

THE COURT YARD HORIZONTAL PROPERTY REGIME

CHARTER

OF

THE COURT YARD ASSOCIATION, INC.

The undersigned hereby associate themselves for the purpose of forming a non-profit corporation under the laws of the State of South Carolina, and certify as follows:

ARTICLE I - NAME

The name of the corporation shall be THE COURT YARD ASSOCIATION, INC. which shall hereinafter be referred to as the "Association".

ARTICLE II - PURPOSE

The Association is organized for the purpose of providing a form of administration for THE COURT YARD HORIZONTAL PROPERTY REGIME (hereinafter called "Regime"), established by COURTYARD ASSOCIATES, a South Carolina, a General Partnership (hereinafter called "Grantor") pursuant to the HORIZONTAL PROPERTY ACT OF SOUTH CAROLINA, as amended (hereinafter called the "Act"), on lands located near the City of Columbia, in Richland and Lexington Counties, South Carolina, being more particularly described in the Master Deed establishing the Regime.

ARTICLE III - POWERS

The powers of the Association shall include the following provisions:

1. The Association shall have all of the common law and statutory powers of a non-profit corporation which are not in conflict with the laws of South Carolina or the terms of this Charter.

2. The Association shall have all of the powers and duties prescribed for the "Council of Co-Owners" as set forth in the Act, and all such other powers and duties reasonably necessary to operate the Regime pursuant to the Master Deed, including but not limited to the following:

(a) To make and collect assessments against members as co-owners to defray the costs, expenses and losses of the Regime.

(b) To use the proceeds of assessments in the exercise of its powers and duties.

(c) To maintain, repair, replace, improve and operate the property of the Regime.

(d) To purchase insurance upon the Regime property

including all apartments and common elements, and insurance for the protection of the Association and the co-owners.

(e) To reconstruct improvements after casualty.

(f) To make reasonable regulations respecting the use of the Regime Property.

(g) To enforce by legal means the provisions of the Act, the Master Deed and the regulations promulgated thereunder for the use of the Regime property.

(h) To contract for the management of the Regime and to delegate to such contractor all powers and duties of the Association except such as are specifically required by the Master Deed to have approval of the Board of Directors of the Association or of the co-owners.

(i) To employ personnel to perform the services required for proper operation of the Regime and to terminate such employment.

(j) To foreclose any lien for unpaid assessments in like manner as any mortgagee of real property, as provided in the Bylaws.

3. All funds and the titles of all properties acquired by the Association and the proceeds thereof shall be held in trust for the members in accordance with the provisions of the Act and the Master Deed.

4. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Act and the Master Deed.

5. The Association will not take steps which will serve to facilitate the transaction of specific business by its members or promote the private interest of any member, or engage in any activity which would constitute a regular business of a kind ordinarily carried on for profit, and no part of the net earnings of the Association shall inure to the benefit of any private individual. In the event of the liquidation or dissolution of the Association, whether voluntary or involuntary, no member shall be entitled to any distribution or division of its remaining property or its proceeds, and the balance of all money and other property received by the corporation from any source, after the payment of all debts and obligations of the Association, shall be used or distributed exclusively for such purposes as those set forth herein.

6. The Association holds, or desires to hold, property in common for social or fraternal purposes and is not organized for the purpose of profit or gain to the members, otherwise than is above stated, or for the insurance of life, health, accident or property; and that three (3) days' notice in "The State", a newspaper of general circulation published in the County of Richland, South Carolina, has been given that this Charter would be filed.

The qualification of members, the manner of their admission and voting by members shall be as follows:

1. The co-owner of each of the apartments in the Regime shall be a member of the Association, and no other persons or entities shall be entitled to membership. The Association shall have only so many memberships as there are apartments in the Regime, with each member having a vote equal to the percentage of his right to share in the common elements of the Regime set forth in Exhibit "C" to the Master Deed and in accordance with the Act. Voting rights will be exercised in the manner provided by the Bylaws of the Association.

2. Change of membership in the Association shall be established by the recording in the R.M.C. Office of Richland and Lexington Counties, South Carolina, of a deed or other instrument establishing a change of record of title to an apartment in the Regime and the delivery to the Association of a certified copy of such instrument, the new co-owner designated by such instrument thereby becoming a member of the Association. The membership of the prior co-owner shall be thereby terminated.

ARTICLE V - DIRECTORS

1. The affairs of the Association will be managed by a Board consisting of the number of Directors determined by the Bylaws, but not less than three (3), and in the absence of such determination, shall consist of three Directors.

2. Directors of the Association (except for the initial Board) shall be elected at the annual meeting of the members in the manner determined by the Bylaws. Directors may be removed and vacancies on the Board of Directors shall be filled in the manner provided by the Bylaws.

3. The first election of Directors shall not be held until the first of the following to occur (a) the day and hour designated by the Grantor in a written notice to all co-owners, (b) 8:00 p.m. five (5) years from the date of the recordation of the Master Deed, or (c) 8:00 p.m. ninety (90) days after seventy-five (75%) percent of the total number of apartments in all phases have been conveyed by the Grantor to co-owners; provided, however, if such date falls on Saturday, Sunday or legal holiday, the first annual meeting of membership will be held on the first business day immediately preceding such date. Thereafter the annual meeting of members shall be held on the second Tuesday of February of each year at 7:30 p.m. Eastern Standard Time. If the second Tuesday of February should be a legal holiday, the annual meeting shall be held the same hour on the first day following which is not a legal holiday. At each such meeting, the Board of Directors shall be elected in accordance with the provisions of Section IV of the Bylaws and the members shall transact such other business as may be properly come before them.

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

<u>NAME</u>	<u>ADDRESSES</u>
John H. Burriss	P.O. Box 55 Columbia, South Carolina 29202
W. Edwin McMahan	4000 Park Road Charlotte, North Carolina 28201
Robert L. Wolfson	430 Winstaire Road Columbia, South Carolina 29210

ARTICLE VI - OFFICERS

The affairs of the Association shall be administered by the officers designated in the Bylaws. The officers shall be elected by the Board of Directors. The names and addresses of the initial officers of the Association, who shall serve until their successors are designated by the Board of Directors, are as follows:

PRESIDENT: W. Edwin McMahan
VICE PRESIDENT: Robert L. Wolfson
SECRETARY: John H. Burriss
TREASURER: Robert L. Wolfson

ARTICLE VII - INDEMNIFICATION

Every director, officer, employee or agent of the Association shall be indemnified by the Association to the fullest extent permitted by law, for either Business Corporations or non-profit corporations, against (a) reasonable expenses, including attorney's fees, actually and necessarily incurred by him in connection with any threatened, pending or completed action, suit or proceedings, whether civil, criminal, administrative or investigative and whether or not brought by or on behalf of the Association, seeking to hold him liable by reason of the fact that he is or was acting in such capacity; and (b) reasonable payment made by him in satisfaction of any judgment, money decree, fine, penalty or settlement for which he may have become liable in any such action, suit or proceeding; and 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.

The Board of Directors of the Association shall take all such actions as may be necessary and appropriate to authorize the Association to pay the indemnification required by this Bylaw, including without limitation, to the extent needed, making a good faith evaluation of the manner in which the claimant for indemnity acted and of the reasonable amount of indemnity due him.

Such right shall inure to the benefit of the legal representatives of any such person and shall not be exclusive of any other rights to which such person may be entitled apart from the provision of this Bylaw.

The Board of Directors of the Association shall have the power to purchase and maintain insurance on behalf of any such person who was or is such a director, officer, employee or agent against any liability asserted against him in any such capacity, arising out of his status as such.

ARTICLE VIII - BYLAWS

The first Bylaws of the Association shall be adopted by the Board of Directors and may be altered, amended or rescinded in the manner provided in the Bylaws.

ARTICLE IX - TERM

The term of the Association shall be perpetual.

ARTICLE X - INCORPORATORS

The undersigned Petitioners, being two or more of the officers or agents of THE COURT YARD ASSOCIATION, INC., declare that they were authorized and directed to apply for incorporation in the manner and for the purposes as stated hereinabove.

WHEREFORE, your Petitioners prays that the Secretary of State do issue to the aforesaid THE COURT YARD ASSOCIATION, INC., a Charter as a non-profit corporation under South Carolina law.

s/ John H. Burriss

JOHN H. BURRISS

s/ Robert L. Wolfson

ROBERT L. WOLFSON

December 29, 1983

Exhibit E

BY-LAWS OF

THE COURT YARD ASSOCIATION, INC.
A SOUTH CAROLINA NON-PROFIT CORPORATION

These are the By-laws of The Court Yard Association, Inc., a South Carolina Non-Profit Corporation, hereinafter called the "Association", which has been organized for the purpose of administering an expandable horizontal property regime established pursuant to the Horizontal Property Act of South Carolina, as amended, hereinafter called the "Act", which is known as The Court Yard Horizontal Property Regime, hereinafter called the "Regime", said Regime being located in Lexington and Richland Counties, South Carolina and being more particularly described and delineated in the Master Deed establishing it.

I. INITIAL OFFICE, SEAL AND FISCAL YEAR

1. The initial office of the Association shall be located on the property of the Regime, or such other place as may be designated from time to time by the Board of Directors.

2. The seal of the Association shall contain the name of the Association, the word "Seal", the year of incorporation and such other words and figures as may be desired by the Board of Directors.

3. The fiscal year of the Association shall be the calendar year, unless otherwise decided by the Board of Directors.

II. APPLICATION OF BY-LAWS

1. All present and future owners, mortgagees, lessees and occupants of apartments and their employees or any other persons who may use the facilities of the Regime in any manner are subject to

the Master Deed, these By-laws, Rules and Regulations made pursuant thereto and any amendment to these By-laws upon the same being duly passed and any duly recorded amendment to the Master Deed.

2. The acceptance of a deed of conveyance or entering into a lease or an act of occupancy of an apartment shall constitute an agreement that these By-laws (and any rules and regulations made pursuant hereto) and the provisions of the Master Deed as they may be amended from time to time, are accepted, ratified and will be complied with.

III. MEMBERSHIP AND MEETINGS

1. Membership. Membership in the Association shall be limited to the co-owners of apartments within the Regime and every co-owner shall be automatically a member of the Association upon acceptance of a deed and such membership may not be separated from apartment ownership.

2. Place of Meetings. All meetings of the members of the Association shall be held at the principal office of the Association or such other place in either Richland or Lexington County, South Carolina as the Board of Directors may from time to time determine.

3. First Annual Meeting. The first annual meeting of the members shall be held on the first to occur of (a) the date and hour designated by the Grantor in a written notice to all co-owners, (b) 8:00 p.m. five (5) years from the date of the recordation of the Master Deed, or (c) 8:00 p.m. ninety (90) days after seventy-five (75%) percent of the the total number of apartments in all phases have been conveyed by the Grantor to co-owners; provided, however, if such date falls on Saturday, Sunday or legal holiday, the first

annual meeting of membership will be held on the first business day immediately preceding such date. Thereafter the annual meeting of members shall be held on the second Tuesday of February of each year at 7:30 p.m. Eastern Standard Time. If the second Tuesday of February should be a legal holiday, the annual meeting shall be held the same hour on the first day following which is not a legal holiday. At each such meeting, the Board of Directors shall be elected in accordance with the provisions of Section IV of these By-laws and the members shall transact such other business as may be properly come before them.

4. Special Meetings. Special members' meetings shall be held whenever called by the President or Vice President or by a majority of the Board of Directors, and must be called by such officers upon receipt of a written request from members entitled to cast one-third of the votes of the entire membership.

5. Notice of Meetings Waiver.

(a) The Secretary shall personally deliver to or mail by United States Mail, postage prepaid, to each member entitled to vote a written or printed notice of (1) each annual or substitute annual membership meeting not less than ten (10) nor more than fifty (50) days prior to such meeting, and (2) each special meeting not less than seven (7) nor more than thirty (30) days prior to such meeting.

(b) If the notice is personally delivered, a receipt of the notice shall be signed by the receiving member indicating the date on which such notice was received by him. If the notice is mailed, such notice shall be deemed to be properly given when deposited in the United States Mail, postage prepaid, and addressed to the member

at his post office address as it appears on the register of co-owners of the Association as of the date of the mailing of such notice.

(c) Notice given to any one tenant in common of an apartment shall be deemed notice to the record owner of such apartment. In the case of special meetings, the notice of meeting shall specifically state the purpose or purposes for which the meeting is called; but, in the case of an annual meeting or substitute annual meeting, the notice of meeting need not specifically state the business to be transacted.

(d) Any member may waive necessity of formal notice of any membership meeting by signing a written waiver either before or after the meeting; and upon execution of such waiver, the member shall not be entitled thereafter to object to the meeting being held or the matters being passed upon at the meeting because of lack of notice thereof.

6. Quorum and Voting. A quorum at members' meetings shall consist of co-owners with fifty-one (51%) percent or more of the total basic value of the Regime Property, as then constituted, as set forth in Exhibit "C" to the Master Deed. The acts approved by the owners representing fifty-one (51%) percent of the total basic value of the Regime Property, as then constituted, a quorum being present, shall constitute a decision of the members and shall be binding upon the members except where approval by a greater percentage is required by the Act, the Master Deed establishing the Regime, the Charter of the Association or these By-Laws.

7. Order of Business. The order of business at annual members' meetings and as far as practical at all other members' meetings,

shall be: (a) Election of chairman of the meeting (in the absence of the President and the Vice President); (b) Calling of the roll and certifying of proxies; (c) Proof of notice of meeting or waiver of notice; (d) Reading and disposal of any unapproved minutes; (e) Reports of the officers; (f) Reports of the committees; (g) Appointment of inspectors of election; (h) Election of Directors; (i) Unfinished business; (j) New business; (k) Adjournment.

8. Presiding Officer. The Presiding Officer at members' meetings shall be the President. In his absence the Vice President shall preside.

9. Voting. Each co-owner shall have a vote equal to his percentage ownership in the common elements of the Regime Property as set forth in Exhibit "C" to the Master Deed. If an apartment is owned by one person, his or her right to vote shall be established by the record title to his or her apartment. If an apartment is owned by more than one person, the person entitled to cast the vote for the apartment shall be one of the record owners designated by a certificate signed by all of the record owners of the apartment and filed with the Secretary of the Association. If an apartment is owned by a corporation, the person entitled to cast the vote for the apartment shall be designated by a certificate of appointment signed by the President or Vice President and attested by the Secretary or Assistant Secretary of the corporation and filed with the Secretary of the Association. Such certificates shall be valid until revoked, until superseded by a subsequent certificate or until a change in the ownership of the apartment concerned. A certificate designating the person entitled to cast the vote of an apartment may be revoked

in like manner as provided hereinabove. If such a certificate is not on file, the vote of such co-owners shall not be considered in determining the requirement for a quorum nor for any other purpose.

10. Proxies. Votes may be cast in person or by proxy. A proxy may be made by any person entitled to vote and shall be valid for such period as provided for by law, unless a shorter period is designated in the proxy, and must be filed with the Secretary before the appointed time of the meeting or any adjournment thereof.

IV. BOARD OF DIRECTORS

1. General Powers. The business and affairs of the Association shall be managed by the Board of Directors or by such committees as the Board of Directors may establish pursuant to Section V of these By-laws.

2. Number, Term and Qualification. The initial Board of Directors shall consist of the three (3) individuals whose names are set forth in the Articles of Incorporation. The initial Board shall serve until the first annual membership meeting. From and after the first annual membership meeting, there shall be seven (7) Directors. Directors will be elected at the first annual meeting of the members and at the annual meeting of the membership thereafter. Except for the initial Directors (and any replacements of the initial Directors appointed by the Grantor) who need not be members of the Association, all Directors shall be members of the Association. Directors will serve one (1) year terms and may succeed themselves.

3. Election. Election of Directors shall be conducted in the following manner:

(a) Election of Directors shall be held at the annual members' meeting.

(b) Except as to vacancies provided by removal of Directors by members, vacancies in the Board of Directors occurring between annual meetings of members shall be filled by the remaining Directors.

(c) A Director may be removed by concurrence of two-thirds of the votes of the entire membership at a special meeting of the members called for that purpose. The vacancy in the Board of Directors so created shall be filled by the members of the Association at the same meeting.

(d) Provided, however, that until one hundred twenty (120) days after the Grantor has sold seventy-five (75%) percent of the total number of apartments in all phases of the Regime, or 5 years after recordation of the Master Deed or until Grantor elects to terminate its control of the Regime, whichever shall first occur, the First Directors of the Association shall serve, and in the event of vacancies, the remaining Directors shall fill the vacancies; if there are no remaining Directors the vacancies shall be filled by the Grantor.

4. Term. The term of each Director's service shall extend until the next annual meeting of the members and thereafter until his successor is duly elected and qualified or until he is removed in the manner elsewhere provided.

5. Organization Meeting of Directors. The organizational meeting of a newly-elected Board of Directors shall be held within ten (120) days of their election at such place and time as shall be

fixed by the Directors at the meeting at which they are elected, and no further notice of the organizational meeting shall be necessary.

6. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the Directors. Notice of regular meetings shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

7. Special Meetings. Special meetings of the Directors may be called by the President and must be called by the Secretary at the written request of one-third of the Directors. Not less than three (3) days' notice of the meeting shall be given personally or by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meetings.

8. Waiver. Waiver of notice. Any Director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice.

9. Quorum. A quorum at Directors' meetings shall consist of a majority of the entire Board of Directors. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board of Directors, except where approval by a greater number of Directors is required by the Master Deed establishing the Regime, the Charter of the Association or these By-laws.

10. Adjourned Meetings. If at any meeting of the Board of Directors there is less than a quorum present, a majority of those present may adjourn the meeting from time to time until a quorum is

present. At any adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

11. Action Without a Meeting. Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting if all of the Directors then in office consent to such action in writing and such written consent or consents are filed with the minutes of the proceedings of the Board.

12. Presiding Officer. The presiding officer at Directors' meetings shall be the President. In the absence of the President the Vice President shall preside. In the absence of such presiding officers, the Directors present shall designate one of their number to preside.

13. Compensation. No member of the Board of Directors shall receive any compensation from the Association for acting as a member of the Board of Directors. However, each Director shall be reimbursed for reasonable out-of-pocket expenses incurred and paid by him on behalf of the Association.

14. Loans to Directors and Officers. No loans shall be made by the Association to its Directors or officers. Any Directors of the Association who vote for or assent to the making of a loan to a Director or officer of the Association and any officer or officers participating in the making of such loan shall be jointly and severally liable to the Association for the amount of such loan until the repayment thereof.

15. Powers and Duties. The Board of Directors shall have all of the powers and duties necessary for the administration of the

affairs of the Regime except such powers and duties as by law, by the Master Deed, or by these By-laws may not be delegated by the co-owners to the Board of Directors. Without in any way limiting the powers and responsibilities conferred upon the Board of Directors by these By-laws, the Master Deed or by law, the Board of Directors shall have the power to and shall be responsible for the following:

(a) Providing for the operation, care, upkeep, replacement and maintenance of the Common Areas and Facilities.

(b) Determining the funds required for the operation, administration, maintenance, upkeep and other affairs of the Regime Property and the assessment and collection of the Common Expenses from the co-owners as provided in Section IX of these By-laws.

(c) Employing and dismissing personnel necessary for the efficient operation and maintenance of the Regime Property and establishing and paying salaries and other compensation for such personnel.

(d) Adopting rules and regulations covering the details of the operation and use of the Regime Property.

(e) Opening bank accounts on behalf of the Association and designating the signatories required therefor.

(f) Purchasing Units at foreclosure or other judicial sales in the name of the Association or its designee.

(g) Selling, leasing, mortgaging, voting the votes appurtenant (other than for the election of Directors) or otherwise dealing with the Units acquired by the Association or its designee.

(h) Purchasing personal property necessary to properly maintain the Regime Property and to provide for its operation.

(i) Obtaining insurance for the Regime Property pursuant to Section XI of these By-laws.

(j) Making repairs, additions and improvements to or alterations of the Common Areas and Facilities (including the Limited Common Areas and Facilities) and repairing and restoring the Regime Property and establishing reserves therefor.

(k) Keeping detailed accurate records in chronological order of receipts and expenditures affecting the Common Areas and Facilities, specifying and identifying the maintenance and repair expenses of the Common Areas and Facilities and any other expenses incurred. All books and records shall be kept in accordance with generally accepted principles of accounting.

(l) Keeping a complete record of the minutes of all meetings of the Board of Directors and members in which minute books shall be inserted actions taken by the Directors and/or members by consent to action without meeting.

(m) Making current copies of the Master Deed, these By-laws and the Rules and Regulations and the books, records and financial statements of the Association available for examination by any co-owner or the duly authorized agent or attorney of any co-owner at convenient hours on business days on reasonable notice.

(n) Supervising all officers, agents and employees of the Association and insuring that their duties are properly performed.

(o) Enforcing the provisions of the Master Deed, these By-laws and the Rules and Regulations and bringing or defending any legal actions that may be instituted on behalf of or against the Association.

(p) Borrowing money and securing goods and services on credit.

(q) Granting permits, licenses and easements over the common areas for utilities, roads and other purposes reasonably necessary or useful for the proper maintenance or operation of the regime.

(r) To do such other things and acts not inconsistent with the Horizontal Property Act, the Master Deed and these By-laws which may be authorized by appropriate action.

16. Managing Agent. The Board of Directors may employ or enter into a management contract with any professional manager (including the Grantor or an affiliate of the Grantor) that it deems appropriate and in the best interest of the Association concerning the routine management of the Regime Property. The Board of Directors may delegate to such person or firm ("Managing Agent") such duties and responsibilities in the management of the Regime Property as the Board of Directors deems appropriate provided the Board of Directors may not delegate to the Managing Agent the complete and total responsibilities and duties of the Association in violation of South Carolina law. Contracts with a Managing Agent shall not exceed three (3) years and shall provide for termination by either party without cause and without payment of a termination fee on ninety (90) days or less written notice. The Board of Directors shall have the authority to fix reasonable compensation for the Managing Agent. The Managing Agent shall at all times be answerable to the Board of Directors and subject to its direction. If any Mortgagee, Eligible Insurer or Eligible Guarantor has previously required professional management for the Regime Property, any decision by the Association to establish self management shall require the prior written consent of not less than sixty-seven (67%) percent of the votes of the co-

owners and the prior written consent of not less than fifty-one (51%) percent of the Mortgagees (based upon one [1] vote for each mortgage held).

V. COMMITTEES

1. Creation. The Board of Directors by resolution adopted by a majority of the number of Directors then holding office may create such committees as they deem necessary and appropriate in aiding the Board of Directors to carry out its duties and responsibilities with respect to the management and administration of the Regime Property. Each committee so created shall have such authorities and responsibilities as the Directors deem appropriate and as set forth in the resolution creating such committee. The Directors shall elect the members of each committee provided that at least one member of the Board of Directors shall serve on each committee.

2. Vacancy. Any vacancy occurring on a committee shall be filled by a majority of the number of Directors then holding office at a regular or special meeting of the Board of Directors.

3. Removal. Any member of a committee may be removed at any time, with or without cause, by a majority of the number of Directors then holding office.

4. Minutes. Each committee shall keep regular minutes of its proceedings and report the same to the Board of Directors when required.

5. Responsibility of Directors. The designation of committees and the delegation thereto of authority shall not operate to relieve the Board of Directors or any member thereof of any responsibility or liability imposed upon it or him by law. If action taken by a

committee is not thereafter formally considered by the Board, a Director may dissent from such action by filing his written objection with the Secretary with reasonable promptness after learning of such action.

VI. OFFICERS

1. Executive Officers. The executive officers of the corporation shall be a President, who shall be a Director; a Vice President, who shall be a Director; a Treasurer; a Secretary; all of whom shall be elected annually by the Board of Directors and who may be preemptorily removed by vote of the Directors at any meeting. Any person may hold two or more offices except that the President shall not also be the Secretary or an Assistant Secretary. The Board of Directors shall from time to time elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

2. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the members and at all meetings of the Board of Directors. He shall have all of the powers and duties which are usually vested in the office of the president of an association, including, but not limited to, the power to appoint committees from among the members from time to time, as he may in his discretion determine appropriate, to assist in the conduct of the affairs of the Association.

3. Vice President. The Vice President shall in the absence or disability of the President exercise the powers and perform the duties of the President. He shall also generally assist the President

and exercise such other powers and perform such other duties as shall be prescribed by the Directors.

4. Secretary. The Secretary shall keep the minutes of all proceedings of the Directors and the members. He shall attend to the giving and serving of all notices to the members and Directors and other notices required by law. He shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed. He shall keep the records of the Association, except those of the Treasurer, and shall perform all other duties incident to the office of secretary of an association and as may be required by the Directors or the President.

5. Treasurer. The Treasurer shall have custody of all property of the Association, including funds, securities and evidences of indebtedness. He shall keep the books of the Association in accordance with good accounting practices; and he shall perform all other duties incident to the office of Treasurer.

6. Compensation. The compensation if any of all officers and employees of the Association shall be fixed by the Directors.

VII. LIABILITY OF THE BOARD OF DIRECTORS, OFFICERS, OWNERS AND ASSOCIATION

The officers and members of the Board of Directors shall not be liable to the Association or any co-owner for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Association shall indemnify and hold harmless each of the officers and Directors from and against all contractual liability to others arising out of contracts made by the officers or the Board of Directors on behalf of the Association

unless any such contract shall have been made in bad faith or contrary to the provisions of the Horizontal Property Act, the Master Deed or these By-laws, except to the extent that such liability is satisfied by Directors and Officers Liability Insurance. Officers and members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. The liability of any co-owner arising out of any contract made by the officers or Board of Directors, or out of the indemnification of the members of the Board of Directors or officers, or for damages as a result of injuries arising in connection with the Common Elements solely by virtue of his ownership of a Percentage Interest therein or for liabilities incurred by the Association, shall be limited to the total liability multiplied by his Percentage Interest. Every agreement made by the officers, the Board of Directors or the Manager on behalf of the Association shall, if obtainable, provide that the officers, the members of the Board of Directors or the Manager, as the case may be, are acting only as agents for the Association and shall have no personal liability thereunder (except as co-owners), and that each co-owner's liability thereunder shall be limited to the total liability thereunder multiplied by his Percentage Interest.

The Association shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he is or was a director or officer of the Association, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably

believed to be in, or not opposed to, the best interests of the Association.

VIII. MAINTENANCE AND REPAIR

Responsibility for the maintenance of the Property of the Regime shall be as follows:

1. Apartments.

(a) By the Association. The Association shall maintain, repair and replace at the Association's expense:

1. All common elements, including portions of an apartment, except interior surfaces, contributing to the support of an apartment building, which portions shall include but not be limited to load-bearing columns and load-bearing walls. Also, all conduits, ducts, plumbing, wiring and other facilities for the furnishing of utility services contained in the portions of an apartment maintained by the Association; and all such facilities contained within an apartment that service part or parts of the Property other than the apartment in which they are contained. Interior surfaces of an apartment shall be maintained by the co-owner.

2. All incidental damage caused to an apartment by such work shall be promptly repaired at the expense of the Association.

(b) By the co-owner. The responsibility of the co-owner shall be as follows:

1. To maintain, repair and replace at his expense all portions of his apartment other than those portions to

be maintained, repaired and replaced by the Association, including but not limited to, service equipment such as dishwasher, laundry, refrigerator, oven, stove, whether or not such items are built-in equipment, and interior fixtures such as electrical and plumbing fixtures and floor and wall coverings. Such shall be done without disturbing the rights of other co-owners.

2. Not to paint or otherwise decorate or change the appearance of any portion of the exterior of an apartment building.

3. To promptly report to the Association any defect or need for repairs, the responsibility for the remedying of which is that of the Association.

2. Common Elements.

(a) By the Association. The maintenance and operation of the common elements, both general and limited, shall be the responsibility of the Association and a common expense; provided, however, that in case of emergency and in order to preserve the Property or for the safety of the occupants, a co-owner may assume the responsibility therefor, and he shall be relieved of liability for his acts performed in good faith and reimbursed for his expenses by the Association when approved by its Board of Directors.

(b) The Association shall have the power to determine the use to be made of the common elements from time to time, provided that no such use shall discriminate against a co-owner. The Association may establish reasonable charges to be paid the Association for the

use of common elements not otherwise inconsistent with other provisions of the Master Deed, the Charter or these By-laws.

IX. FISCAL MANAGEMENT

The making and collection of assessments against co-owners for common expenses shall be pursuant to the following provisions:

1. Working Capital Fund. The Association shall establish and maintain a working capital fund to provide funds for the Association to met initial expenses and unforeseen expenditures or to enable the Association to acquire additional equipment or services. At the time of closing of the sale of each Apartment from Grantor to the initial co-owner, the initial co-owner shall pay to the Association as such co-owner's contribution to the initial working capital fund an amount equal to two (2) months of the currently established monthly assessment for each apartment; provided, however, the working capital fund contribution of two (2) months of the monthly assessment for each unsold Unit owned by the Grantor shall be paid to the Association by Grantor not later than 120 days after the date the first Unit is conveyed to a co-owner provided, however, no assessments shall be charged for an apartment until it has been completed by the builder and turned over to the Grantor. Payments to the working capital fund shall not constitute advance payments of the monthly assessments as hereinafter provided.

2. Initial Assessment and Annual Assessment. An initial assessment has been determined by the Grantor on the basis of the initial budget. The initial assessment shall remain in effect until the first annual membership meeting. At the first annual membership meeting, the membership shall fix a monthly assessment which shall

remain in effect for the remainder of the calendar year. Following the first annual membership meeting and not later than December 15 of each year, the Board of Directors shall give written notice to the co-owners of the annual assessment fixed against each Unit for the next succeeding calendar year. In fixing the annual assessment for each calendar year, the Board of Directors shall adopt a budget for the operation, administration and maintenance of the Regime Property for that year, which budget shall include an estimate of the Common Expenses for such year and an estimate of the case required to meet such Common Expenses. In adopting the annual budget, the Board of Directors shall include reasonable reserves for contingencies, deferred maintenance, working capital, and repairs and replacements of those portions of the Common Areas and Facilities that must be replaced or repaired on a periodic basis. The annual assessment against each Apartment shall be an amount equal to the total estimated cash requirement for the Regime Property as set forth in the budget multiplied by the percentage interest in the Common elements which is appurtenant to each Unit. The failure of the Board to comply with the written notice hereinabove set forth shall not alter or invalidate any obligation of a co-owner, any right of the Association against co-owner or any lien against a Apartment provided for in this Section. The first annual assessment, which has been fixed by the Grantor, shall commence for Apartments (including all completed Apartments owned by Grantor) on the date of the conveyance by the Grantor of the first Apartment to a co-owner. No assessment shall be due from Grantor for uncompleted Apartments.

3. Monthly Installments. The annual assessment shall be paid to the Association in equal monthly installments on or before the first day of each month during any assessment period. A partial assessment shall be determined and levied against all Apartments for the first month if the sale of the first Apartment takes place other than on the first day of the month. The Board of Director's may set a late charge for any assessment not made when due.

4. Special Assessments. The Board shall have the authority to levy special assessments at any time and from time to time to provide funds to pay the expenses of the Association, including but not limited to, any capital expenses of the Association and any Common Expenses which the annual assessments prove inadequate to pay. The special assessments shall be fixed against the Apartments according to their percentage interest in the Common Areas and Facilities and the period of the assessment and manner of payment shall be determined by the Board of Directors.

5. Purpose of Assessments - Common Expenses. The annual and special assessments fixed and collected pursuant to this Section shall be used to pay the Common Expenses of the Regime Property including, but not limited to, all expenses, costs and charges incurred by the Association in connection with the administration, operation and management of the Regime Property; the cost of maintenance, repair, replacement and restoration (including reasonable reserves therefor) of the Common Areas and Facilities, or any part thereof, including appurtenant easements; the cost of all insurance obtained by the Board of Directors pursuant to these By-laws; all charges for utilities and other services to the Regime

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which are not separately metered to the individual Apartments including, but not limited to, electricity, sewer, water and master TV antenna charges; and any and all other expenses, costs or charges agreed upon as Common Expenses by the Association or declared Common Expenses by the provisions of the Horizontal Property Act, the Master Deed or these By-laws. All funds collected by the Association shall be treated as separate property of the Association, and such funds may be applied by the Association to the payment of any expense of operating and managing the Regime Property or the proper undertaking of all acts and duties imposed upon it by these By-laws, the Articles of Incorporation and the Master Deed. Although all funds and common surplus, including other assets of the Association and any increments thereto or profits derived therefrom or from the leasing or use of Common Areas and Facilities, shall be held for the benefit of the members of the Association, no member of the Association shall have the right to assign, pledge or in any manner transfer his membership interest therein except as an appurtenance to his Apartment.

6. Liability for Assessments. A co-owner shall be liable for all assessments coming due while he, she or it is the owner of an apartment. The Association shall provide for the issuance, and shall issue to every prospective purchaser, or mortgagee, upon his, her or its request, a statement of the status of the assessment account of the seller or mortgagor. Such a certificate made by the duly authorized representative of the Association as to the status of a co-owner's assessment account shall limit the liability of any person for whom it is made, other than the co-owner. Any first mortgagee, upon request, will be entitled to written notification from the

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Association of any default in the performance by an individual unit owner/borrower of any obligation under the regime constituent documents which is not cured within sixty (60) days.

7. Collection of Assessments.

(a) Interest; application of payments. Assessments and installments thereon paid on or before ten (10) days after the date when due shall not bear interest, but all sums not paid on or before ten (10) days after the date when due shall bear interest at the rate of 12% percent per annum from the date when due until paid. This shall be in addition to any late charge established by the Board of Directors. All payments upon account shall be first applied to interest and then to the assessment payment first due.

(b) Lien. All assessments against any co-owner shall constitute a lien against the co-owner's apartment in favor of the Association, as provided by the Act and Master Deed, which lien shall become effective when a notice, claiming such lien, has been duly recorded by the Association in the county in which the apartment is situate. Such claim of lien shall state the description of the apartment, the name of the record owner, and the amount due and the date when due. Such claim of lien shall be signed and verified by an officer or agent of the Association prior to its being recorded; and no such claim of lien shall be made by the Association unless the assessment, charge or expense, giving rise to the lien, remains unpaid for more than ten (10) days after same becomes due. Any such lien may be foreclosed by the Association in the manner provided by law for the foreclosure of real estate mortgages. The lien shall secure the payments of all assessments as described in said claim of lien, and

in addition thereto, shall secure the payment of subsequent assessments which come due after the filing of the claim of lien and prior to the satisfaction of such lien by foreclosure or otherwise, including interest thereon at the rate of twelve (12%) percent per annum together with all costs and reasonable attorneys' fees incurred by the Association incident to the collection of such assessments or the enforcement of such lien. If foreclosure is not commenced within one (1) year after the date of filing such a claim of lien, such claim shall not thereafter be foreclosed, nor shall such claim thereafter constitute a lien on the apartment described in such claim. The right of the Association to foreclose a lien as aforesaid shall be in addition to any other remedy, at law or in equity, which may be available to it for the collection of the monthly charges and expenses, including the right to proceed personally against any delinquent owner for the recovery of a judgment "in personam". Any personal judgment against any such delinquent co-owner may include all unpaid subsequent assessments which come due after the institution of such suit and prior to such Order of Judgment, including interest thereon at the rate of twelve (12%) percent per annum, together with all costs and reasonable attorneys' fees incurred by the Association incident to the collection of such assessments.

(c) Rental pending foreclosure. In any foreclosure of a lien for assessments, the Association shall, pending foreclosure, be entitled to the appointment of a receiver who shall collect a reasonable rental for the use of the apartment subject to the lien, which rental shall be applied to the obligations of the co-owner.

X. MORTGAGEES

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1. Notice of Action. Upon written request to the Association identifying the name and address of the Mortgagee, Eligible Insurer or Eligible Guarantor and the unit number or address, any such Mortgagee, Eligible Insurer or Eligible Guarantor will be entitled to timely notice of (a) any condemnation loss or any casualty loss which affects a material portion of the Regime Property (including any damage to the Common Areas and Facilities in excess of \$10,000.00) or any Apartment (where the damage exceeds \$1,000.00) on which there is a mortgage held, insured or guaranteed by such Mortgagee or Eligible Insurer or Eligible Guarantor, as application; (b) any default under the Master Deed, these By-laws or the Rules and Regulations by an Apartment co-owner subject to a mortgage held, insured or guaranteed by such Mortgagee or Eligible Insurer or Eligible Guarantor, which remains uncured for a period of sixty (60) days; (c) any lapse, cancellation or material modification of any insurance policy or fidelity bond maintained by the Association; (d) any proposed action which would require the consent of a specified percentage of Mortgagees as set forth in Section XI hereof.

2. Membership Meetings. The Mortgagees or their agents and representatives shall be entitled to attend membership meetings of the Association and shall have the right to speak thereat.

3. Examination of Books and Records. Each Mortgagee, Eligible Insurer or Eligible Guarantor and co-owner shall have the right to examine current copies of the Master Deed, these By-laws and the Rules and Regulations and the books, records and financial statements of the Association at any time on reasonable notice during normal business hours.

4. Financial Statements. When the Regime Property, as defined and provided for in the Declaration, contains at least fifty (50) Apartments, any Mortgagee, Eligible Insurer or Eligible Guarantor shall, upon written request, be entitled to a copy of a financial statement, free of charge, for the immediately preceding fiscal year of the Association. While there are less than fifty (50) Apartments in the Regime Property, a written request by fifty-one (51%) percent or more of the Mortgagees (based on one [1] vote for each mortgage owned) shall entitle them to have such financial statement prepared at Mortgagees' expense if one is not otherwise available. The Association shall furnish such financial statement within a reasonable time following such request.

XI. INSURANCE AND REPAIR OF CASUALTY DAMAGE

1. Authority to Purchase. The Board of Directors is authorized to and shall use its best efforts to maintain insurance coverage on the Regime Property containing the provisions, covering the risks and in the amounts hereinafter set forth.

(a) Insurance policies upon the Property, covering the items described hereinbelow, shall be purchased by the Association for the benefit of the Association and the co-owners of the apartments and their respective mortgagees, as their interest may appear. Provision shall be made for the issuance of certificates of insurance with mortgagee endorsements to the mortgagees of all co-owners.

(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 Directors of the Association. 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 and improvements similar to the buildings and improvements on the land, such as, but not limited to, flood, vandalism and malicious mischief.

2. Public liability in such amounts and with such coverage as shall be determined by the Board of Directors of the Association, but in any event not less than \$1,000,000.00, including, but not limited to, hired automobile and non-owned automobile coverages, and with cross liability endorsement to cover liabilities of the co-owners of all apartments as a group to an apartment co-owner.

3. Workmen's Compensation (if required).

4. Officer's and Directors Liability Insurance.

5. Such other insurance as the Board of Directors of the Association shall from time to time determine to be desirable.

2. Insurance Premiums. Premiums upon insurance policies purchased by the Association shall be paid by the Association as a common expense.

3. Association or Agent. The Association is hereby irrevocably appointed agent for each co-owner to adjust all claims arising under

insurance policies purchased by the Association, and to execute and deliver releases upon payment of claims.

4. Insurance Trustees. The proceeds of all insurance shall be paid to the Board of Directors of the Association as Insurance Trustees. The Board of Directors of the Association as Insurance Trustees, shall receive, hold or otherwise properly dispose of such proceeds for the benefit of the co-owners and their Mortgagees as their interests may appear. All physical damage insurance policies purchased by the Board of Directors shall be for the benefit of the Association, the co-owners and the Mortgagees as their respective interests may appear and shall provide that all proceeds of such insurance shall be paid to the Board of Directors of the Association as Insurance Trustees. The Board of Directors of the Association, as Insurance Trustees, shall receive such proceeds and shall hold the same in trust for the purposes hereinafter set forth for the benefit of the co-owner and their Mortgagees in the following shares:

(a) If the damaged property for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds shall be paid to defray costs thereof as elsewhere provided. Any proceeds remaining after defraying such costs shall be distributed to the beneficial owners, remittances to co-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.

(b) If it is determined in a manner elsewhere provided that the damage for which the proceeds are paid shall not

be reconstructed or repaired, the remaining proceeds shall be distributed to the beneficial owners, remittances to co-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.

8. Additional Insurance. No provisions of this paragraph, the Master Deed, nor these By-Laws, shall be deemed to prevent or prohibit any co-owner from obtaining additional insurance on his, her or its apartment for his, her or its own account and benefit from insuring such furniture, furnishings or other personal property as they may have in their individual apartments, for their own individual account and benefit; or from obtaining such additional public liability coverage as they may desire for their own individual protection. No co-owner shall, however, insure any part of the common elements whereby, in the event of loss thereto, the right of the Association to recover the insurance indemnity for such loss, in full, shall be diminished or impaired in any way.

X. RECONSTRUCTION OR REPAIR AFTER CASUALTY.

1. In the event of fire or other disaster or casualty resulting in damage to a building or buildings and common elements of the Regime which the Board of Directors of the Association shall determine to be two-thirds or less of the then total value of the Property of the Regime (excluding land), the net proceeds of all insurance collected shall be made available for the purpose of restoration or replacement. When such insurance or replacement, the balance of such costs shall be assessed against the co-owners in the case of damage to common elements and against the co-owners who own the

damaged apartments in the case of damage to apartments. Such assessments on account of damage to common elements shall be in proportion to the co-owners share in the common elements, and the assessment against co-owners for damage to apartments shall be in proportion to the costs of reconstruction and repair of their respective apartments.

2. In the event the buildings and improvements of the Regime are damaged or destroyed to more than two-thirds of the then total value of the Property of the Regime (excluding land) as determined by the Board of Directors of the Association, the members of the Association and eligible mortgage holders holding mortgages on the co-owner shall be polled in writing via United States Mail by the Association as to whether the Regime shall be waived or the Damaged Property reconstructed or repaired. The Regime shall be waived unless within sixty (60) days after the mailing of such notices all of the co-owners, as well as all of the record owners of such encumbrances, agree in writing to repair and reconstruct the buildings and improvements of the Regime. If the election is to reconstruct or replace, payment of the costs thereof shall be made as provided for in subsection (1) of this Paragraph I. If the decision is to waive the Regime and not to reconstruct and replace, all sums recovered from insurance shall be paid over to the co-owners in the proportion in which they own the common elements and to their respective mortgages as their interest may appear.

4. If the damage is only to those parts of an apartment for which the responsibility of maintenance and repair is that of the individual co-owner, then the co-owner shall be responsible for

reconstruction and repair after such casualty. In all other instances, the responsibility of reconstruction and repair after casualty shall be that of the Association.

5. Immediately after a casualty causing damage to Property for which the Association has the responsibility of maintenance and repair, the Association shall obtain reliable and detailed estimates of the cost to rebuild or repair so as to place the damaged property in condition as good as that before the casualty.

6. Any reconstruction or repair must be substantially in accordance with the plans and specifications for the original improvements which are shown on the exhibits attached to the Master Deed; or if not, then according to plans and specifications approved by the Board of Directors of the Association, and if the damaged Property is an apartment building or buildings, also by the co-owners (and their respective first mortgagees) who own at least 75% of the common elements, including the co-owners (and their respective first mortgagees) of all damaged apartments. The approvals herein required shall not be unreasonably withheld.

XI. AMENDMENTS

These By-Laws may be amended in the following manner:

1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.

2. A resolution for the adoption of the proposed amendment shall be presented to a meeting of the members of the Association. Such approval shall be by co-owners representing at least Sixty-Seven (67%) percent of the total basic value of the Regime Property,

as then constituted, as set forth in Exhibit "C" to the Master Deed. No such amendment shall however, discriminate against any co-owner nor against any apartment or class or group of apartments unless the co-owners so affected shall consent. No amendment shall be made which is in conflict with the the Act, the Charter of the Association or the Master Deed establishing the Regime. No amendment shall be valid without the approval of eligible holders holding mortgages on Apartments which have at least fifty-one (51%) percent of the votes of the Apartments subject to eligible holder mortgages, if the proposed amendment materially adds to or affects any material provision of these By-Laws which establish, provide for, govern or regulate any of the following: (a) voting; (b) assessments, assessment liens; (c) reserves for maintenance, repair and replacement of the common areas; (d) insurance or fidelity bonds; (e) rights to use of the common areas; (f) responsibility for maintenance and repair of the Regime; (g) expansion or contraction of the Regime, or the addition, annexation or withdrawal of property to or from the Regime; (h) boundaries of any Apartment; (i) the interests in the general or limited common areas; (j) convertibility of Apartments into common areas or common areas into Apartments; (k) leasing of Apartments; (l) imposition of any right of first refusal or similar restriction on the right of a co-owner to sell, transfer or otherwise convey his or her Apartment; (m) any provisions which are for the express benefit of mortgage holders, eligible mortgage holders or eligible insurers or guarantors of first mortgages on Apartments.

4. Execution and Recording. A copy of each amendment shall be attached to a certificate certifying that the amendments was duly

adopted, which certificate shall be executed by the officers of the Association with formalities of a deed. The amendment shall be effective when such certificate and a copy of the amendment are recorded in the RMC Offices for Richland and Lexington Counties, South Carolina.

XII. Miscellaneous

1. Right of Access. The Association shall have the irrevocable right, to be exercised by the Board of Directors or its agents, to have access to each Apartment from time to time during reasonable hours as may be necessary for the inspection, maintenance, repair or replacement of any of the Common Areas and Facilities located therein or accessible therefrom or for making emergency repairs which are necessary to prevent damage to the Common Areas and Facilities.

2. Audit. An audit of the accounts of the Association shall be made annually by a certified public accountant, a copy of which shall be furnished to each member not later than April first of the year following the year for which the audit is made. In addition, any holder, insurer or guarantor of any first mortgage shall be entitled, upon written request, to a copy of the financial statement, free of charge.

3. Fidelity Bonds shall be required by the Board of Directors from all persons handling or responsible for Association funds. The amount of such bonds shall be determined by the Directors, but shall in no event be less than one and one-half times the amount of the estimated annual operating expenses and reserves of the Association. The premiums on such bonds shall be paid by the Association.

4. Contracts. Prior to the passage of control of the Association from the Grantor to the Association as provided in Section III (3), the Association shall not be bound either directly or indirectly to any contracts or leases, including management contracts made by the Grantor, unless there is a right of termination by the Association of any such contract or lease without cause and which may be exercised by the Association without penalty at any time after transfer of control upon giving no more than ninety days notice to the other party to such contract or lease.

5. Definitions. All definitions set forth in the Master Deed and the Horizontal Property Act, Sections 27-31-10, et seq., Code of Laws of South Carolina (as amended), 1976, are incorporated by reference herein.

6. Parliamentary Rules. Roberts' Rules of Order (latest edition) shall govern the conduct of Association meetings when not in conflict with the Charter and By-Laws of the Association, the Master Deed establishing the Regime, or with the laws of the State of South Carolina.

7. Partial Invalidity. Invalidation of any covenant, condition, restriction or other provision of all Declaration or these By-laws shall not affect the validity of the remaining portions thereof which shall remain in full force and effect.

8. Binding Effect. The provision of these By-laws shall be binding upon and inure to the benefit of the co-owners, their heirs, successors and assigns.

9. Gender, Singular, Plural. Whenever the context so permits, the use of the singular or plural shall be interchangeable in meaning and the use of any gender shall be deemed to include all genders.

10. Governing Law. The provisions of the Master Deed and these By-laws shall be governed by and constructed in accordance with the laws of the State of South Carolina.

These foregoing were adopted as the By-Laws of The Court Yard Association, Inc. on 29th day of December, 1983.

s/ John H. Burriss
Secretary

First Amendment to the Master Deed

of

The Court Yard Horizontal Property Regime

104 MAR -2 11 10 52

This is the First Amendment by Courtyard Associates, a general partnership to that certain Master Deed of The Court Yard Horizontal Property Regime, which deed is dated January 5, 1984 and recorded in the Office of the R.M.C. for Richland County on January 6, 1984 in Deed Book D677 at Page 85 and also recorded on that day in the Office of the R.M.C. for Lexington County in Deed Book 627 at Page 19.

WHEREAS, the Grantor, by the above-described Master Deed, submitted certain property described therein to a horizontal property regime pursuant to the provisions of the Horizontal Property Act in the Code of Laws of South Carolina, Section 27-31-10 et. seq; and

WHEREAS, under provisions of Article X of the said Master Deed, the Grantor reserved the right unto itself, without the acquiescence of any co-owner or a holder of an encumbrance against any apartment, to amend the Master Deed for the purpose of expanding this regime as provided therein; and

WHEREAS, the Grantor wishes to exercise this right to expand the regime by adding the property described as Phase I(a) and Phase I(b) on Exhibit 1, which is attached hereto and incorporated herein by referenced, to The Court Yard Horizontal Property Regime, this being a portion of the property described as "Additional Property" in the afore-said Master Deed.

NOW, THEREFORE, Grantor, for itself, its successors and assigns hereby submits this property described as Phase I(a)



and Phase I(b) to the provisions of the Horizontal Property Act as setforth in Section 20-31-10 et. seq. of the Code of Laws of South Carolina, 1976, as amended, by incorporating this property into The Court Yard Horizontal Property Regime as established by the above-described Master Deed as if it had originally been a part thereof; and the Grantor further declares that this property herein described as Phase I(a) and Phase I(b) and all improvements thereon shall be held, sold, encumbered, occupied, and conveyed subject to the terms and conditions of the Master Deed of The Court Yard Horizontal Property Regime and all exhibits thereto and to the easements, restrictions, covenants and conditions therein setforth, all of which is for the purpose of establishing condominium ownership of this property and all improvements thereon, and which shall run with the land and be binding upon the Grantor, its successors and assigns and all persons now or hereinafter owning or acquiring any interest in any portion of this property or the improvements thereon.

Description of Improvements

Phase I(a), as described in Section XII(e) of the Master Deed, consists of one (1) building containing sixteen (16) apartments. Annexed hereto and incorporated herein by reference as Exhibit 2(g) is a plot plan showing the location of the buildings in Phases I, I(a) and I(b). Annexed also hereto as Exhibit 2(a)-(c) and incorporated herein, is a set of floor plans of the building located in Phase I(a) which graphically show the dimensions, area, and location of each apartment therein and the dimensions and location of common elements affording access to each apartment. Each apartment is identified by a specific number

on these exhibits and no apartment bears the same designation as any other apartment. The building located in Phase 1(a) is designated on these floor plans as Building B.

Phase 1(b), as described in Section XII(e) of the Master Deed, consists of one (1) building containing sixteen (16) apartments and is shown on Exhibit 2(g). Annexed hereto and incorporated herein by reference as Exhibits 2(d)-2(f) is a set of floor plans of the building located in Phase 1(b) which graphically show the dimensions, area, and the location of each apartment therein and the dimensions and location of common elements affording access to each apartment. Each apartment is identified by a specific number on these exhibits and no apartment bears the same designation as any other apartment. The building located in Phase 1(b) is designated on these floor plans as Building D.

Percentage Interest

As a result of the expansion of The Court Yard Horizontal Property Regime by the incorporation of Phase I(a) and Phase I(b) into the regime, each apartment in the regime, including the original apartments in Phase I and those in Phases I(a) and I(b) shall have 1.7858 percentage interest in the common elements, as setforth in Exhibit C to the Master Deed.

Basic Value

The basic value of the apartments in Phase I(a) and I(b) shall be the same as in Phase I which is \$52,950.00. The Basic Value of Phase I(a), solely for statutory purposes, shall be \$847,200.00 and for Phase I(b) shall be \$847,200.00.

The Master Deed shall remain as originally written and shall be unchanged by this amendment except for the addition of Phases I(a) and I(b) to it as provided herein.

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IN WITNESS WHEREOF, the Grantor has caused this First Amendment to be executed and sealed the 28th day of February 1984.

IN THE PRESENCE OF:

Anne Little

COURTYARD ASSOCIATES, a South Carolina Partnership, consisting of Courtyard Associates of Charlotte, a North Carolina Limited Partnership and J-B Associates, a South Carolina General Partnership

By COURTYARD ASSOCIATES of CHARLOTTE, a North Carolina Limited Partnership

By:

William B. Little
William B. Little
General Partner

By:

W. Edwin McMahan
W. Edwin McMahan
General Partner

By J-B ASSOCIATES, a South Carolina General Partnership

By:

John H. Burriss
John H. Burriss
General Partner

By:

Robert L. Wolfson
Robert L. Wolfson
General Partner

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EXHIBIT 1

ED 683 PAGE 980

All those certain tracts of land with improvements thereon, situate, lying and being near the City of Columbia, in the County of Richland and partially in the County of Lexington, State of South Carolina, being shown and delineated as Phase I(a) and I(b) on a Plat entitled "As built survey for Courtyard Associates" dated July 12, 1983 and last revised February 28, 1984, by Collingwood & Associates, and recorded in the Office of the R.M.C. for Richland County in Plat Book Z at Page 8307 and in the Office of the R.M.C. for Lexington County in Plat Book _____ at Page ____.

This being a portion of the same property conveyed by St. Andrews, a South Carolina Limited Partnership to the Grantor by deed recorded in the Office of the R.M.C. for Richland County in Deed Book D655 at Page 154 and in the Office of the R.M.C. for Lexington County in Deed Book 590 at Page 122.

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EXHIBITS 2(a) THROUGH 2(g)

[D 683 PAGE 981

Exhibits 2(a) through 2(f) consist of a set of floor plans of the two (2) buildings located in Phase I(a) and Phase I(b) which show graphically the dimensions area and location of each apartment therein and common elements affording access to each apartment. Exhibit 2(g) is a plot plan showing the location of the buildings and other improvements. Exhibit 2(a) through 2(g) are recorded in the Office of the R.M.C. for Richland County in Plat Book 2 at Pages 308-315 and in the Office of the R.M.C. for Lexington County in Plat Book at Page reference to which is hereby made and they are incorporated herein by reference.

[D 683 PAGE 981

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND
AND LEXINGTON)

PROBATE

PERSONALLY appeared before me, Anne Butler, who, being duly sworn, says tht she saw the within-named Grantor, Courtyard Associates, a South Carolina General Partnership by and through its Partners sign, seal and deliver the within First Amendment to the Master Deed, and that she with Gerald D. Jowers witnessed the execution thereof.

Anne Butler

SWORN to before me this 28
day of February, 1984.

[Signature] (L.S.)
Notary Public for South Carolina
My Commission Expires: 8-10-91

15283

ED 691 PAGE 389

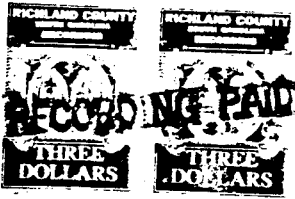
BOOK 649 PAGE 203

7.02

Second Amendment to the Master Deed
OF

APR 24 PM 4:14

The Court Yard Horizontal Property Regime



This is the Second Amendment by Courtyard Associates, a general partnership hereinafter sometimes referred to as "Grantor" to that certain Master Deed of The Court Yard Horizontal Property Regime, which deed is dated January 5, 1984 and recorded in the Office of the R.M.C. for Richland County on January 6, 1984 in Deed Book D677 at Page 85 and also recorded on that day in the Office of the R.M.C. for Lexington County in Deed Book 627 at Page 19.

WHEREAS, the Grantor, by the above-described Master Deed, submitted certain property described therein to a horizontal property regime pursuant to the provisions of the Horizontal Property Act in the Code of Laws of South Carolina, Section 27-31-10 et. seq; and

WHEREAS, under provision of Article X of the said Master Deed, the Grantor reserved the right unto itself, without the acquiescence of any co-owner or a holder of an encumbrance against any apartment, to amend the Master Deed for the purpose of expanding this regime as provided therein; and

WHEREAS, the Grantor wishes to exercise this right to expand the regime by adding the property described as Phase I (c) on Exhibit 1, which is attached hereto and incorporated herein by reference, to The Court Yard Horizontal Property Regime, this being a portion of the property described as "Additional Property" in the aforesaid Master Deed.

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ED 691 PAGE 389

APR 25 8 58 AM '84
FILED
LEXINGTON COUNTY

ED 691 PAGE 390

NOW, THEREFORE, Grantor, for itself, its successors and assigns hereby submits this property described as Phase I (c) to the provisions of the Horizontal Property Act as setforth in Section 20-31-10 et. seq. of the Code of Laws of South Carolina, 1976, as amended, by incorporating this property into The Court Yard Horizontal Property Regime as established by the above-described Master Deed as if it had originally been a part thereof; and the Grantor further declares that this property herein described as Phase I (c) and all improvements thereon shall be held, sold, encumbered, occupied, and conveyed subject to the terms and conditions of the Master Deed of The Court Yard Horizontal Property Regime and all exhibits thereto and to the easements, restrictions, covenants and conditions therein setforth, all of which is for the purpose of establishing condominium ownership of this property and all improvements thereon, and which shall run with the land and be binding upon the Grantor, its successors and assigns and all persons now or hereinafter owning or acquiring any interest in any portion of this property or the improvements thereon.

Description of Improvements

Phase I (c), as described in Section XII (g) of the Master Deed, consists of one (1) building containing sixteen (16) apartments. Annexed hereto and incorporated herein by reference as Exhibit 2 (d) is a plat showing the location of the buildings in Phases 1, 1 (a), and 1 (b), and 1 (c). Annexed also hereto as Exhibit 2 (a)-(c) and incorporated herein, is a set of floor plans of the building located in Phase 1 (c) which graphically show the dimensions, area, and location of each apartment therein and the dimensions and location of common elements affording access to each

apartment. Each apartment is identified by a specific number on these exhibits and no apartment bears the same designation as any other apartment. The building located in Phase 1 (c) is designated on these floor plans as Building E.

Percentage Interest

As a result of the expansion of The Court Yard Horizontal Property Regime by the incorporation of Phase I (c) into the regime, each apartment in the regime, including the original apartments in Phase I, Phase I (a), and (b) and I (c) shall have 1.3889 percentage interest in the common elements, as set forth in Exhibit C to the Master Deed.

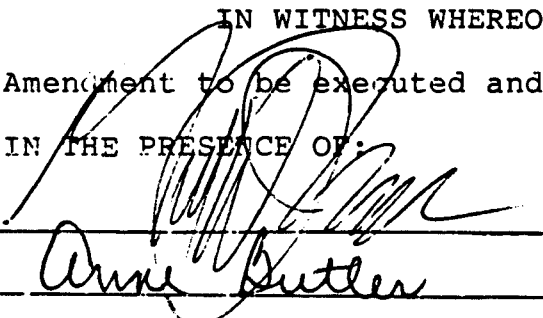
Basic Value

The basic value of the apartments in Phase I(c) shall be the same as in Phase I which is \$52,950.00. The Basic Value of Phase I(c), solely for the statutory purposes, shall be \$847,200.00.

The Master Deed shall remain as originally written and shall be unchanged by this amendment except for the addition of Phase I(c) to it as provided herein.

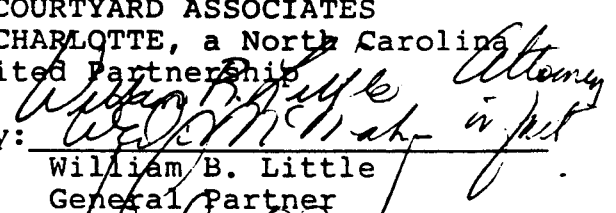
IN WITNESS WHEREOF, the Grantor has caused this Second Amendment to be executed and sealed this 20 day of April, 1984.


IN THE PRESENCE OF:


Anne Butler

COURTYARD ASSOCIATES, A South Carolina Partnership, consisting of Courtyard Associates of Charlotte, a North Carolina Limited Partnership and J-B Associates, a South Carolina General Partnership

BY COURTYARD ASSOCIATES of CHARLOTTE, a North Carolina Limited Partnership

By: 
William B. Little
General Partner

By: 
W. Edwin McMahan
General Partner

BY J-B ASSOCIATES, a South Carolina
General Partnership

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By:

Robert L. Wolfson
General Partner

By:

John H. Burriss
General Partner

STATE OF SOUTH CAROLINA)

COUNTY OF RICHLAND)

PERSONALLY appeared before me the undersigned witnesss,
who, being duly sworn, says that (s)he saw the within-named
Grantor, sign, seal and deliver the within Second Amendment
to the Master Dæd; and that (s)he with the other witness
who signature appears above witnesses the execution thereof.

SWORN to before me this 20

day of April, 1984.

(L.S.)
Notary Public for South Carolina
My Commission Expires: 2-10-91

Anne Butler

* Only one signature required pursuant to Memorandum Part-
nership Agreement.

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EXHIBIT 1

All those certain tracts of land with improvements, thereon, situate, lying and being near the City of Columbia, in the County of Lexington and partially in the County of Richland, State of South Carolina, being shown and delineated as Phase I (c) on a Plat entitled "As built survey for Courtyard Associates" dated July 12, 1983 and last revised April 20, 1984, by Collingwood & Associates, and recorded in the Office of the R.M.C. for Richland County in Plat Book 2 at Page 8142 and in the Office of the R.M.C. for Lexington County in Plat Book 192-G at Page 182.

This being a portion of the same property conveyed by St. Andrews, a South Carolina Limited Partnership to the Grantor by Deed Book D655 at Page 154 and in the Office of the R.M.C. for Lexington County in Deed Book 590 at Page 122.

Lex. TMS - part of 2899-05-05

EXHIBITS 2(a) THROUGH 2 (c)

Exhibits 2(a) through 2(c) consist of a set of floor plans of the building located in Phase I(c) which show graphically the dimensions area and location of each apartment therein and common elements affording access to each apartment. Exhibit 2(d) is a plot plan showing the location of the building and other improvements. Exhibit 2(a) through 2(d) are recorded in the Office of the R.M.C. for Richland County in Plat Book Z at Page ~~3443~~ ³⁴⁴⁷ and in the Office of the R.M.C. for Lexington County in Plat Book at Page reference to which is hereby made and they are incorporated herein by reference.

* In the Floor Plans, see file drawer marked "Floor Plans" located in R. M. C. office.

Third Amendment to the Master Deed
of
The Court Yard Horizontal Property Regime

This is the Third Amendment by Courtyard Associates, a general partnership, hereinafter sometimes referred to as "Grantor" to that certain Master Deed of The Court Yard Horizontal Property Regime, which deed is dated January 5, 1984 and recorded in the Office of the R.M.C. for Richland County on January 6, 1984 in Deed Book D677 at Page 85 and also recorded on that day in the Office of the R.M.C. for Lexington County in Deed book 627 at Page 19.

WHEREAS, the Grantor, by the above-described Master Deed, submitted certain property described therein to a horizontal property regime pursuant to the provisions of the Horizontal Property Act in the Code of Laws of South Carolina, 1976, Section 27-31-10 et. seq; and

WHEREAS, under provision of Article XII of the said Master Deed, the Grantor reserved the right unto itself, without the acquiescence of any co-owner or a holder of an encumbrance against any apartment, to amend the Master Deed for the purpose of expanding this regime as provided therein; and

WHEREAS, the Grantor wishes to exercise this right to expand the regime by adding the property described as Phase II on Exhibit 1, which is attached hereto and incorporated herein by reference, to The Court Yard Horizontal Property Regime, this being a portion of the property described as "Additional Property: in the aforesaid Master Deed and which is further described in Article XII (h) of said Master Deed which sets forth the maximum number of units in Phase II.

NOW, THEREFORE, Grantor, for itself, its successors and assigns hereby submits this property described as Phase II to the provisions of the Horizontal Property Act as setforth in Section 20-31-10 et. seq. of the Code of Laws of South Carolina, 1976, as amended, by incorporating this property into The Court Yard Horizontal Property Regime as established by the above-described Master Deed as if it had originally been a part thereof; and the Grantor further declares that this property herein described as Phase II and all improvements thereon shall be held, sold, encumbered, occupied and conveyed subject to the terms and condtions of the Master Deed of The Court Yard Horizontal Property Regime and all exhibits thereto and to the easements, restrictions, covenants and conditions therein setforth, all of which are for the purpose of establishing condominium ownership of this property and all improvements thereon, and which shall run with the land and be binding upon the Grantor, its successors and assigns and all persons now or hereinafter owning or acquiring any interest in any portion of this property or the improvements thereon.

Description of Improvements

Phase II consists of one (1) building containing 12 apartments. Annexed hereto and incorporated herein by reference as Exhibit 2 (e) is a plat showing the location of the buildings in Phases 1, 1 (a), and 1 (b), 1 (c), and Phase II. Annexed also hereto as Exhibit 2 (a)-(d) and incorporated herein, is a set of floor plans of the building located in Phase II which graphically show the dimensions, area, and location of each apartment therein and the dimensions and locations of common elements affording access to each apartment. Each apartment is identified by a specific number on these exhibits and no apartment bears the same designation as any

other apartment. The building located in Phase II is designated on these floor plans as Building F.

Percentage Interest

As a result of the expansion of The Court Yard Horizontal Property Regime by the incorporation of Phase II into the regime, each apartment in the regime, including the original apartments in Phase I, Phase I (a), I (b) and I (c) shall have 1.1905 percentage interest in the common elements.

Basic Value

The basic value of the apartments in Phase II shall be the same as the Other phases which is \$52,950.00. The Basic Value of Phase II, solely for the statutory purposes, shall be \$635,400.00

The Master Deed shall remain as originally written and shall be unchanged by this amendment except for the addition of Phase II to it as provided herein.

IN WITNESS WHEREOF, the Grantor has caused this Third Amendment to be executed and sealed this ____ day of November, 1984.

IN THE PRESENCE OF:

COURTYARD ASSOCIATES, a South Carolina Partnership, consisting of Courtyard Associates of Charlotte, a North Carolina Limited Partnership and J-B Associates, a South Carolina General Partnership

BY COURTYARD ASSOCIATES OF CHARLOTTE,
a North Carolina Limited Partnership

By: William B. Little
William B. Little, General Partner

By: W. Edwin McMahan
W. Edwin McMahan, General Partner

BY J-B ASSOCIATES, a South Carolina
General Partnership

By: _____
Robert L. Wolfson, General
General Partner

By: _____
John H. Burriss
General Partner

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

PERSONALLY appeared before me the undersigned witness, who,
being duly sworn, says that (s)he saw the within-named Grantor,
sign, seal and deliver the within Third Amendment to the Master
Deed; and that (s)he with the other witness whose signature appears
above witnesses the execution thereof.

SWORN to before me this _____
day of November, 1984.

_____(L.S.)
Notary Public for South Carolina
My Commission Expires: _____