damage caused to any apartment by such work shall be promptly repaired at the expense of the Regime.

(b) The responsibility of the apartment owner shall be:

(1) to maintain, repair, and replace at his expense portions of his apartment except the portions to be maintained, repaired, and replaced by the Regime;

(2) not to paint or otherwise decorate or change the appearance of any portion of the exterior of the apartment building;

(3) to promptly report to the Regime any defect or need for repairs the responsibility for which is that of the Regime.

(c) Except as elsewhere reserved to the Developer, neither an apartment owner nor the Regime shall make any alteration in the portions of an apartment which are to be maintained by the Regime or remove any portion therefrom, or make any additions thereto, or do anything which would jeopardize the safety or soundness of any apartment, or impair any easement, without first obtaining approval in writing of owners of the apartments in which such work is to be done and the approval of the Board of Administration of the

Regime. A copy of plans for all such work prepared by an architect licensed to practice in this state shall be filed with the Regime prior to the start of the work.

8. MAINTENANCE AND ALTERATION OF COMMON ELEMENTS.

(a) The maintenance and operation of the common elements shall be the responsibility and the expense of the Regime.

(b) After the completion of the improvements included in the common elements which are contemplated by this Master Deed, amendments allowed herein, and the exhibits attached hereto, there shall be no alteration or further improvement of the real property constituting the common elements without prior approval in writing by seventy-five (75%) per cent of the owners of apartments except as provided in the Bylaws, but any such alteration or improvement shall not interfere with the rights of any apartment owner. The cost of such work shall not be assessed against a bank, mortgage banker, life insurance company, or federal savings and loan association which acquires its title as the result of owning a mortgage upon an apartment unless such an owner shall approve the alteration or improvement, and this shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings. The share of any cost not so assessed shall be assessed to the other apartment owners in the proportions which their shares in the common elements bear to each other. There shall be no change in the shares and rights of an apartment owner in the common elements which are altered or further improved, whether or not the apartment owner contributes to the cost thereof.

9. ASSESSMENTS. (a) Assessments against apartment owners for common expenses shall be made pursuant to the Bylaws

and shall be allocated as set forth in paragraph 6 of this Master Deed. However, if services are furnished to apartment owners beyond the maintenance and operation of the condominium property, such as operation of a restaurant or bar, no assessment on account of such services shall be made against a Bank, mortgage banker, life insurance company, or federal savings and loan association which acquires its title as a result of owning a first mortgage upon an apartment, unless the occupant of the apartment owned by such an institution voluntarily accepts such services. This shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings. The shares of any cost or loss not so assessed shall be assessed to the other apartment owners in the proportions which the value of their apartments bear to the value of the Regime.

(b) Assessments and installments thereon paid on or before ten days after the date when due shall not bear interest, but all sums not paid on or before ten days after the date when due shall bear interest at the rate of 8% per annum from the date when due until paid. All payments upon account shall be first applied to interest and then to the assessment payment first due.

(c) The lien for unpaid assessments provided by South Carolina law shall also secure reasonable attorney's fees incurred by the Regime incident to the collection of such assessments or enforcement of such lien.

(d) In any foreclosure of a lien for assessments the owner of the apartment subject to the lien shall be required to pay a reasonable rental for the apartment, and the Regime shall

be entitled to the appointment of a receiver to collect such rental.

10. LAKESHORE HORIZONTAL PROPERTY REGIME, INC. The operation of the condominium shall be by Lakeshore Horizontal Property Regime, Inc. herein called the Regime, a corporation not for profit under the laws of South Carolina, which shall be organized and shall fulfill its functions pursuant to the following provisions:

- (a) The members of the Regime shall be the apartment owners who are also known collectively as the Council of Co-owners.
- (b) The Regime shall be incorporated under Articles of Incorporation in the form attached as Exhibit B ~~HOA~~
- (c) The Bylaws of the Regime shall be in the form ~~HOA~~ attached as Exhibit C ~~HOA~~
- (d) Notwithstanding the duty of the Regime to maintain and repair parts of the condominium property, the Regime shall not be liable for injury or damage, other than the cost of maintenance and repair, caused by any latent condition of the property to be maintained and repaired by the Regime, not for injury or damage caused by the elements or other owners or persons.
- (e) The share of a member in the funds and assets of the Regime cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to his apartment.
- (f) Whenever the decision of an apartment owner is required upon any matter, whether or not the subject of a Regime meeting, such decision shall be expressed by the same person who would cast the vote of such owner if in a Regime meeting, unless the joinder of record owners is specifically required by the Master Deed.

11. INSURANCE. (a) Insurance policies upon the condominium property covering the items described in subparagraph (b) of this paragraph shall be purchased by the Board of Administration for the benefit of the Regime and the apartment owners and their mortgagees as their interests may appear. Provisions shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of apartment owners. Such policies and endorsements shall be deposited with an Insurance Trustee, which shall hold them subject to the provisions of paragraph 12.

(b) Insurance shall cover the following:

(1) all buildings and improvements upon the land and all personal property included in the common elements in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Administration of the Regime. Such coverage shall afford protection against loss or damage by fire and other hazards covered by a standard extended coverage endorsement, and such other risks as are customarily covered with respect to buildings similar to the buildings on the land, such as vandalism and malicious mischief;

(2) public liability in such amounts and with such coverage as shall be required by the Board of Administration of the Regime, and may include, but not be limited to, hired automobile and nonowned automobile coverages, and with cross liability endorsement to cover

liabilities of the apartment owners as a group to an apartment owner;

(3) workmen's compensation as required by law;

(4) such other insurance as the Board of Administration of the Regime shall determine from time to time to be desirable.

(c) Premiums upon insurance policies purchased by the Regime shall be paid by the Regime as a common expense.

(d) The Board of Administration is hereby irrevocably appointed agent for each apartment owner to adjust all claims arising under insurance policies purchased by the Regime, and to execute and deliver releases upon the payment of claims.

12. RESPONSIBILITIES OF INSURANCE. (a) All insurance policies purchased by the Regime shall provide that proceeds covering property losses shall be paid to any bank in South Carolina which is selected by the Board of Administration of the Regime as a trustee, which bank is herein referred to as the Insurance Trustee. The Insurance Trustee shall not be liable for payment of premiums, for the renewal or the sufficiency of policies, or for the failure to collect any insurance proceeds.

(b) The duty of the Insurance Trustee shall be to receive such proceeds as are paid and to hold them in trust for the benefit of the apartment owners and their mortgagees as follows. An undivided share of such proceeds on account of damage to common elements shall be allocated to the apartment owners according to their shares of the common elements set forth in paragraph 6. Proceeds on account of apartments shall be held for the owners of damaged apartments in proportion to the costs of repairing the damage suffered by each apartment owner, which cost shall be determined by the Regime. In the

event a mortgagee endorsement has been issued as to an apartment, the share of the apartment owner shall be held in trust for the mortgagee and the apartment owner as their interests may appear.

(c) Proceeds of insurance policies received by the Insurance Trustee shall be distributed as follows:

(1) All expenses of the Insurance Trustee shall be first paid.

(2) If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be expended as provided in paragraph 14. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to apartment owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of an apartment and may be enforced by such mortgagee.

(3) If it is determined a provided in paragraph 14 that the damage for which the proceeds are paid shall not be reconstructed or repaired, or if there are excess proceeds remaining after a reconstruction and repair, the remaining proceeds shall be distributed to the beneficial owners, remittances to apartment owners and their mortgagees being payable jointly to them. This is a covenant for the benefit of any mortgagee of any apartment and may be enforced by such mortgagee.

(4) In making distribution to apartment owners and their mortgagees, the Insurance Trustee may rely upon

a certificate of the Council of Co-owners as to the names of the distribution, and as to whether or not the building is to be reconstructed or repaired.

13. WHEN DAMAGED PROPERTY IS TO BE RECONSTRUCTED OR REPAIRED. (a) If common elements are damaged, they shall be reconstructed or repaired, unless it is determined under paragraph 22 that the Regime shall be terminated.

(b) If following damage to apartments in the Regime, it is determined by the Board of Administration that 50% or more are tenantable, the damaged property shall be reconstructed or repaired unless within 60 days after the casualty it is determined under paragraph 22 that the Regime shall be terminated.

(c) If following damage to apartments in the Regime, it is determined by the Board of Administration that less than 50% of the apartments are tenantable, the damaged property will not be reconstructed or repaired and the Regime will be terminated under paragraph 22 unless within 60 days after the casualty the owners of at least 75% of the apartments agree in writing to such reconstruction or repair. No mortgagee shall have any right to participate in the determination as to whether damaged property shall be reconstructed or repaired.

(d) Any reconstruction or repair must be substantially in accordance with the original plans and specifications, or if not, then according to plans and specifications approved by not less than 75% of the Council of Co-owners.

14. RESPONSIBILITIES AND PROCEDURES AS TO PAYMENT

FOR REPAIRS. (a) If damage occurs only to those parts of one apartment for which the responsibility of maintenance and repair is that of the apartment owner, then the apartment owner shall be responsible for reconstruction and repair after casualty. In all other instances the responsibility of reconstruction and repair after casualty shall be that of the Regime.

(b) Within five (5) days after a casualty causing damage to property for which the Regime has the responsibility of maintenance and repair, the Regime shall obtain reliable and detailed estimates of the cost to rebuild or repair so as to place the damaged property in as good condition as that before the casualty.

(c) If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction and repair by the Regime, assessments shall be made against the apartment owners who own the damaged property, and against all apartment owners in the case of damage to common elements, in sufficient amounts to provide funds to pay the estimated costs. Additional assessments against apartment owners for damage to apartments shall be in proportion to the cost of reconstruction and repair of their respective apartments. Such assessments on account of damage to common elements shall be in proportion to the owner's share in the common elements.

(d) If the amount of the estimated costs of reconstruction and repairs for which the Regime is responsible is more than \$5,000, the sum paid upon assessments to meet such

costs shall be deposited by the Regime with the Insurance Trustee. In all other cases the Regime shall hold the sums paid upon such assessments and disburse them in payment of the costs of reconstruction and repair.

(e) The proceeds from assessments and insurance received by the Insurance Trustee shall be disbursed as follows:

(1) The portion of insurance proceeds representing damage, the reconstruction and repair of which is the responsibility of the apartment owner, shall be paid by the Insurance Trustee to the apartment owner or, if there is a mortgagee endorsement, then to the apartment owner and the mortgagee jointly, who may use such proceeds as they may be advised.

(2) The portion of insurance proceeds representing damage, the reconstruction and repair of which is the responsibility of the Regime, shall be disbursed in payment of the costs of such repair and reconstruction in the manner required by the Board of Administration of the Regime and upon approval of an architect or contractor qualified to practice in South Carolina and employed by the Regime to supervise the work.

(3) The Insurance Trustee shall not be required to determine whether a disbursement is to be made, the identity of the payee, or the amount to be paid, but may rely upon a certificate of the Regime stating such information.

15. USE RESTRICTIONS. The use of the property of the Regime shall be in accordance with the following provisions:

(a) Each of the apartments shall be occupied only as a residence and for no other purpose. Except as reserved to the Developer, no apartment may be divided or subdivided into a smaller unit nor any portion thereof sold or otherwise transferred without first complying with the Bylaws and amending this Master Deed to reflect changes in the apartments to be effected thereby.

(b) The common elements shall be used only for the purposes for which they are intended in the furnishing or services and facilities for the enjoyment of the apartments.

(c) No use or practice shall be permitted on the condominium property which is the source of annoyance to residents or which interferes with the peaceful possession and proper use of the property by its residents. All parts of the property shall be kept in a clean and sanitary condition, and no rubbish, refuse, or garbage allowed to accumulate nor any fire hazard allowed to exist. No apartment owner shall permit any use of his apartment or of common elements which will increase the rate of insurance upon the condominium property. No immoral, improper, offensive, or unlawful use shall be made of the condominium property or any part thereof. All valid laws, zoning, ordinances, and regulations of all governmental bodies having jurisdiction thereof shall be observed. The responsibility of meeting the requirements of governmental bodies which require maintenance, modification, or repair of the condominium property shall be the same as the responsibility for the maintenance and repair of the property concerned.

(d) Until the Developer has completed and sold all the apartments, neither the apartment owners nor the Regime nor

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the use of condominium property shall interfere with the completion of the contemplated improvements and the sale of the apartments. The Developer may make such use of the unsold units and common areas as may facilitate such completion and sale, including but not limited to the maintenance of a sales office, the showing of property, and display of signs.

(e) Reasonable regulations concerning the use of the condominium property may be made and amended from time to time by the Regime in the manner provided by its Articles of Incorporation and By-Laws. Copies of such regulations and amendments thereto shall be furnished by the Regime to all apartment owners and residents of the condominium upon request.

16. APPROVAL OF TRANSFER. (a) No apartment owner may effectively dispose of an apartment or any interest therein by sale without approval of the Regime. If any apartment owner shall acquire his title by gift, devise, or inheritance, the continuance of his ownership of his apartment shall be subject to the approval of the Regime, except such approval shall not be required by the owner's immediate family.

(b) An apartment owner intending to make a bona fide sale of his apartment or any interest therein shall give to the Regime notice of such intention, together with the name and address of the intended purchaser, and such other information concerning the intended purchase as the Regime may reasonably require, except the Developer may sell, contract to sell and lease any apartment in furtherance of a sale for a reasonable length of time until the project is complete and fully sold. An apartment owner has obtained his title by gift, devise or inheritance shall give the Regime notice of acquiring of title, together with such personal information as the Regime may reasonably require, and a certified copy of the instrument

evidencing his title. If the notice to the Regime herein required is not given, then at any time after receiving knowledge of a transaction or event transferring ownership of an apartment, the Regime at its election and without notice may approve or disapprove the transaction or ownership.

(c) Within 30 days after receipt of the notice described in subparagraph (b) of this paragraph the Regime must either approve or disapprove the proposed transaction or the continuance of ownership, as the case may be. If approved, the approval shall be stated in a certificate executed by the President and Secretary in recordable form, and shall be delivered to the purchaser, and shall be recorded in the public records of the county. A lease need not be recorded.

17. DISAPPROVAL OF TRANSFER. (a) If the Regime disapproves a proposed sale and if the notice of sale given by the apartment owner shall so demand, then within 30 days after receipt of such notice and information the Regime shall deliver or mail by registered mail to the apartment owner an offer to purchase by the Regime or by a purchaser approved by the Regime who will purchase and to whom the apartment owner must sell the apartment. At the option of such purchaser, to be stated in his offer, the price to be paid shall be that stated in the disapproved contract to sell or shall be the fair market value determined by arbitration in accordance with the then existing rules of the American Arbitration Association, except that the arbitrators shall be two appraisers appointed by the American Arbitration Association who shall base their determination upon an average of their appraisals of the apartment, and a judgment of specific performance of the sale upon the award rendered.

by the arbitrators may be entered in any court of competent jurisdiction. The expense of the arbitration shall be paid by the purchaser. The purchase price shall be paid in cash, and the sale shall be closed within 30 days after the delivery or mailing of such offer to purchase, or within ten days after the determination of the sale price if such is by arbitration, whichever is the later.

(b) If the Regime disapproves the acquisition of title by gift, devise, or inheritance, the provisions of subparagraph (a) of this paragraph shall apply (except that the purchase price shall be at fair market value determined by arbitration).

(c) If the Regime shall fail to purchase or provide a purchaser as required in subparagraphs (a) and (b) of this paragraph, then notwithstanding the disapproval, the sale or ownership, as the case may be, shall be deemed to have been approved, and the Regime shall furnish a certificate of approval as provided in paragraph 16.

18. MORTGAGE AND ACQUISITION BY MORTGAGEES. (a) No apartment owner may mortgage his apartment or any interest therein without the approval of the Regime, except to a bank, mortgage banker, life insurance company, or a federal savings and loan association. The approval of any other mortgagee shall be subject to conditions determined by the Regime.

(b) The provisions of paragraph 16 and 17 shall not apply to a transfer to or purchase by a bank, mortgage banker, life insurance company, or federal savings and loan association which acquires its title as the result of owing a mortgage upon the apartment concerned, and this shall be so whether the title is acquired by deed from the mortgagor or through foreclosure proceedings. Nor shall such provisions apply to a

transfer, sale, or lease by a bank, mortgage banker, life insurance company, or federal savings and loan association which so acquires its title. Neither shall such provisions require the approval of a purchaser, who acquires title to an apartment at a duly advertised public sale with open bidding which is provided by law, such as, but not limited to, execution sale, foreclosure sale, judicial sale, or tax sale.

19. NOTICE OF LIEN OR SUIT. (a) An apartment owner shall give notice to the Regime of every lien upon his apartment, other than for permitted mortgages, taxes, and special assessments, within five days after the attaching of the lien. Failure to comply with this subparagraph will not affect the validity of any judicial sale.

(b) Notice shall be given to the Regime of every suit or other proceeding which may affect the title of his apartment within five days after the apartment owner received knowledge thereof.

20. COMPLIANCE AND DEFAULT. (a) Each apartment owner shall be governed by and shall comply with the terms of this Master Deed, Articles of Incorporation, Bylaws, and such regulations and amendments as may be adopted pursuant thereto. A default shall entitle the Regime or other apartment owners to the relief described in subparagraph (b) of this paragraph in addition to the remedies provided by the Act.

(b) An apartment owner shall be liable for the expense of any maintenance, repair, or replacement rendered necessary by his act, neglect, or carelessness or by that of any member of his family or his or their guests, employees, agents, or lessees, but only to the extent that such expense is

not met by the proceeds of insurance carried by the Regime. Such liability shall include any increase in fire insurance rates occasioned by use, misuse, occupancy, or abandonment of an apartment or its appurtenances. In any proceeding arising because of an alleged default by an apartment owner, the prevailing party shall be entitled to recover the costs of the proceedings and such reasonable attorney's fees as may be awarded by the court.

(c) The failure of the Regime or any apartment owner to enforce any covenant, restriction, or other provision of the Act, this Master Deed, The Articles of Incorporation, the By-Laws, or regulations and amendments adopted pursuant thereto, shall not constitute a waiver of the right to do so thereafter.

21. AMENDMENTS. This Master Deed and the By-Laws, except as heretofore reserved to the Developer may be amended in the following manner:

(a) 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.

(b) A resolution submitted to adopt any amendment may be proposed by either the Board of Administration or the Regime or by three (3) members of Council of Co-owners. Board members or Co-owners not present in person or by proxy at the meeting considering an amendment may express their approval in writing, providing such approval is delivered to the Secretary at or prior to the meeting. Except as elsewhere provided, such approvals must be either by (1) not less than 75% of the entire membership of the Board of Administration and by not less than 75% of the votes of the entire membership of the Council of

Co-owners; (2) not less than 80% of the votes of the entire membership of the Council of Co-owners.

(c) No amendment shall discriminate against any apartment owner or against any apartment or class or group of apartments unless the apartment owners so affected shall consent. No amendment shall change any apartment nor the share in the common elements appurtenant to it, nor increase the owner's share of the common expenses, unless the record owner of the apartment and all record owners of liens thereon shall join in the execution of the amendment.

(d) A copy of each amendment shall be certified by the President and Secretary of the Regime as having been duly adopted and shall be effective when recorded in the Office of the Clerk of Court for Richland County, South Carolina.

22. TERMINATION. The Regime may be terminated in the following manner in addition to the manner provided by the Act:

(a) In the event it is determined under paragraph 13 (3) that the apartments in the Regime shall not be reconstructed because of major damage, the condominium plan of ownership will be thereby terminated without agreement.

(b) The Regime may be terminated at any time by the approval in writing of all of the owners of the Regime and by all record owners of liens thereon.

(c) After termination of the Regime the apartment owners shall own the Regime property and all assets of the Regime as tenants in common in undivided shares, and their respective mortgagees and lienees shall have mortgages and liens upon the respective undivided shares of the apartment owners.

Such undivided shares of the apartment owners shall be the same as the undivided shares in the common elements appurtenant to the owners' apartments prior to the termination.

23. INITIAL BOARD OF ADMINISTRATION. The names and addresses of the initial Board of Administration and officers of the Board who shall serve until the first annual meeting of the Council of Co-owners of the Regime next following the sale of each and every unit of Phase I, or until their successors are duly qualified and elected, appear as follows:

William N. Geiger, Jr., President
Columbia, South Carolina
H. Donald McElveen, Vice President
Columbia, South Carolina
Frank R. Geiger, Secretary-Treasurer
Columbia, South Carolina

24. SEVERABILITY. The invalidity in whole or in part of any portion or provision of this Master Deed, the Articles of Incorporation, By-Laws, or amendments to any of the same, regulations, of the Regime shall not affect the validity of the remaining portions thereof.

In witness whereof the Developer has executed this Master Deed the day and year first above written.

THE MILLWOOD COMPANY

Signed, sealed and

delivered in the

presence of

Richard J. Geiger
Frank R. Geiger

