

EXHIBIT C

BY LAWS

LAKESHORE HORIZONTAL PROPERTY REGIME, INC.

ARTICLE I

NAME AND LOCATION

The name of the corporation is Lakeshore Horizontal Property Regime, Inc., hereinafter referred to as the "Regime". The principal office of the corporation shall be located at Lakeshore Drive, Forest Acres, South Carolina, but meetings of the Board of Administration and Council of Co-owners may be held at such places within the State of South Carolina, County of Richland, as may be designated by the Board of Administration.

ARTICLE II

DEFINITIONS

Section 1. "Regime" shall mean and refer to Lakeshore Horizontal Property Regime, Inc., its successors and assigns.

Section 2. "General common elements" means and includes:

- (a) The land on which the building stands;
- (b) The foundations, main walls, roofs, halls, lobbies, stairways, and entrance and exit or communication ways;
- (c) The basements, flat roofs, yards, recreational areas, gardens, except as otherwise provided or stipulated;
- (d) The premises for the lodging of janitors or persons in charge of the property, except as otherwise provided or stipulated;
- (e) The compartments or installations of central services such as power, light, gas, cold and hot water, refrigeration, reservoirs, water tanks and pumps, and the like;

(f) The elevators, garbage incinerators and, in general, all devices or installations existing for common use; and

(g) All other elements of the property rationally of common use or necessary to its existence, upkeep and safety;

Section 3. "Limited common elements" means and includes those common elements which are agreed upon by all the co-owners to be reserved for the use of a certain number of apartments to the exclusion of the other apartments, such as special corridors, stairways, elevators, sanitary services common to the apartments of a particular floor, and the like;

Section 4. "Apartment" shall mean any part of the property intended for any type of independent use of a co-owner including one or more rooms or enclosed spaces located on one or more floors in a building with direct exit; A "Building" means a structure or structures, containing in the aggregate two or more apartments, comprising a part of the property;

Section 5. "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity, or any combination thereof, who owns an apartment within the building;

Section 6. "Council of co-owners" means all the co-owners as defined in Section 5 of this Article; but a majority, as defined in Section 7 of this Article shall, except as otherwise provided in these By-Laws, constitute a quorum for the adoption of decisions;

Section 7. "Voting." Voting shall be on a percentage basis and the percentage of the vote to which the co-owners is entitled is the percentage assigned to the Apartment or Apartments in the Master Deed.

Section 8. "Majority of Co-Owners." As used in these By-Laws the term "majority of Co-owners" shall mean those

co-owners holding 51% or more of the total value of the Property, in accordance with the percentages assigned in the Master Deed.

Section 9. "Quorum." Except as otherwise provided in these By-Laws, the presence in person or by proxy of a majority of co-owners as defined in this Article shall constitute a quorum.

Section 10. "Proxies." Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting.

Section 11. "Declarant" shall mean and refer to The Millwood Company, its successors and assigns if such successors or assigns shall acquire more than one undeveloped Apartment from the Declarant for the purpose of development.

Section 12. "Declaration" or "Master Deed" shall mean and refer to the Declaration of Covenants, Conditions and Restrictions applicable to the Regime recorded in the Office of the Clerk of Court of Richland County, South Carolina.

Section 13. "Property" shall mean and refer to that certain real property described in the Master Deed or Declaration of Covenants, Conditions, and Restrictions, and such additions thereto or may be hereafter brought within the Regime.

ARTICLE III

OBLIGATIONS OF THE CO-OWNERS

Section 1. Assessments. All co-owners are obligated to pay periodic assessments imposed by the Regime to meet all Regime expenses, which shall include a liability insurance policy premium and an insurance premium for a policy to cover repair and reconstruction work in case of hurricane, fire, earthquake, or other hazard. The assessments shall be made pro rata according to the value of the Apartment owned, as stipulated in the

Master Deed. For further instruction, see ARTICLE IX.

Section 2. Maintenance and Repair.

(a) Every co-owner must perform promptly all maintenance and repair work within his own Apartment, which if omitted would affect the Property in its entirety or in a part belonging to their co-owners, being expressly responsible for the damages and liabilities that his failure to do so may engender.

(b) All the repairs of internal installations of the Apartment such as water, light, gas, power, sewage, telephones, air conditioners, sanitary installations, doors, windows, lamps, and all other accessories belonging to the Apartment shall be at the co-owner's expense.

(c) A Co-owner shall reimburse the Regime for any expenditures incurred in repairing or replacing any common elements damaged through his fault. See Master Deed.

Section 3. Use of Apartments - Internal Changes.

(a) All Apartments shall be utilized for residential purposes only.

(b) A co-owner shall not make structural modifications or alterations in his Apartment or installations located therein without previously notifying the Regime in writing, through the management agent, if any, or through the President if no management agent is employed. The Regime shall have the obligation to answer within thirty (30) days and failure to do so within the stipulated time shall mean that there is no objection to the proposed modification or alteration.

Section 4. Use of Common Elements. A co-owner shall not place or cause to be placed in the passages or roads any furniture, packages, or obstructions of any kind. Such areas shall be used for no other purpose than for normal transit through them.

Section 5. Right of Entry.

(a) A Co-owner shall grant the right of entry to the management agent or to any other person authorized by the Board in case of any emergency originating in or threatening his Apartment, whether the co-owner is present at the time or not.

(b) A co-owner shall permit other co-owners, or their representatives, when so required, to enter his Apartment for the purpose of performing installations, alterations, or repairs to the mechanical or electrical services, provided that requests for entry are made in advance and that such entry is at a time convenient to the co-owner. In case of an emergency, such right of entry shall be immediate.

Section 6. Rules of Conduct.

(a) Residents shall exercise extreme care to avoid unnecessary noise or the use of musical instruments, radios, television and amplifiers that may disturb other residents.

(b) No residents of the Property shall:

- (1) Post any advertisements, or posters of any kind in or on the Property except as authorized by the Regime;
- (2) hang garments, rugs, or similar objects, from the windows or from any of the facades of the Property;
- (3) dust rugs, maps, or similar objects, from the windows, or clean rugs, or similar objects by beating on the exterior part of the Property;
- (4) throw garbage or trash outside the disposal installations provided for such purposes in the service areas;
- (5) act so as to interfere unreasonably with the peace and enjoyment of the residents of the other Apartments in

the Property.

(d) No Co-owner, resident or lessee shall install wiring for electrical or telephone installations, television antennae, machines or air conditioning units, or similar objects outside of his dwelling unit or which protrude through the walls or the roof of his dwelling unit except as authorized by the Board.

Section 7. Compliance and Default.

(a) Each apartment owner shall be governed by and shall comply with the terms of this Declaration, by the Articles of Incorporation, By-Laws, and regulations adopted pursuant thereto, and by such documents and regulations as they may be amended from time to time. A default shall entitle the Co-owners or other apartment owners to the relief described hereafter 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 Co-owners. 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 proceeding and such reasonable attorneys' fees as may be awarded by the court.

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

ARTICLE IV

PROPERTY RIGHTS: RIGHTS OF ENJOYMENT

Section 1. Each Co-owner shall be entitled to the use and enjoyment of the General Common Elements including recreational facilities as provided in the Declaration. Any Co-owner may delegate his rights of enjoyment to said facilities to the members of his family, his tenants or contract purchasers, who reside on the property. Such member shall notify the secretary in writing of the name of any such delegatee. The rights and privileges of such delegatee are subject to the same obligation and rights as those of the Co-owner.

Section 2. Irrespective of the fact that Declarant gives the Regime the right to charge reasonable admission and other fees for the use of any recreational facilities situated upon the General Common Elements, this right shall not be exercised as to Co-owner for a period of five years from the date of the recording of the Declaration, and after this period, only upon written approval of two-thirds of the Council of Co-owners.

ARTICLE V

ADMINISTRATION

Section 1. Council Responsibilities. The Co-owners of the Apartments will constitute the Council of Co-owners (hereinafter usually referred to as "Council") who will have the

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responsibility of administering the Property, approving the annual budget, establishing and collecting periodic assessments and arranging for the management of the Property pursuant to an agreement, containing provisions relating to the duties, obligations, removal and compensation of the management agent. Except as otherwise provided, decisions and resolutions of the Council shall require approval by the co-owners.

Section 2. Place of Meetings. Meetings of the Council shall be held at such place, convenient to the co-owners as may be designated by the Council.

Section 3. Annual Meetings. The annual meetings of the Council shall be held on the first Monday of ~~January~~ each year. At such meetings there shall be elected by ballot of the co-owners a Board of Administration in accordance with the requirements of Section 5 of Article VI of these By-Laws. The co-owners may also transact such other business of the Council as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the co-owners as directed by resolution of the Board of Administration or upon a petition signed by a majority of co-owners and having been presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths of the votes present, either in person or by proxy.

Section 5. Notice of Meetings. It shall be the duty of the Secretary to mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place

where is is to be held, to each co-owner of record, at least ten (10) but not more than fifty (50) days prior to such meeting. The mailing of a notice in the manner provided in this Section shall be considered notice served.

The secretary shall prepare or cause to be prepared, at least ten (10) days before every meeting of the Regime Council, a complete list of co-owners entitled to vote at the meeting arranged in alphabetical order, showing the address and the number of votes for each. Such list shall be open to the examination of any co-owner, during ordinary business hours for a period of at least ten (10) days prior to the meeting, at the office of the Regime Council. The list shall be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any co-owner who is present. Unless otherwise provided in advance by resolution of the board of directors, the record date for the purpose of determining co-owners entitled to notice of, or to vote at, any meeting of the Regime Council shall be the close of business on the day next preceding the day on which the notice is mailed, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held.

Section 6. Adjourned Meetings. If any meeting of the Council cannot be organized because a quorum has not attended, the co-owners who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 7. Order of Business. The order of business at all Annual Meetings of the Council shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.

- (a) Reading of minutes of preceding meeting.
- (b) Reports of officers.
- (c) Report of committees.
- (d) Election of inspectors of election.
- (e) Election of administrators.
- (f) Unfinished business.
- (g) New business.

The order of business at all Special Meetings of the Council shall include items (a) through (d) above, and thereafter, the agenda shall consist of the items specified in the notice of meeting.

ARTICLE VI

BOARD OF ADMINISTRATION

Section 1. Number and Qualification. The affairs of the Council shall be governed by a Board of Administration (hereinafter referred to as the "Board") comprised of five persons, all of whom must be co-owners of Apartments in the Property.

Section 2. General Powers and Duties. The Board shall have the powers and duties necessary for the administration of the affairs of the Council and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the Council or individual co-owners.

Section 3. Other Duties. In addition to duties imposed by these By-Laws or by resolutions of the Council, the Board shall be responsible for the following:

- (a) Compliance with all of the terms and conditions of the Master Deed and enforcement of same.
- (b) Care, upkeep, and surveillance of the Property and the common elements.
- (c) Collection of assessments from the co-owners.
- (d) Employment, dismissal, and control of the personnel necessary for the maintenance and operation of the common elements.

Section 4. Management Agent. The Board may employ a management agent at a compensation established by the Board to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section 3 of this Article.

Section 5. Election and Term of Office. At the first annual meeting of the Council the initial term of office of two members of the Board shall be fixed at three (3) years. The term of office of two members of the Board shall be fixed at two (2) years, and the term of office of one member of the Board shall be fixed at one (1) year. At the expiration of the initial term of office of each member of the Board, his successor shall be elected to serve a term of three (3) years. The members of the Board shall hold office until their successors have been elected and hold their first meeting.

Section 6. Vacancies. Vacancies in the Board of Administration caused by any reason other than the removal of a member of the Board by a vote of the Council shall be filled by vote of the majority of the remaining members, even though they may constitute less than a quorum; and each person so elected shall be a member of the Board until a successor is elected at the next meeting of the Council.

Section 7. Removal of Members of the Board. At any regular or special meeting of the Council duly called, any one or more of the members of the Board may be removed with or without cause by a majority of co-owners and a successor may then and there be elected to fill the vacancy thus created. Any member of the Board whose removal has been proposed to the Council shall be given an opportunity to be heard at the meeting.

Section 8. Organization Meeting. The first meeting of a newly elected Board shall be held within ten (10) days of election, at such place as shall be fixed by the Board at the meeting at which such Board members were elected by the Council, and no notice shall be necessary to the newly elected Board members in order legally to constitute such meeting, providing a majority of the Board shall be present.

Section 9. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be determined, from time to time, by a majority of the Board, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board shall be given by the Secretary-Treasurer, or other designated person, to each Board member, personally or by mail, telephone or telegraph, at least ten (10) days prior to the day named for such meeting.

Section 10. Special Meetings. Special meetings of the Board may be called by the President on three days notice to each Board member, given personally or by mail, telephone or telegraph, which notice shall state the time, place (as hereinabove provided) and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary-Treasurer in like manner and on like notice on the written request of at least two Board members.

Section 11. Waiver of Notice. Before or at any meeting of the Board, any Board member may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Board member at any meeting of the Board shall be a waiver of notice by him of the time, place and purpose thereof. If all the members are present

at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 12. Board Quorum. At all meetings of the Board, a majority of the Board members shall constitute a quorum for the transaction of business, and the acts of the majority of the members present at a meeting at which a quorum is present shall be the acts of the Board. If, at any meeting of the Board, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. Any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 13. Fidelity Bonds. The Board may require that any and all officers and employees of the Regime handling or responsible for Regime funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid by the Regime.

Section 14. Non-liability and Indemnity of Directors.

(a) No director or officer of the Regime Council shall be liable for acts, defaults, or neglects of any other director or officer or member or for any loss sustained by the Regime Council or any co-owner, unless the same shall have resulted from his own willful or negligent act or neglect.

(b) Every director, officer, and agent of the Regime Council shall be indemnified by the Regime Council against all reasonable costs, expenses and liabilities (including counsel fees) actually and necessarily incurred by or imposed upon him in connection with or resulting from any claim, action, suit, procedure, investigation, or inquiry as to whatever nature in which he may be involved as a party or otherwise by reason of his being or having been a director, officer or agent of the Regime Council, whether or not he continues to be such director, officer

or agent at the time of incurring or imposition of such costs, expenses, or liabilities, except in relation to matters as to which he shall be finally adjudged in such action, suit, proceeding, investigation, or inquiry to be liable for willful misconduct or neglect in the performance of his duties. As to whether a director, officer, or agent is liable by reason of willful misconduct or neglect in the performance of his duties, in the absence of such final adjudication of the existence of such liability, the Regime Council and each member thereof and officer or agent thereunder may conclusively rely on an opinion of legal counsel selected by the Regime Council. The foregoing right of indemnification shall be in addition to and not in limitation of all other rights to which such person may be entitled as a matter of law, and such shall inure to the benefit of the legal representative of such person.

ARTICLE VII

OFFICERS

Section 1. Designation. The principal officers of the Regime shall be a President, a Vice President, and a Secretary-Treasurer all of whom shall be elected by and from the Board. The Board may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary.

Section 2. Election of Officers. The officers of the Regime shall be elected annually by the Board at the organization meeting of each new Board and shall hold office at the pleasure

of the Board.

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board, or at any special meeting of the Board called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Regime. He shall preside at all Council meetings of the Regime and of the Board. He shall have all of the general powers and duties which are usually vested in the office of president of a Regime, including but not limited to the power to appoint committees from among the co-owners from time to time as he may in his discretion decide are appropriate to assist in the conduct of the affairs of the Regime.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board.

Section 6. Secretary-Treasurer. The Secretary-Treasurer shall keep the minutes of all meetings of the Board and the minutes of all meetings of the Council; he shall have charge of such books and papers as the Board may direct; and he shall have responsibility for Regime funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Regime. He shall be responsible for the deposit of all moneys and other valuable effects in the name, and to the credit, of the Regime in such depositaries as may from time to time be designated by the Board.

he shall, in general, perform all the duties incident to the offices of Secretary and Treasurer.

ARTICLE VIII

COMMITTEES

Section 1. The Regime shall appoint an Architectural Control Committee as provided in the Declaration and a Nominating Committee as provided in these By-laws. In addition, the Board of Administration shall appoint other committees as deemed appropriate in carrying out its purposes, such as:

1. A Recreation Committee which shall advise the Board of Administration on all matters pertaining to the recreational program and activities of the Regime and shall perform such other functions as the Board, in its discretion, determines;
2. A Maintenance Committee which shall advise the Board of Administration on all matters pertaining to the maintenance, repair or improvements of the Property, and shall perform such other functions as the Board in its discretion, determines;
3. A Publicity Committee which shall inform the members of all activities and functions of the Regime and shall, after consulting with the Board of Administration, make such public releases and announcements as are in the best interests of the Regime; and
4. An Audit Committee which shall supervise the annual audit of the Regime's books and approve the annual budget and statement of income and expenditures to be presented to the Council at its regular annual meeting as provided in Article XI, Section 8 (d). The Treasurer shall be an ex-

officer member of the Committee.

Section 2. It shall be the duty of each committee to receive complaints from member on any matter involving Regime functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, Board member or officer of the Regime as is further concerned with the matter presented.

ARTICLE IX

ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation

of Assessments. By the Declaration each Co-owner is deemed to covenant and agree to pay: (1) to the Regime, annual assessments or charges, (2) to the Regime, special assessments for capital improvements, and (3) to the appropriate governmental taxing authority, a pro rata share of taxes levied against the Property and Common Elements and a pro rata share of assessments for public improvements to the Property and Common Elements if the Regime shall default in the payment thereof for a period of six (6) months. The annual and special assessments, together with such interest thereon and costs of collection thereof, as herein-after provided shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made. Each such assessment, together with such interest, costs, and reasonable attorney's fees shall also be the personal obligation of the person who was the Owner of such property at the time when the assessment fell due and shall not pass to his successors in title unless expressly assumed by them.

Section 2. Purpose of Assessments. The assessments levied by the Regime shall be used exclusively for the purpose of

protecting the reputation, health, safety, and welfare of the residents in the Property and in particular for the improvement and maintenance of the Property, services and facilities devoted to this purpose and related to the use and enjoyment of the Common Elements, and of the homes situated upon the Property.

Section 3. Basis and Maximum of Annual Assessments.

Until January 1 of the year immediately following the conveyance of the first lot to a Co-owner, the maximum annual assessment ^{per month} shall be \$30.00 / for Phase I Units and \$ _____ for Phase II Units.

(a) From and after January 1 of the year immediately following the conveyance of the first lot to an owner, the maximum annual assessment may be increased by a vote of the members for the next succeeding two years and at the end of each such period of two years, for each succeeding period of two years, provided that any such change shall have the assent of two-thirds (2/3) of the votes of each Co-owner in person or by proxy, at a meeting duly called for this purpose, written notice of which shall be sent to all members no less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting. The limitations hereof shall not apply to any change in the maximum and basis of the assessments undertaken as an incident to a merger or consolidation in which the Regime is authorized to participate under its Articles of Incorporation.

Section 4. Special Assessments for Capital Improvements.

In addition to the annual assessments authorized above, the Regime may levy in any assessment year, a special assessment applicable to that year only, for the purpose of defraying, in whole or in part, the cost of any construction or reconstruction, unexpected repair or replacement of a described capital improvement upon the Property or Common Elements, including the necessary

fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the voice of such Co-owner in person or by proxy at a meeting duly called for this purpose, written notice of which shall be sent to all members not less than 30 days nor more than 60 days in advance of the meeting setting forth the purpose of the meeting.

Section 5. Uniform Rate. Both annual and special assessments shall be borne at the rate of percentage of ownership given each Apartment in the Master Deed and may be collected on a monthly installment basis.

Section 6. Quorum for Any Action Authorized Under Sections 3 and 5. At the first meeting called, as provided in Sections 3 and 5 hereof, the presence at the meeting of the Council of Co-owners or of proxies entitled to cast fifty-one (51%) percent of all the votes shall constitute a quorum.

Section 7. Date of Commencement of Annual Assessments; Due Dates. The annual assessment provided for herein shall commence as to all Apartments on the first day of the month following the conveyance of the Property. The first annual assessment shall be adjusted according to the number of months remaining in the calendar year. The Board of Administration shall fix the amount of the annual assessment against each Apartment at least thirty (30) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Co-owner subject thereto. The due dates shall be established by the Board of Administration. The Regime shall upon demand at any time furnish a certificate in writing, signed by an officer of the Regime, setting forth whether the assessments on a specified Apartment have been paid. A reasonable charge may be made by the Board for the issuance of these certificates. Such certificates shall be conclusive evidence of payment

of any assessment therein stated to have been paid.

Section 8. Effect of Non-Payment of Assessments.

Remedies of the Regime. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of six (6%) percent per annum, and the Regime may bring an action at law against the Co-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 such assessment. No Co-owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Elements or abandonment of his Apartment.

Section 9. Effect of Default in Payment of Taxes or Assessments for Public Improvements by Regime. It shall be further provided that upon default by the Regime in payment to the governmental authority entitled thereto of any taxes levied against the Common Elements and the Property or assessments for public improvements to the Common Elements and the Property, which default shall continue for a period of six (6) months, each Co-owner of an Apartment lot in the development shall become personally obligated to pay to the taxing or assessing governmental authority a portion of such unpaid taxes or assessments in an amount determined by computing the share due said governmental authority in relation to the Co-owners Apartment value as set in the Master Deed. If such sum is not paid by the Co-owner within thirty (30) days following receipt of notice of the amount due, then such sum shall become a continuing lien on the Apartment of the then Co-owner, his heirs, devisees, personal representatives and assigns, and the taxing or assessing governmental authority may either bring an action at law against said Co-owner or may elect to foreclose the lien against the real property.

Section 10. Subordination of the Lien to Mortgages.

The lien of the assessments provided for herein shall be subordinate to the lien of any mortgage, mortgages, deed of trust or deeds of trust. Sale or transfer of any Apartment shall not affect the assessment lien. However, the sale or transfer of any Apartment which is subject to any mortgage, pursuant to a decree of foreclosure thereof, shall extinguish the lien of such assessments as to payments thereof which became due prior to such sale or transfer. No such sale or transfer shall relieve such Apartment from liability for any assessments thereafter becoming due or from the lien thereof, but the liens provided for herein shall continue to be subordinate to the lien of any mortgage, mortgages, deed of trust or deeds of trust.

Section 11. Exempt Property. The following property

subject to the Declaration shall be exempt from the assessments created therein: all properties dedicated to and accepted by a local public authority. However, no land or improvements devoted to dwelling use shall be exempt from said assessments.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Regime shall at all times, during reasonable business hours, be subject to inspection by any member. The Declaration, the Articles of Incorporation and the By-Laws of the Regime shall be available for inspection by any member at the principal office of the Regime, where copies may be purchased at reasonable cost.

ARTICLE XI

CORPORATE SEAL

The Regime shall have a seal in circular form having within its circumference the words: Lakeshore Horizontal Property

Regime, Inc., Richland County, South Carolina

ARTICLE XIII

AMENDMENTS

Section 1. These By-Laws may be amended, as provided in the Master Deed (Declaration).

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and These By-Laws, the Declaration shall control.

ARTICLE XIV

MORTGAGES

Section 1. Notice to Board. A Co-owner who mortgages his Apartment shall notify the Board through the management agent, if any, or the President if there is no management agent of the name and address of his mortgagee; and the Regime shall maintain such information in a book entitled "Mortgagees of Apartments".

Section 2. Notice of Unpaid Assessments. The Board shall at the request of a mortgagee of an Apartment report any unpaid assessments due to the Regime from the Co-owner of such Apartment.

ARTICLE XV

SALE OR LEASE OF APARTMENT

In the event that a Co-owner desires to sell or lease an Apartment, then, said Apartment shall be sold or leased in the manner provided paragraphs 16 and 17 of the Master Deed.

ARTICLE XVI

COMPLIANCE

These By-Laws are intended to comply with the requirements of the Horizontal Property Act of South Carolina. In

case any of these By-Laws conflict with the provisions of said statute, it is hereby agreed and accepted that the provisions of the statute will control.

ARTICLE XVI

MISCELLANEOUS

The fiscal year of the Regime 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 the LAKESHORE HORIZONTAL PROPERTY REGIME, INC., a South Carolina Corporation, and,

THAT the foregoing By-Laws constitute the original By-Laws of said Regime, as duly adopted at a meeting of the Board of Administration thereof, held on the 6th day of November, 1972.

s/ Frank R. Geiger
Secretary